

United States Senate
WASHINGTON, DC 20510

August 20, 2019

The Honorable Heath Tarbert
Chairman
Commodity Futures Trading Commission
1155 21st Street, NW
Washington, D.C. 2058

Dear Chairman Tarbert:

On August 9, 2019, a fire broke out at the Tyson beef processing plant in Holcomb, Kansas, causing major disruptions in the cattle and beef markets.

This plant processed 6,000 head of cattle per day, which is roughly six percent of total U.S. processing capacity. The market reaction to the plant's closure was felt throughout the entire cattle and beef marketing chain.

Last week, we witnessed cattle futures sink to multiyear lows with live cattle contracts settling at their lowest since October 2016 and feeder cattle contracts dropping to their lowest since March 2017.

With already high margins and heavy supplies, the Tyson fire could not have come at a worse time for cattlemen and the beef industry. This is in addition to an already difficult year that has brought extreme weather events and looming trade uncertainty, despite growing consumer demand both domestically and abroad. While other processing locations have stepped up to add shifts in order to increase their capacity, uncertainty and volatility remain and will likely persist into the fall months.

Accordingly, I ask that the Commodity Futures Trading Commission (CFTC) remain vigilant in their oversight of this market to ensure that market participants do not use uncertainty to price gouge, manipulate, or take advantage of the burdensome obstacles our producers are currently facing.

Thank you for your attention to this matter. Please do not hesitate to reach out to me or my office if you need additional information.

Sincerely,



Deb Fischer
United States Senator

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