The Cattle Market Working Group met biweekly from April through August, and had the following speakers participate in the working group discussion:

- Tanner Beymer, NCBA
- Kate Miller, Ft. Worth Meatpackers
- Jarrod Gillig, Cargill
- Bart Fischer & Justin Benavidez, Texas A&M
- Jay Johnson, Retired GIPSA
- Jerry Kuckelman, ILS Beef
- Stephen Koontz, Colorado State University

At the conclusion of the working group, members suggested the following points for Farm Bureau policy development:

- The will of the Cattle Market subcommittee is to request AFBF send a formal letter to the Department of Justice (DOJ) asking for an update into their investigation surrounding volatility and anti-trust in the cattle markets within 90 days of receipt of the letter.

- The Subcommittee feels AFBF should continue to work with the appropriate entities and agencies to allow for more and better risk management tools be available for all producers, regardless of size.

- AFBF should continue to explore with appropriate entities and agencies opportunities surrounding the development of a “boxed beef pricing index.”

- The working group discussed the issue of price discovery and mandatory minimum negotiated trade. AFBF has current policy supporting “Any government effort to increase the amount of negotiated sales should be respectful of regional differences. Any marketing requirements should be reviewed or sunset to allow for a thorough cost-benefit analysis” (Section310 / 2.3.1). The issue around mandatory minimum negotiated trade was discussed at length, and many in the working group had conflicting opinions on this policy. While no formal policy changes came from the subcommittee, they requested that it be known that unintended consequences in the cattle markets could arise if such a government effort is realized. Committee members recognize that cow-calf producers make up a large part of Farm Bureau membership and this segment of the industry will likely be impacted the most by a mandated negotiated cash trade regulation.

- The subcommittee would like to express the following points made by speakers that presented to the working group:
  - Government-mandated cash purchases will not cause an increase in cattle prices and price discovery is not the same as price determination.
  - Multiple black swan events have disrupted the cattle markets. Due to these black swan events and their effect on the balance between supply and demand, fed cattle prices are not as correlated to boxed beef prices as they have been historically.
  - The cattle market is not broken but instead, over the past several decades, fed cattle pricing has evolved to a grid or formula pricing system because cattle feeders have benefitted from marketing cattle in this manner. While there is currently no firm evidence that packers are engaging in unlawful market manipulation, it does appear that some leverage in the marketplace will return back to cattle producers as we see a projected reduction in cattle inventory over the next several years.

The Cattle Market Subcommittee consisted of the following members:

- Dan Schmidt, Kansas Farm Bureau
- Ted Kendall IV, Mississippi Farm Bureau
- Hans McPherson, Montana Farm Bureau
- Marty Yahner, Pennsylvania Farm Bureau
- Pat McDowell, Texas Farm Bureau
- Dr. Virgil Bremer, Indiana Farm Bureau
- Mike McCormick, Mississippi Farm Bureau

President, Board Liaison