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FOR MORE INFORMATION, CONTACT: Gilles Stockton, 406-366-4463 or 605-490-5024; Jeri Lynn Bakken, 605-490-5024; or Kevin Dowling, 406-252-9672

**Ranchers seek open and competitive markets
WORC delivers letter to Agriculture Secretary and Attorney General during historic
antitrust in agriculture workshop**

Fort Collins, Colo. – A group representing western ranchers asked for new rules to require competitive and transparent pricing of meatpackers’ captive supplies of livestock.

Montana rancher Gilles Stockton of the Western Organization of Resource Councils (WORC) delivered the request today in a letter to Agriculture Secretary Tom Vilsack and Attorney General Eric Holder before over a thousand ranchers at the public workshop on competition in the livestock industry in Fort Collins, Colo.

The rules proposed by WORC would restore competition in livestock markets by requiring contracts and marketing agreements to have a fixed base price and requiring sale through an open, public market.

Packers use captive supplies to “exercise their concentrated market power, providing undue advantages to a preferred few livestock feeders and manipulating prices paid for slaughter livestock,” violating the Packers and Stockyards Act, WORC’s letter said.

The proposed rules would allow continued use of forward contracts and marketing agreements to supply livestock in advance of slaughter, value-based pricing and payment of premiums.

WORC said the rules are needed because of lax enforcement of the Packers and Stockyard Act and the increased concentration of the industry. Four firms slaughter four of every five beef cattle. According to Department of Agriculture price reporting information, captive supply levels have increased substantially since March 2005.

WORC submitted a petition for rulemaking to the Department of Agriculture in 1996 seeking regulation of captive supplies. The agency took no final action on the petition.

Captive supplies are livestock the packers own or control through marketing agreements and forward contracts for more than 14 days in advance of slaughter.

A copy of the letter is available at www.worc.org.

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Based in Billings, Mont., WORC is a network of grassroots organizations representing farmers, ranchers, landowners, and consumers in Colorado, Idaho, Montana, North Dakota, Oregon, South Dakota, and Wyoming.