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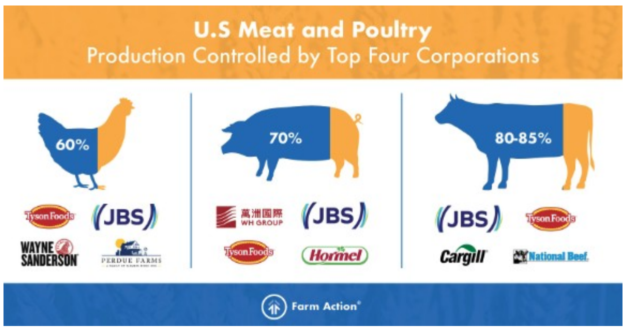
***NEBRASKA TAXPAYERS FOR FREEDOM* ISSUE PAPER:**

HELP NEBRASKA RANCHERS BY BREAKING THE MEATPACKER MONOPOLY.

BACKGROUND. For over a century, meatpacking has become a serious monopoly problem. In the early 1900s, Congress recognized the enormous power of a few packers and passed the Packers and Stockyards Act of 1921 to break their stranglehold. However, over the past 4 decades, weak antitrust enforcement and a wave of corporate mergers have allowed that stranglehold to return. Beginning in the 1980s, a wave of deregulation, corporate mergers, and government inaction reversed the gains. Enforcement agencies stopped challenging monopolies. Politicians embraced the idea that "bigger is better," even in farming. The result was the most concentrated food system in U.S. history. All 4 giant meatpackers have faced prior lawsuits alleging anti-competitive behavior, though they have denied wrongdoing in past settlements totaling tens of millions of dollars. This crisis is crucial to NE, because, with almost 6.5 million head of cattle, NE stands among the national leaders in beef processing.



TRUMP TAKES ACTION. President Trump correctly has accused foreign-owned meatpacking companies of inflating the price of beef for American consumers and requested the Dept. of Justice (DOJ) to investigate them for illegal collusion, price fixing, and price manipulation. Trump contends that foreign-owned meatpacking firms are artificially inflating beef prices, blaming ranchers for rising costs, and threatening our national food security. "We will always protect our American Ranchers, and they are being blamed for what is being done by Majority Foreign Owned Meat Packers," he wrote, "Action must be taken immediately to protect Consumers, combat Illegal Monopolies, and ensure these Corporations are not criminally profiting at the expense of the American People. While Cattle Prices have dropped substantially, the price of Boxed Beef has gone up — Therefore, you know that something is 'fishy.'' Trump defended tariffs imposed during his administration, like those on Brazil, saying they helped domestic cattle producers.[1] The DOJ, led by Att.-Gen. Pam Bondi, confirmed the probe is underway in collaboration with the Dept. of Agriculture (USDA). Ag Sec. Brooke Rollins emphasized the need for transparency and accountability, echoing longstanding complaints from ranchers about corporate middlemen exploiting market power. Assistant Att.-Gen. Abigail Slater, leading the probe, signaled a commitment to expedite the investigation, though experts caution that rebuilding the U.S. cattle herd could take years, prolonging price pressures.[2] The Administration seeks to focus on strengthening U.S. cattle production through endangered-species reforms, expanded grazing access, and improved access to capital and risk-management tools. The USDA plan includes ending the current practice by global beef packers of labeling foreign beef with a "Product of USA" label, encouraging procurement of domestic beef for USDA Child Nutrition Programs, expanding opportunities for smaller beef packers, and expanding the domestic cattle herd.[3]

HURTS NE RANCHERS. Four meatpackers, Tyson Foods, Cargill, JBS, and National Beef Packing control about 80%-85% of the U.S. beef processing market. This gross lack of competition means that ranchers have fewer buyers for their cattle, forcing them to accept lower prices, price manipulation. NE ranchers have limited bargaining power, resulting in artificially low cattle prices as retail beef prices skyrocket. NE ranchers receive less than 30c-37c of each retail beef dollar, a historic low. These companies also dominate poultry and pork markets, shaping prices, production, and even which brands appear on grocery store shelves. From Hillshire Farm and Jimmy Dean to Swift and Pilgrims, these companies affect almost every recognizable name in American meat. The Big 4 do not only benefit from their market share. They also suffer repeated accusations of colluding to keep prices high. Over the past several years, the packers have settled countless lawsuits alleging they coordinated production cuts to inflate prices and suppress payments to ranchers. For packers, these lawsuits considered merely as the cost of doing business. Small ranchers often forced to sign exclusive contracts, locking them into relationships in which the meatpacker can change terms or cut them off without warning. After a plant closes, as Tyson did in Dexter,

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[1] Rural Radio, RRN Staff, Trump Calls for DOJ Investigation into Meatpacking Companies Amid Beef Price Concerns, Nov. 7, 2025.

