From: Frances Chapman <franceschapman@verizon.net>
Sent: Wednesday, December 30, 2009 3:08 PM
To: ATR-Agricultural Workshops <agriculturalworkshops@usdoj.gov>
Subject: Department of Justice Hearings on concentration in agriculture

---

Legal Policy Section
Antitrust Division
U.S. Depart. of Justice

Thank you for this opportunity to provide comments for next year's Department of Justice and USDA hearings, which are a sorely-needed first step to address concentration of ownership in American agriculture.

These hearings should address the broad implications of anti-competitive practices. A combination of vigorous enforcement, regulation, and legislation will be needed to restore competition and level the playing field.

Our food supply, from seed to grocery store shelf, essentially belongs to a handful of companies. As a result, prices are rising, research and innovation are restricted, fair contracts are difficult to negotiate, and farmers' and consumers' choices are limited The problem is worsening. The effects of concentration are widespread, from seed research to meat processing.

- Costs of seed and other inputs are rising to historic highs while the prices farmers receive are falling.
- Farmers are losing their right to save seed, and independent seed companies are disappearing. More than 200 have disappeared since 1996.
- Farmers do not have the explicit right to bargain collectively, which they need in order to level the playing field and negotiate fair contracts.
- Patents and licensing agreements severely restrict plant breeders' and researchers' access to genetic material and prevent researchers from testing existing varieties.
- Programs at public universities are increasingly dependent on funding from private companies instead of public funds. As a result, publicly-owned seeds and breeds are dwindling, and innovation is declining.
- Manufacturers of GE crops are not held liable for contamination of farmers' crops. In fact, farmers are held liable, even when the GE content provides no economic benefit.
- Contracts often leave farmers with little financial or legal control over their situations and take away their right to privacy.
- The Packers and Stockyards Act prohibits unfair practices in the poultry industry, but it is rarely enforced because enforcement authority is split between the USDA and the Justice Department.
- Lack of regional competition and tacit collusion between poultry companies restrict contract farmers' options.
- The ranking system for contract poultry farmers is not based on true competition, and farmers who lose poultry contracts are not able to recapture their initial investments

Farmers and consumers deserve an open and fair marketplace. Family farmers, independent companies, and public research are vital to the future of agriculture. These hearings can be an important step as the Justice Department and the USDA work to restore fairness and competition. Please accept these comments and additionally, use them for establishing the scope of your upcoming hearings.

From a personal point of view, I have noticed that long-time organic brands are being bought up by large food

conglomerates, many of which have practices I wish to discourage as a consumer. I suggest closer scrutiny of this practices, especially when the acquired company is a brand leader in the organic sector and the acquiring company is a conventional agricultural business.

Sincerely,

Frances Chapman