



July 15, 2005

Antitrust Modernization Commission
Attn: Public Comments
1120 G Street, NW, Suite 810
Washington, DC 20005

Re: Federal Register Vol.70, No. 96 requesting for Public Comments on Section V. Immunities & Exemptions

Dear Commissioners:

On behalf of the farm and ranch family members of National Farmers Union, I am pleased to respond to the May 19 Federal Register notice (Volume 70, Number 96, pages 28902-28907) and request for comment on Section V. Immunities and Exemptions and the circumstances that pertain to granting exemptions in the agricultural sector.

While we understand the goal of the Commission is to review and revamp certain aspects of the current antitrust laws, National Farmers Union (NFU) hopes the Commission considers the history behind the initial eight immunities and exemptions in the agricultural sector that are under examination. NFU has a long history in the development, operation and support of farmer-owned cooperatives; our involvement in cooperative development pre-dates the Capper-Volstead Act, which enabled and encouraged the creation of agricultural cooperatives over 80 years ago.

We are deeply concerned with the announcement that the Antitrust Modernization Commission is seeking to eliminate certain exemptions currently available to agricultural cooperatives. The aforementioned Capper-Volstead Act, the Webb-Pomerene Export Act and the Non-profit Agricultural Cooperatives exemptions are all crucial policies aimed to protect family farmers from market manipulations.

Increasing consolidation and concentration within agricultural markets is one of the most pressing issues facing family farmers and ranchers across the country. The lack of enforcement of current anti-trust laws and federal policies, intended to restore transparency within agricultural markets, is an obstruction producer's currently face in their attempts to compete in a fair and open marketplace. In order to restore true competition for producers we believe a number of initiatives must be enacted including, establishment of an Office of Special Counsel on Competition within the U.S. Department of Agriculture to streamline and increase the effectiveness of investigation and enforcement of competition and anti-trust laws; require the Department of Justice and the Federal Trade Commission to publicly disclose why mergers subject to antitrust review are approved; and establish a level of concentration that triggers a resumption of a violation of antitrust laws to make it easier for DOJ and the FTC to prevent higher levels of concentration. In addition to these initiatives, our grassroots membership has established a comprehensive policy agenda that we would be happy to share with the commission.

We look forward to working with the Commission in an effort to establish a competitive, transparent, fair and accessible marketplace for America's farmers and ranchers and appreciate the opportunity to submit comments.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Frederickson", written in a cursive style.

David J. Frederickson, President