

Congress of the United States
Washington, DC 20515

August 20, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., S.W.
Washington, DC 20250

Dear Secretary Perdue:

We are writing to bring to your attention the grave concerns of sheep industry stakeholders in Wyoming and throughout the west.

Brazilian beef packing company JBS S.A. (JBS) recently acquired Mountain States Rosen, a lamb processing plant in Greeley, Colorado that filed for Chapter 11 Bankruptcy due to the decline of the domestic sheep industry and additional complications arising from the onset of Coronavirus (COVID-19). Mountain States Rosen was one of the largest lamb packaging plants in the United States, processing approximately 350,000 lambs annually, or about 20% of the U.S. lamb market. JBS has stated that it plans to use the former Mountain States Rosen processing plant only for beef production. JBS will be removing the lamb processing equipment from the plant, completely neglecting the domestic production of lamb, all while continuing to import lamb from other countries. Additionally, JBS halting domestic lamb processing leaves only one domestic lamb processor in the region, which causes concerns about anti-competitive practices.

This acquisition leaves thousands of lamb producers in Wyoming and the region with a surplus of lambs that cannot be processed at suitable facilities. This sale leaves producers who have dedicated their lives to sheep production with little to no recourse to sell their product and almost absolute financial disaster when agriculture producers, supply chains, and markets are already struggling due to complications surrounding COVID-19. As Mountain States Rosen controlled roughly 20% of the U.S. lamb market before declaring bankruptcy, it is clear there are growing anti-trust concerns with JBS's purchase and reported desire to halt all lamb processing.

The Mountain States Rosen plant sale was finalized on July 31, 2020. Estimates say the sale of the Mountain States Rosen plant to JBS will result in economic harm to the sheep industry that is between \$150 million to \$200 million. The Department of Agriculture must act expediently to investigate these concerning circumstances and evaluate the potential for anti-competitive practices in the lamb market.

Thank you for your attention to this matter.

Sincerely,


Michael B. Enzi
United State Senator


John Barrasso M.D.
United States Senator


Liz Cheney
United States Representative