



MIKE CALLICRATE

## Important anniversary coincides with compelling new book

nopoly power – that is what Christopher Leonard has found at the heart of America’s meat packing industry.”

It was a call from Attorney David Domina that brought memories of the cattlemen’s court case flooding back to me. It was the case that brought momentary hope to many cattlemen before hope faded to disbelief. Here’s a recap.

Ten years ago this week a Montgomery, Alabama jury awarded cattlemen \$1.28 billion in their eight-year class action case against IBP (formerly Iowa Beef Processors), the world’s largest beef packer. It was a day to celebrate!

Pickett vs. IBP was originally filed in 1996. Cattleman Henry Pickett, from Alabama, was the named plaintiff in the case. Tyson Foods Inc. purchased IBP in 2002, two years before the trial. Knowing how Tyson had industrialized the poultry business and hearing about the pain the company had inflicted on poultry growers, cattlemen were right in fearing Tyson’s purchase of the nation’s largest beef packer. Many cattle producers knew what it meant to be “chickenized” – to be serfs under the boot of Tyson and big agribusiness!

Of course we were happy for the verdict,

but the important decision hadn’t yet been made – the injunctive relief. The injunctive relief would redefine the rules of the game, forcing Tyson and the other big packers back into a competitive market for buying the millions of cattle they processed, putting an end to the ongoing extraction of wealth from the cattle industry. At that moment, we weren’t considering the possibility the day would never come.

The jury was happy about the result, too. They had dedicated six weeks out of their lives to hear this historic case – a case that would determine the fate of independent ranchers and cattlemen across the nation. Would the markets be fair, open and competitive or would a

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This week I’m taking a moment to observe the 10-year anniversary of the most important court case in the history of the U.S. cattle industry, while turning the last page on a powerful new book that tells in precise and riveting detail the sad story of why the lawsuit was so critically needed.

Christopher Leonard’s new book, *The Meat Racket – The Secret Takeover of America’s Food Business*, which hits book shelves this week, is a well-crafted and thoroughly reported piece of work. It is being endorsed by Eric Schlosser, author of *Fast Food Nation*, who writes, “Cruelty, greed, and mo-



Van Davis, Sam Britt, Chris Abbott, Lovel Blain, Pat Goggins, Johnny Smith, Lee Pickett, Stayton Weldon and Leo McDonald enter the new Montgomery, Alabama courthouse on opening day of trial.



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*Disclaimer: The opinions of the authors presented in our newsletter are their own and are not intended to imply the organizations position. OCM has membership with diverse viewpoints on all issues. OCM is committed to one and only one principal; competition.*

# THE OTHER SHOE DROPS



FRED STOKES

The **second** “final” report on the USDA OIG Audit of the Beef Checkoff was released the end of January. An earlier seventeen page report was released in March of 2013 but was shortly withdrawn for “additional audit work” under withering charges of whitewash and cover-up.

It was generally accepted that the audit was prompted by the disturbing findings in an Audit in 2010, ordered by the Cattlemen’s Beef Board (CBB). You may recall that the CBB ordered audit by Clifton Gunderson precipitated a firestorm when it uncovered scandalous abuses of checkoff funds by NCBA. However, influential checkoff addicts such as Kansas Livestock Association and Texas Cattle Feeders were livid! They were major factors in forcing the CBB President and Chief Executive to be removed from office. There was the pretext of vague and questionable charges but it was clear enough that their removal was a reprisal for causing this embarrassing (revealing) audit.

In the first OIG **Final** Audit Report, NCBA, essentially the exclusive contractor for the program for the past 26 years, was effectively exonerated of any wrongdoing. Many checkoff-paying producers were stunned and incensed.

The OIG audit of the Beef Checkoff which had begun in February of 2011, with the investigative phase completed in December of that year, finally was released in final form three years later. Unlike the first report, **this** latest one does not absolve NCBA of misappropriating checkoff funds, but neither does it indict them. OIG finds AMS deficient in its oversight responsibilities but is mostly silent concerning NCBA’s handling of checkoff funds.

