

PROGRAM DESCRIPTION

Beef Verification Solution and AgInfoLink's USDA-approved Process Verified Program



June 19, 2007

AgInfoLink has earned USDA's Process Verified Program (PVP) approval and qualifying members of the Beef Verification Solution program can use it to provide an auditable information trail to authenticate data collected and validate various marketing claims such as source and age for animals.

What is a PVP?

A PVP is a USDA approved Process Verified Program. A process verified program is a quality management system that is implemented by a company or business to provide products or services which consistently meet specified product requirements. Today, more and more downstream beef marketing programs are demanding that cattle be part of an auditable and verifiable program in order to better guarantee quality or attribute claims. For example, any cattleman that would like their cattle to qualify for USDA's Beef Export Verification program (i.e. qualify for export to Japan) must be part of a USDA approved PVP or Quality System Assessment (QSA) program. The AgInfoLink Process Verified Program gives customers the opportunity and flexibility to participate in a wide variety of these marketing channels.

QSA versus PVP

Both USDA programs, Quality System Assessment (QSA) and Process Verified Program (PVP), are important for the industry and involve third party, USDA audits. QSA's provide suppliers of agricultural products such as processors or feedlots the opportunity to assure customers of their ability to provide consistent quality products. It is limited to programs or portions of programs where specified product requirements such as source or age are supported by a documented quality management system. Because of this, QSA's are often very specific in their defined claims and processes, and offer very little flexibility to individual participants.

PVP's on the other hand, can cover a broader variety of claims and offer greater flexibility for participants to define their claims and processes. Because of the higher level of training and auditing associated with process verified programs, most packer and feedlot QSA's will accept cattle from a PVP supplier without requiring additional auditing, since the PVP is responsible for ensuring the auditability and verifiability of the participant's information.

The advantage of participating in the AgInfoLink PVP for the individual Cow/calf or Stocker Operator is that it gives you the flexibility to market your livestock through multiple QSA programs. Each year, you have the freedom to choose the feedlot, packer or other marketing channel (and their associated QSA program) that provides the most profit potential as opposed to being locked into a single QSA program.

Steps for Participation

1. Be currently enrolled in the Beef Verification Solution program either as a Cattle-card or BeefLink User.
2. Contact your local Verification Center who will work with you through the enrollment process. To find the nearest Verification Center, go to www.agsolusa.com/bvs/, or contact your local County Farm Bureau Office.
3. On-Site Evaluation and Program Training. The On-Site Evaluation includes all of the training and completion of the necessary enrollment forms. It is designed to provide assurance that you are properly trained and are maintaining appropriate records to validate the claims covered under the PVP.
4. Upon an acceptable On-Site Evaluation and review by Ag Solutions Staff and AgInfoLink, your operation will be approved and covered under the PVP.
5. If approved, you may request through your Verification Center that AgInfoLink provide you or subsequent owners with verified data reports for specific groups of animals.
6. Thereafter you will be subject to random Maintenance Audits conducted by USDA, AgInfoLink or Beef Verification Solution Staff (All audits will be pre-scheduled – no surprise audits!)
7. Fees for training and program maintenance will be charged based on enrollment classification.



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Frequently Asked Questions

1. What is a PVP?

- A PVP is a USDA approved Process Verified Program. A PVP requires a company or business entity to implement a Quality Management System, based upon ISO 9000 standards, to provide products or services which consistently meet specified product requirements. AgInfoLink's specific program claims are verified through USDA audits.

2. Can a PVP be used to qualify for Beef Export Verification for Japan?

- Yes, a PVP for age and source verification can be implemented to verify the age and source of the animals to be marketed in a beef export verification program for Japan, provided they are uniquely identified back to the ranch of origin and all suppliers are enrolled and approved.

3. What services does AgInfoLink provide with its PVP?

- AgInfoLink provides producers with the ability to uniquely identify animals, manage data on those animals, qualify animals to be eligible under other QSAs or PVPs, and to provide verifiable information on age and source to others in the industry.

