

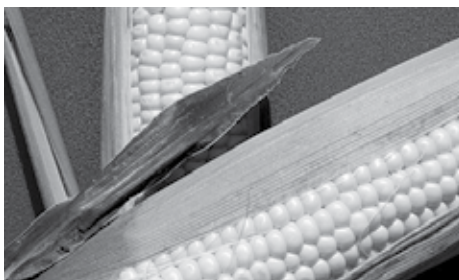
FROM THE **PRESIDENT**

Farmer Abuse by Big Ag Continues

by Mike Weaver



Most folks have no idea that when you go to the grocery store and pay \$2.00 plus per pound for chicken the farmer gets just \$0.06 cents of that!



Our corn farmers are getting less than \$4.00 per bushel well under their cost of production

The major poultry integrators continue to abuse the farmers who raise their chicken on many levels the worst being what they pay those farmers. Pilgrim's Pride the second largest poultry processor in this country just announced a net profit of almost \$2.5 billion this past quarter and it is going on 20 years since their growers have had a significant increase in base pay! Base pay for the farmer that spends at least six weeks raising the chicken for these companies averages less than \$0.06 cent per pound. Most folks have no idea that when you go to the grocery store and pay \$2.00 plus per pound for chicken the farmer gets just \$0.06 cents of that!

Pilgrim's along with Tyson (the largest processor), Sanderson Farms, Perdue, and Koch Foods are the top five nationwide and they control almost 70% of the chicken production.

This is just one example of how farmers and ranchers are being abused by Big Ag. Our dairy farmers are receiving around \$13

Please see WEAVER on page 2

INSIDE ...

3 What They Know Will Hurt You: Merged Bayer-Monsanto will Corner the Market on Farm Data and Software
by Angela Huffman

4 Introduction and Response Letter from President Trump

5 OCM 20th Annual Food & Agriculture Conference & Membership Meeting Agenda

6 OCM 20th Annual Food & Agriculture Conference & Membership Meeting Registration

7 President Trump's Broken Promise to America's Family Farmers by Mike Callicrate

8 Capitol Roundup
by Joe Maxwell

9 Membership Report
by Pat Craycraft



Board Members

MIKE WEAVER, President
Fort Seybert, WV

DON STULL, Vice-President
Lawrence, KS

JUDY HEFFERNAN, Secretary
Rocheport, MO

VAUGHN MEYER, Treasurer
Reva, SD

JOHN BOYD
Baskerville, VA

JONATHAN BUTTRAM
Albertville, AL

MIKE CALLCRATE
St. Francis, KS

AL DAVIS
Hyannis, NE

JOHN HANSEN
Lincoln, NE

JOE LOGAN
Kinsman, OH

PAUL MUEGGE
Tonkawa, OK

CHRIS PETERSEN
Clear Lake, IA

Staff

Joe Maxwell, Executive Director
Mexico, MO • 573-721-0927
jmaxwell@competitivemarkets.com

Pat Craycraft, Office Manager
Lincoln, NE • 402-817-4443
pcraycraft@competitivemarkets.com

Angela Huffman, Director of
Communications & Research
Wharton, OH • 614-390-7552
ahuffman@competitivemarkets.com

*Designed by Computer Images
www.graphicandwebdesign.com*

WEAVER (continued
from page 1)

for every 12.5 gallons of milk they produce and their cost of production is almost \$20 for that milk. Our corn farmers are getting less than \$4.00 per bushel well under their cost

of production. Just last week the price for fat cattle fell below \$1.00 per pound in the eastern U.S. and the cost of production is well over \$1.50!

The farmer share of your food dollar has dropped to just \$0.14 cents down from over \$0.50 cent in the mid 1980's. This has the effect of not only forcing farmers and ranchers off their land but Big Ag and the retail grocers drawing all the revenue out of the system is also drying up and closing down our rural communities. Small family farms can't support the farmer and his kids no matter how badly they want to stay on the farm. They are being forced into the cities for employment. The hardware stores, car dealerships, and small grocery stores are closing down for lack of patronage because Big Ag is sending all the revenue to Wall Street and stockholders instead of the farmers receiving their fair share. That fair share is spent locally by farmers keeping our small communities vibrant and thriving as well as the kids on the farm.