When the initial audit of the Beef

Checkoff began there was already an ongoing audit of “Agricultural Marketing Service’s Oversight of Federally Authorized Research & Promotion Board Activities”, which included beef and seventeen other programs. This audit’s more comprehensive report was released in March of 2012, finding AMS grossly lacking in its oversight responsibilities. It is puzzling that the focus of the beef checkoff audit was again on AMS’ oversight rather than the more than \$200,000 in misspent checkoff funds uncovered in the Clifton Gunderson Audit, based on their very small sampling.

Nevertheless, there is now some reason to be hopeful that USDA OIG will not be the getaway driver for this heist;

- The OIG waived all fees for compiling the many thousands of pages of requested material based on OCM’s position that disclosing these records served an important public interest. Costs for processing such a request could otherwise have been prohibitively expensive.
- The Inspector General personally signed a letter granting our appeal of the agency’s initial decision to withhold information requested under the Freedom of Information Act (FOIA).
- The new final report of the Beef Checkoff audit did not specifically exonerate NCBA of misdeeds as did the former one.

It will be most interesting to review the records generated over the 49 months of preparation by the writers of this report.

We in OCM still have confidence in the integrity of the USDA Inspector General and believe that she will ultimately see that her staff does the right thing in this matter. We want to work in harmony with all who want to see the specter of scandal removed from the compulsory checkoff and transparency and confidence restored.

But, there remains the need for an

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# THE LEAST OF YOUR PROBLEMS

eFarm and Food File for wk of Feb 16 2014

Early February was not a good time to be an American carnivore.

First, on Saturday, Feb. 8, Rancho Feeding Co. of Petaluma, CA, announced it was recalling 8.7 million pounds of beef carcasses and cuts. That's virtually every pound of the company's 2013 throughput.

The reason for the recall, explained the Feb. 11 Los Angeles Times, was that federal regulators "said (the) plant 'processed diseased and unsound animals' without a full federal inspection," making it products "unsound, unwholesome or otherwise... unfit for human food..."

How does the meat from more than 11,500 head of cattle get recalled under that stomach-turning description and not one meat inspector from either California or the U.S. Department of Agriculture know about it until almost every ounce has been sold and consumed?

I don't know and neither does USDA; its Office of Inspector General, USDA later announced, will investigate the stinking mess and get back to us.

Great; updated plans on how to build a gate now that the cows are gone—again.

News for the Meat Gang didn't get any better Monday, Feb. 10, when a New York Times front page story carved up an unknown-outside-the-Beltway, no-person non-profit operation named the Employment Policies Institute.

EPI, reported the *Times*, is an "official-sounding," mostly opaque arm of Berman and Company, an advertising and public relations firm owned by Richard B. Berman. EPI's only function, it detailed, is "to shape hot-button political debates" "with the gloss of

research."

Few people in U.S. farming and ranching know of Berman and his preferred business model: non-profit entities like EPI "backed by corporate lobbyists and labor unions," explained the *Times*, "with a potential payoff that can be in the millions of dollars for the interests"—never disclosed—"they represent."

Although his non-profits put on the show, Berman rakes in the dough without disclosing who's behind the "if not dishonest, at least disingenuous" ("... said John Weaver, a Republican political consultant") non-lobbying lobbying campaigns.

For example, in his effort to fight any raise to the minimum wage, "Mr. Berman's for-profit advertising firm 'bills' the non-profit institute for services" that, in 2012, brought Berman "\$1.1 million... according to its tax returns, or 44 percent of (EPI's) total budget."

Sweet racket and all legal, noted the *Times*.

Why Berman's self-enriching, bilge-peddling non-profits matter to farmers and ranchers is simple: two of his biggest, most disreputable efforts are loved by farm groups and embraced by ag media—HumaneWatch.org, his red hot, anti-Humane Society of the United States website, and his equally hot PETAKillsAnimals.com.

Both, along with some 20 other, non-profit websites that promote unnamed political interests, hide in a Berman-built shell benignly named the Center for Consumer Freedom. (Two Berman-backed web campaigns attack such uncontroversial topics as Mothers Against Drunk Driving and the Centers for Disease Control and Prevention.)

