



**Testimony of
Robert Lopez
United Food and Commercial Workers International Union**

before the

**Minnesota House Agriculture and Finance Policy Committee
March 18, 2026**

regarding

Retail Packer Ban

Thank you, Committee Co-chairs and members, my name is Robert Lopez, and I am the Deputy Legislative Director for UFCW. I am here today to testify in support of HF 4080. This bill would protect labor standards in the meatpacking sector and establish market competition for a more robust meatpacking industry.

UFCW Locals 663 and 1189 represent nearly 23,000 hard working men and women that work in grocery retail stores, food process and meatpacking plants, as well as the emerging cannabis industry. These hardworking men and women put food on the table for Minnesota families and are an integral part of America's food supply chain.

Vertical integration in the meatpacking sector reduces workers bargaining power, leads to job loss, destroys small and independent businesses and makes it harder for workers to form a union in the meatpacking sector.

When one company controls multiple parts of a supply chain (manufacturing, distribution, and retail) workers get squeezed in that industry and are left with few if any alternatives. This downward pressure weakens union leverage and wage negotiations because labor cannot easily move to a competitor.

Vertically integrated firms also exert more control over working conditions. They will impose uniform policies across the entire supply chain with control over warehousing, logistics, and retail. This gives workers less control and ability to negotiate with these firms over these conditions.

Integration often leads to job consolidation and automation. These firms will conduct rounds of efficiency restructuring, with logistics automated, warehousing consolidated, and jobs eliminated. This prioritization of cost savings over employment stability will destroy communities that depend on family sustaining union jobs.

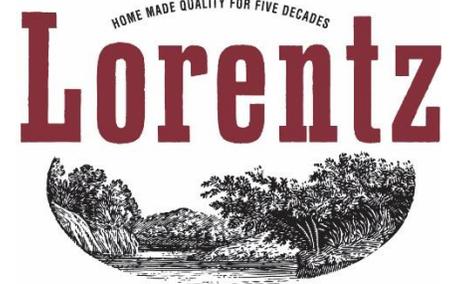
There is also less opportunity in the market for small and independent businesses. Vertically integrated firms replace contractors, suppliers, and distributors with internal operations. This will eliminate smaller firms or local employers, reducing competition in the market and eliminating diversity in the sector.

Large vertically integrated firms make it harder for workers to form unions in the sector. Vertical integration allows centralized management to deploy anti-union strategies across multiple divisions. If workers across a supply chain are not organized simultaneously, the firm can shift work internally to non-union units.

Do not be fooled by the notions of efficiency, and lower costs for consumers masked as control and domination of a sector. When a dominant retailer integrates the clock begins on a race to the bottom for workers, consumers, and small businesses.

Thank you for the opportunity to testify today.

March 16, 2026



🦃 Fine Meats Packed In The Cannon River Valley 🦃

Dear Representative,

We, the undersigned organizations representing stakeholders working in various sectors of meat supply chains, urges you to support **HF 4080**, which would ban dominant retailers from owning meatpacking plants and give the state attorney general enforcement authority to ensure compliance.

Federal agencies have retreated from effective antitrust enforcement for decades, allowing the cancerous growth of secret, sweetheart deals between dominant retailers, packers and wholesalers that block market access for smaller competitors and raise consumer prices, while squeezing workers, farmers and ranchers. *This trend has accelerated income inequality by siphoning ever greater amounts of wealth from Mainstreet to Wall Street.*

Now, dominant retail grocers are aggressively moving to vertically integrate entire meat supply chains. For example, Costco has opened a chicken plant in Fremont, Nebraska, and Walmart has acquired beef processing and slaughter plants in Kansas, Georgia and Nebraska.

Meatpackers consolidate in response to retail grocer vertical integration both to maintain their own bargaining power vis-a-vis dominant retailers, and to leverage their increased buyer power to lower prices paid to farmers and to reduce workers' wages.

For decades federal agencies have retreated from enforcing essential antitrust laws under the *Consumer Welfare Doctrine*, which narrowly interprets the sole goal antitrust to be providing consumers with lower prices, despite plain statutory language articulating other important goals such as protecting competition. This enforcement lapse has empowered dominant retailers to vertically integrate entire meat supply chains. Examples of such laws not being enforced include:

- The *Robinson-Patman Act*, which prohibits wholesalers from giving dominant retailers an undue price preference over smaller retailers. Wholesalers can become so dependent on large volumes of sales to dominant retailers that they accept lower prices from those retailers to maintain that volume. Then they charge higher prices to other buyers to make up losses, a phenomenon known as the *water bedding effect*.
- The *Packers and Stockyards Act*, which prohibits meatpacking companies from providing an undue preference not only to sellers (farmers and ranchers), but also to *certain buyers* (e.g., dominant retailers).

