

# **LIVESTOCK PRODUCTION CONTRACTS: RISKS FOR FAMILY FARMERS**

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**On Behalf of the Campaign for Family Farms**

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## **I. INTRODUCTION AND ACKNOWLEDGMENTS**

### **A. Definitions** (courtesy of Lynn Hayes)

Marketing Agreements: Long-term contracts for the sale of agricultural commodities. These agreements can run from several months to several years.

Forward Contracts: Contracts for the sale of agricultural commodities at a future date. These contracts are usually for a specific lot of the commodity and are of much shorter duration than a marketing agreement.

Production Contracts: These are contracts between an owner of the commodity and a person who will grow or raise that commodity. The owner of the commodity is often the processor or meatpacker. They are also sometimes called the integrator. Often the integrator will provide feed, medicine, and other production inputs in addition to the animals. The grower will provide the labor and facilities.

## **II. KEY QUESTIONS TO ADDRESS IN PRODUCTION CONTRACTS**

### **A. How is the grower's compensation calculated?**

1. Compensation provisions in production contracts vary widely. They are often complex and difficult to understand. Many hog production contracts are based on feed and other input efficiencies while some use space rent or other formulas for calculation of payments. Death loss and other losses will reduce payment under many feed efficiency contracts because they affect overall efficiency calculations which are generally based on the number of animals delivered by the integrator to the grower.
2. If compensation is based on feed efficiency and the integrator provides the animals, feed and medicine, then the grower is reliant on the integrator to provide healthy animals, good feed and adequate veterinary services. This reliance limits the grower's ability to affect their payment level.
3. Contracts may have grade and quality premiums that are calculated based on the production of other growers under contract with the integrator. It is difficult to compute in advance whether the grower will receive grade and quality premiums.

### **B. What are the grower's expenses under the contract?**

1. Beware of the cash flow projections given by the owner of the animals. They are often inaccurate or based on faulty assumptions. These cash flow projects often do not reflect the costs associated with replacing facilities. A 1991 survey of hog contract growers

indicated contract payments would not cover facility replacement costs for 56 percent of contract growers.

2. Make sure all potential grower expenses are accurately calculated. In particular pay attention to insurance expenses, manure storage and handling expenses, environmental and other state permit expenses, and repair and replacement of equipment expenses. Some expenses may not be specifically addressed in the contract, but still need to be accurately calculated. An example of other expenses is:
  - a. “Except as otherwise provided herein, all legal, accounting, and other costs and expenses incurred in connection with the Agreement and any related agreements and the transactions contemplated hereby and thereby shall be paid by the party incurring such expenses.”

**C. Who has management control under the contract?**

1. Under many production contracts the integrator retains control of the management of the operation and can take over the operation in certain circumstances. Often the integrator will provide management guideline handbooks and/or have company representatives who will advise growers of expected management practices and procedures. A few examples of these provisions include:
  - a. “Grower will adhere to the feeding and health programs and management recommendations provided by [Integrator], cooperate fully with ... [Integrator] to make records available, and comply with all laws and regulations applicable to the feeding and care of [Integrator’s animals].”
  - b. Animals “must be raised in strict accordance with the [Integrator’s] feeding program and management program, as communicated from time to time by [Integrator].”
2. Under many contracts, the grower’s failure to comply with management requirements is a breach of contract. If a breach occurs some contracts provide for management to take possession of the grower’s buildings and hire a manager at the grower’s expenses to complete the contract term. A few examples of these provisions include:
  - a. “Upon default by [Grower] ... [Integrator] has the right to select a new Facility Operator or to appoint itself as Facility Operator to operate the Facility located on the Facility Site.”

- b. “In the event that the grower does not comply with manure management . . . or waste disposal, Grower hereby grants [Integrator] full and complete access to the Facilities to carry out Grower’s duties at the expense of the Grower.”
- c. If Integrator “determines that grower is not following the [Integrator] Management Guide or is otherwise improperly or negligently feeding, watering, or otherwise caring for said [Animals]...[Integrator] may at its option immediately terminate . . . the agreement.”