Almost every major news organization—and even his own son—has

ALAN GUEBERT



**" ... Berman exposes': "Meet Dr. Evil," 60 Minutes; a "Washington echo chamber... coveted by industry lobbyists," NYTimes; "...phony non-profit..." Bloomberg; a "company that invents front groups," St. Louis Post-Dispatch; "...a despicable man, an exploiter, a scoundrel," PR Watch."**

published or aired Berman exposes': "Meet Dr. Evil," 60 Minutes; a "Washington echo chamber... coveted by industry lobbyists," NY Times; "...phony non-profit..." Bloomberg; a "company that invents front groups," St. Louis Post-Dispatch; "...a despicable man, an exploiter, a scoundrel," PR Watch.

(Links to all are posted at <http://farmandfoodfile.com/in-the-news/>.)

Everything about him, his ethics, tactics and shady use of tax-exempt fronts stink worse than 8.7 million pounds of "unsound, unwholesome" beef that somehow made it through the American marketplace completely undetected last year.

And, yet, he's the guy Big Ag and Big Meat repeatedly hold up and fund as a friend of American farmers and

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CALLICRATE (continued from page 1)

handful of big corporations take control of America's meat supply?

Julia was on the jury. She was 65 years old, weighed maybe 100 pounds, looked frail, was hooked to an oxygen tank and appeared in generally poor health. She had recently given up her job as the research librarian for the University of Alabama's public library system, generously making the position available for a young widow with three young children.

In the hallway leading out of the courthouse, Julia called out in her faint voice to our attorney David Domina, a tall, intelligent and athletic figure, who over the years had mostly dedicated his law practice to fighting abusive power on behalf of the powerless. The meat packers had met and lost to Domina before.

The thirteen pudgy servile corporate lawyers representing Tyson in the courtroom had been no match for him. "Mr. Domina, Mr. Domina!" she called out, and when he turned toward her, she said, "I was prepared to stay here in this building until Christmas if I had to, to get this verdict for your people."

The opening day of trial was sunny and cool, much more pleasant than the winter weather up north that most of the cattlemen had left behind, along with their cattle ranches and families. Kind neighbors were offering to help with chores to cover for them in their absence. Just outside the courtroom, I was interviewed by an AP reporter. In describing Tyson and the other big packers, I said, "These guys are nothing but old-time gangsters, thugs and thieves. They beat your brains in with their market power and take your money." It made the national press. It would have been an understatement to say Judge Lyle B. Strom didn't like it much. It would come back to haunt me later in the trial.

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# ROBBER BARONS RETURN - U.S. BECOMING BEGGAR NATION

## As Big Food's tentacles wind tighter around markets and governments, OCM fights on

BY MIKE CALLICRATE  
ORGANIZATION FOR COMPETITIVE MARKETS

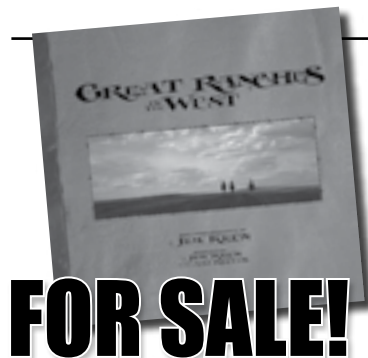
From seed to plate, a handful of global corporations have combined their power to extract unprecedented amounts of resources and wealth. Even Upton Sinclair\* couldn't have predicted that today our nation's four largest meat packers would control over 85% of the market. Surely even he would be surprised to find the biggest companies in all three major meat categories—beef, pork, and poultry—now foreign owned! After experiencing the Robber Baron era of the early 1900s, who could have imagined that a government of the people would allow such concentrated control of any industry, let alone our most critical industry—food?

This administration held five public hearings nationally to learn the devastating social and economic consequences of concentration of the food system for farmers, consumers, communities and the environment. Unbelievably, they seem to see no problem with the biggest food service company in America, Sysco, buying the second largest company, U.S. Foods (United Signature Foods, Inc.) or that one company, Monsanto, would be allowed to essentially gain monopoly control over essential seeds. Who could have predicted that Walmart (the largest food retailer) family members would control more wealth in the U.S.

than the bottom 40% of Americans? Thirty-five years ago, we boasted, "U.S. farmers will feed the world!" Today, facing unprecedented U.S. and global hunger, we find ourselves at the mercy of a few global food companies and unable to feed ourselves.

