

From: outreach@iowafarmersunion.org [mailto:outreach@iowafarmersunion.org]
Sent: Thursday, December 31, 2009 1:54 PM
To: ATR-Agricultural Workshops
Cc: Chris Petersen
Subject: Comments regarding DOJ/USDA Agricultural Competition Investigation

Please find attached the comments from the Iowa Farmers Union regarding competition in agriculture.

Thank you

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United States Department of Justice
Legal Policy, Antitrust Division
United States Department of Agriculture

To Whom It May Concern:

The Iowa Farmers Union strongly supports the investigation of large industry players around family farm agriculture, especially the meatpacking and the seed industries. In livestock production, being an independent producer has become harder and harder as fewer buyers are available to purchase the animals or milk produced. Contract production in particular, has impacted fair and equitable pricing.

The hog industry, as one example, is no longer is self-adjusting to supply and demand. Instead of producers paying attention to market signals and decreasing production in times of low prices, contract hogs are produced with much less attention to market signals. This oversupply decreases prices and calls upon taxpayers to buy up the excess repeatedly.

In the seed industry, few companies control the market and genetic material in our crop plants. Lack of diversity in crop seeds available cause us to be more susceptible to changing conditions including the environment and disease, leading to lack of a safe and stable food supply. Additionally, control allows companies to give themselves a raise every year through significant price increases, while farmers work on very tight margins.

Widespread market problems in these industries have continued, unchecked, for decades. This investigation, and most of all, action to end monopolies and unfair practices, is needed as soon as possible. Allow our family farmers a fair chance to compete in the market for a healthier rural economy and a more vibrant food system.

Sincerely,

Chris Petersen
President, Iowa Farmers Union