

# U.S. Rep. Pocan: Introduces bill to place moratorium on ag mergers

Posted on Thursday, Sep 13, 2018

>> **WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)**

FOR IMMEDIATE RELEASE

September 13, 2018

Contact: Ron Boehmer 202-225-2906

WASHINGTON, DC - U.S. Representative Mark Pocan (WI-02) today introduced legislation that would impose a temporary moratorium on mergers and acquisitions between large farm, food, and grocery companies, as well as establish a commission to strengthen antitrust enforcement in the agribusiness industry. The Food and Agribusiness Merger Moratorium and Antitrust Review Act of 2018 would seek to address the unprecedented concentration in the agriculture and food sectors, which is squeezing small family farmers, driving down wages for workers, and hurting rural communities.

In the last two years, chemical and seed company acquisitions and mergers have resulted in just three companies controlling two-thirds of the crop seed market. Further, over the last 30 years, market concentration has grown to the extent where the four largest multinational corporations now control 71% of the pork market, 85% of the beef market, and 90% of the grain market. As big-agricultural firms expand, shares of profits for farmers continue to drop, and over the last 5 years, net income for American farmers has dropped by more than half.

“Out-of-control consolidation has enabled agricultural firms to control prices at every stage of the food chain, from farming to distribution, and Congress must do more to allow local farmers and food systems to be competitive, while establishing greater market transparency for the American consumer,” said Pocan. “Today, corporate profits are soaring, but many middle-class families and farmers continue

to struggle. Establishing a moratorium on ag-mergers will not only strengthen our antitrust laws, but it will also expand economic security and opportunity to more of our communities.”

“Today, a small number of giant companies control every link of our food chain. Consolidation has now reached a point where the top four firms in almost every sector of the food and agriculture economy have acquired abusive levels of market power. As a result, the U.S. is losing farmers at an alarming rate, agricultural jobs and wages are drying up, and rural communities are disappearing,” said U.S. Senator Cory Booker (D-NJ).

The bill, modeled after a similar proposal introduced 20 years ago by the late Senator Paul Wellstone of Minnesota, would also establish a commission to study ways to strengthen antitrust oversight of the farm and food sectors and recommend improvements to merger enforcement.

Pocan’s bill is the companion legislation to a bill introduced in the U.S. Senate by Senator Cory Booker (D-NJ) and is supported by more than 110 organizations. The bill has 5 original co-sponsors in the House, including U.S. Representatives Rosa DeLauro (CT-03), Keith Ellison (MN-05), Marcy Kaptur (OH-09), Ro Khanna (CA-17), and Chellie Pingree (ME-01).