

National Farmers Union Resolution on Increased Consolidation in Agriculture Inputs Sector

Whereas production agriculture has experienced massive consolidation of its input suppliers and output buyers over the past 30 years;

Whereas farmers bear the brunt of massive negative economic consequences from increased consolidation and lack of competition on both sides of the buy sell equation;

Whereas, consolidation of agricultural input suppliers and in agricultural processing in agriculture continues to further - consolidation in farms and increase rural depopulation;

Whereas farmers depend on agribusinesses for seeds and other inputs;

Whereas lack of robust competition results in fewer choices, higher prices, and reduced innovation;

Whereas farm economics have worsened, and several of the largest agricultural input companies have entered into, or completed, merger discussions;

Whereas Syngenta has agreed to a takeover by state-owned enterprise ChemChina, Bayer and Monsanto have entered into discussions to merge, and Dow and DuPont have agreed to merge;

Whereas the "Big 6" hold greater than 95 percent of trait acres for corn, soybeans and cotton in the U.S.;

Whereas without government intervention, the "Big 6" are poised to become the "Big 4", further consolidating an already-consolidated industry;

Whereas commodity prices are currently below the costs of production and are - forecast to stay low in the upcoming years and the cost of agricultural inputs continue to increase and represent a larger portion of the cost of production for crops, ultimately undermining a farmer's ability to make a profit;

Therefore be it resolved:

National Farmers Union opposes any further consolidation in the agriculture sector due to the damaging effects further consolidation and lack of competition could have on the economic viability of farmers, ranchers, and rural America. National Farmers Union supports robust enforcement of antitrust laws and encourages Congress to prevent further marketplace consolidation if the Justice Department and other regulatory agencies fail to protect competition in rural America.