

Congress of the United States
Washington, DC 20515

March 3, 2008

The Honorable Colin Peterson
Chairman
House Committee on Agriculture
1301 Longworth House Office Building
Washington, D.C. 20515

The Honorable Bob Goodlatte
Ranking Member
House Committee on Agriculture
1305 Longworth House Office Building
Washington, D.C.

Dear Chairman Peterson and Ranking Member Goodlatte:

In light of repeated misinformation surrounding the proposed prohibition on packer ownership of livestock, we write to correct the record, and to urge the retention of the Senate's Title X language in the Farm Bill. In particular, we support inclusion of Section 10207, the prohibition on packers' owning, feeding, and controlling livestock. Retention of this language will finally restore a level playing field between livestock producers and large packers.

The U.S. steer and heifer slaughter industry is dominated by just four meat packers. That control has enabled the largest meat packers to limit producer's access to markets and gain an unfair price advantage, thus damaging market integrity. The Senate's Farm Bill language that bans packer ownership of cattle for longer than 14 days before slaughter will prevent this dominant industry from taking further advantage of that control.

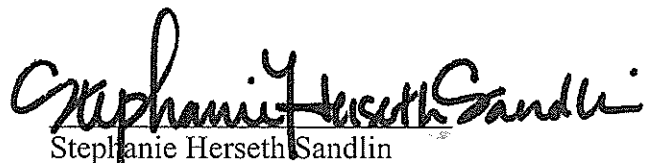
Contrary to some reports, the Senate language does not harm producers' ability to use forward contracts or to use value-added marketing programs. In fact, Section 10207 explicitly establishes that producers can enter into contracting agreements, and then protects those agreements by requiring producer ownership and participation in the management of their livestock production. Additionally, Section 10207 exempts packers that own only one plant, that slaughter less than 125,000 cattle annually, and packers that are owned by a producer cooperative.

As the U.S. cattle industry continues to contract at an alarming rate, it is imperative that Congress take action to protect competitive markets now. Failure to act could severely damage the already jeopardized cattle industry. We urge you to reject the misinformation campaign regarding these provisions, and retain the Senate's Title X language in the final version of the Farm Bill.

Sincerely,



Barbara Cubin
Member of Congress



Stephanie Herseht Sandlin
Member of Congress