

# Interim Report: Competition and Fair Practices in Meat Merchandising

**On October 8, 2024, the U.S. Department of Agriculture (USDA) Agricultural Marketing Service (AMS) issued *Interim Report: Competition and Fair Practices in Meat Merchandising*.**

Executive Order No. 14036 on Promoting Competition in the American Economy directed USDA to prepare a report “on the effect of retail concentration and retailers’ practices on the conditions of competition in the food industries.” Following a multi-year effort to better understand meat markets and potential problems existing within them—with an attention to beef—this report concludes that current practices existing within the meat merchandising industry warrant a renewed focus on enforcement of existing laws.

This interim report summarizes findings from USDA research and investigations authorized by the Packers and Stockyards Act (P&S Act). It describes how retailers, distributors, and packers appear to be engaging in conduct that may violate the P&S Act, using:

- Unfair business practices and undue preference in pricing structures, fees, and marketing decisions, and
- Overall relationships that enhance dominance at the expense of competition on the merits.

Conduct of concern also includes practices such as excessive marketing fees, accrual arrangements, and potentially anticompetitive preferential arrangements and price discrimination by certain food distributors, meat packers, and retailers. This conduct may restrict competition, foreclose market access, and present unavoidable harm to market participants in the meat markets and ultimately harm American consumers.

Over the last forty years, concentration in retail and distribution markets and among meatpackers has dramatically increased, and the number of livestock producers has declined. Producers, smaller processors, and independent retailers have increasingly complained that they are being shut out of markets across the meat supply chain.

The meat supply chain has the longest history of comprehensive regulatory oversight under the P&S Act of 1921, as amended, (7 U.S.C. 181 et seq.) of any segment of the food industry, making it ripe for a focused investigation of marketing practices. In addition, the meat industry accounts for the largest share in value of U.S. food production, and meat processing plants account for a large share of U.S. food and beverage workers.

Read the [interim retail report](#). Learn more about USDA’s work to support fair markets on our Fair and Competitive Markets [webpage](#).