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October 3, 2018

Robert Lighthizer
United States Trade Representative
Office of the United States Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Lighthizer:

We strongly support your trade goals to put America first by buying and hiring American, ending unfair competition, and preventing undue influence by globalized oligopolies. Unfortunately, the current text of the United States-Mexico-Canada Agreement (USMCA) does not achieve any of these goals for America's cattle farmers and ranchers.

The National Academy of Sciences just issued a report describing that during the past 20 years, the production of food by large industrialized agribusinesses has far surpassed the production of family farms and ranches. These large agribusinesses now dominate America's agricultural production, today capturing 57 percent of our nation's food production.

It is not coincidence that this radical structural shift of, and rapidly escalating trend in, America's food production system occurred during the same two decades that America pursued trade agreements that discouraged buying and hiring American, promoted unfair competition, and granted globalized oligopolies free reign to build their new empires.

You must know these large agribusinesses not only now dominate America's food production; but also, they dominate America's trade policy considerations within your Administration. The USMCA reveals that you and your negotiating team were heavily influenced by advisors aligned not with independent U.S. farmers and ranchers; but rather, with large agribusinesses intent upon capturing the U.S. food supply from our family farmers and ranchers.

Consequently, the USMCA provides no improvements whatsoever to reverse the systematic destruction of our nation's largest segment of American agriculture – our family farming and ranching cattle production system. Instead, the agreement permanently secures for globalized oligopolies absolute control over the live cattle supply chain in all three participating countries. It does this under the guise that there must be an “integrated North American cattle industry.”

By not according cattle producers or consumers with country-of-origin labeling (COOL) provisions to ensure transparency as to the origins of meat processed by U.S.-based oligopolistic meatpackers, the USMCA grants them the ability to escape competitive market forces. Insulated from competition, these meatpackers will continue to unilaterally decide from which country to source their meat and cattle and will continue selling imported products affixed with the U.S. cattle industry's trademark – the “Product of U.S.A.” label.

By not revising the product-specific rules of origin, the USMCA accords U.S.-based oligopolistic meatpackers authority to unilaterally source cheaper cattle from either Canada or Mexico (or anywhere else they may source cattle in the future) and to export the resulting meat back to Canada and Mexico duty free, without having to pay a competitive price for U.S. cattle that do command, and have historically commanded, a higher value than imported cattle.

By not including any safeguards to protect the value of domestic cattle from import surges, the USMCA accords U.S.-based oligopolistic meatpackers carte blanche authority to reverse domestic cattle price rallies simply by sourcing larger volumes of both cheaper cattle and cheaper beef from Canada and Mexico, all the while selling the resulting meat to unsuspecting consumers with the U.S. cattle industry's coveted trademark.

Our U.S. cattle industry, as evidenced by the findings of the National Academy of Sciences, is no longer at a crossroads. The line is already crossed. Our industry is shrinking in terms of both the number of U.S. cattle operations as well the number of U.S. cattle. The USMCA is certain to exacerbate this alarming trend.

America, particularly Rural America, will continue suffering from the unrestrained hollowing out of our rural communities for no other reason than the Administration has chosen not to apply its Buy American Hire American directive to the U.S. cattle industry, has chosen not to stop unfair trade practices that harm America's family farmers and ranchers, and has chosen to cater to the same globalized oligopolies who first instituted the egregious provisions in the original NAFTA, which are now memorialized in the United States-Mexico-Canada Agreement.

Please consider this letter a request to meet with you at your earliest convenience to discuss how the USMCA can yet achieve your Administration's important goals. My organization, which is the largest producer-only trade association representing the U.S. cattle industry, has consistently supported your Administration's trade reforms, until now. We sincerely hope we can remedy this departure by preserving and protecting competition for our live cattle industry here in America.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Bullard". The signature is written in a cursive, somewhat stylized font.

Bill Bullard, CEO