Our dairy farmers are receiving around \$13 for every 12.5 gallons of milk they produce and their cost of production is almost \$20 for that milk.

Farmers and ranchers are being forced into production contracts or are controlled in other ways by Big Ag making them the equivalent of employees on their own land. We have to change that and soon.

Everyone especially young people should be very concerned about this overall situation. If the American people don't get behind small family farmers and ranchers who care about the animals, the environment, the land, and providing good wholesome food to feed your kids soon, your only choice will be factory farm raised food. Raised by a giant corporation that has no conscience, no morals, no concern for you or your family. The only thing the corporations care about is money and how to keep lining the pockets of the fat cats on Wall Street.

Please take the time to go to our website competitivemarkets.com to see how you can help. Join us in the fight to keep family farmers on the land and raising good wholesome food for our families.^{MW}



CompetitiveMarkets.com



What They Know Will Hurt You: Merged Bayer-Monsanto will Corner the Market on Farm Data and Software

by Angela Huffman

According to the *Wall Street Journal*, the Department of Justice is set to approve the merger between Bayer and Monsanto, but the Department of Justice has yet to confirm the news. If the Department of Justice approves the merger, the world's newest and largest seed and chemical company will have more in common with Facebook and Cambridge Analytica than meets the eye.

In recent years, large agrochemical companies, including Bayer and Monsanto, have been heavily investing in digital agriculture. This new platform involves collecting data from farms, then building mathematical models and algorithms aimed at giving farmers real-time information on how to grow and manage their crops.

There are currently a number of Ag tech start-ups producing digital agriculture

products. However, it appears that Monsanto and Bayer are trying to become like the Microsoft of the late-90's and control the future of this emerging industry.

Reportedly, Bayer has agreed to divest all of its digital agriculture assets to assuage the fears of antitrust regulators. Don't be fooled by this misdirection. Bayer never even released its digital farming platform, Xarvio Field Manager, in the United States, but the company will be happy to take over Monsanto's similar products.

Monsanto's Climate FieldView serves the same purpose, providing crop analysis and generating suggestions to farmers for seed planting and fertilizer use. The program is spreading like wildfire. In 2017, Monsanto set a goal of collecting data from 25 million premium acres. By the end of the year, the company reached 35 million

instead. Monsanto is expecting to collect data from 50 million premium acres across the globe by the end of its 2018 fiscal year.

The Climate FieldView platform is starting to look more like Microsoft's Windows than a simple tool to help farmers maximize yield. In August 2016, Monsanto announced its intent to build a "centralized and open data platform" for digital farming start-ups to build software products and sell them to farmers. Think of a combination of Windows and the Apple App Store, where Monsanto gets access to both the data and part of the profit.

This new platform is one of the most valuable assets Bayer is set to acquire. Monsanto does not allow competitors to its own products on the platform, but the combined company will surely integrate Bayer's

Please see HUFFMAN on page 9

A combined Bayer and Monsanto would be able to leverage massive data platforms to muscle out innovative start-up companies looking to revolutionize data-driven farming. The combined company would have a near monopoly, a true one-stop-shop, for farming data and farming software.

Over the past 14 months, OCM has sent three letters to President Trump, stressing the dire state of the American family farmer and the need to reclaim America's agriculture markets on behalf of our rural communities and the farmers who live there. We urged the President to implement the Farmer Fair Practices (GIPSA) Rules to stop predatory and retaliatory practices by the largest meatpackers and processors, and to ensure trade deals not put U.S. farmers and ranchers at a disadvantage to foreign imported meat. In April 2018, we received a response from the President, which is printed here in its entirety. We think it's important that our membership knows that we have attempted to have the President hear our concerns on the issues, and that thus far, it would appear that he has not.



THE WHITE HOUSE

WASHINGTON

April 25, 2018

Organization for Competitive Market
Lincoln, Nebraska

Dear Friends,

Thank you for taking the time to express your views regarding issues affecting our Nation's rural communities.

