Wednesday, February 9, 2011

Senators Ask for Next Steps on Agriculture Competition

WASHINGTON – Senator Chuck Grassley, along with Senator Patrick Leahy, today asked for the next steps planned for agricultural competition issues by the Departments of Justice and Agriculture. The two agencies held joint workshops over the last year to learn about the key competition issues facing the agriculture industry. Grassley and Leahy are respectively Ranking Member and Chairman of the Senate Judiciary Committee, which has jurisdiction over federal antitrust policy. Both senators are also members of the Senate Agriculture Committee which has jurisdiction over the Packers and Stockyards Administration.

"The agriculture industry has consolidated to the point where family farmers, independent producers and other smaller market participants do not have equal access to fair and competitive markets. Increased concentration in agriculture will lead to fewer product choices and higher product prices for the American consumer," Grassley said. "The workshops offered a chance for people involved in the ag industry to voice their concerns and provide comment. It was a strong signal that the two agencies were communicating about this important issue. Now, it's time to take another step forward. I look forward to hearing what the Justice Department and Agriculture Department have in mind.

Grassley is a strong advocate for increased competition in agriculture and has sought to ensure healthy competition in the agriculture industry for all market participants by taking legislative action and conducting aggressive oversight. The 2008 farm bill included positive steps in market transparency and increased competition, based on legislation sponsored by Grassley, but he has reiterated the need for additional action.

Here is a copy of the text of the letter sent to Attorney General Eric Holder and Secretary of Agriculture Tom Vilsack.

February 9, 2011

The Honorable Eric Holder	The Honorable Tom Vilsack
Attorney General	Secretary
U.S. Department of Justice	U.S. Department of Agriculture
950 Pennsylvania Avenue NW	1400 Independence Avenue SW
Washington, DC 20530	Washington, DC 20250

Dear Attorney General Holder and Secretary Vilsack,

We are writing in regard to the U.S. Department of Justice (DOJ) and U.S. Department of Agriculture (USDA) competition workshops which were held throughout 2010. From March through December 2010, workshops were held in Iowa, Alabama, Wisconsin, Colorado, and the District of Columbia covering seed, poultry, dairy, livestock, and price margins. In addition, written and public comments were also accepted on these topics.

These workshops brought many of the key players on agricultural competition together and we thank you for this proactive step in beginning a dialogue on vertical integration, buyer power, market transparency, concentration, and retail prices. Producers, economists, academics, and government and elected officials were all able to participate in this process.

With the conclusion of the last workshop on December 8, 2010, we would appreciate an update as to what the DOJ and USDA plans for its next steps. As Chairman and Ranking Member of the Committee on Judiciary, please provide to us an outline of any plans or further action items that DOJ and USDA intend to take in this area. While making the workshop transcripts and comments available to the public has been helpful, we would also like to know what your Departments have learned from this process and whether any additional follow up is warranted.

Thank you for your prompt attention to this request.

Sincerely,

Patrick Leahy Chuck Grassley

Chairman Ranking Member