

Congress of the United States  
Washington, DC 20515

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July 15, 2005

Ms. Deborah A. Garza, Chair  
Mr. Jonathan R. Yarowsky, Vice-Chair  
Antitrust Modernization Commission  
1120 G Street, NW, Suite 810  
Washington, DC 20005

Dear Ms. Garza and Mr. Yarowsky:

As co-chairs and members of the Congressional Farmer Cooperative Caucus, we are writing in response to the Antitrust Modernization Commission's request for comments on the antitrust laws of the United States to express our strong support for maintaining the historical protections of the Capper-Volstead Act.

As approved by Congress and signed by the President in 1922, the Capper-Volstead Act establishes and protects the basic rights of farmers to join together in cooperative efforts to market their production and related products. The ability of farmers to engage in such cooperative efforts is as important today as when Capper-Volstead was originally enacted.

While there have been many changes in the global marketplace, what have not changed are the unique characteristics of agriculture. Then, as now, farmers are still subject to the vagaries of weather and economic uncertainties triggered by events around the globe, and must compete in a marketplace dominated by fewer and fewer players - where no one farmer is large enough to influence the price for their production. It was in recognition of these and other challenges that the Capper-Volstead Act was enacted and signed into law.

In approving the Capper-Volstead Act, Congress not only recognized the needs of agricultural producers, but also provided basic protections for consumers. For example, the Act specifically provides the Secretary of Agriculture with the authority to review and investigate and to prevent the exercise of any undue price enhancement when it comes to cooperative marketing of agriculture and related products. In addition, Congress continues to have ongoing oversight responsibility of the Act and its provisions.

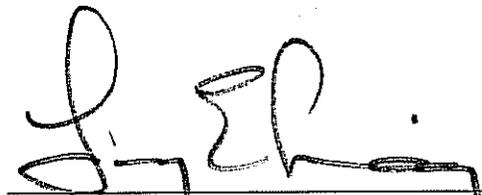
Maintaining and strengthening the ability of farmers to join together in cooperative self-help efforts remains critically important - especially in a rapidly changing global marketplace. Such changes continue to impact the entire food and agricultural system from farming to retail. For many farmers, joining together in cooperative efforts is essential to maintain access to competitive markets and to achieve a reasonable return on their productivity and investment. It also provides farmers with greater opportunity to become more involved in value-added production, processing, and marketing. The success of such efforts not only helps farmers improve their income from the marketplace, it encourages competition, promotes economic growth and jobs, and helps meet the food and fiber needs of consumers at home and abroad. It is for all these reasons that the Capper-Volstead Act and its protections continue to be longstanding government policy with regard to U.S. agriculture.

The repeal of the Capper-Volstead Act, or any weakening of its basic protections, would have a devastating impact not only on farmers, but consumers, with ripple effects throughout our food and fiber system, as well as rural communities all across the U.S.

For all these reasons, we strongly urge the Commission in its review to recognize the continued importance of maintaining the protections of the Capper-Volstead Act as intended by Congress.

Sincerely,

  
Congressman Sam Graves, MO-06

  
Senator Larry Craig, ID

  
Congressman Earl Pomeroy, ND

  
Senator Blanche Lincoln, AR