



THE MACC TRACT

Special Edition

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Mid America Cooperative Council's E-News Update

Our Mission is to Promote, Foster and Strengthen the Values of Cooperatives

Capper Volstead Protects Co-ops: A Year in Review

2010 kicked off with the announcement of five DOJ/USDA workshop hearings set to explore competition issues affecting the agricultural sector in the 21st century and the appropriate role for antitrust and regulatory enforcement in that industry. This was the first of its kind. Co-op colleague and former USDA Deputy Ag Secretary Chuck Conner, now National Council of Farmer Cooperatives, CEO and his team, responded to the investigation with vigor. Their aim was to better evangelize the importance of farmer cooperatives to America.



Chuck Conner was the keynote speaker at MACC's Annual Meeting in June. In his address he expressed the importance of the Capper-Volstead Act and affirmed that it is as necessary today, as ever, to protect the important competitive and economic benefits of cooperatives. Conner said, "We have to engage and educate government about the importance of Capper Volstead. It is important that we unite under the co-op banner and support co-op industry." And that is what happened during the five workshops held by the DOJ & USDA in 2010, across America.

A concerted effort was launched by cooperative associations including MACC, The purpose was to unite and confront any effort to repeal the Capper-Volstead Act. Co-op advocates were on hand at each workshop to vigorously oppose any threat to the co-op model and to educate officials on the importance of the cooperative business structure and its impact on America.

Co-op Support Expressed By Officials

Ag Secretary Tom Vilsack noted that early on in the announcement about the workshops, that there was widespread concern that the workshops were "focused on doing damage to cooperatives." The Secretary said the USDA "recognizes the important role of cooperatives in bringing fairness and balance to the marketplace." He and other officials were poised and ready to hear all sides of the issues.



Adding to Vilsack's statement, Assistant Attorney General Christine Varney added: "we understand co-ops are essential to the livelihood of producers." She said the DOJ "is supportive of the mission of cooperatives and the Capper-Volstead Act," and stressed that DOJ has "no anti-cooperative agenda."

Varney also gave closing remarks at the last hearing held in Wash D.C. ~ December 8, 2010; recognizing "That there is no one clear solution to the many problems we have heard, we have instituted another first. We have established a working task force made up of members from the USDA, the Antitrust Division, and now the Civil Division to jointly look at these issues to assure that all available resources are brought to bear. We have also continued our input and guidance to the USDA as it devised rules under the Packers and Stockyards Act.



We will continue working with the variety of stakeholders with whom we have been engaged throughout the past year. Each of us—federal agencies, state governments, private corporations, and producers—has a stake in an open and competitive agriculture industry, and the Antitrust Division has rededicated itself to doing its part. Government doesn't have all the answers to the challenges faced by rural America, but it can play an important role."

Lessons Learned: Forward Focus

Co-op and government leaders alike gained new perspectives through the hearings. Farmers across America poured their hearts out about the challenges they are facing. This was a wake-up call for many, especially those of us that enjoy the benefits of being cooperative. It is evident that it is of utmost importance to continue to protect the cooperative business model through education and advocacy. It is important to invest in co-op education for every co-op member, director and employees. We can build cohesiveness and co-op unity one person at a time.

MACC Members: Thank you for engaging in the letter writing campaign and contacting your Legislator to advocate for all Co-ops!