Corrupt courts, a bought Congress, and multiple administrations captured by industry have refused to protect our farming and food system from the predators we call Big Food. Divided by their differences and prejudices, farmers and ranchers have been easy prey in the no-rules-biggest-cheater-wins fool's game we call a marketplace. Land grant universities have betrayed their mission of supporting land stewardship and animal husbandry, instead selling out to corporate interests. Once considered the voice of producers, the National Cattlemen's Beef Association (NCBA) and National Pork Producers have been fully captured, putting meat packers' interests over producers. Today's industrial profit-over-people food system is wrecking the infrastructure that fed us, selling food that makes us sick, while degrading our land, consuming and wasting our valuable resources, exploiting workers and abusing our food animals. What can be done?

OCM continues its 15-year history of working on important issues concerning



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competition and fair markets. Our tools continue to be litigation and legislation, while we parallel these efforts in supporting alternatives to Big Food. We are seeing much success in collaborating

## **Even Upton Sinclair\* couldn't have predicted that today our nation's four largest meat packers would control over 85% of the market.**

with other well-organized and respected groups, particularly in litigation to reform the Beef Tax (checkoff). As a trusted source for information, we have been instrumental in raising public awareness around our broken food system. We believe well-informed people are more open to working with family farmers and ranchers in supporting a healthier, more just and humane food system.

OCM remains a small group of dedicated, passionate and persistent volunteers who are focusing on core problems and workable solutions. We will not compromise our mission. We will never accept the philosophy that a corporate-controlled food system is inevitable, or the misguided idea that industrial agriculture is the only way to feed the world.

Thank you for your past and continued support. Please help spread the word - When we lose our markets, we lose our freedom!

\* See *The Jungle* by Sinclair, published in 1906.

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STOKES (continued from page 2)

audit of the beef **checkoff program** and the **fund itself**. The program has been in effect since 1985 and has collected and spent more than 2 billion dollars. There are lingering questions regarding the program's effectiveness and proper accounting of these funds.

- During that period, annual per capita consumption of beef has declined drastically and consumption of poultry has doubled.
- More than 40% of our beef cattle producers have gone out of business.
- We now have the smallest beef cattle herd in 60 years.

Hardly the measure of a successful promotion program!

NCBA has managed to gain absolute control of the contracting process for the beef checkoff. It holds 10 of the 20 seats on the CBB committee which awards contracts and has additional influence/control over other seats on the committee held by state affiliates. They have consistently used this lock to award themselves contracts and for 26 years now have been essentially the exclusive contractor. The best estimate is that they have received a total of more than a billion dollars in checkoff funds. This blatant conflict of interest needs to be appropriately addressed.

Many of us believe the beef checkoff fund has become a mere NCBA slush fund, used for such things as a \$150,000 loan to their chief executive, spousal travel and to advance themselves two million dollars, interest free for two years for services to be rendered at some later time. These clear abuses remain unaddressed.

While it may be said that checkoff funds per se have not been used for lobbying, checkoff funds are in effect the lifeblood of NCBA (comprising more than 80% of total revenue) which lobbies heavily against COOL and other policies

avored by most checkoff-paying producers. This gives credence to those who say cattle producers are being compelled to fund their opposition.

AMS, stung by strong criticism from the USDA OIG and others, recently conducted a review of the commodity promotions programs it is supposed to be providing oversight for. This rather silly self-examination quite predictably found that everything was fine. The relationship between AMS and NCBA is highly suspect and needs to be examined.

OCM is determined to do everything possible to cause a thorough and complete examination of the beef checkoff program, the role of NCBA and AMS in its operation and an accounting of funds.<sup>FS</sup>

GUEBERT (continued from page 3)

ranchers because he attacks their—and they say, your—avowed enemies, the Humane Society and PETA.

Indeed, you may view PETA and HSUS as enemies but, rest assured, when you're recalling millions of pounds of long-gone beef as "unfit for human food" you got far bigger problems than HSUS and PETA.

After all, neither could have dreamed up a better anti-meat campaign than the one that began in California and went undetected for a year.

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# COOL - The right to label

BY RICHARD OSWALD

Looking back over 100+ years of family farm history, attitude, sympathetic lenders, luck, and most of all family relationships are what average farmers rely on for their survival.

Corporate partnerships don't have much to offer us.