**D. Does the grower carry the responsibility for compliance with environmental and other regulations?**

- 1. Most production contracts place the responsibility for obtaining all of the necessary permits for the facility with the grower and the grower agrees to indemnify the integrator for any environmental liability. The Environmental Protection Agency’s proposed Concentrated Animal Feeding Operations (CAFO) rules would have imposed liability on integrators for environmental damages. Unfortunately EPA bowed to industry pressure and the integrator liability provisions were removed from the final rules released in December 2002. Examples of how integrators attempt to contract away environmental liability include:
  - a. The grower “shall indemnify and hold [Integrator] harmless for all damages, costs, and expenses including attorney’s fees incurred in . . . redressing breaches by the Grower, mitigating damages and bring and defending judicial or administrative hearing, including . . . all such damage, costs, and expenses incurred under local, state or federal laws now in force or later enacted relating to...[waste disposal] and other Environmental Laws.”
  - b. “A condition of this contract is receipt of any and all necessary environmental and/or regulatory requirements including any county zoning requirements, ***[FOR MINNESOTA: MPCA] [FOR IOWA: DNR]*** requirements or permits, manure handling permits including manure management plan and/or Agreements and satisfaction of any and all other environmental, zoning or regulatory requirements necessary to operate the facility. Grower shall comply with all regulatory requirements both with regard to construction (if any) and operation of the facility (including field application of manure). ***[FOR IOWA ADD: Grower shall obtain any waiver of siting requirements as may be required by Iowa Code Chapter 455B and further, Grower shall adhere to any and all separation distances both with***

*respect to location of the Facility and with respect to any acres utilized for field application of manure as may be required by Iowa law.] Failure to comply shall be Grower's sole responsibility and shall constitute default of this Agreement. In addition, Grower shall defend, indemnify and hold harmless [Integrator] of and from all claims of regulatory violations.” (The bolded bracketed language is actually in the model contract.)*

**E. Can the Integrator require the Grower to replace equipment in barns?**

1. One of the largest expenses the contract grower may incur is replacement of equipment in the barns. In many cases production contracts leave decisions on when equipment such as waterers, feeders, fans, ventilation systems and alarm systems must be replaced to the discretion of the integrator. If new equipment is required, in most instances the compensation under the contract is not increased to cover the added costs. Examples of contract provisions follow:
  - a. “Grower warrants that he will continuously make available \_\_\_ barn(s). The barn(s) shall contain all fixtures and equipment necessary and proper for finishing hogs and have the following additional characteristics: (i) The barn(s) must have ventilation, feed, alarm systems, and a standby generator acceptable to [Integrator]. (ii) A precondition of [Integrator's] obligation under this Agreement is [Integrator's] inspection of the buildings and facility and its determination that the same are satisfactory to it. (iii) All facilities shall comply with additional Minimum Housing Guidelines for [Integrator] as established from time to time by [Integrator's] consulting veterinarian.”
  - b. “Except for any equipment provided by [Integrator] pursuant to the terms of the Equipment Agreement...Grower shall provide in accordance with [Integrator's] Serviceperson, all equipment, buildings, ...and facilities hereunder in accordance with [Integrator's] Procedures. Without limiting the foregoing, Grower shall update any facility which [Integrator] in its sole discretion shall deem necessary for the continued operation hereunder at a profitable level for both Grower and [Integrator].

**F. What happens if the production contract is terminated by the Integrator?**

1. Many contracts contain arbitration provisions, meaning that any dispute between the grower and the integrator will be decided by a private arbitrator, rather than a court. The costs of paying an arbitrator -- which can be quite high -- are usually shared by the grower and the integrator.
2. Senator Feingold from Wisconsin has attempted to ban the use of mandatory arbitration clauses in agricultural contracts. This amendment was included in the Senate version of the 2002 Farm Bill, but did not survive the Farm Bill conference committee. Senator Grassley along with Senators Feingold, Enzi and Harkin recently introduced the same legislation. See S. 91 - The Fair Contracts for Growers Act of 2003. Some states are also considering legislation to make arbitration provisions less oppressive to growers. Iowa's and Minnesota's laws regarding arbitration are discussed below.
3. Tyson announced in August 2002 that it will discontinue its relationships with 132 contract hog producers in Arkansas and eastern Oklahoma. In response more than 80 hog farmers sued Tyson for undetermined damages arising from the Tyson's cancellation of their hog contracts. Complaint available at [http://www.hwnn.com/court\\_docs/substitutedComplaint.DOC](http://www.hwnn.com/court_docs/substitutedComplaint.DOC). Tyson responded by alleging that a mandatory arbitration clause in the growers' contracts did not allow the growers to sue in court. However, a judge in Arkansas ruled the arbitration clause was not enforceable and allowed the trial to proceed. The case is still proceeding. However, for many of the growers, Tyson's termination of their contracts left them without any available options for raising hogs.
4. An example of a mandatory arbitration clause from an Iowa contract is as follows:
  - a. "In the event of any dispute between [Integrator] and the Grower under this Agreement, the parties acknowledge that the mandatory mediation provisions of Chapter 654B of the Iowa Code (1997) apply. The parties agree that if such mandatory mediation does not result in the resolution of the dispute, the parties will submit such dispute to binding arbitration under Chapter 679A of the Iowa Code (1997)."
5. Besides loss of marketing options, termination of the production contract may also cause the loss of possession of the facility to the Integrator who can access and operate the facility for the duration of the contract. A few examples of this provisions follow:

