## Congress of the United States

Washington, DC 20515

January 26, 2025

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Avenue NW Washington, D.C. 20500

## Dear President Trump:

We write to ask about your Administration's plan to lower food prices for American families. Americans, in the first days of your new presidency, are facing egg shortages amidst an avian flu outbreak and still-high prices at the grocery store. During your campaign, you repeatedly promised you would lower food prices "immediately" if elected president. But during your first week of office you have instead focused on mass deportations and pardoning January 6 attackers, including those who assaulted Capitol police officers. Your sole action on costs was an executive order that contained only the barest mention of food prices, and not a single specific policy to reduce them. You have tools you can use to lower grocery costs and crack down on corporate profiteering, and we write to ask if you will commit to using those tools to make good on your promises to the American people.

On the campaign trail, you repeatedly promised to make food more affordable for Americans. During your nomination acceptance speech at the Republican National Convention you vowed to "drive down prices and make America affordable again" "starting on Day 1." The next month you promised "when I win, I will *immediately* bring prices down, starting on day one." After the

<sup>&</sup>lt;sup>1</sup> Wall Street Journal, "Food Prices Are Rising Again," Patrick Thomas and Jesse Newman, January 19, 2025, https://www.wsj.com/economy/consumers/food-prices-inflation-bird-flu-weather-230a97a3.

<sup>&</sup>lt;sup>2</sup> CNN, "What voters need to know about Harris' and Trump's economic policy proposals," Katie Lobosco and Tami Luhby, August 16, 2024, <a href="https://www.cnn.com/2024/08/15/politics/harris-trump-economy-policies-inflation/index.html">https://www.cnn.com/2024/08/15/politics/harris-trump-economy-policies-inflation/index.html</a>.

<sup>&</sup>lt;sup>3</sup> Axios, "Tracking Trump's executive orders: What he's signed so far," Avery Lotz, January 2025, <a href="https://www.axios.com/2025/01/21/president-donald-trump-executive-orders-list">https://www.axios.com/2025/01/21/president-donald-trump-executive-orders-list</a>; NBC News, "Trump pardons roughly 1,500 criminal defendants charged in the Jan. 6 Capitol attack," Ryan J. Reilly, January 21, 2025, <a href="https://www.nbcnews.com/politics/justice-department/trump-set-pardon-defendants-stormed-capitol-jan-6-2021-rcna187735">https://www.nbcnews.com/politics/justice-department/trump-set-pardon-defendants-stormed-capitol-jan-6-2021-rcna187735</a>.

<sup>&</sup>lt;sup>4</sup> White House, "FACT SHEET: PRESIDENT DONALD J. TRUMP DELIVERS EMERGENCY PRICE RELIEF FOR AMERICAN FAMILIES TO DEFEAT THE COST-OF-LIVING CRISIS," January 22, 2025, <a href="https://www.whitehouse.gov/presidential-actions/2025/01/fact-sheet-president-donald-j-trump-delivers-emergency-price-relief-for-american-families-to-defeat-the-cost-of-living-crisis/">https://www.whitehouse.gov/presidential-actions/2025/01/fact-sheet-president-donald-j-trump-delivers-emergency-price-relief-for-american-families-to-defeat-the-cost-of-living-crisis/</a>.

<sup>&</sup>lt;sup>5</sup> New York Times, "Read the Transcript of Donald J. Trump's Convention Speech" The New York Times, July 19, 2024, <a href="https://www.nytimes.com/2024/07/19/us/politics/trump-rnc-speech-transcript.html">https://www.nytimes.com/2024/07/19/us/politics/trump-rnc-speech-transcript.html</a>.

