Press Release

October 15, 2007

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Farm Groups Ask Minnesota Senators for Fair Competition in the Farm Bill Fair Markets, Better Enforcement Badly Needed

Minnesota farm groups have written to Senators Amy Klobuchar (D-MN) and Norm Coleman (R-MN) asking them to support livestock market reforms that are being offered by a bipartisan group of Senators for inclusion in the 2007 Farm Bill. The reform package is designed to reverse growing corporate concentration in agricultural markets that harms farmers, consumers and the rural economy. Both Klobuchar and Coleman serve on the Senate Agriculture Committee, which is expected to vote on the Farm Bill during the week of October 22.

A recent analysis by the Organization for Competitive Markets found that meat packer market control cost producers over \$5.7 billion in 2006. Another January 2006 report by the USDA's own Office of Inspector General found the USDA has failed to enforce antitrust laws, and actually blocked investigations from moving forward for at least five years. In 2004, a jury awarded cattle producers \$1.28 billion in economic damages when it found IBP-Tyson--one of the country's "Big Three" meatpacking companies--guilty of violating antitrust laws, only to have the courts set aside the verdict.

"Minnesota's two Senators need to step up to the plate and lead. This is about doing what is right for all farmers across the state and nation - fair access to markets," said Paul Sobocinski, a Wabasso, Minnesota hog farmer and member of the Land Stewardship Project.

"Enacting policies that restore competition in agriculture and enforcement of existing laws will benefit not just the family farmer or rancher, but will provide economic opportunities throughout the countryside," said Doug Peterson of the Minnesota Farmers Union.

"As a cow-calf producer at Henning, in west central Minnesota, I feel that livestock competition 'reform' is very important to the ranchers and farmers of Minnesota and the nation as a whole in order that the family farm can stay competitive in today's market." said Jerry Swartz, Past Director for Region 7 (including Minnesota), R-CALF USA.

"Minnesota Senators Wellstone and Dayton both provided strong leadership on a similar livestock competition package in the 2002 Farm Bill," said Dennis Olson of the Institute for Agriculture and Trade Policy. "They even succeeded in getting the ban on packer ownership of livestock passed on the Senate floor. Unfortunately, opponents later got this important provision removed from the 2002 bill," Olson concluded. "Minnesotans now look to Senators Klobuchar and Coleman to get the job done in the 2007 Farm Bill."

Specifically, the groups asked the Senators to:

* bolster enforcement of existing antitrust laws regulating livestock markets;

Groups signing the letter included: the Minnesota Farmers Union, Land Stewardship Project, Minnesota members of R-CALF-USA, Minnesota Project, Institute for Agriculture and Trade Policy, Minnesota Citizens Organized ACting Together (COACT), Minnesota National Farmers Organization, and the Sustainable Farming Association of Minnesota.

The full letter can be read at: www.iatp.org.

^{*} set minimum standards of fairness for contract growers;

^{*}ensure competitive bidding for livestock contracts;

^{*} ban packer-ownership of livestock; and

^{*} require country of origin labeling on meat, poultry and produce in supermarkets.