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 150 1st Avenue NE Suite 325 Cedar Rapids, IA 52401 (319) 363–6832 United States Senate

CHARLES E. GRASSLEY WASHINGTON, DC 20510–1501

May 26, 2009

Christine Varney, Esq. Assistant Attorney General U.S. Department of Justice - Antitrust Division 950 Pennsylvania Avenue, NW Washington, DC 20530-0001

Dear Assistant Attorney General Varney:

I read with interest an article that reported the Antitrust Division will be paying more attention to competition in the agricultural sector. I would like to learn more about your intentions to increase the Antitrust Division's focus on agriculture. You should know that I am fully supportive of any plans to step up the Justice Department's oversight of mergers, acquisitions and business practices in agriculture to ensure that these transactions do not harm competition. I welcome any plans by the Justice Department to make agriculture a priority for the Antitrust Division.

I am sure that you are familiar with my concerns regarding increased consolidation in the agricultural sector and its impact on rural America. For well over a decade, I've expressed strong reservations about particular agri-business mergers and the continued "bigger is better" trend in agriculture. I share the concerns of many agriculture groups and antitrust experts that the agriculture industry has consolidated to the point where family farmers, independent producers and other smaller market participants do not have equal access to fair and competitive markets. Large agri-businesses are in a far better position to engage in anti-competitive and predatory business practices. I'm concerned that increased concentration in the industry will lead to fewer product choices and higher product prices for the American consumer.

I've introduced several bills to address these concerns. For example, Senator Kohl and I have introduced S. 364, the Agriculture Competition Enhancement Act of 2009, which among other things, would require the Justice Department to draft competition guidelines specifically for agriculture and to conduct post-merger reviews to ensure that agri-business transactions are not anti-competitive. I encourage you to review this legislation and work with me to address concerns about excessive concentration and anti-competitive behavior in agriculture.

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307 FEDERAL BUILDING 8 SOUTH 6TH STREET COUNCIL BLUFFS, IA 51501–4204 (712) 322–7103 I look forward to hearing from you about how the Antitrust Division will increase antitrust oversight and enforcement of mergers, acquisitions and business practices in the agriculture sector.

Sincerely,

Chuck Grassley

Chuck Grassley United States Senate