- a. “Upon termination due to Grower’s default, [Integrator] may take possession of the Grower’s facility to make monthly (or other periodic) payments to pre-existing third party lenders and in all respects to continue growing pigs at Grower’s facility under [Integrator’s] exclusive direction, and according to such terms as may be acceptable to [Integrator] for all or a part of the balance of the contract term.”
- b. Integrator “may end this Agreement if [Integrator], in its sole judgment, determines that Grower is not adequately performing its responsibilities.”

### **III. MINNESOTA AND IOWA CONTRACT LAWS**

The Producer Protection Act that 17 state Attorneys General and Senator Tom Harkin have advocated as a means to assist agricultural contract producers is based in large part on existing Minnesota agricultural contract statutes enacted in 1990 and 2000 and existing Iowa statutes.

The model language of the Producer Protection Act is available at <http://www.state.ia.us/government/ag/agcontractingexplanation.htm>. The Minnesota provisions are found at Minnesota Statutes §§ 17.710 and 17.90 through 17.98 and Minnesota Rules Chapter 1572. These provisions are summarized below. In general, Minnesota’s and Iowa’s laws provide some protections to producers entering into production contracts through disclosure requirements, contract transparency and readability, and economic liability limits. However, the laws do not equalize bargaining power, do not guarantee a fair price, and do not mandate integrators provide contract producers different contract options. In addition, the 2002 Farm Bill amended the Packers & Stockyards Act to cover swine contract production arrangements. The 2002 Farm Bill also allows producers to discuss contracts with certain categories of people.

The Minnesota laws apply to all agricultural contracts, which are defined as “any written contract between a contractor and a producer.” Minn. Stat. § 17.90, subd. 1a. Contractor (or company) is defined as one who “in the ordinary course of business buys agricultural commodities grown or raised in this state or who contracts with a producer to grow or raise agricultural commodities in this state.” Minn. Stat. § 17.90, subd. 3.

#### **A. Mediation or Arbitration Required Language**

For agricultural contracts entered into in Minnesota, they must contain language providing for dispute resolution by either arbitration or mediation. Minn. Stat. § 17.91, subd. 1. If an agricultural contract does not contain such language it may be a defense to an enforcement lawsuit seeking damages based on the contract. Minnesota’s statute does not

address who pays for arbitration or mediation costs so in most costs these costs will be split between the grower and the contractor.

In Iowa, mediation is required before a dispute relating to a livestock “care and feeding contract” can be brought to court. Iowa Code §§ 654B.1 and 645B.3. Iowa law also provides that an agreement to submit a future dispute to arbitration is valid and enforceable, unless the arbitration agreement is part of an adhesion contract. Iowa Code § 679B.1(2). An adhesion contract is a form that is offered as a “take it or leave it” proposition, where individual clauses or provisions are not subject to negotiation.

## **B. Recapture of Capital Investment**

Minnesota law provides that until certain conditions are met, a company must not terminate or cancel a written contract that requires a grower or contract producer to make a capital investment of \$100,000 or more in buildings or equipment with a useful life of five years or more. Minn. Stat. § 17.92; see, e.g., Crowell v. Campbell Soup Co., 264 F.3d 756 (8th Cir. 2001). The conditions are: (1) the company must have given the producer written notice of its intent to terminate or cancel at least 180 days before the effective date of the termination or cancellation, and (2) the producer must be reimbursed for damages incurred by the termination or cancellation. Even if the company believes that the producer has breached the contract, the company may not cancel or terminate the contract in most cases unless it gives the producer written notice of the problem and the producer fails to correct the problem within a specified time. Minn. Stat. § 17.92, subd. 1. Minnesota’s recapture rule does not apply if the term of the contract simply expires and the company chooses not to renew it. Minn. R. § 1572.0030, subp. 1. This is a significant limitation on the protection if contracts are for a short duration.