In governments eyes, bigger has always been better-even when bigger meant corporate control, more pollution, less competition, and higher costs. Realistically, even though US agriculture seems a national icon, corporations, some native to foreign countries, are replacing people like me.

They couldn't do it without help from Judas goats and a few elected officials.

National Cattleman's Beef Association and the American Meat Institute, two organizations with very American sounding names, opposed labeling US origin meat and poultry because their largest dues paying members aren't family farm and ranch cattlemen at all, but multinational meat packer corporations.

During recent farm bill negotiations,

disaster assistance for US beef producers hit hard by weather was held hostage by Congressional lobbyists in an effort to kill Country of Origin Labeling known as COOL.

If you're a packer there are plenty of reasons for burying COOL. Cheap supplies of beef in one place represent high profit margins in another. The recent recall of 9 million pounds of beef by a California processor reveals that adulteration is the key. Something that can't be sold one place can be blended into marketable products shipped far and wide to other places.

Heaven forbid, if there's contamination, the culture of non-inspection means no recalls until dangerous products are consumed by the innocent public. Now multiply that from national to one on a world wide order to see how risk equals reward on a global scale.

Let the buyers beware.

Those of us who remain on the farm can claim family traditions. But the fact is that corporate sponsored farm bill mis-

chief and politics hasten our demise. Rural populations are falling. Family farms aren't far from extinction. In order to have identity, family farmers must have identifiable products. Denying us the right to label our safe, wholesome, home grown food would deny not only who we are, but our very existence.

To the public, it also denies their best food choice.

Here in America where agriculture has always been the mainstay, we are no strangers to big food. Traditional livestock growing regions are two sides of the same coin as family farm cattle herds graze within feet of massive corporate poultry and hog confinements.

Most of those livestock confinements are certainly controlled by the same meat packers who would have denied us the right to label our products.

Some say we can never return to the days when family farms produced the bulk of what we eat. That will be true so long as Americans continue to elect those who favor the politics of big food.

**<http://www.foodsafetynews.com/2014/02/retailer-list-in-9-million-pound-beef-recall-expands/#.UwGCCbK-9KK0>**

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“ ... the fact is that corporate sponsored farm bill mischief and politics hasten our demise. ”

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CALLICRATE (continued from page 4)

IBP President and CEO Bob Petersen warned cattlemen as far back as 1988 that if something wasn't done to keep its competitors, Cargill and ConAgra, from feeding their own cattle, then IBP would have to do something similar. IBP had been a dependable cash buyer, participating weekly in the market for live cattle. IBP had become the biggest and best in the industry. But the market was changing and IBP felt disadvantaged. When cattle prices were high, Cargill and ConAgra could kill cattle from their own feedlots avoiding the more expensive cattle in the cash market. When cattle prices were low, they would buy less expensive cattle on the cash market. They could always keep their plants running

at capacity from their own inventories of cattle if necessary. IBP had to keep their needs flowing from a less dependable and volatile cash market.

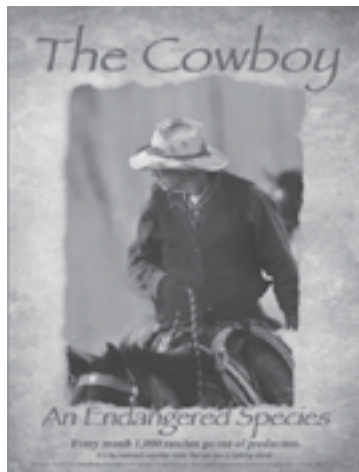
Meanwhile, it was known among meat packer execs and some cattle feeders that the four biggest packers had actually been cooperating since the late 1970s, dividing up the market, and lowering prices to producers. The original intent of the Packers and Stockyards Act of 1921, the antitrust law our case was based on, was to stop the anticompetitive practices of the big meat packers of that day and prevent those practices from occurring again. The law had never really been enforced. The big packers had claimed efficiency and economies of scale in justifying their size and power ~ cattle producers had lost 20% of their

share of what consumers were spending for beef, more than \$300 per head, while retail prices soared. Ranchers were leaving the land at the rate of 1,000 per month. Senator John B. Kendrick knew exactly what would happen when the big packers were left to cooperate rather than compete:

*“It has been brought to such a high degree of concentration that it is dominated by few men. The big packers, so called, stand between hundreds of thousands of producers on one hand and millions of consumers on the other. They have their fingers on the pulse of both the producing and consuming markets and are in such a position of strategic advantage they have unrestrained power to manipulate both markets to*

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their own advantage and to the disadvantage of over 99 percent of the people of the country. Such power is too great, Mr. President, to repose in the hands of any men.”