4. Why would I choose a PVP?

- Convenience:
 - Sell to more than one packer or feedlot without increasing paperwork, since most QSAs will accept documentation from a PVP supplier without requiring additional auditing.
- Confidentiality:
 - PVP auditing by AgInfoLink eliminates need for packer or feeder QSA audits of rancher animal records, therefore protecting producer confidentiality.
 - Prevent access to sensitive records and keep herd data confidential.
- Flexibility:
 - Calves that don't meet the protocol do not affect the rest of the calves in the group for meeting the PVP.
 - Cattle enrolled in AgInfoLink's PVP for age and source verification may be eligible for multiple PVP and QSA Programs.

5. If I am approved under the PVP, will I be recognized as an approved supplier for a QSA?

- Most QSAs will accept documentation from a PVP supplier without requiring additional auditing. The Process Verified Program is responsible for ensuring the verification of the participant's information, and thus relieves the QSA of this responsibility.

6. What can the AgInfoLink PVP "umbrella" provide for me?

- The ability to make age and source verification claims without enrolling into a separate QSA or PVP. The umbrella portion of the AgInfoLink PVP allows AgInfoLink to train agents or verification centers (like cattlemen's associations or veterinarians) to perform the enrollment and data verification steps in your local area. The PVP also enables producers to share information on source and age verification with others in the industry without being subject to audits by other industry segments.

7. How do I become enrolled and approved in the AgInfoLink PVP?

- Participants must have a current customer contract with AgInfoLink or with an AgInfoLink network partner. Participants must then complete a PVP Enrollment Form. AgInfoLink (or its agent or sub-contractor) will conduct an on-site evaluation of the participant. AgInfoLink will then notify the participant of approval/disapproval.

8. If I am approved as a supplier under the AgInfoLink Process Verified Program, will I be audited?



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- Yes. You would be subject to random audits by AgInfoLink or its contractors, or USDA, AMS. USDA AMS could audit your operation as part of the audit process insuring that the AgInfoLink Process Verified Program is meeting its requirements.

9. Do suppliers of cattle under the AgInfoLink's USDA approved Process Verified Program need to be trained?

- Training is required for any suppliers of animals that have responsibilities in the PVP documentation process. AgInfoLink and/or agent of AgInfoLink will train your personnel based on the claims for which you have been approved, including training on basic understanding of a quality system, tagging procedures, and record keeping supporting age and source verification claims.

10. What is involved in the training process?

- AgInfoLink or its agent will be required to complete an enrollment form with your herd information. As part of the enrollment process, the agent will be required to view your documentation and verify that all necessary information is accessible. This will require an onsite evaluation at your home or ranch office. Once the onsite evaluation and all enrollment information is completed and submitted and approved by AgInfoLink, acceptance to the PVP for age and source should be expected within two weeks.

11. Can I qualify for the PVP by using only signed affidavits?

- No. All participants require site evaluations by AgInfoLink agents or auditors to review customer processes, documentation, and live animal production records. Signed affidavits alone are not sufficient to qualify participation.

12. How are animals identified in the AgInfoLink PVP?

- All animals in the AgInfoLink PVP must be uniquely and individually identified. For cattle, all animals must be tagged with an AgInfoLink ISO-compliant RFID ear tags or other identification approved by AgInfoLink on a case basis.

13. How will buyers know my animals are covered by the PVP?

- Participants will receive an official letter recognizing their approval for participation in the AgInfoLink PVP. Participants may also request that AgInfoLink provide official certificates for groups of animals which the participant can provide to subsequent owners or agents. AgInfoLink may also provide these certificates directly to subsequent owners at the PVP participant's request.

14. What is a premises I.D.? Why do I need one?

- A premises ID is a unique 7-character number to identify a specific farm or ranch location. These numbers are issued by the USDA-APHIS. If your farm or ranch covers several locations, each location will have a separate premises I.D. Producers should contact their respective state animal health authority (typically their state veterinarian) for an application. AgInfoLink requires premises ID for participation in its Process Verified Program.

15. What is conforming product under the AgInfoLink PVP?

- Conforming product are the identified cattle and the verified data in the AgInfoLink system.

16. What is non-conforming product?

- Cattle that cannot be verified for age and source, or who weren't identified uniquely to the ranch of origin, and where all suppliers are not AgInfoLink PVP approved or approved under another USDA Process Verified Program.

For more information on process verification, visit USDA's website at <http://ProcessVerified.usda.gov>