Lorentz Meats

705 Cannon Industrial Blvd.
Cannon Falls, MN 55009
(507) 263-3618
(507) 263-8219 (fax)
www.lorentzmeats.com

HF 4080 would empower the State Attorney General to curtail predatory, anticompetitive sweetheart deals among dominant retailers, processors, and wholesalers by requiring dominant retailers to divest from meatpacking facilities and reducing their excessive buyer power. This would level the playing field for workers to get fairer wages, farmers to get fairer prices, smaller businesses to get market access, and consumers to get lower grocery prices through more competitive markets. All resulting in *more wealth being retained on Main Street* rather than being syphoned off to Wall Street.

We urge you to support **HF 4080**.

Sincerely,

Samara Akers

Corporate Manager

Lorentz Meats

sakers@lorentzmeats.com

(Signing on to the letter of support above provided by Institute for Agriculture and Trade Policy)

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We urge you to support **HF 4080**.

Sincerely,

American Economic Liberties Project
American Grassfed Association
Farm Action Fund
Institute for Agriculture and Trade Policy
Institute for Local Self-Reliance
Open Markets Institute



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March 18, 2026

Co-Chair Rick Hansen
Co-Chair Paul Anderson
House Agriculture Finance and Policy Committee
75 Rev Dr Martin Luther King Jr Boulevard., Room G3
St. Paul, MN 55155

Dear Co-Chair Hansen, Co-Chair Anderson, and committee members:

On behalf of Minnesota Farmers Union (MFU), I write to share support for your bill to prevent vertical integration between the largest grocers and meat processors in Minnesota (HF4080). We believe this will create checks on the further consolidation that serves to squeeze farmers, workers, and consumers.

MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers and rural communities since 1918. Even though the price of meat in Minnesota has risen by over 33% since 2020 – squeezing families struggling to pay their bills – farmers are not seeing a windfall. The farmers share of every dollar we spend on food is declining. For example, producers receive just 32% of each dollar spent on top sirloin; 16.4% of each dollar spent on boneless ham; 15.3% of each dollar spent on bacon; and 2.4% of each dollar spent on turkey.ⁱ

Corporate consolidation is playing a key role in squeezing farmers, consumers and workers. Just four multinational meatpacking corporations control 54% of poultry processing, 66% of pork packing and 85% of beef packing in the United States.ⁱⁱ Four massive chains also dominate the grocery industry, accounting for over 55% of grocery sales.ⁱⁱⁱ Now those same powerful companies are looking to take further control of the food supply chain with Walmart opening a beef processing plant in Kansas last year.

While Walmart's entry into the market could create competition in the highly consolidated beef industry in the short-term, this kind of vertical integration will only strengthen its ability to squeeze producers and workers in the long-term. Already Walmart's control of roughly a fifth of Tyson's sales has given it significant leverage over the company with Tyson saying in SEC filings that any disruption in its business with Walmart would "have a material impact" on the company's operations.^{iv} Swapping one giant company for another is not the way to meaningful increase competition and enhance the resiliency of our food supply chain.

In recent years your committee has helped Minnesota lead in building out local and regional meat processing capacity. This has included direct investment in meat processing plants, support for transitioning existing plants, the establishment of a meat processing business navigator, the establishment of secondary and post-secondary education programs in meat cutting, and more. Part of securing the long-term success of these investments is ensuring that our network of local and regional meat processors are operating in a marketplace that is competitive and fair.

Preventing massive grocers from amassing even more control of our food system will not reverse the extreme consolidation that already exists in the industry. That said, this bill represents an opportunity to prevent even further monopolization and we ask for your members to support. If you have any questions, please contact our Government Relations Director, Stu Lourey, at stu@mfu.org or (320) 232-3047 (C). Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

A handwritten signature in black ink that reads "Gary Wertish". The signature is written in a cursive style with a large, looped "G" and a long, sweeping tail.

Gary Wertish
President, Minnesota Farmers Union

ⁱ <https://nfu.org/advocacy/farmers-share/>

ⁱⁱ <https://nfu.org/advocacy/fairness-for-farmers/>

ⁱⁱⁱ <https://ilsr.org/wp-content/uploads/2024/11/ILSR-GroceryMarket-Graph-Final.pdf>

^{iv} <https://www.agdaily.com/livestock/walmart-looks-to-tighten-its-grip-on-the-beef-supply-chain/>