Our Nation's crumbling infrastructure is one of the greatest challenges facing Americans living in rural communities. I have charged Congress with passing an infrastructure bill that will generate \$1.5 trillion for renewing our country's once-great infrastructure and will help to build a more prosperous future for all Americans. These funds will go toward rebuilding roads, providing clean water to rural families and businesses, improving connectivity, and supplying affordable, reliable power. The Department of Agriculture will also invest more than \$200 million in helping to bring broadband access to rural communities and will invest \$2.5 billion in electric infrastructure improvements in rural areas. Additionally, I signed into law the Improving Rural Call Quality and Reliability Act of 2017 to help ensure better connectivity of long-distance calls to rural areas.

In December 2017, I signed into law the largest tax cuts and reform legislation in American history. The Tax Cuts and Jobs Act will provide much-needed relief to America's producers. Farmers will be able to expense 100 percent of their capital investments, including necessary equipment, over the next 4 years. The vast majority of family farms will also be exempt from the estate tax—commonly referred to as the “death tax.” Through the enactment of this important legislation that benefits American families and businesses, we are helping our Nation's rural communities grow and thrive once again.

Thank you again for writing. To learn more about my plan to rebuild rural America, please visit: www.WhiteHouse.gov. As President, I will continue to fight alongside our Nation's farmers to help improve their way of life and ensure a prosperous future for rural America.

Sincerely,



Food & Agriculture

CONFERENCE & MEMBERSHIP MEETING

Hitching up Together to Break the Corporate Stranglehold

Conference: August 9-10, 2018
Membership Meeting: August 11, 2018

Marriott Kansas City Airport
775 Brasilia Avenue
Kansas City, Missouri 64153

AGENDA

Join us for the only national conference focused on breaking up corporate consolidation and monopoly power.

In our first session on Thursday afternoon, Ricardo Salvador from the Union of Concerned Scientists will kick us off by discussing how a better world is possible. We will continue by taking a look at the impact of market concentration on various agriculture sectors and hearing directly from members of our community, followed by a round table discussion on building bridges.

Our second session on Friday morning will dive deeper into today's farm and rural crisis. This will include discussions on the impact of re-

tail concentration on workers and farmers, the economic impact on rural communities and main streets, and finally we will take a look at concentration in other sectors.

The third session on Friday afternoon will offer us a call to action. We will hear reports on ending the capture of government agencies by big agribusiness interests, regenerative agriculture for rural economic development, stopping the growth of vertical integrators, and finally a round table discussion on taking action together.

Some of our speakers include:

Carrie Balkcom
American Grassfed Association
Mike Callicrate
Organization for Competitive Markets
Rohit Chopra
Federal Trade Commission
Leah Douglas
Food and Environment Reporting Network
Kevin Fulton
Fulton Farms
Andy Green
Center for American Progress
Judith Heffernan
Organization for Competitive Markets
Mary Hendrickson
Ph.D., University of Missouri
Janie Simms Hipp
Indigenous Food and Agriculture Institute
Barry Lynn
Open Markets Institute
Dennis Olson
United Food and Commercial Workers
Tom Philpott
Mother Jones
Lorette Picciano
Rural Coalition/Coalición Rural
Ricardo Salvador
Union of Concerned Scientists
Rev. Dr. Fatimah Salleh
Fred Stokes
Organization for Competitive Markets
Mike Weaver
Organization for Competitive Markets and
Contract Poultry Growers of the Virginias



Food & Agriculture

CONFERENCE & MEMBERSHIP MEETING

Hitching up Together to Break the Corporate Stranglehold

AUGUST 9-11, 2018

Marriott Kansas City Airport, 775 Brasilia Avenue, Kansas City, MO

Call in for Reservations 816-464-2200 - OCM Block (Rate \$102.00+) Deadline 7/20/18

Or make your reservation on the OCM website: competitivemarkets.com

NAME(S) _____

COMPANY: _____

ADDRESS: _____

CITY/STATE/ZIP: _____

EMAIL: _____ PHONE: _____

REGISTRATION includes Thursday, August 9 beginning at 1PM and all-day Friday, August 10