## **C. Implied Promise of Good Faith**

Minnesota has imposed a duty of good faith on parties in all agricultural production contracts. Minn. Stat. §§ 17.94, 336.1-201(19). This means that companies and producers who enter into agricultural contracts are held by law to be promising to act in good faith, whether or not they actually make such a promise. Generally, under the Uniform Commercial Code, “good faith” means honesty in fact in making and carryout out the contract. UCC § 1-201(19). This type of law can be important because it can provide a remedy for behavior that, although not otherwise illegal, creates unfair advantage through deception. In Minnesota, if a court finds that a violation occurred, a court may award damages, court costs, and attorneys fees. Minn. Stat. § 17.94.



#### **D. Confidentiality Provisions**

In Minnesota, a contract between a producer and a company may not include terms that prohibit the producer from disclosing the terms, conditions, and prices agreed to in the contract. Minn. Stat. § 17.710. This statute applies to contracts entered into, renewed, or amended on or after July 1, 1999.

Similarly in Iowa, confidentiality provisions are not allowed in production contracts and if included they are void. Iowa Code § 202.3. This statute applies to contracts entered on or after May 24, 1999.

#### **E. Plain Language Requirements and Risk Disclosure**

The law requires that the contract itself use “words and grammar that are understandable by a person of average intelligence, education, and experience within the industry.” Minn. Stat. § 17.943, subd. 1. Factors used in determining readability include simplicity of the sentence structure, the use of commonly used and understood words, the avoidance of esoteric legal terms, and the use of clear definitions. Minn. Stat. § 17.944, subd. 3. The law also forbids the use of “fine print” and that the typeface must be a minimum 10 point type and one point leaded. Minn. Stat. §§ 17.943, subd. 1, 17.90, subd. 3a.

If a farmer brings a civil lawsuit for damages related to the plain language requirements, it is a defense to the claim that the company made a good faith effort to comply with the statutory requirements. Minn. Stat. § 17.9441. Also, attorney’s fees are generally not allowed except for class action attorney’s fees where there is a statutory cap of \$10,000. Minn. Stat. § 17.9441, subds. 2, 3. In addition, violation of the plain language requirements cannot be used as a defense or claim in a breach of contract action unless the plain language violation caused the producer to not understand the rights, obligations, or remedies of the contract. Minn. Stat. § 17.9441, subd. 4. Finally, any claims alleging plain language violations must be brought within six years of the date the contract is executed by the producer. Minn. Stat. § 17.9441, subd. 5.

A law passed in Minnesota in 2000 provides that all agricultural contracts that were first entered into or substantially modified after January 1, 2001, must meet certain risk disclosure requirements. 2000 Minn. Laws Ch. 470. The contract must be accompanied by a cover sheet to help the producer understand the terms of the contract as well as the risks associated with the contract. Minn. Stat. §§ 17.91, subd. 2, 17.942. The cover sheet must state that the document is a legal contract, direct the parties to read the contract carefully, describe the material risks the producer would face if he or she entered into the contract, note the producer’s right to cancel the contract within three days, and provide an index of the major provisions of the contract and the pages they are on. The risks associated with the contract may be described in a clear written statement or in a checklist.

**F. Risk Disclosure Provisions from Actual Contracts**

Below are excerpts from various Minnesota agricultural contracts risk cover sheets. Generally, the risk categories are commodity specific risks, financial risks, regulatory risks, payment risks, indemnification risks, and termination risks.

*Wakefield Pork, Inc. Independent Contractor Agreement (March 2001)*

Swine Production Risks - Raising swine for profit depends on many factors. Performance under the terms of the contract does not ensure that you will make a profit. Your profitability is affected by numerous factors. Such factors include, but are not limited to, your own husbandry and management skills, herd health, adverse weather conditions, or other catastrophic loss of the facilities or the hogs on account of factors beyond Wakefield or your control.

Financial Risks - Failure to make payments to repay a third-party lender which has financed construction or operation of your swine facilities may cause your third-party lender to foreclose on the facility or take other collection actions. Default under the terms of your financing with your third-party lender shall also constitute a default under this contract.

