



Department of Justice

FOR IMMEDIATE RELEASE
FRIDAY, JUNE 25, 2010
WWW.JUSTICE.GOV

AT
(202) 514-2007
TDD (202) 514-1888

**REMARKS AS PREPARED FOR DELIVERY BY ASSISTANT ATTORNEY GENERAL
CHRISTINE VARNEY AT THE WISCONSIN DAIRY WORKSHOP**

Madison, Wis.

It is a great pleasure to be here in Madison, Wisconsin to discuss the important issues facing the dairy industry today. Dairy farming has been a vital American industry since before there was an Antitrust Division, and we are here today to learn about the forces buffeting this important economic sector, and what the government might be able to do to help.

In these sessions, I have heard personally from so many farmers struggling to maintain a way of life their family—and this nation—has known for generations. American agriculture provides the livelihood for an enormous portion of the workforce, and sustenance for the rest. We should remember that American agriculture puts food on the table of American families, and that we have the ingenuity, productivity, and efficiency of its farmers to thank.

This is the third session of these joint workshops which, from our perspective, have been and should continue to be a major success and an important example of government collaboration. We have been working closely with the United States Department of Agriculture, and based on what we have heard at prior workshops, we have recently formed a task force to examine how we can work better together to promote healthy competition in agriculture. One focus of this task force will be to review enforcement of the Packers and Stockyards Act, one of the nation's essential and historic competition laws. We have been gathering information, building in more time in each session to hear from farmers about the issues and industry dynamics that affect them the most. This is leading to a more fruitful understanding and more successful cooperation between our agencies than ever before.

Today is a particular highlight for us. Our discussions and panels today bring together officials not only from the Department of Justice and the Department of Agriculture, but also from Congress, from the Commodity Futures Trading Commission, and from the states, all of whom have a strong interest in the vibrancy and competitiveness of dairy markets. These diverse panels of farmers, academics, and industry representatives will be discussing the important trends affecting the industry, the prevalence and increase in concentration in the market for raw milk, and issues surrounding the way in which prices to dairy farmers are set. We expect that what we learn today will help us immeasurably as we consider the ways in which government can help to ensure efficiency and competition in dairy markets, with low prices to consumers—from schoolchildren to family pizza shops—and with fair returns to those running our dairy farms.

We have already taken some important steps to protect consumers from undue consolidation. In January, the Department of Justice filed a lawsuit against Dean Foods alleging that it violated the antitrust laws in its acquisition of Foremost Farms. As we said in our complaint, we believe that transaction will likely lead to higher milk prices for both schoolchildren and everyday fluid milk consumers here in Wisconsin, as well as Michigan and Illinois. I have traveled with Senators Leahy and Schumer to Vermont and New York to speak with dairy farmers, and we are keeping a watchful eye on this industry, mindful of the various comments that we have heard. We know that dairy farmers are concerned about a lack of choices for buyers, about the way that their milk is priced, and about a year of dispiriting returns for their labors. It is my hope that today's conversations will allow us to bring attention and clarity to these issues, and help us to think hard about the role that the Department of Justice and the Department of Agriculture can play in promoting the health and competitiveness of dairy markets in these economic times.

#