

# Questions and Answers: National Animal Identification System Benefit-Cost Analysis Poultry Sector

**Q. Was the poultry sector considered in the benefit-cost analysis for the National Animal Identification System (NAIS)?**

**A.** Yes. The poultry sector was one of the main areas of research and analysis for the study. The analysis focused on the bovine, porcine, ovine, poultry, and equine industries. The report also includes some discussion about minor species groups.

The study looked at the benefits and costs for live-stock producers (divided into subgroups by production phase), livestock markets, and packers. All three groups were broken down by operation size to provide additional accuracy in the analysis. The benefits and costs for Federal and State governments also were examined.

**Q. How was the poultry sector examined?**

**A.** The poultry sector analysis was broken down into layers, broilers, and turkeys. These groups were further broken down by size of operation.

**Q. What form(s) of identification were used for poultry in the study?**

**A.** For the purposes of this study, it was assumed that poultry would be identified through group/lot numbers. Because individual animal identification for the commercial poultry industry is not necessary, no costs for identification devices were considered in the report.

**Q. What costs did the study indicate?**

**A.** The study estimates that the overall costs for 100 percent participation in a fully traceable NAIS system for all four major species (cattle, swine, sheep, poultry) is \$228.27 million annually. Costs for 90 percent participation in the same system would be \$192.22 million.

The poultry sector costs for a fully traceable system at 90 percent participation would be \$7.98 million. The average cost per animal sold in the layer group is \$0.0195. For broilers, the average cost per animal is \$0.0007. The average cost for turkeys is \$0.0020 per animal.

For cost details broken down by operation type and size, please reference table 7.8 on page 140 of the full report, which is accessible at [http://www.usda.gov/nais/naislibrary/documents/plans\\_reports/Benefit\\_Cost\\_Analysis\\_NAIS.pdf](http://www.usda.gov/nais/naislibrary/documents/plans_reports/Benefit_Cost_Analysis_NAIS.pdf)

**Q. Looking at costs per industry, how did the poultry sector compare?**

**A.** The poultry sector had the lowest cost of all the industries in the study. This is due to the fact that only group/lot identification was used. No identification devices or tags were considered.

**Q. What size operations had the highest and lowest costs of participation?**

**A.** The average cost per animal in the layer group is \$0.0195. For broilers, the average cost per animal is \$0.0007. The average cost for turkeys is \$0.0020 per animal.

The study found that layer operations with an average inventory of 1–49 animals represent the poultry group with the highest average cost, at \$1.9014 per animal.

Broiler operations with greater than 750,000 broilers sold per year represent the poultry group with the lowest average cost, at \$0.0002 per animal.

**Q. Why should a poultry producer participate?**

**A.** There are benefits mentioned in the study that can specifically affect poultry producers. These benefits include:

- better disease management and surveillance—lessening the chance that animals might be exposed
- reduction of economic impact of disease events—quickly containing the outbreak and reopening markets for unaffected producers

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