

United States Senate

WASHINGTON, DC 20510-4105

<https://www.thune.senate.gov>

May 26, 2021

The Honorable Dick Durbin
Chair
Committee on the Judiciary
U.S. Senate

Dear Chair Durbin:

I write to request that the Senate Judiciary Committee hold an oversight hearing into potential anticompetitive behavior and antitrust violations in the highly concentrated meatpacking sector.

As you know, the four largest meatpacking companies in the United States control more than 80 percent of our nation's beef processing capacity. There have been multiple instances in recent years in which concerns have been raised that these entities could be engaging in anticompetitive behavior.

In May 2020, the U.S. Department of Justice (DOJ) Antitrust Division sent civil investigative demands (CIDs) to the nation's four largest meatpackers. Since that time, the American people have seen no results from the investigation. Additionally, new allegations of anticompetitive activities have been raised since these CIDs were issued.

In recent weeks, boxed beef prices have again increased significantly, and, as a result, consumers are experiencing higher costs in grocery stores. Cattle prices have not responded accordingly, and the ability of cattle producers to continue operating is again in question. As a result, meatpackers are experiencing exceptionally high profit margins at the expense of consumers and cattle producers.

The current situation where companies in the highly concentrated meatpacking sector could be inappropriately influencing the marketplace raises serious concerns that warrant the Senate Judiciary Committee's attention. Given the confidential nature of the DOJ's investigation, such a hearing would serve as a public forum to gather information needed as Congress considers this important issue.

Thank you for your prompt consideration of this request.

Sincerely,



JOHN THUNE
United States Senator

Cc: The Honorable Chuck Grassley, Ranking Member, Senate Judiciary Committee

The Honorable Amy Klobuchar, Chair, Senate Judiciary Subcommittee on Competition Policy, Antitrust, and Consumer Rights

The Honorable Mike Lee, Ranking Member, Senate Judiciary Subcommittee on Competition Policy, Antitrust, and Consumer Rights