

January 18, 2007

The Honorable Mike Johanns  
Secretary of Agriculture  
United States Department of Agriculture  
1400 Independence Ave., S.W.  
Washington, D.C. 20250

Dear Secretary Johanns,

As America once again begins the process of reviewing and revising its national farm policies, the future of agriculture has never been brighter. Public focus on agricultural issues continues to expand as new and exciting technologies place the agricultural sector in the driver's seat of America's energy future. However, with these changes and developments have come serious and significant concerns for the tens of thousands of farmers, farm families and all those involved in the \$128 billion livestock, dairy, and poultry sectors. To assist America's livestock, dairy, and poultry producers in responding to these concerns, and help them determine where their future investments will be made, we are requesting that you assemble a working group within the office of USDA's Chief Economist to study the emerging bio-fuels economy and its full implications for these producers, the sector and the consumers they supply and serve.

Not only do these challenges go to the heart of these producers' ability to compete, but many producers also fear they cannot sustain their operations along side a robust and growing ethanol economy. Producers are currently facing serious pressure from increased demand for finite supplies of corn, its impacts on prices, and even the risk that they may be unable to obtain feed at any price during certain portions of the feed marketing year. This could lead to a reduction in size, of at least some of our herds, and further consolidation within the industry.

Ethanol production will have an economic impact on the U.S. livestock industry; good for some and bad for others. This economic analysis will guide our constituents in making informed business decisions. Additionally, with the significant escalation in corn prices and depression of livestock prices, there is an urgency to receive this information.

Thank you in advance for addressing our request and for all you do for U.S. farmers and ranchers.

Sincerely,

Neil Dierks  
Chief Executive Officer  
National Pork Producers Council

George Watts  
President  
National Chicken Council

Jerry Kozak  
President & Chief Executive Officer  
National Milk Producers Federation

Terry Stokes

Chief Executive Officer  
National Cattlemen's Beef Association

J. Patrick Boyle  
President and Chief Executive Officer  
American Meat Institute

Joel Brandenberger  
President  
National Turkey Federation

Cc.: The Honorable Tom Harkin, Chairman, Senate Committee on Agriculture, Nutrition and Forestry  
The Honorable Collin C. Petersen, Chairman, House Committee on Agriculture  
The Honorable Saxby Chambliss, Ranking Member, Senate Committee on Agriculture, Nutrition and Forestry  
The Honorable Bob Goodlatte, Ranking Member, House Committee on Agriculture  
Dr. Edward P. Lazear, Chairman, White House Council of Economic Advisors  
Alan Hubbard, Director of National Economic Council & Assistant to the President for Economic Policy