[2] AInvest, Trump Probes Meatpackers' Price Hikes Amid Drought, 80% Market Control, Nov. 7, 2025.

[3] The National Provisioner, Trump Administration targets foreign-owned meat packers, Nov. 10, 2025.

MO. in 2023, contract growers left with millions in debt and no buyer for their product. Shawn Hinkle, a MO. producer, borrowed $2.3 million for Tyson-required infrastructure. After the closure, he owes $2.8 million and faces bankruptcy. He built chicken houses for Tyson. The plant closure left him stranded. When Tyson or others change a contract, ranchers stuck with the new arrangement, often after a rancher has sunk millions into barns or equipment. Lawsuits filed by affected ranchers allege that Tyson and others collude to prevent farmers from finding other buyers after contracts canceled. The result is small ranchers locked into debt by industry-driven capital requirements, often left with no alternative other than to sell land or declare bankruptcy. In some instances, their only asset is the debt-laden property built for a market that no longer exists. Others sued Tyson, claiming collusion and intentional financial harm after being forced out of business. Fewer buyers for farmer livestock mean that companies can dictate contract terms. As buyers collude or simply use their market power, ranchers receive less for their cattle, chickens, or hogs, often below the cost of production. Contrary to the Big 4 claims, retail prices have stayed high while farm prices dropped, leading to higher profits for processors and shrinking margins for ranchers. Tyson political lobbying and deep pockets allow it to determine policy and, in some cases, silence critics through both legal intimidation and public relations campaigns. Fewer independent ranchers mean less local meat, more corporate control, and increased vulnerability to supply shocks. At the same time, seed, fertilizer, and machinery costs are climbing, squeezing already thin margins for cattle producers.

HURTS NE ECONOMY. The pressure from these low prices has resulted in closure of thousands of independent cattle operations, consolidating production into fewer companies and harming rural NE communities. As independent producers disappear, rural communities lose their economic base. Local businesses that rely on farm income, from equipment dealers to feed stores, struggle to survive. Workers at monopolistic corporate meatpacking plants face grueling conditions, long hours, and little recourse against employers who know workers have few other employment opportunities. Mushrooming is a food system designed not to serve farmers, workers, or consumers, but to enrich a handful of global corporations. Because these companies have such vast influence, their decisions reverberate throughout the entire economy.[4] Beef prices hit record highs in 2025 amid a prolonged rural drought that decimated pasturelands and forced ranchers to reduce the U.S. cattle herd to its smallest level in almost 75 years. The Big 4 use their market power to bankrupt small producers, often through contract manipulation, plant closures, and outright market exclusion, resulting in lost farms, languishing communities, and a food system increasingly rigged against the people who actually raise our food. When ranchers fail, entire communities suffer, from the feed store and banks to the school. A handful of companies controlling food supply increases risk of disruptions, contamination, and price spikes in rural areas. Factory-scale operations are more likely to cut corners, cause more community pollution, and ignore animal welfare.[5] For rural communities, consolidation is devastating. As family farms close and independent businesses disappear, small towns shrink. Wealth that once circulated locally then siphoned away to distant corporate headquarters, leaving behind empty storefronts and shrinking tax bases.

CONSUMERS HURT. This supply crunch, combined with strong consumer demand, has left consumers grappling with a 16% surge in wholesale beef prices, according to USDA data cited in a Fortune report. Though shoppers might think they can choose among competitors, the reality is that most brands derive from one of these 4 companies, leaving families with much less choice than it appears. One might believe that consumers would benefit if farmers paid less. However, in a monopoly-driven system, the opposite is true. Big Four control means higher grocery bills and fewer real choices. Their tight grip over our food system allows them to manipulate supply and prices to their own advantage, leaving families to pay a higher bill at the checkout line. These corporations are not responding to market forces, they are manipulating them. With only 4 companies in control, consumers have little recourse. Monopoly control means fewer product choices in the meat section and a food system vulnerable to supply shocks. Examine the 2019 fire at the Tyson Holcomb plant, when meatpackers claimed the fire lowered processing capacity, causing them to raise beef prices and cut payments to ranchers. Yet, in the weeks following the fire, the industry processed more cattle than before. Corporations can twist events to pad their profits while publicizing the illusion of choice on grocery store shelves, leaving families with lesser choice.[6]

