

North American
Export Grain
Association, Inc.



1250 Eye Street, N.W. Suite 1003
Washington, D.C. 20005

Tel. 202.682.4030
Fax 202.682.4033
E-mail: info@naega.org

August 24, 2012

Peter W. Burr,
Branch Chief
Export Sales Reporting Branch
Import Policies and Export Reporting Division
Office of Trade Programs - Foreign Agricultural Service
U.S. Department of Agriculture
1400 Independence Avenue SW
STOP 1021
Washington, DC 20250-1021

Re: Foreign Agriculture Service Proposed rule to add reporting for pork and distillers dried grain (DDG) to the Export Sales Reporting Requirements

The North American Export Grain Association (NAEGA) appreciates this opportunity to comment on the Foreign Agriculture Service (FAS) Service Proposed rule to add reporting for pork and distillers dried grains (DDGs) to the Export Sales Reporting Requirements. Our comments are limited to considerations related to Export Sales reporting for DDGs.

NAEGA, a not-for-profit trade association established in 1912, consists of private and publicly owned companies and farmer-owned cooperatives that are involved in and provide services to the bulk grain and oilseed exporting industry. NAEGA's mission is to promote and sustain the development of commercial export of grain and oilseeds and their primary products. Through a reliance on member action and support, NAEGA acts to accomplish its mission from its office in Washington D.C., and in markets throughout the world.

NAEGA generally supports more timely information collection and dissemination leading to greater market transparency and enhanced free market competition. DDGs are an important feed ingredient and more information on exports of this commodity could be of value to the U.S. industry and consumers by leading to as close to real time as practical transparency and market analysis.

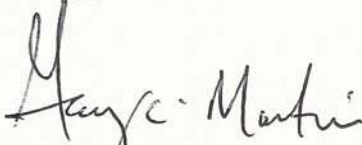
However, we are not confident that requiring the reporting of weekly sales through the FAS Export Sales Reporting Requirements would be a productive use of industry and USDA resources as doing so may not materially improve market information.

Many of our members active in DDGs trade are concerned that the nature of the market for DDGs is such that export sales reporting by FAS would provide little new, relevant or useful information. Many see the usefulness of FAS export sales reporting as tied to the ability to relate commodity quality and quantity to price and that doing so is dependent upon reports based on uniform quality leading to the ability to hedge price risk on a transparent market like one of the many U.S. commodity exchanges. DDGs unlike many commodities for which export sales

reporting is now required are not traded on uniform or official terms or via an exchange contract. DDGs are traded with highly variable and specific quality terms that differ greatly based on end use. For example, exported DDGs often require a specific color and nutritional profile that's not necessarily the same as the product that's traded domestically. Providing export sales reporting may skew the markets viewpoint on domestic values.

NAEGA appreciates your consideration of our views. We would be pleased to respond further to any questions the agency may have.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary C. Martin". The signature is fluid and cursive, with the first name "Gary" and last name "Martin" clearly distinguishable.

Gary C. Martin
President & CEO
NAEGA