<sup>&</sup>lt;sup>6</sup> CNN, "Trump just said groceries will be more affordable 'very soon.' He's also said that might be very hard to achieve," Elisabeth Buchwald, December 12, 2024, <a href="https://www.cnn.com/2024/12/12/economy/grocery-prices-inflation-trump-interview/index.html">https://www.cnn.com/2024/12/12/economy/grocery-prices-inflation-trump-interview/index.html</a>. emphasis added

election you told the press, "I won on groceries." However, you seem to be backtracking on these promises as you are taking office. In the leadup to inauguration, you equivocated on grocery prices, saying "it's hard to bring things down once they're up. You know, it's very hard." And while you have gestured towards the need to lower food prices by ordering executive agencies to deliver "emergency price relief," your executive order on the topic gave American families no clarity on how you would actually do so. 9

To make food more affordable, you should look to the dominant food and grocery companies that have made record profits on the backs of working families who have had to pay higher prices. These companies often exploit crises like pandemics and avian flu outbreaks as an opportunity to raise prices beyond what is needed to cover rising costs. For example, last year a Kroger executive admitted in federal court that the company raised the price of eggs and milk "significantly higher than the cost of inflation" in the years following the COVID-19 pandemic. <sup>10</sup> In 2023, a federal court found that the country's largest egg producers had engaged in a price-fixing conspiracy in the mid-2000s. <sup>11</sup> Major beef, poultry, and potato producers have similarly been accused of or admitted to price-fixing. <sup>12</sup>

Egg producers and grocery stores may leverage the current avian flu outbreak as an opportunity to further constrain supply or hike up egg prices to increase profits.<sup>13</sup> The country's largest egg producer Cal-Maine reported a significant jump in gross profits between the first and second quarters of fiscal year 2025 while hiking the price of eggs.<sup>14</sup> Cal-Maine's CEO acknowledged that the company's higher-than-estimated net income for Q2 "reflect[s] higher market prices,

<sup>&</sup>lt;sup>7</sup> NBC News, "Read the full transcript: President-elect Donald Trump interviewed by "Meet the Press" moderator Kristen Welker," transcript, December 8, 2024, <a href="https://www.nbcnews.com/politics/donald-trump/trump-interview-meet-press-kristen-welker-election-president-rcna182857">https://www.nbcnews.com/politics/donald-trump/trump-interview-meet-press-kristen-welker-election-president-rcna182857</a>.

<sup>&</sup>lt;sup>8</sup> TIME, "Read the Full Transcript of Donald Trump's 2024 Person of the Year Interview with TIME," TIME Staff, December 12, 2024, <a href="https://time.com/7201565/person-of-the-year-2024-donald-trump-transcript/">https://time.com/7201565/person-of-the-year-2024-donald-trump-transcript/</a>.

<sup>&</sup>lt;sup>9</sup> White House, "Delivering Emergency Price Relief for American Families and Defeating the Cost-of-Living Crisis," press release, January 20, 2025, <a href="https://www.whitehouse.gov/presidential-actions/2025/01/delivering-emergency-price-relief-for-american-families-and-defeating-the-cost-of-living-crisis/">https://www.whitehouse.gov/presidential-actions/2025/01/delivering-emergency-price-relief-for-american-families-and-defeating-the-cost-of-living-crisis/</a>.

<sup>&</sup>lt;sup>10</sup> Supermarket News, "Kroger CEO: Fuel, credit card fees, other expenses have raised grocery costs, not gouging," Timothy Inklebarger, September 6, 2024, https://www.supermarketnews.com/mergers-acquisitions/kroger-ceo-fuel-credit-card-fees-other-expenses-have-raised-grocery-costs-not-gouging.

<sup>&</sup>lt;sup>11</sup> Reuters, "US jury awards \$17.7 mln to Kraft, other producers in egg price-fixing case," Mike Scarcella, December 1, 2023, <a href="https://www.reuters.com/legal/litigation/us-jury-awards-177-mln-kraft-other-producers-egg-price-fixing-case-2023-12-01/">https://www.reuters.com/legal/litigation/us-jury-awards-177-mln-kraft-other-producers-egg-price-fixing-case-2023-12-01/</a>.

