

Campaign for Contract Agriculture Reform, Farm and Ranch Freedom Alliance, Food & Water Watch, Land Stewardship Project, Institute for Agriculture and Trade Policy, Iowa Citizens for Community Improvement, Missouri Rural Crisis Center, National Family Farm Coalition, Organization of Competitive Markets, Ranchers Cattlemen Action Legal Fund – United Stockgrowers of America, Rural Advancement Foundation International-USA, Western Organization of Resource Councils

Our organizations are promoting interrelated reforms to restore competitive livestock markets and fair contracts based on a platform supported by over 200 organizations that represent independent farmers and ranchers, contract growers, and consumers (available at <http://tinyurl.com/3gcty2>).

Agricultural Competition Issue Brief 7 of 18:
Prevent Arbitrary and Unfair Suspension of Delivery of Birds

Obama-Biden Position: " Prevent Anticompetitive Behavior Against Family Farms... strengthen anti-monopoly laws; change federal agriculture policy to strengthen producer protection from fraud, abuse and market manipulation...."

Relevant Program: Packers and Stockyards Act

Relevant Agency: USDA Grain Inspection, Packers and Stockyards Agency

Policy Recommendation – Administration Action: Regulations must be developed to require processors to give growers written notice of any suspension of delivery of chickens at least 90 days prior to the removal of the last flock, with an explanation of the reason for the suspension, the grower’s appeal rights, and the date that the bird delivery will resume.

Background: Processors sometimes halt or delay the delivery of new birds, a practice that often devastates the cash flow of growers under contract. Sometimes this is done by the companies to manage supply at the growers’ expense. Other times it is done to retaliate against growers who are exercising their legal rights to organize other growers in producer associations. Section 11006 of the Farm Bill requires USDA to propound regulations to define when suspension of delivery is an unlawful “unfair practice” and to require “reasonable notice” of when a suspension or delay of delivery will occur.