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Cattle Price-Fixing Cases Consolidated In Minnesota

By **Khorri Atkinson**

Law360 (July 11, 2019, 5:02 PM EDT) -- A Minnesota federal court ruled Wednesday that some of the country's largest meatpacking companies, including Tyson and Cargill, will now face consolidated allegations of colluding to drive down prices of cattle used for beef production.

U.S. Magistrate Judge Hildy Bowbeer issued a nine-page order, saying that the court will oversee three proposed class actions filed by ranchers and industry trade groups over claims that meat processors have harmed them and violated federal antitrust law by suppressing prices for fed cattle.

The plaintiffs have until July 15 to file a consolidated amended complaint, the judge said.

Attorneys for the parties did not immediately respond to requests for comment Thursday.

Some of the plaintiffs, including Ranchers Cattlemen Action Legal Fund United Stockgrowers of America, known as R-CALF USA, sued Tyson Foods Inc., Cargill Inc. and other meat processors earlier this year, claiming their conspiracy started at least since January 2015.

According to their suits, the meatpackers worked together to suppress beef prices in part by agreeing to reduce slaughter volumes and curtailing purchases. The plaintiffs said the collusion caused an unprecedented drop in fed cattle prices in 2015.

In one of the complaints filed in April against Tyson Foods, JBS SA, Cargill and National Beef Packing Co., R-CALF USA alleges that these so-called Big Four meatpackers manage more than 80% of the retail beef market for the cattle and have routinely worked to decrease their outputs so there would be less demand for what ranchers are selling.

Other price suppression tactics the meatpackers allegedly have deployed include importing large numbers of foreign cattle, purchasing cattle during a narrow 30-

to 60-minute window on Fridays and slashing slaughter volumes.

The allegations against JBS and Tyson **are similar to a multidistrict litigation** in an Illinois federal court they're facing over claims of conspiracy to manipulate broiler chicken and pork prices by limiting their supply.

The ranchers and trade groups are represented by co-lead counsel Scott + Scott Attorneys at Law LLP and Cafferty Clobes Meriwether & Sprengel LLP. Robins Kaplan LLP is liaison counsel. The executive committee is comprised of Gibbs Law Group LLP, Kirby McInerney LLP, Paul LLP; and Pearson, Simon & Warshaw, LLP.

The defendants are represented by McGrath North, Perkins Coie LLP, Jones Day, Dykema Gossett PLLC, Stinson Leonard Street LLP, Greene Espel PLLP, Mayer Brown LLP, Quinn Emanuel Urquhart & Sullivan LLP and Bassford Remele.

The cases are Ranchers Cattlemen Action Legal Fund United Stockgrowers of America et al. v. Tyson Foods Inc. et al., case number 19-cv-01222; Sevy v. Tyson Foods Inc. et al., case number 19-cv-01243; and Wright et al. v. Tyson Foods Inc. et al., case number 19-cv-01350, all in the U.S. District Court for the District of Minnesota.

--Additional reporting by Christopher Cole and Matthew Perlman. Editing by Bruce Goldman.

Update: This article was updated with additional information about the ranchers' and trade groups' counsel.