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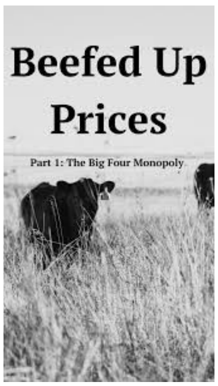
[4] Farm Action, Meatpacking: Four Corporations, Total Control, Sept. 10, 2025.
[5] Yanasa TV News, Meatpacking Monopolies: How Big Meat Is Bankrupting America's Small Ranchers, July 27, 2025.

[6] Farm Action, How Monopoly Agriculture Took Over the Food System, August 20, 2025.

FIGHTING BACK. NE ranchers are fighting back by establishing their own local processing plants, like Sustainable Beef in North Platte, providing an alternative option for producers. State senators and rancher groups seek legislative changes, such as country of origin labeling, to restore competitive markets and more transparency. The beef industry also lobbies the Trump Administration to eliminate bureaucratic Clean Water Act regulations. This industry blames the Biden Regime for hampering the industry with diversity, equity, and inclusion practices and unnecessary regulations.

CONGRESSIONAL ACTION. Sens. Chuck Grassley (IA.) and Mike Rounds (S.D.) introduced **S. 1312**, the Meat & Poultry Special Investigator Act, to strengthen enforcement of current price-fixing laws to ensure that the Big 4 meatpackers comply, permit additional opportunities for ranchers, and lower meat prices for consumers. This bill establishes within the USDA the Office of the Special Investigator for Competition Matters. Specifically, this office must use all available tools like subpoenas to investigate and prosecute violations of the Packers and Stockyards Act of 1921 (PSA) by packers and live poultry dealers. In addition, the bill grants the office the authority to bring a civil lawsuit or administrative action authorized by that act against a packer or live poultry dealer. The office must serve as a liaison to the DOJ and the Federal Trade Commission regarding competition and trade practices in the food and agricultural sector, consult with the Dept. of Homeland Security on national security and critical infrastructure security in the food and agricultural sector, maintain a staff of attorneys and other professionals with appropriate expertise, and coordinate with the USDA Office of the General Counsel and the Packers and Stockyards Division of the Agricultural Marketing Service. The purposes of the Act are to assure fair competition and trade practices, safeguard farmers and ranchers, protect consumers, and protect livestock, meat, and poultry industry members from unfair, deceptive, unjustly discriminatory, and monopolistic practices. Those engaged in the business of marketing livestock, meat, and poultry in commerce all subject to the Act. This bill currently is in the Committee on Agriculture, Nutrition, and Forestry, awaiting a vote to advance it to the full Senate for deliberation. "For decades, America's Big Four meatpackers' anticompetitive practices have made it harder for cattle producers to receive a fair price," Grassley said, "Our bill empowers USDA, in coordination with the Justice Department and Federal Trade Commission, to crack down on bad actors, ensuring a fair and functional marketplace that supports everyone who produces and enjoys quality American meat." Sen. Cindy Hyde-Smith (Miss.), a Trump ally whose family raises cattle, told Vice President JD Vance that meatpackers were the reason for high beef prices, not ranchers, an argument Trump echoed.



SUPPORTERS. The National Farmers Union and U.S. Cattlemen's Assoc. endorsed this bill.

TAKE ACTION NOW. The Big 4 meatpackers wield immense power in the marketplace and in Congress. The only way to break their stranglehold on the meat economy is to lobby both our congressional delegation and state legislature to pass legislation forcing the Big 4 to strictly abide by free market rules that would require equitable pay to cattle producers and bring lower prices for consumers at our grocery stores. Using the content above, lobby our 2 NE senators to endorse and pass **S. 1312** and your state senator to pass similar state legislation. Email netaxpayers@gmail.com for congressional and legislative contact information and join our NTF *Congress Watch Project.*