_____ Number attending OCM Conference @ \$75.00 \$ _____
Thursday, August 9, REGISTRATION starts at 12 Noon,
Thursday, August 9, Conference begins at 1:00 PM

_____ Number attending 2018 RECEPTION/BANQUET @ \$50.00 \$ _____
Thursday, August 9, Reception 5:30 PM, Banquet 6:30 (Buffet)

_____ Number attending 2018 LUNCH @ \$28.00 \$ _____
Friday, August 10 - 12:00 Noon (Buffet)

TOTAL Registration and Meals \$ _____

_____ **Attending Membership Meeting, Saturday August 11 - 8:00 AM**

Make check payable to OCM, P. O. Box 6486, Lincoln, NE 68506

REGISTRATION FORM

President Trump's Broken Promise to America's Family Farmers

by Mike Callicrate



As a Kansas rancher, I know firsthand that President Trump won his 2016 election with tremendous support from communities like mine. Farmers and ranchers, who Trump promised to support and stand behind, are under major threat from big agribusiness. Unfortunately, despite Trump's campaign promises, when it was time to stand up against big agribusiness, he caved. His actions have left many farmers and ranchers feeling betrayed and afraid for our economic futures.

I know what it's like to have the boot of big agribusiness on your neck, and how the deck is stacked against the producer. In the 1970s, I moved to St. Francis, Kansas from Colorado to start my own farming and ranching business.

That's when the market began to change. One by one, the meatpackers I sold to began to merge, shut down or be sold to foreign conglomerates. Eventually, the cattle industry became dominated by only four major buyers: JBS, Tyson, Cargill and National Beef. This consolidation tilted the playing field to the big companies, sapping the bargaining power of cattle producers, making it impossible to get a fair price and creating enormous openings for abuse and exploitation. According to the USDA census, the cattle producer population has dropped by nearly 40 percent in the last 40 years.

I refused to ignore this abusive market power, and I began speaking out about these unfair business practices. That's when I learned firsthand how big agribusinesses use their power to punish critics. By 1998, all four of the big meatpackers blackballed my feedlot, refusing to buy any of my cattle. They forced me out of the cattle feeding business. And I was left with no remedy, because too many courts have held that for farmers to hold agribusiness accountable for abusive practices, we have to show that the unfair practice affected the entire industry — a virtually impossible standard to meet.

In 2016, after a multi-year process and with input from producers around the country, the U.S. Department of Agriculture issued the Farmer Fair Practices, or GIPSA Rules, which would have made it easier to bring unfair practice claims without proving market-wide distortions. The rules would have provided much-needed relief to independent and contract producers.

On the campaign trail, Trump spoke to

farmers in Iowa and acknowledged that "family farms are the backbone of this country" and vowed that under a Trump Administration, "we are going to end this war on the American farmer." And farmers voted for a Trump Administration by a nearly 55 percent margin. But despite Trump's promises, his Department of Agriculture yanked protections that would help the farmers that are America's backbone.

At the time, Secretary of Agriculture Sonny Perdue said that livestock producers should simply put their trust in agribusiness conglomerates to "treat everyone fairly and not in a predatory fashion." He described unfair practices in the industry as "moral actions" that, in his view, regulation can't solve.

But as my experience and the experiences of millions of other farmers and ranchers across America have shown, independent producers can't just put their faith in the benevolence of big corporations, with vastly more bargaining power than us, to treat us fairly. Moreover, killing the rules wasn't just harmful to America's small livestock producers — it was also illegal. The department defied Congress's mandate in the 2008 farm bill and failed to explain why helping farmers and ranchers protect themselves against agribusiness is no longer good policy.

That's why in December, the Organization for Competitive Markets and some of its members sued the Trump administration for unlawfully rolling back the rules. We are seeking reinstatement of these critical protections. If Trump won't keep his promises to us, we have to ask the courts to step in. Our lives and our livelihoods are at stake.

American family farmers and ranchers are becoming an endangered species, squeezed by the forces of globalization and the immense leverage of gigantic corporations. If the American farmer is to survive, we must be treated fairly. There is still time for Trump and Perdue to reverse course. We hope they seize this opportunity.

