
URNER BARRY MARKET REPORTING GUIDELINES



TOMS RIVER, NJ

UPDATED: DECEMBER 15, 2016

WHO WE ARE

Our Mission

Urner Barry is a business publisher specializing in the timely, accurate and unbiased reporting of market news and quotations to clients in the poultry, egg, meat, seafood and related segments of the food industry through a variety of print and non-print media.

History

Urner Barry Publications, Inc. is the oldest commodity market news reporting service in America. Roots of the company date back to 1858, when one of the founders, Benjamin Urner, published the first issue of the *Producers' Price-Current*. Benjamin Urner owned a printing shop in New York's Washington Market region which was located on the southern tip of Manhattan. Merchants would get their listing of available commodities and offering levels printed at Urner's shop. Benjamin Urner noticed wide discrepancies in the offering levels of similar commodities and knew that this was due to a lack of market transparency. Recognizing opportunity, Urner began to canvass the marketplace and research actual trading levels. In 1858, Urner began to publish market price information and commentary in his *Producers' Price-Current*. Around the same time, Frank Barry began his own newspaper called the *New York Produce Report*. In 1895, The Urner Publishing Company and L. Frank Barry and Sons merged, forming The Urner-Barry Company.

In the 1970s, Urner Barry added seafood to its category of commodity listings and began publishing the *Seafood Price-Current*. In 1992, Urner Barry added red meat market coverage through its purchase of *The Yellow Sheet* from The National Provisioner. With this addition, subscribers could now turn to the most trusted and reliable source for market news and quotations for all center-of-the-plate proteins. For more than 150 years, Urner Barry has maintained its leadership position in the field. The company has never strayed from its original goal of reporting timely, unbiased price quotations and market conditions.

Present

Building on its leadership position in the field, management has increased the number of publications and services available to the industry. The company now offers a complete line of instant news services, newsletters, and reference materials.

Urner Barry's suite of services provides subscribers with a complete understanding of the protein market that is unparalleled. Whether you need actionable industry news, market quotations and history, or forecasting, Urner Barry has the tools you need to make more profitable business decisions.

URNER BARRY GUIDELINES TO WHOLESALE POULTRY, RED MEAT, EGG AND SEAFOOD MARKET REPORTING

This is an explanation of guidelines used by Urner Barry Publications to gather, evaluate and report daily market activity. Market quotations for use in Urner Barry's publications and services are determined using these procedures. These guidelines will provide necessary background so you may understand how Urner Barry markets are established.

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WHEN IS THE INFORMATION COLLECTED?

While trading information can be submitted to Urner Barry reporting staff at any time, Urner Barry's highly experienced market reporting staff is actively soliciting information from approximately 8:45 a.m. to 5:00 p.m. E.S.T. or E.D.T., five (5) days per week, excluding holidays.

HOW ARE URNER BARRY'S QUOTATIONS ESTABLISHED?

Reporters start gathering information for their next report immediately after filing the day's closing report. Information is collected via phone interviews, fax, email and online through contact with buyers and sellers of the items reflected in our quotation tables. Reporters contact processors, retailers, wholesalers, distributors, exporters, importers, traders and brokers several times throughout the day, to keep current on present price levels, as well as the market's potential movement. All trading participants and their reported information are strictly confidential, barring the necessary contacts made for trade verification. Unless otherwise stated, trading information is collected on product destined for US domestic consumption. Domestic quotations include trades on deliveries into any of the 48 contiguous United States.

Market closing times are as follows:
(timing may vary to accommodate the price discovery process)

EGGS

Weekdays 11:15 AM

Exceptions:

West Coast Eggs — Weekdays 3:00 PM

EU Egg — Fridays 10:00 AM

POULTRY

Weekdays 12:00 Noon

RED MEAT

Weekdays 3:30 PM

Exceptions:

Certified Angus Beef — Thursdays 4:00 PM

Mexican Beef — Fridays 4:30 PM

SEAFOOD

Tuesdays and Thursdays 4:30 PM

FACTS GATHERED IN THE MARKET REPORTING PROCESS

Information collected includes what products have been traded, what levels are being bid on each product, who is bidding or offering at said level, when the product will ship, and how the product is packed. Additional facts collected consist of what product is being presently offered or bid, at what price level, and when product is available for shipment.

ACCEPTABLE PRODUCTS AND MARKET CONDITIONS

To be accepted as useable market information, certain additional criteria must be met. With the exception of imported items and some "resale" quotations, product must be offered by or on behalf of the original producer. It must be of standard size and shape, unless otherwise specified, and in acceptable condition. It must also be delivered in a reasonable timeframe. No distressed product, or product offered or bought under distressed conditions, is acceptable.

Only trades and trading information from participants who are free to conduct business with a variety of market participants are acceptable. No trading information or trade that is or could be construed as a transfer between an individual company's divisions or departments must be considered in the final determination of the

Uerner Barry markets. Unless otherwise noted, truckload quantities are used as the volume basis for Uerner Barry's quotations. One exception is seafood which designates specific LTL quantities to denote acceptable volume transactions. Delivery or transfer of reported product must be completed within ten days of the trade's confirmation. Where there are exceptions, the delivery period is indicated on the corresponding quotation series. Contractual or market-related sales are not used in the final quote determination but rather as indicators of need and ability to sell at a predetermined level.

