

CONSOLIDATION IN AGRICULTURE

What happens when multinational corporations in the agricultural industry use their size, wealth, and power to determine the price and selection on our grocery shelves?

Farmers, ranchers, consumers, and rural communities *suffer*.

ENFORCEMENT OF ANTITRUST LAWS

Enforcement of federal antitrust laws has slackened in recent years, with few meaningful investigations into mergers and acquisitions of large-scale agricultural producers, suppliers, and processors. Farmers face detrimental effects in numerous markets, including seed, dairy, livestock processing, grain, fertilizer, and transportation. The lack of competition in these markets and the retail food sector has coincided with a decline in the vitality of rural communities.

Wisconsin Farmers Union supports policies that limit vertical integration to protect family farms from unfair competition and monopolistic (only one seller), oligopolistic (only a few sellers), monopsonistic (only one buyer), and oligopsonistic (only a few buyers) business practices. Federal regulators should revise and reform legislation to ensure fair market pricing and the avoidance of non-competitive market control.

Wisconsin Farmers Union supports the break-up of existing monopolies and the blocking of new mergers. Doing so would spur innovation, restore competition to the marketplace, and rein in political corruption. Corporate accountability is fundamental to fair markets, and we need continued safeguards against unfair, anti-competitive, and abusive business practices. We urge that pricing, marketing, and labeling be honest and transparent.



DID YOU KNOW?



The four largest meatpackers control **54%** of U.S. poultry processing, **66%** of U.S. pork processing, and **82%** of beef packing.¹



The four largest multinational corporations have gained control of **71%** of the pork market, **85%** of the beef market, and **90%** of the grain market.²



Farmers and ranchers receive only **14.3 cents of every dollar** that consumers spend on food at home and away from home.³



Four corporations account for **at least 75% of sales** of the most common grocery items.



Only four firms control **85%** of corn seeds and **76%** of soybean seeds.⁵



95% of large farm tractors are made by **just three companies**.⁵

¹ [whitehouse.gov/briefing-room/blog/2021/09/08/addressing-concentration-in-the-meat-processing-industry-to-lower-food-prices-for-american-families/](https://www.whitehouse.gov/briefing-room/blog/2021/09/08/addressing-concentration-in-the-meat-processing-industry-to-lower-food-prices-for-american-families/)

² [competitivemarkets.com/mergermoratorium](https://www.competitivemarkets.com/mergermoratorium)

³ [nfu.org/farmers-share](https://www.nfu.org/farmers-share)

⁴ [theguardian.com/environment/ng-interactive/2021/jul/14/food-monopoly-meals-profits-data-investigation](https://www.theguardian.com/environment/ng-interactive/2021/jul/14/food-monopoly-meals-profits-data-investigation)

⁵ [nfu.org/fairness-for-farmers/](https://www.nfu.org/fairness-for-farmers/)

WHAT CAN WE DO?

BETTER ANTITRUST ENFORCEMENT

Wisconsin Farmers Union calls for improved enforcement of antitrust laws and congressional investigation of monopolistic business practices and growing concentration of ownership in the agricultural sector. WFU applauds efforts by the U.S. Department of Justice to increase awareness of non-competitive practices in agriculture. We call on the DOJ to follow through on the antitrust investigations it has already commenced and to prosecute violators of antitrust laws.

PRESIDENT BIDEN'S EXECUTIVE ORDER ON COMPETITION

In July 2021, President Biden signed a far-reaching Executive Order that works to address the long-standing problem of the lack of enforcement of a competitive marketplace. This order encompasses 72 initiatives involving more than a dozen federal agencies, reaching far beyond agriculture -- also to address anti-competitive practices in other sections such as health care and financial services. We support President Biden's Executive Order that directs the USDA to write new rules under the Packers and Stockyards Act.

SUPPORT MERGER MORATORIUM BILL

In July 2023, US Senator Peter Welch (D-VT) and US Representative Greg Casar (D-TX) introduced the Fairness for Small-Scale Farmers and Ranchers Act of 2023. If passed, the bill would enact a merger moratorium in the U.S. food and beverage manufacturing, grocery retail, and agribusiness sectors. It would also establish a federal commission to study the impacts of concentration on America's food and agricultural economy. Notably, the commission would be tasked with reviewing current antitrust laws.

LIVESTOCK PRICE REPORTING

We support efforts to review and prevent livestock price manipulation.

PACKERS AND STOCKYARDS ACT (PSA) REFORM

We have seen the erosion of protections for farmers with the loss of the Grain Inspection Packers and Stockyards Act (GIPSA) that was meant to enforce anti-competitive/antitrust laws. WFU supports the GIPSA rules as proposed in 2010. For the last few decades, under both Democratic and Republican administrations, the USDA has not fully enforced protections under PSA for farmers and ranchers. The new rules proposed by the USDA will offer more fair wages to poultry growers, make it easier for farmers to challenge unfair practices, and clarify which practices are unfair, discriminatory, or deceptive.



FAIRNESS FOR FARMERS

Fairness for Farmers is a National Farmers Union educational campaign which focuses on promoting fair markets and fighting corporate monopolies. WFU will work closely with NFU to support this campaign. Learn more at nfu.org/fairness-for-farmers.

RIGHT TO REPAIR

With advanced technology now being incorporated into production agriculture, it has become more and more difficult for farmers to fix their own equipment, hurting the bottom lines of both producers and local non dealer-certified repair shops. Farmer Right to Repair advocates to guarantee that farmers have the ability to fix their own farm equipment without facing legal or technical barriers.⁶

CAPTIVE SUPPLY REFORM

Wisconsin Farmers Union supports captive supply reform. Captive supplies are livestock committed to a meatpacker two or more weeks before slaughter. A key issue occurs when captive supplies are used as leverage by packers to pay lower cash prices for cattle, which especially harms small farmers.

⁶ <https://www.testersenate.gov/newsroom/press-releases/pr-8866/>



UNITED TO GROW FAMILY AGRICULTURE

Learn more at www.wisconsinfarmersunion.com

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