

North Dakota
STOCKMEN'S ASSOCIATION



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Aug. 16, 2019

Heath Tarbert, Chairman
Commodity Futures Trading Commission
1155 21st St. NW
Washington, DC 20581

Dear Chairman Tarbert:

The North Dakota Stockmen's Association is a 90-year-old beef cattle trade organization representing 3,000 cattle-ranching families in our state. We write to you to request your assistance with a situation that has recently occurred.

As you know, on Aug. 9, 2019, fire shut down Tyson's Holcomb, Kan., beef processing plant. With a 6,000-head-per-day capacity, the facility is significant to the overall U.S. beef industry, representing approximately 6 percent of our nation's total beef processing capacity. The impact of the loss sent verberations through the market, as evidenced by the CME Group's live cattle and feeder cattle futures downing the limit on Monday, the first day following the disaster.

The effects of this situation are sure to be felt for a long time, especially since the timeline for the plant reopening is uncertain, but looks to be at least months away. The industry will be scrambling to find other facilities to harvest their cattle and bracing for turbulence in what has already been a dismal marketing year.

We urge the Commodity Futures Trading Commission to enhance its monitoring of the cattle market and guard against any market participant who tries to manipulate the market, illegally capitalize on the situation and devastate our nation's cattle ranchers, who are already facing many other market challenges.

Thank you for your attention to this important matter.

If you have any questions or would like to discuss this issue further, please call our office at (701) 223-2522.

Sincerely,

A handwritten signature in cursive script that reads "Julie Ellingson".

Julie Ellingson
Executive Vice President