Regulatory Risks - You are responsible for properly storing, handling and disposing of manure from the facilities. You are exposed to liability for any manure spills or contamination caused by improper storage, handling or disposal.

Payment Risks - Wakefield has the right to delay, adjust or offset the amount you are paid under the contract for various reasons. Such reasons include, but are not limited to, performance adjustments, death loss, sort loss, delivery of non-standard diseased or injured hogs, failure to order feed in a timely manner, failure to make required production reports, failure to provide adequate access to the facilities, failure to clean the facilities between production cycles, failure to maintain required manure storage levels or failure to follow procedures mandated by Wakefield.

*Hormel Foods Corporation Long-Term Hog Procurement Agreement IV*

Swine Production Risks - You bear all risks of production of market hogs until delivery to our plant and acceptance of hogs by us. Such risks include, but are not limited to, poor farrowing rates, diseased or injured hogs, death loss, poor feed conversion, and sort loss.

Financial Risks - This contract is not a “cost plus” contract. This means that you are not assured of covering all your costs of operation, or of earning a profit, by performing in accordance with the contract terms.

Regulatory Risks - Your hogs may be quarantined or destroyed by animal health or other regulatory agencies if the hogs are found to be diseased.

Payment Risks - We may change the Floor Price Matrix under certain circumstances. Such changes may mean that you are paid less for your hogs as compared to prior to the change.

*Jennie-O Turkey Store, Inc. Finish Grower (Minnesota) Agreement*

Financial Risks - This contract is intended to be a long-term contract, and has a stated term of 25 years. Absent breach of its terms by us, you may not terminate this contract for the first twelve years and thereafter may only do so by giving us one-year's advance notice and paying a nonrefundable termination fee. Therefore, even if this contract is not profitable to you, you will still be required to perform for some period of time under this contract, and must pay a fee to terminate it early.

Indemnification Risks - You are required to indemnify, defend and hold us harmless from all liabilities and causes of action arising from your failure to perform the contract.

**G. Three Day Review of Contracts**

A 2000 Minnesota law provides that a producer may cancel an agricultural contract by mailing a written cancellation notice to the company within three business days after the grower receives a copy of the signed contract. Minn. Stat. § 17.941. This allows producers a "cooling off" period to fully consider all aspects of the contract including legal risks through consultation with an attorney. A later cancellation deadline may apply if included in the contract. The producer's right to cancel, the method a producer must to cancel, and the deadline for canceling the contract must be disclosed in every agricultural contract entered into or substantially modified after January 1, 2001. Minn. Stat. § 17.942, subds. 1, 2(4). The law is not clear about the timing and process for cancellation if a producer does not in fact receive a copy of the signed contract.

Del Monte Corporation's Crop Purchase and Sale Contract for Minnesota Peas (2002 Season) has the following three day review provision:

You may terminate this contract by mailing a written termination notice to Del Monte at the address set forth above within three (3) business days after you receive a copy of the fully signed contract. The written notice of termination will be deemed mailed on the date of the postmark on the envelope in which the notice is received by Del Monte.

**H. Parent Company Liability**

A 1990 Minnesota State Task Force that studied problems with contract farming concluded that in some cases small companies that are subsidiaries of larger companies failed to pay producers and became bankrupt, leaving the producers with no recourse. Agricultural Contracts Task Force, Final Report to the 1990 Legislature (Feb. 1990). In response,

the legislature enacted a statute that mandates if a company that is the subsidiary of another company fails to pay its debts, the parent company is liable for those debts. Minn. Stat. § 17.93, subd. 2, Minn. R. § 1572.0040. The statute does not define “subsidiary” or “parent company.” The rules define parent company as an entity that owns more than 50 percent of the common or preferred stock entitled to vote for directors of a subsidiary corporation **or** provides more than 50 percent of the management or control of a subsidiary. Minn. R. § 1572.0040.

#### **I. Waiver Void**

Waiver of any of the Minnesota agricultural contract protections found in Minn. Stat. § 17.90 through § 17.97 are void. Minn. Stat. § 17.9443. means that producers who agree to forego the exercise of their rights as a condition of receiving a contract are free to decide to exercise those rights later.

In Iowa, waiver of any rights created for contract producers under Iowa Chapter 579B, including producer lien rights, are void. Iowa Code § 579B.6.