<sup>&</sup>lt;sup>12</sup> Washington Post, "McDonald's sues major beef producers for price-fixing," Tim Carman, October 8, 2024, <a href="https://www.washingtonpost.com/food/2024/10/08/mcdonalds-beef-lawsuit-price-fixing/">https://www.washingtonpost.com/food/2024/10/08/mcdonalds-beef-lawsuit-price-fixing/</a>; Food Dive, "Pilgrim's Pride, Perdue settle in poultry price-fixing case totaling \$35M," Chris Casey, April 10, 2023, <a href="https://www.fooddive.com/news/pilgrims-pride-perdue-farms-settle-poultry-chicken-price-fixing-case-for-35-million-washington-state/647195/">https://www.fooddive.com/news/pilgrims-pride-perdue-farms-settle-poultry-chicken-price-fixing-case-for-35-million-washington-state/647195/</a>; Washington Post, "'Potato cartel' mashed competition to raise french fry prices, lawsuits say," Daniel Wu, November 20, 2024, <a href="https://www.washingtonpost.com/business/2024/11/20/potato-cartel-price-fixing-lawsuit/">https://www.washingtonpost.com/business/2024/11/20/potato-cartel-price-fixing-lawsuit/</a>.

<sup>&</sup>lt;sup>13</sup> Forbes, "The Egg Shortage, Explained—Why Are Eggs So Expensive?" Stephanie Gravalese, January 8, 2025, <a href="https://www.forbes.com/sites/stephaniegravalese/2025/01/06/the-egg-shortage-explained-why-are-eggs-so-expensive/">https://www.forbes.com/sites/stephaniegravalese/2025/01/06/the-egg-shortage-explained-why-are-eggs-so-expensive/</a>; Washington Post, "Egg prices continue to climb amid the bird flu outbreak," Emily Heil, January 10, 2025, <a href="https://www.washingtonpost.com/food/2025/01/10/egg-prices-shortages-bird-flu-chicken/">https://www.washingtonpost.com/food/2025/01/10/egg-prices-shortages-bird-flu-chicken/</a>.

<sup>&</sup>lt;sup>14</sup> Cal-Maine Foods, "Cal-Maine Foods Reports Results for Second Quarter Fiscal 2025," press release, January 7, 2025, <a href="https://calmainefoods.gcs-web.com/node/13806/pdf">https://calmainefoods.gcs-web.com/node/13806/pdf</a>; Cal-Maine Foods, "Cal-Maine Foods Reports Result for First Quarter Fiscal 2025," press release, October 1, 2024, <a href="https://calmainefoods.gcs-web.com/node/13756/pdf">https://calmainefoods.gcs-web.com/node/13756/pdf</a>.

which have continued to rise this fiscal year as supply levels of shell eggs have been restricted."<sup>15</sup> Translation: the egg company and its shareholders are making higher profits while Americans shell out more for grocery staples.

If you are indeed committed to lowering food prices, we stand ready to work with you. Last year we put forward several recommendations for executive action to lower food prices by encouraging competition and fighting price-gouging at each level of the food supply chain.<sup>16</sup> Specifically, we recommended (1) encouraging the Federal Trade Commission (FTC) and U.S. Department of Agriculture (USDA) to prohibit exclusionary contracting by dominant firms in the food industry, making it harder for major retailers and food brands to shut out smaller suppliers and drive up prices at smaller stores, <sup>17</sup> (2) encouraging the FTC to issue guidance on potential violations of the Robinson Patman Act and Section 5 of the FTC Act within the food industry and take enforcement action where merited, (3) working with USDA to increase the number of government contract recipients that are very small businesses and to ensure that government contracting consider the long-term costs of food sector consolidation, (4) helping the Department of Justice (DOJ) and FTC scrutinize, and where appropriate, block mergers and acquisitions in the food and agricultural sectors, (5) encouraging DOJ to prosecute actors in the agricultural and food sectors for price-fixing and other anticompetitive behavior, and (6) directing the Commodities Futures Trading Commission (CFTC) and FTC to form a joint task force to investigate food price manipulation throughout the supply chain.

