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December 29, 2009

Legal Policy Section, Antitrust Division
U.S. Department of Justice
450 5th Street, NW
Suite 11700
Washington, D.C. 20001

RE: USDA/DOJ WORKSHOPS REQUEST FOR COMMENTS

North Dakota Farmers Union appreciates the opportunity to comment on the upcoming USDA/DOJ Competition/Antitrust Workshops. As the largest farm organization in North Dakota, we represent over 42,000 farm and ranch families. We are dedicated to protecting and enhancing the economic well-being and quality of life for families on the land and their rural communities.

North Dakota Farmers Union is opposed to continued concentration in marketing, transporting and processing of all agricultural products. We believe the federal antitrust laws must be strengthened and vigorously enforced to preserve the future of the family farm. For example, our organization supported the Captive Supply Reform Act, introduced in the 109th Congress, which would have required a fixed base in formula contracts and that contracts be traded in open, public markets. NDFU believes:

- Vertical and horizontal integration of corporations creates unfair competition with family farm operations;
- Agencies with jurisdiction, such as the Department of Justice, should be provided adequate funding and staff to vigorously prosecute violators of antitrust laws; and
- In creating a contract producer's bill of rights in order to protect farmers and ranchers from unfair contracts and other anti-competitive practices.

Oversight and legislative regulation of the nation's rail system industry is needed to assure that rural areas will not be denied adequate service, that captive shippers are not charged excessive rates or



excessive fuel surcharges, and that railroads will adequately maintain trackage. Furthermore, NDFU believes:

- Policies should recognize that continuing rail mergers result in elimination of rail service to many communities. This results in the establishment of only one railroad service to entire portions of the country;
- The railroads should allow open access to the rail system for a reasonable price; and
- The Staggers Deregulation Act should allow for public disclosure of contract freight rates.

Finally, in most cases of marketplace concentration, there are many legislative and judicial tools to correct these issues, but they are not being utilized. NDFU believes current legislation needs to be acted upon or enhanced so regulators cannot ignore the practice. A plausible solution may include creating a more “producer-friendly” process for parties being harmed by the concentration to act through the judicial system. Currently it is very expensive to bring forward a case, and it takes a big effort to bring forward enough parties to fund a case while also risking being penalized for their efforts. Allowing for an avenue to help pay for the cost of a lawsuit and to ensure that no negative ramifications could be placed upon the parties that initiate the lawsuit would help protect those producers or entities being harmed by current practices.

Respectfully submitted,

NORTH DAKOTA FARMERS UNION



Robert L. Carlson

President