But if Trump won't fight for farmers and ranchers, we will bring the fight to him.^{MC}

A version of this article ran in the Washington Post on 4/25/18.

**if Trump won't
fight for farmers
and ranchers,
we will bring
the fight to him**



CAPITOL ROUNDUP

by **Joe Maxwell**

ON THE HILL

CHECKOFF REFORM: In the House Farm Bill debate in late May, OCM and the many stakeholders who are working together to pass meaningful checkoff reform were able to get an amendment to the House floor, known as the Brat-Blumenauer Amendment 71. Unfortunately, the many problems with the House 2018 Farm Bill destined it for failure, so before the final vote on the bill our amendment was withdrawn. It is extremely possible that the House 2018 Farm Bill will be taken up for a reconsideration vote in mid to late June. We are working with our U.S. Senate sponsors, Senators Lee and Booker, in an effort to add the Opportunities for Fairness in Farming Act, S. 741, to the Senate Farm Bill that should be on the U.S. Senate floor mid to late June. We are still working to get additional Senate co-sponsors, so are calling on everyone to contact your U.S.

Senator and ask them to co-sponsor the Opportunities for Fairness in Farming Act (OFF) Act, S. 740. For assistance in contacting your U.S. Senator you can use OCM's website at competitivemarkets.com/stopcheckoffabuse.

CONTACTING THE PRESIDENT:

As this newsletter outlines,

we have been very disappointed in the lack of response from the White House on our issues, but we should not stop calling on the President to implement the Farmer Fair Practice Rules, or GIPSA Rules. As we have reported, in October 2017 Secretary Perdue withdrew the long hard-fought Farmer Fair Practices Rules. In response, OCM and more than 80 other farm organizations sent a letter to President Trump calling on him to undo Secretary Perdue's injustice and implement the Farmer Fair Practices Rules. If you have a Twitter account, as does the President, please tweet @realdonaldtrump and tell him to #implementGIPSAnow.

H.R. 4879, PROTECT INTERSTATE COMMERCE ACT, CONGRESSMAN KING (R) IOWA:

Congressman King was able to attach his state rights killing legislation to the U.S. House Farm Bill. With the defeat of the House 2018 Farm Bill you might think this issue is dead, but that is not the case. With the House working to resurrect the Farm

Bill anything is possible. Can you imagine if a disease hit livestock in a neighboring state and you had to go to Washington D.C. to prevent the transportation of the diseased animals through your state? This is exactly what this legislation does, it forces all of us to take all of our agriculture issues to Washington D.C.. All we have to do is look at the failure of the Farm Bill and see how that would work out for us. Contact your members of Congress today.

BAYER MONSANTO MERGER:

All indications are pointing to Department of Justice approving this mega-merger. If this merger goes through, it is projected that the price of cotton could rise over 18% as a result of the mergers, according to a study from Texas A&M University, and a combined Bayer-Monsanto would control 70% of the southeast cottonseed market. If Bayer and Monsanto, Dow and DuPont and Syngenta and ChemChina form their respective proposed partnerships, the three resulting corporations will control nearly 70 percent of the world's pesticide market, more than 61 percent of commercial seed sales and 80 percent of the U.S. corn-seed market. With DOJ approval of Dow and DuPont, Syngenta and ChemChina and now the likelihood of Bayer and Monsanto, OCM believes it is time to call on Congress to put a stop on these mergers and have a full congressional review of the harm they are causing to America's family farmers and rural communities. Please be watching for how you can help.^{JM}



If you have a Twitter account, as does the President, please tweet @realdonaldtrump and tell him to #implementGIPSAnow.

The only answer is to block the merger

HUFFMAN (continued from page 3)

pesticides business into the platform, while more start-ups will be excluded.

A combined Bayer and Monsanto would be able to leverage massive data platforms to muscle out innovative start-up companies looking to revolutionize data-driven farming. The combined company would have a near monopoly, a true one-stop-shop, for farming data and farming software.