Americans are looking to you to lower food prices. In 2024, 94 percent of Americans said they were very or somewhat concerned about the cost of food and consumer goods. A majority of people who voted for you shared that inflation and the economy was the most important for them in the election. About 9 in 10 voters were very concerned about the cost of food and groceries and are counting on you to help them. Instead of working to lower their grocery bills however, you have used the first week of your administration on attempting to end birthright citizenship, pardoning individuals who attacked the U.S. Capitol on January 6, and renaming a mountain.

<sup>&</sup>lt;sup>15</sup> Yahoo Finance, "Higher egg prices may extend far into 2025, and egg producers like Cal-Maine could benefit," Brooke DiPalma, January 11, 2025, <a href="https://finance.yahoo.com/news/higher-egg-prices-may-extend-far-into-2025-and-egg-producers-like-cal-maine-could-benefit-170724717.html">https://finance.yahoo.com/news/higher-egg-prices-may-extend-far-into-2025-and-egg-producers-like-cal-maine-could-benefit-170724717.html</a>.

<sup>&</sup>lt;sup>16</sup> Letter from Senator Elizabeth Warren to President Joe Biden, May 13, 2024, https://www.warren.senate.gov/imo/media/doc/2024.05.13%20Letter%20to%20Biden%20Admin%20on%20Food%20Prices1.pdf.

<sup>&</sup>lt;sup>17</sup> *Id*.

<sup>&</sup>lt;sup>18</sup> Pew Research Center, "Americans More Upbeat on the Economy; Biden's Job Rating Remains Very Low: 1. Views of the nation's economy," January 25, 2024, <a href="https://www.pewresearch.org/politics/2024/01/25/views-of-the-nations-economy/">https://www.pewresearch.org/politics/2024/01/25/views-of-the-nations-economy/</a>.

<sup>&</sup>lt;sup>19</sup> University of Illinois: farmdoc daily, "The Importance of Food Prices in 2024 Election: Results from the Gardner Food & Agricultural Policy Survey," Maria Kalaitzandonakes, Jonathan Coppess, and Brenna Ellison, December 5, 2024, <a href="https://farmdocdaily.illinois.edu/2024/12/the-importance-of-food-prices-in-2024-election-results-from-the-gardner-food-agricultural-policy-survey.html">https://farmdocdaily.illinois.edu/2024/12/the-importance-of-food-prices-in-2024-election-results-from-the-gardner-food-agricultural-policy-survey.html</a>.

<sup>&</sup>lt;sup>20</sup> Associated Press, "AP VoteCast: Voter anxiety over the economy and a desire for change return Trump to the White House," Josh Boak and Linley Sanders, November 6, 2024, <a href="https://apnews.com/article/ap-votecast-trump-harris-election-president-voters-86225516e8424431ab1d19e57a74f198">https://apnews.com/article/ap-votecast-trump-harris-election-president-voters-86225516e8424431ab1d19e57a74f198</a>.

<sup>&</sup>lt;sup>21</sup> Associated Press, "Trump signed slew of executive orders on Day 1. What are his priorities?" Colleen Long, Bill Barrow, and Jill Colvin, January 20, 2025, <a href="https://apnews.com/article/trump-day-1-executive-orders-3a035a0bbd37b5c12630b92c8c8a9625">https://apnews.com/article/trump-day-1-executive-orders-3a035a0bbd37b5c12630b92c8c8a9625</a>.

We urge you to make good on your campaign promise to lower food prices for American families. Therefore, we ask that you respond to this letter with additional clarity on your plans to lower food prices, including whether you will commit to the actions outlined above to help American families.

Sincerely,

Elizabeth Warren United States Senator

Cory A. Booker United States Senator

Ron Wyden
United States Senator

Seth Moulton Member of Congress

Eleanor Holmes Norton Member of Congress James P. McGovern Member of Congress

Ro Khanna Member of Congress

Henry C. "Hank" Johnson, Jr Member of Congress

Sheila Cherfilus-McCormick Member of Congress

Chellie Pingree Member of Congress Posa Lockamp

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Jesús G. "Chuy" García Member of Congress

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Danny K. **Q**avis Member of Congress

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Chris Deluzio Member of Congress

Bonnie Watson Coleman Member of Congress

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