These words were spoken on the floor of the U.S. Senate by Wyoming Senator John B. Kendrick in 1921

As promised earlier, IBP finally did something to change the way they procured cattle. They developed “the Formula,” a new form of captive supply. Captive supply was a term used to describe the inventories of livestock a packer controlled outside of the cash market. The other big packers used cattle they owned from their own feedlots and contracted cattle from cattle feeders, in addition to buying some cattle on the cash market to lock in their supply. I termed this new formula the “nuclear warhead of captive supplies.”

IBP didn’t invest a single penny, or build a single fence, they didn’t have to feed an animal or worry if an animal got sick or died, yet they could gain complete control of an inventory of cattle just by giving preference to a few large cattle feeders who were having difficulty selling their cattle in a market that was becoming less accessible by the day. If the big packers were robbing the bank, it was the big cattle feeders who were driving the getaway car! It was brilliant! IBP got all the cattle they needed, when they wanted them. The big packers were now fully managing the market rather than competing in it – and posting record profits.

The evening before I was to testify I received a hand delivered letter by way of David Domina from Mr. Gill, one of Tyson’s local Alabama lawyers stating:

An Associated Press reporter, Kyle Wingfield, quoted you in the Wednesday, January 14, 2004 Montgomery Advertiser, and probably

other publications, as making the following statement concerning IBP/Tyson:

“These guys are nothing but old-time gangsters, thugs and thieves. They beat your brains in with their market power and take your money.”

As you are plainly aware, these statements are both false and defamatory. Pursuant to Alabama law, Tyson Foods, Inc. and Tyson Fresh Meats hereby demand that you publish a full and fair retraction of such remarks. This retraction must be published in an equally public and prominent place and manner as the original publication within five (5) days of your receipt of this letter.

David Domina and I spent the evening preparing our written response. We acknowledged that the quote was accurate as written in their letter. We defined each of the terms, “gangsters”, “thugs” and “thieves,” followed by examples of how Tyson and its fresh meat subsidiaries were, by definition, actually “gangsters,” “thugs” and “thieves.” We stated that we were not aware of a company with more felony-laden records and that the terms “gangsters, thugs and thieves” were a mild judgment. A person with a similar legal record would be known as a “habitual criminal” under the laws of many states. We never received a response.

During the trial, we typically walked over to Troy University for lunch. One day several politicians were seen entering the building, one of the luminaries being Senator Sam Brownback from my state of Kansas. I greeted Senator Brownback. He asked what I was doing in Montgomery. I told him I was there for one of the most important events in history. He said he was as well: a celebration in honor of civil rights hero Rosa Parks. I responded that the Rosa Parks event was certainly important, but the reason I was in town, along with many other cattlemen, was to try to save the U.S. cattle industry. I explained a little about the case and suggested he might sit in on the trial being held just across the street – he never showed up, probably confused about on which side of the courtroom he should sit.

Senator Brownback, now Governor of Kansas, along with Senator Pat Roberts and Congressman Jerry Moran (now Senator Moran) are faithful advocates for big agribusinesses like IBP and Tyson, always placing big corporate interests over farmers, ranchers and rural communities. I thought it was revealing that the court room was packed with cash strapped independent cattlemen, paying their own way, but none of the paid meat packer touts attended the

trial. None of the, “We have has the safest, highest quality, most abundant and affordable food supply in the world!” folks were in the room, including ag economists from both private firms and universities, nor the National Cattlemen’s Beef Association (NCBA) leadership, nor writers for any of the major industry publications. David Bowser from the Texas Livestock Weekly was the only agriculture reporter there.

