

United States Senate

WASHINGTON, DC 20510

March 14, 2008

Attorney General Michael B. Mukasey
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Dear Attorney General Mukasey;

We write to encourage your scrutiny of the proposed merger of JBS S.A., National Beef and Smithfield Beef Group. This acquisition represents further consolidation of the U.S. meat processing industry. The competitiveness of this sector is of vital importance to beef and lamb producers across the country, especially in Wyoming. We urge your agency to carefully consider all aspects of this proposed acquisition before making any judgment.

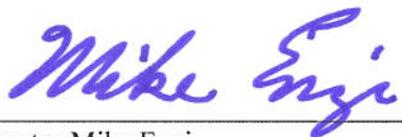
Livestock markets are dependant upon the coordination of many sectors of the industry. Ranchers raise calves and lambs to sell to livestock feeders. Feeders sell matured animals to meat packers. Packers rely on the wholesale and retail markets to sell their products to consumers. The effectiveness of this market chain is determined by free market competition in every sector. In recent years, the meat packing industry has become increasing consolidated, reducing market opportunities for Wyoming ranchers.

In the face of this market trend, the proposed merger of three of the five major packing companies in the U.S. calls for careful review. We request that your agency consider the effects of this proposal on livestock producers. Many producers have very limited options to sell their cattle. Collusion between packing plants in any one area of the country could significantly depress prices and damage livestock markets. Within your agency's duty to oversee corporate mergers, please consider geographic, market, and price effects on the livestock industry.

This acquisition will create the largest meat processing company in the world. Under this proposal, the company will also control the largest cattle feeding operation in the United States, Five Rivers Cattle Feeding. The feeding and meat processing sectors of the livestock industry are inextricably linked. The potential for a packing company to manipulate the market with ownership of livestock is inherent, and this merger exacerbates that situation. It is imperative that a full review of the JBS acquisition include consideration of these factors.

We appreciate your duty to safeguard American producers and consumers from anti-competitive practices. In your review of the JBS merger proposal, please carefully consider the implications for Wyoming livestock producers.

Thank you for your consideration,



Senator Mike Enzi



Senator John Barrasso