



"A genetic network of high quality beef"



Swift & Company

**Carcass Merit Pricing Formula
Grand Island, NE & Greeley, CO**

7/19/2010

Determine Base Price - 2 Options	
Option 1 Formula	USDA Previous Weeks " Weekly Weighted Average Nebraska Dressed Beef Price"
Start Price* = USDA Wt. Avg.	
Option 2 Bid = Start Price*	Call Corporate office 785-628-3004 to get on our bid list. We will then call you with a bid when cattle are trading.
*Amount to add to Start Price to determine Choice YG 3 Base Price	100% - Grade % in plant * Ch/Sel Spread + Start Price
Choice/Select Spread	USDA Previous Week's 5 day Average

Premiums & Discounts to add or subtract from Base Price

Prime/Ch Spread	\$8.00	Premium
CAB/Ch Spread	\$5.00	Premium
**Swift Premium Classic	\$4.00	Premium
Standards	\$10.00 under Select	
Commercial/Heiferette	\$20.00 under Select	
Dark Cutters, Yellow, etc	Market	
Condemned cattle	No Value	
Yield Grade 1	\$5.00	Premium
Yield Grade 2	\$3.00	Premium
Yield Grade 3	Base	
Yield Grade 4	\$15.00 under YG 3	
Yield Grade 5	\$25.00 under YG 3	
535/Down	\$15.00	Discount from base price (Ch YG 3)
950/Up	\$15.00	Discount from base price (Ch YG 3)

Please call for current premium paid for Source & Age Japan eligible cattle.

****Swift Premium Classic=Upper 2/3 Choice Non-black hided cattle (only at Grand Island Plant at this time)**

***Example to figure amount to add to Start Price to determine CH YG 3 Base Price:**

If the plant grade avg. was 60% Choice, the Ch/Sel spread was \$8.00, then amount added to the **Start Price (NE Wtd. Avg. or the bid Price)** would be \$3.20. If the Start Price was \$140.00, then $100\% - 60\% = 40\% \times \$8.00 = \$3.20 + \$140.00 = \mathbf{\$143.20}$ would be the **Choice 3 Base Price**