Bruce Bass, who was always dressed like a Wall Street banker, arrogantly confident, and feared by even the biggest and most important of cattle feeders, was IBP’s vice president in charge of procuring cattle. He testified that their captive supplies assured IBP of a steady flow of cattle to keep their plants running and that is why they used captive supplies. During questioning, Bass admitted the company would have to pay more if they bought the cattle on the cash market. He said that his bids for live cash cattle depended on his inventory of captive cattle, and that the more inventory he had under captive supply the lower his bid in the cash market. The jury knew that Bass had just admitted a violation of the Packers and Stockyards Act, which states that it is unlawful for a packer to “engage in any course of business or do any act for the purpose or with the effect of manipulating or controlling prices, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article, or of restraining commerce.”

Judge Strom didn’t like the jury’s verdict. So he reversed it, using a rare procedure called “jury nullification.” He took away the \$1.28 billion award and ordered the cattlemen to pay \$80,000 for Tyson’s court costs.

As the Tyson case was working its way through the courts, D.C. attorney John Roberts had been representing USDA in a case concerning whether the beef check-off was constitutional. The case was before the U.S. Supreme Court, with cattlemen arguing that the big packers and their captive lobbying group, the National Cattlemen’s Beef Association, had high-jacked the approximately \$80 million dollar per year check-off program. The money cattlemen were forced to pay on each head of livestock sold for beef “promotion and research” had been turned into an NCBA-meat packer private slush fund. Cattlemen argued they were being forced to pay for speech that was contrary to their views and interests. John Roberts won on behalf of the USDA. The court ruled the manda-

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tory beef checkoff was government speech, immune from First Amendment restrictions, essentially making the assessment on each head of cattle a tax. For cattlemen, it was a miscarriage of justice - taxation without representation.

The U.S. is now a net food importer on a value basis  
 The largest firms in beef, pork, and poultry are now foreign owned:

Beef – Brazilian owned (JBS)

Pork – Chinese owned (Smithfield)

Poultry – Brazilian owned (JBS)

**It's The National Security issue no one is talking about!**

After Roberts was newly seated as Chief Justice of the Supreme Court, he and the other eight justices would decide which cases they would hear. The Court receives approximately 10,000 petitions for a writ of certiorari each year, but only hears oral argument in about 75-80 cases. On March 24, 2006, the United States Supreme Court denied without comment Plaintiff's Petition to rehear the case, which meant Judge Strom's decision would stand without further review.

"The Courts have now rendered the Packer & Stockyards Act of 1921 (P&S Act) meaningless," said Keith Mudd, a Missouri farmer and OCM president at the time.

"The 11th Circuit Court of Appeals ruled previously that livestock producers can show billions of dollars of harm from price manipulation, but if the packer has the smallest business justification for its conduct, the packer wins."

The cattlemen's worst fear had become reality. They had just been put on the road to serfdom - either on their way out of the cattle business or on their way to being chickenized!

Today, ten years after a jury found Tyson guilty of violations of the Packers and Stockyards Act, the competitive marketplace for finished cattle is gone. Independent feeders, denied a fair market, are gone or going fast in the fool's game of trying to compete against the big packers for calves and feeder cattle, while left with a rigged market to sell into. Cattle - receiving all the performance enhancing drugs technology can provide - are now concentrated into massive 100,000 head-plus, packer controlled, industrial feeding operations, producing the lowest quality beef in modern history. Rural communities, along with the trusted caretakers of our land and livestock, continue their decline as Americans depend more and more on imported meat from the same global companies that have preyed upon

our domestic livestock producers. As the fourth largest packer, National Beef, closes their large Southern California packing plant, we are close to being left with only three big packers - JBS, Tyson and Cargill. The biggest beef packer, the biggest pork packer and the biggest chicken processor in America are no longer American. They are all foreign owned, by either the Brazilians or the Chinese.

As the consequence of an inept Congress and a failed justice system, never before has the money and power in our food system been so concentrated and consolidated at the top. Never before has so much of the food dollar gone to the big corporations that process and distribute, with so little going to those that invest the most capital, take the most risks, and do the most work. Today, every time a big packer has a food safety problem, the whole country is at risk. Never before have so many food workers been so abused and exploited. Never before have so many food animals been so mistreated. Who would have predicted this: 93 years after the passage of the Packers and Stockyards Act and 108 years after being warned of the dangers and abuses of big meat packing, we have made a full return to Upton Sinclair's *The Jungle*.

