

# Kansas Cattlemen's Association

For Immediate Release  
Contact: Brandy Carter  
bcarter\_kca@yahoo.com, 785-238-1483

## Legislation Helps Move Cattle Industry in the Right Direction

Kansas Cattlemen's Association was founded on the principles that increasing the competitive market in the cattle industry would help cattle producers receive a fair market price for their product. In the past ten years, through captive supply, undisclosed offers of high of the week, and packer ownership of cattle, the industry has seen more packer control of the cattle industry.

KCA supports a new bill, the Livestock Marketing Fairness Act, which was introduced in the Senate last month. By providing cattle producers with the opportunity to have more access to the market, and the establishment of a firm base price, this bill helps to reduce price manipulation and anti-competitive practices.

"It appears to me this is a small step in the right direction. Until you really address and eliminate captive supply, the problem is not solved and buyers are not going to competitively bid on a weekly basis on a perishable product," stated KCA President, Lee Robbins. This may not completely stop captive supply, but it will help open up the bidding process and provide fairer pricing on the contracts and the cash cattle that the packers have to buy."

"The Advantages of this bill, theoretically, is that we (producers) are going to know what there is in the market, the number of contracts and how they are priced. Realistically, though, there is so much that goes on that we do not know about. It is a minute step in the right direction of transparency to bring back the ability to negotiate the market price. I do not think people realize the power of negotiation when producers stand together. If your cattle are ready to sell, you should be the one to negotiate your price and not just let someone else set your price for you. That is why the original cattle feeders never sold their cattle without knowing the base price; they knew the power of negotiation. They knew what was good for the industry was good for them. We need to address un-priced grid cattle and top of the week cattle that are turned in and in essence become short term un-priced captive supply. This to me is a major issue within the industry," explained KCA Board member Perry Owens.