



April 22, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
United States Department of Agriculture
Room 200-A
Jamie Whitten Building
14th Street & Independence Ave., S.W.
Washington, D.C. 20250

Dear Mr. Secretary:

Thank you for your continued leadership at this pivotal time for U.S. agriculture. We recognize the complexity you face in addressing so many farmer and rancher needs.

For U.S. hog farmers, USDA purchases of pork was very welcome news. We are committed to doing all we can to facilitate expedited AMS purchases, particularly product packaged for the food services sector, and make it available to the growing number of people in need.

Unfortunately, the situation for hog farmers worsens each day. Even before plants started shutting down, pork producers were collectively facing \$5 billion in losses for the remainder of the year. With total plant capacity now reduced by approximately 24 percent, losses have increased substantially. With seriously constrained plant capacity, the fears we expressed in our March 10, 2020, letter to you have now been realized: "The specter of market-ready hogs with nowhere to go is a nightmare for every pork producer in the nation. It would result in severe economic fallout in rural communities and a major animal welfare challenge."

Given this dire situation, we hope you will consider these actions:

Plant Operations – It's imperative that we do all we can to restore and maintain plant operations while ensuring worker safety. We believe the administration's leadership and direct engagement at the state and local level – including your personal involvement – is essential to successfully navigating the current challenge. NPPC stands ready to support you.

Producer Payments – We appreciate that USDA included direct payments for pork producers in its initial relief package. These payments, however, will not sustain the U.S. pork production system as we know it today. Many who are eligible, those who own pigs, are capped at a level that doesn't begin to address their losses or allow them to sustain their business relationships. Without adequate financial support, many producers will go bankrupt, prompting consolidation and a less competitive industry, and doing long-term damage to a production system that is the envy of the world.

Animal Welfare/Indemnification – We also seek your support for hog farmers who are forced to euthanize their animals. As you know, our producers will not tolerate animal suffering. As pigs back up on farms (due to plant disruptions) and animal welfare standards are compromised, farmers will be forced to make tragic choices. We call upon the USDA to assist the pork producers with this problem by (1) indemnifying them for their euthanized hogs and the costs they incur to humanely euthanize and dispose of the animals and (2) providing producers who must euthanize their hogs with legal immunity from attempts by activities to penalize producers who, through no fault of their own, are now required to take this action.

Again, thank you for your service at this critical time. On behalf of U.S pork producers, please know we are ready to support your ongoing efforts to work through this unprecedented challenge and to maintain the continuity of the U.S. food supply.

Sincerely,

A handwritten signature in black ink that reads "Neil Dierks". The signature is written in a cursive, flowing style.

Neil Dierks
CEO
National Pork Producers Council

The Global Voice of the U.S. Pork Industry

10676 Justin Drive ★ Urbandale, IA 50322 ★ 515.278.8012 ★ Fax: 515.278.8014
122 C Street NW, Suite 875 ★ Washington, DC 20001 ★ 202.347.3600 ★ Fax: 202.347.5265