

TABLE 1.—ESTIMATED NUMBER OF AFFECTED ENTITIES

Type	Firms	Establishments
Beef, Lamb, and Pork:		
Cattle and Calves	1,032,670	1,032,670
Sheep and Lambs	64,170	64,170
Hogs and Pigs	67,150	67,150
Stockyards, Dealers & Market Agencies	7,775	7,775
Livestock Processing & Slaughtering	3,098	3,358
Meat & Meat Product Wholesale	3,185	3,305
Fish:		
Farm-Raised Fish and Shellfish	3,540	3,540
Fishing	76,499	76,452
Seafood Product Preparation & Packaging	741	823
Fish & Seafood Wholesale	2,897	2,980
Perishable Agricultural Commodities:		
Fruits & Vegetables	47,986	47,986
Frozen Fruit, Juice & Vegetable Mfg	163	257
Fresh Fruit & Vegetable Wholesale	9,026	12,879
Peanuts:		
Peanut Farming	12,221	12,221
Roasted Nuts & Peanut Butter Mfg	140	159
Peanut Wholesalers	83	83
General Line Grocery Wholesalers	3,183	3,993
Retailers	4,512	37,176
Totals:		
Producers	1,303,846	1,303,799
Intermediaries	30,291	35,612
Retailers	4,512	37,176
Grand Total	1,338,649	1,376,587

Supply chains for the covered commodities are mostly specialized from farm production through manufacturing levels. After manufacturing, the degree of specialization diminishes, until products reach retail outlets where most affected retailers sell many of the covered commodities. Even after manufacturing, however, there are specialized wholesalers who distribute the products to retail outlets. Firms and establishments that specialize in the production and distribution of each covered commodity are listed within each group. General-line wholesalers and retailers that handle several of the covered commodity groups are listed separately at the bottom of the table.

For all covered commodities, the numbers of manufacturing and wholesaling establishments are estimated from the 2001 County Business Patterns (Ref. 8) and the 2000 Statistics of U.S. Businesses (Ref. 9). An establishment is a single physical location where business is conducted or where services or industrial operations are performed. A firm is a business organization consisting of one or more domestic establishments in the same industry that was specified under common ownership or control. The firm and the establishment are the same for single-establishment firms. County

Business Patterns and Statistics of U.S. Businesses report data for companies with at least one paid employee.

Nonemployer Statistics are also reported by the U.S. Census Bureau (Ref. 10). Nonemployer Statistics reports data for companies with no paid employees, such as independent contractors. Because nonemployer businesses are generally very small, we assume that nonemployer manufacturing and wholesaling businesses do not supply commodities to retailers of the size covered by this proposed rule (*i.e.*, retailers selling fresh and frozen fruits and vegetables with an invoice value of at least \$230,000). Such small businesses likely are engaged in localized specialty operations that would not supply larger retailers. Therefore, nonemployer businesses are not included in the assessment of the firms and establishments impacted by the proposed rule. We invite comments on the validity of this assumption.

We assume that all firms and establishments identified in Table 1 will be impacted by the proposed rule, although some may not produce or sell products ultimately within the scope of the proposed rule. While this assumption likely overstates the number of affected firms and establishments, we believe that the assumption is reasonable. Detailed data on the number

of entities categorized by the marketing channels in which they operate and the specific products that they sell are not available.

Beef, lamb, and pork: USDA estimates that there are 1,032,670 operations with cattle and calves (Ref. 11), 64,170 operations with sheep and lambs (Ref. 12), and 67,150 operations with hogs and pigs (Ref. 13). For farming operations, the firm and the establishment are considered to be one and the same. We assume that all of these livestock production operations are affected by the proposed rule, even though we recognize that substantial portions of the covered commodities produced from the livestock of these operations will fall outside of the proposed rule. Covered commodities sold at foodservice establishments, exported, used as ingredients in processed food items, or sold at retail outlets not covered by the proposed rule are outside the scope of the proposed rule. When livestock are born, the producer typically does not know the ultimate destination for the final product. We assume that all producers will seek to keep their market options open, whether the final product moves to a covered retailer or to another marketing outlet. In addition, there are 7,775 posted stockyards, bonded dealers and market agencies that are involved in