## Congress of the United States Washington, DC 20515

June 2, 2021

The Honorable Tom Vilsack Secretary U.S. Department of Agriculture 1400 Independence Avenue SW Washington, DC 20250

The Honorable Merrick Garland Attorney General U.S. Department of Justice 950 Pennsylvania Avenue, NW Washington, DC 20530

Dear Secretary Vilsack and Attorney General Garland,

We write to request a status update on an investigation of the meat packing industry begun by the U.S. Department of Agriculture (USDA) and the U.S. Department of Justice (DOJ) after the fire at Tyson's Holcomb, Kansas, plant and the initial market impacts of the COVID-19 pandemic. In a report dated July 22, 2020, USDA stated: "The investigation into potential violations under the Packers and Stockyards Act is continuing. USDA does not solely own investigatory authority over anticompetitive practices in the meat packing industry and has been engaged in discussions with the Department of Justice (DOJ) regarding allegations of anticompetitive practices in the meat packing industry."

This investigation was supported by requests from Kansas livestock groups like the Kansas Livestock Association, who more than a year ago requested USDA review the market dynamics experienced in the beef industry as beef prices increased dramatically while fed cattle prices declined. The National Cattlemen's Beef Association and American Farm Bureau Federation later asked DOJ to determine whether any illegal or anti-competitive activity had occurred.

Although USDA issued a report last summer, it focused on supply and demand fundamentals and did not address the question of illegal or anti-competitive behavior. To date, neither USDA nor DOJ have reported any findings or provided any updates on the investigation.

Cattle producers continue to face challenging market dynamics similar to those experienced last spring. Kansas cattle producers are also concerned with the historically wide gap between wholesale beef prices and fed cattle prices. While much of the historic price spread can be attributed to larger fed cattle inventories and constrained operational packing capacity, in part because of continued COVID-19 protocols and labor challenges in beef processing plants, questions remain in the cattle industry as to if any illegal activity has occurred. The bottom line is industry participants need to know if the current situation is simply a matter of supply and demand fundamentals, as referenced in the 2020 USDA report, or if it is a result of unlawful market behavior.

Prompt reporting of the findings of the investigation would provide important information regarding what policy actions might be appropriate to address the situation. We request USDA and DOJ provide an immediate status update to Congress and release the complete findings of the investigation as soon as possible.

Sincerely,

Roger Marshall, M.D.

Tracey Mann

Tracey Mann Member of Congress

**United States Senator** 

Jake LaTurner Member of Congress Jerry Moran
United States Senator

Ron Estes

Ron Estes Member of Congress

Sharice L. Davids Member of Congress