

What's the deal with the CME?

The CME (Chicago Mercantile Exchange) is the world's largest private trading house – the commodity trading done at the CME affects the prices that food system workers receive globally.

Trading in everything from natural gas, soy, and cheese, to hogs, feed and lumber, the CME sets prices for goods in the food and fiber industry, affecting everyone in these areas. These prices also affect the things that consumers buy, from bread and milk, to furniture and energy.

Regulation of the CME is lax. Still, we know on various occasions that traders have engaged in illegal action:

- A 2014 lawsuit suit fined Dairy Farmers of America (DFA) \$50 million for fixing prices¹
- An ongoing investigation into Kraft alleges price manipulation in the wheat industry involving over \$90 million of product²
- In 2018, the U.S. Commodity Futures Trading Commission settled out of court with the Lansing Trading Group for \$3.4 Million for fixing agricultural prices³
- Also in 2018, a trader was found guilty of using CME-approved practices that affected millions of dollars of commodities⁴



Moreover, the CME managed to secure tax relief in 2011 to reduce its payments in half (from approximately 160 million to 80 million).⁵



Why Protest Now?

The food system is not getting any better. Record bankruptcies in Wisconsin have depleted family farming in the state, as an ongoing trade war with China has depressed prices for farmers. Corporations and mega agribusiness cooperatives remain profitable – JBS⁶, Land O'Lakes⁷, and Tyson Foods⁸, for instance, marked increasing revenue in 2018 – while food industry workers struggle to make ends meet.

What Else can we do?

Demand that action be taken on the CME and other food industry monopolists!

1. Call or email Assistant Attorney General Makan Delhahim at (202)-514-2401 or at antitrust.atr@usdoj.gov

¹<https://www.dairyreporter.com/Article/2014/07/16/DFA-to-pay-50m-to-settle-Northeast-US-milk-price-lawsuit>

²<https://www.cftc.gov/PressRoom/PressReleases/pr7150-15>

³<https://www.cftc.gov/PressRoom/PressReleases/7754-18>

⁴<https://chicago.suntimes.com/business/australian-trader-guilty-plea-manipulating-market-prices-spoofing/>

⁵<https://www.chicagotribune.com/business/ct-xpm-2011-12-17-ct-biz-1217-cme-sears-20111217-story.html>

⁶<https://www.drovers.com/article/jbs-reports-profits-surge>

⁷<https://www.landolakesinc.com/Press/News/2018-Earnings-Release>

⁸<https://www.wsj.com/articles/tyson-foods-reports-higher-profit-as-sales-tick-up-1533558920>

2. Call or email Secretary Christopher J. Kirkpatrick of the Agricultural Advisory Committee at the US Commodity Futures Trading Commission at (202)-418-5510
3. Support the Pocan/Booker Bill for a moratorium on agribusiness mergers!
Senator Booker's DC Office can be reached at (202)-224-3224
Representative Pocan's office can be reached at (202)-225 2906