By excluding competitors from their 'app store,' start-ups will wither, and Bayer and Monsanto could purchase their most innovative products at deep discounts. Ag retailers will feel the sting, too. A recent report by CoBANK predicts that agriculture industry consolidation will lead to major changes for agriculture retailers who rely on rebates from companies like Bayer and Monsanto. Retailers will likely need to sell more digital agriculture products to receive the rebates they need to stay profitable.

Farmers recognize the risk. Based on a recent poll, farmers are very concerned that a merged Bayer and Monsanto would use market dominance for one product to push sales of other products.

91.7 percent of farmers surveyed are also concerned that Bayer-Monsanto will control data about farm practices.

Farmers that participated in this survey were also very concerned that a merged Bayer and Monsanto would use market dominance for one product to push sales of other products.

In 2015 testimony, Blake Hurst of the Missouri Farm Bureau put it most succinct-

ly when he envisioned "a smart phone arriving within seconds of a farmer encountering weed or insect damage while he's harvesting his crop."

It stands to reason that if Bayer and Monsanto combine to increase their dominance over digital farming, they will use their near monopoly on farmer data to sell more of their chemicals and seeds to farmers.

If reports are true, the Department of Justice has neglected to do its job and prevent harm to American farmers and consumers by allowing the merger to proceed. Our antitrust laws have truly failed if the divestment of products that never even made it to the United States is enough to convince regulators that all is well for the future of digital farming. No divestment will be enough to prevent Bayer and Monsanto from cornering the startup market for digital farming.

The merged company would be the world's largest vegetable seed company, the world's largest manufacturer and seller of herbicides and the world's largest holder of intellectual property/patents for herbicide tolerant traits. Only four major companies would control the vast majority of global agriculture. The consolidation of data would only speed up this tremendous growth in market power and control of the food system. Given the wide swath of existing concerns regarding this proposed acquisition, DOJ should not tolerate the potential abuses of data and enforce our antitrust laws. The only answer is to block the merger. ^{AH}

This article ran in the Des Moines Register on 5/15/18.

MEMBERSHIP *Report* by Pat Craycraft



OCM's 20th Anniversary Food and Agriculture Conference is coming up on August 9-11. Our theme for this year is "Hitching Up Together to Break the Corporate Stranglehold." The Conference will take place at the Marriott Kansas City Airport, Kansas City, MO. As always, this year, we have another great lineup of topics and speakers that you don't want to miss. We will be announcing the speakers online and in our newsletter as they are confirmed.

I am challenging you this year to bring someone to the conference. Talk to your neighbors, friends and associates and invite them to this great event. We always have so many experienced, knowledgeable and interesting speakers that by just being there, they will want to know more about OCM. After this experience, we hope they will decide to become a member.

Watch for all the details, reserve your room and register early. ^{PC}



Tel: (402) 817-4443

P.O. Box 6486

Lincoln, NE 68506

NON-Profit ORG
U.S. POSTAGE PAID
Lincoln, NE
PERMIT #1734
68506

ADDRESS SERVICE REQUESTED

MAY/JUNE 2018

MAKING A DIFFERENCE?

MEMBER APPLICATION FORM

Name

Address

City State Zip

Telephone

Email

OCM is a nonprofit, 501(c)(3) organization supported by membership contributions, donations, and foundation support. All donations are tax deductible.

Individual Membership

- ☐ \$50 Member: Receives bi-monthly newsletter
- ☐ \$125 Voting Member: Same benefits as \$50 level, plus voting rights
- ☐ \$500 Sustaining Member: Same benefits as \$125 level, and receives strategy and progress updates
- ☐ Other Donation: Amount \$_____

Associate Organization Membership

- ☐ \$200: Organization receives bi-monthly newsletter, action alerts, membership in OCM National Collaboration, action toolkits
- ☐ \$500: Same benefits as \$200 level, plus two conference registrations
- ☐ \$1,000: Same benefits as \$500 level, plus a booth and recognition at annual conference

All members will receive the bi-monthly newsletter electronically, unless you mark this line for a mailed copy: _____

**Make checks payable to OCM,
P.O. Box 6486, Lincoln, NE 68506
Or visit www.competitivemarkets.com**