

Congress of the United States
House of Representatives
Washington, DC 20515-3102

June 7, 2021

The Honorable Carolyn B. Maloney
Chairwoman
Committee on Oversight and Reform
U.S. House of Representatives
Washington, D.C. 20515

The Honorable James Comer
Ranking Member
Committee on Oversight and Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Madam Chairwoman Maloney and Ranking Member Comer:

I write to request a hearing be held before the Committee on Oversight and Reform on a pressing issue of national security, and one that is of particular importance to my constituents: the lack of competition within the beef processing industry and its threat to our nation's food supply.

I recently joined a bipartisan, bicameral letter asking the Department of Justice to investigate beef processing, specifically the potential for violations of antitrust laws and principles of fair competition. Concentrated control of the beef industry presents a risk to America's food supply. The potential complications and threats have been recently highlighted by the cyber-attack on JBS SA, which is one of four major meatpacking companies that together control 80 percent of the beef processing market.

Further, this market control could have implications including market manipulation. In the last few years, the price of cattle has dropped dramatically. However, the price of boxed beef at the grocery store has slightly increased. This affects both ranchers and consumers. Independent cattle ranchers are going broke, and consumers are paying more and bearing the cost of this consolidation. It is important that we get to the bottom of this matter. Holding a hearing is an essential first step.

This hearing would also be very timely considering potential implications for the food supply and our national security. As you know last week, JBS SA faced a ransomware attack that halted production for the country's second largest processor of beef, pork, and poultry. JBS SA supplies approximately 25 percent of beef and 20 percent of pork and poultry to the United States. Concentrated control exacerbates the potential for threats and severe disruptions to our food supply and it is vital we mitigate against future risks. We must examine whether having four companies control 80 percent of the beef processing industry creates an unacceptable risk to cyber and other attacks on the nation's food supply.

Therefore, I ask that you bring in experts on the beef and cattle industry, antitrust laws, cyber security, and executives from the large beef processing companies in the U.S. including JBS SA, Cargill, Tyson Foods, and National Beef.

Thank you for your attention to my request and I look forward to hearing from you.

Sincerely,



Yvette Herrell
Member of Congress