UNQUOTED MARKET LISTINGS

The market will be unquoted when trading is in limited volume and lacks free market movement or when industry conditions change so that traded volumes are too small in stature and infrequent to obtain reliable, consistent trading information. When the market is "unquoted," it indicates inactivity, or a lack of consistent information. Unquoted markets in no way reflect prices moving higher or lower, but merely indicate that a closing price could not be determined.

BIDS AND OFFERS — WHAT DO THEY MEAN?

An important part of the trading information gathered by market reporters is bids and offers. If higher bids or lower offerings come into the market after the last recorded trades, the closing price may be adjusted accordingly if the reporter finds sufficient justification for such an action. It is important to note that offering prices cannot be used to move prices upward, nor can bid prices be used to move prices downward.

COMMODITY-SPECIFIC GUIDELINES

POULTRY AND EGGS

Differences in delivered price are represented in Uerner Barry's regional market coverage. Price disparities between areas may occur for any number of reasons including but not limited to supply patterns, demand patterns, weather related circumstances, regional differences in product preference, and timing of deliveries. Commentary included in Uerner Barry's Price-Current, COMTELL, and other market services will state the conditions and explain the price differential for particular areas of the country.

POULTRY SPECIFIC GUIDELINES

Delivery Periods: Fresh product 1-7 days; Frozen export product 7-21 days

Trading information on poultry is for product shipped to domestic or export destinations.

RED MEAT

Delivery Periods

Unless otherwise noted, spot market listings reflect product for immediate shipment to a single receiver with shipment put into motion within 5 working days for fresh beef trimmings (combo bins or boxes) depending on availability; 1-14 working days for frozen pork trimmings; and 7 working days for poly-bagged, boxed primal or sub-primal cuts. Imported meat quoted on a spot basis is delivered inland usually within 7 days. Frozen product, such as beef trimmings and variety meats, are considered as current up to and including 10 days of trade. Delivery on forward imported trades must be executed within 7 to 45 days to be reflected in our quotations.

Red Meat Basing Points:

What They Are and How to Use Them

The Midwest River (Missouri River) area is a major meat production area in the central U.S. and, as such, is used as the basis (basing point) for most price quotes in Uerner Barry's Red Meat Report. Sioux Falls, SD, marks the northern-most point of the Northern Region and Oklahoma City, OK, the southern-most point. Garden City, KS, marks the northern-most point of the Southern Basing Region and Amarillo, TX, the southern-most point.

Prices on Urner Barry's Red Meat Report reflect a standard, national price which can be adjusted for particular areas of the country by adding appropriate freight rates from the Midwest River area. With few exceptions, meat prices quoted on the Red Meat Report reflect an FOB Midwest River basis freight rate. Exceptions include: lard, edible and inedible tallow, and greases which are reported C.A.F. (price includes freight) Chicago; edible tallow and fancy bleachable tallow which are reported C.A.F. Gulf Ports; boneless processing beef which is reported C.A.F. East and West; and imported meats which are quoted FOB port of entry.

If shipment is made by a producer located outside the River area, Urner Barry calculates the FOB Midwest River basis by taking the delivered price and deducting the freight rate back to the Midwest River as though shipment had been made from there. If shipment is from one point in the Midwest River area to another, market reporters deduct freight charges to adjust the price from C.A.F. River basis to FOB Midwest River basis. If buyers and sellers use an agreed-upon formula of freight rates plus overages for special products (trimming, selection or special packaging), Urner Barry deducts both freight rates and overages to determine an FOB Midwest River basis price for standard product.

HOW TO DETERMINE A PRICE FOR YOUR AREA OF THE COUNTRY

To determine the appropriate trading price for product in your area of the country, check Urner Barry's published freight map for rates from the Midwest River area to your location and add this rate to the price on the Red Meat Report. These rates reflect the freight costs that would be incurred to deliver product to the dock at your location regardless of where it was produced.

For example, the price of a load of fresh 50% CL beef trimmings delivered to Chicago would be determined as follows:

Assuming Urner Barry's price is \$55/cwt (FOB Midwest River basis), you would add \$3/cwt freight to arrive at a delivered price of \$58/cwt in Chicago. The freight rates used by Urner Barry reporters are regularly reviewed to ensure they are current with industry averages.

Symbols used in the Red Meat Report

b	bid
ax	asked
n	nominal
r	reinstated quote
LTL	less than trucklot
TL	trucklot
FOB	price does not include freight
C.A.F.	Cost And Freight
unq	unquoted (or "—"), inactive, inconsistent
cwt	hundredweight

SEAFOOD

LTL Truckload and Container Load Sales

Acceptable quantities vary and are noted. To be considered a truckload or container load trade, the quantity or unit of trade must be a commercially acceptable truckload or container load. LTL quantities are for less-than-truckload sales of significant volume. What is considered significant volume varies from product to product and also depends on the total supply situation.

Seafood Basing Points:

What They Are and How to Use Them

Points along both coasts (East and West) are homes to the major entry points for imported seafood or nearest where the product is domestically harvested, and as such, are the basis (basing point) for many Urner Barry price quotes. For example, Alaskan Pollock is quoted FOB West Coast since this is where the product enters the market. Fresh New England Cod is quoted FOB New England since this is where the product is landed. South American fresh Mahi-Mahi is quoted FOB Miami since this is the primary port of entry. If a sale is reported to Urner Barry on a delivered basis, freight charges are backed out of the price and are then considered on an ex-warehouse basis.