#### **IV. WHERE CAN I GET MORE INFORMATION?**

If you are presented with a production contract you should always consult an attorney knowledgeable about farm law issues. In addition below are listed other resources farmers and their attorneys can consult for information about production contracts. In particular, the Iowa Attorney General has put together a checklist of questions farmers should address when analyzing production contracts.

- Stephen Carpenter, What are your terms? (March 1999). Summary of a presentation made at the Northern Plains Sustainable Agricultural Society annual meeting on basic contract terms farmers should include in direct marketing and organic contracts. Carpenter has been a staff attorney at FLAG since 1993. Available at <http://www.npsas.org/Contracts.html>.
- Peter Carstensen, Concentration and the Destruction of Competition in Agricultural Markets: The Case for Change in Public Policy, 2000 Wis. L. Rev. 531 (2000). Professor Carstensen is an antitrust expert who has testified at Congressional and USDA hearings on lack of competition in agricultural markets.
- Farmers’ Legal Action Group (FLAG) and others, Assessing the Impact of Integrator Practices on Contract Poultry Growers (Sept. 2001). Funded by a Fund for Rural America grant by the Cooperative State Research, Education and Extension Services of USDA. These materials provide legal, economic and social analysis of issues facing contract poultry growers. Available at <http://www.flaginc.org/pubs/poultry.htm>.
- Bruce Gerhardson, A Guide to Agricultural Production Contracting in Minnesota. (Sept. 1999). Published by the Minnesota Department of Agriculture. In-depth

educational materials on the effect of state and federal laws on agricultural contracts. Available at <http://www.mda.state.mn.us/commissioner/contractinfo/manual.pdf>

- Neil Hamilton, *A Farmers' Legal Guide to Production Contracts* (1995). An excellent summary of the law that goes into quite a lot of detail. Published by Farm Journal. Hamilton is a professor at Drake Law School and Director of the Drake Agricultural Law Center.
- Iowa Attorney General, *Grain Production Contract Checklist, Livestock Production Checklist, and Contracts*. These are short and helpful lists of things that might be included in a contract. The web site also includes many marketing, production, and purchasing contracts. [http://www.state.ia.us/government/ag/working\\_for\\_farmers/contracts.html](http://www.state.ia.us/government/ag/working_for_farmers/contracts.html).
- Christopher R. Kelley, *Agricultural Production Contracts: Drafting Considerations*, 18 *Hamline Law Review* 397 (1995). An excellent summary of legal issues from the perspective of an attorney. Written with lawyers in mind as the readers. Kelley is an agricultural law professor at the University of Arkansas.
- Phil Kunkel and Scott T. Larison, *Agricultural Production Contracts* (1998). This booklet is part of a series put out by the University of Minnesota Extension Service. Kunkel and Larison are experienced agricultural lawyers in Minnesota. Available at <http://www.extension.umn.edu/distribution/businessmanagement/DF7302.html>.
- Land Stewardship Project, *Killing Competition With Captive Supplies* (April 1999). A report on how meat packers are forcing independent hog farmers out of the market through exclusive contracts. For a copy of the report call 612-722-6377.
- J.W. Looney and Anita L. Poole, *Adhesion Contracts, Bad Faith and Economically Faulty Contracts*, 14 *Drake Journal of Agricultural Law* 177 (Spring 1999). University of Arkansas Law Professor Looney provides an overview of traditional contract principles applied to agricultural contracts.
- Cynthia M. Roelle, *Pork, Pollution, and Priorities: Integrator Liability in North Carolina*, 35 *Wake Forest Law Review* 1055 (2000). This law student written article discusses the issue why integrators should be held liable for the actions of their contract growers. Available at <http://www.law.wfu.edu/lawreview/v35n4/w08-roelle.pdf>.
- Randi Ilyse Roth, *Redressing Unfairness in the New Agricultural Arrangements: An Overview of Litigation Seeking Remedies for Contract Poultry Growers*, 25 *U. Memphis L. Rev.* 1207 (1995). Provides a legal analysis of poultry contracting methods. Roth is the Executive Director of FLAG.
- USDA, *Contracting in Agriculture: Making the Right Decision*. Provides pros and cons of farmers contracting as well as ten legal rules about production contracts farmers should consider. Available at <http://www.ams.usda.gov/contracting/contracting.htm>.