

Attorney General Raoul Fights To Increase Transparency In Poultry Industry

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CHICAGO - Attorney General Kwame Raoul today joined a bipartisan coalition of 10 attorneys general in fighting for increased transparency in the poultry industry. Raoul and the coalition submitted [a comment in support](#) of the United States Department of Agriculture's (USDA) proposed rule, *Transparency in Poultry Grower Contracting and Tournaments*, to reduce the information imbalance between farmers and processors in the poultry industry. This increase in transparency would make it easier for small poultry farmers to compete for fair pricing terms from large poultry processors.

“The proposed rule will help put a stop to anticompetitive behavior and will support poultry farmers in Illinois and throughout the United States by increasing transparency,” Raoul said. “That’s why I have joined the bipartisan coalition to support this rule proposed by the USDA.”

The USDA is proposing the rule under its authority in the Packers and Stockyards Act of 1921, which was enacted a century ago to address unfair, deceptive and anti-competitive practices in meat markets.

The current poultry system is dominated by contract growing arrangements and a tournament system. Contract growing arrangements are created between growers (i.e., poultry farmers) and processors, guaranteeing the processor will provide and accept poultry from the grower. However, contracts do not stipulate how many birds or what price growers will receive for them, leaving growers unsure of how much money they will make or if they are being treated fairly in comparison to other growers.

The USDA's proposed rule will require poultry processors to certify how many birds a grower will receive, what other growers are receiving, and what the market has looked like previously for growers in each tournament. Providing growers with additional information about the tournament system and the contract they are entering into will allow growers to make more informed choices and increase processor accountability in the poultry industry.

In addition to the rule that Raoul supported today, the USDA is expected to issue two more [proposed rules](#) that are anticipated to 1) provide greater clarity to and strengthen enforcement of unfair and deceptive practices, undue preferences, and unjust prejudices, as well as 2) clarify that parties do not need to demonstrate harm to competition to bring legal action under the Packers and Stockyards Act.

Joining Attorney General Raoul in filing the comment letter are Minnesota Attorney General Keith Ellison, who led the coalition, and the attorneys general of California, Delaware, Idaho, Iowa, Maryland, Nevada, North Carolina and Pennsylvania.