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Sent: Tuesday, September 8, 2009 3:44 PM
To: ATR-Agricultural Workshops <agriculturalworkshops@usdoj.gov>
Subject:
Attach: FSA - Reliance on NASS Peanut Prices - Mar 09 (2).pdf

Dear Mr. Tobey:

I was forwarded some information on DOJ's interest in competition in agriculture and thought I might bring the peanut industry to your attention. I was told that several years ago the peanut industry was the target of a DOJ probe, but that was prior to my work as a peanut analyst at the Farm Service Agency.

My work entails keeping current with the peanut market and understanding the peanut marketing chain in order to administer the peanut marketing loan program, a subsidy program mandated by the farm bill. The concentration of the peanut industry directly impacts my work, as price discovery is incredibly difficult in an industry that relies on private contracts between farmers and two large peanut shellers.

Although the attached OIG report speaks more directly to the issue of peanut price reporting and its impacts on USDA outlays, it does suggest some issues with peanut marketing and recommends that USDA seek authority from Congress to require mandatory price reporting from peanut buyers.

Let me know if I can be of further assistance.

Kindest regards,

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