March 11, 2026

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

CC:
Federal Trade Commission
U.S. Department of Justice, Antitrust Division
U.S. Department of Agriculture
National Economic Council

Dear Mr. President:

We write to support your administration's efforts to confront market concentration and anti-competitive conduct in America's agricultural supply chains. Your recent Executive Order[1] addressing security risks from price fixing and anti-competitive behavior in the food system recognizes that concentrated input markets can pose systemic threats to American farmers and to national food security. That concern is increasingly relevant as geopolitical conflict disrupts global fertilizer flows and contributes to rising input prices during the spring planting window.

This risk is not hypothetical. Just a few years ago, dominant fertilizer companies used global supply shocks as justification for dramatic price increases that far exceeded underlying cost pressures, generating record profits while farmers absorbed severe input cost spikes. With renewed geopolitical instability now impacting fertilizer shipments, there is a real risk of a repeat.

Your administration has already identified fertilizer as a sector of particular concern. In your Executive Order, you directed federal enforcers to investigate anti-competitive conduct in food and agricultural supply chains, including fertilizer markets. USDA leadership has also warned publicly that dominant firms may attempt to exploit supply disruptions to raise prices or constrain availability.

[1] Trump, D.J. (2025, December 6). *Addressing security risks from price fixing and anti-competitive behavior in the food supply chain.* The White House. https://www.whitehouse.gov/presidential-actions/2025/12/addressing-security-risks-from-price-fixing-and-anti-competitive-behavior-in-the-food-supply-chain/

Your administration has appropriately recognized fertilizer affordability as a key pressure point in the farm economy. Many producers are entering the 2026 growing season facing lower commodity prices, elevated borrowing costs, and persistently high input expenses. Fertilizer remains one of the largest operating costs on row-crop farms, accounting for roughly one-third to nearly one-half of operating expenses for crops such as corn and wheat.[2] Because fertilizer purchases must be made within a compressed seasonal window, sudden price spikes can quickly force farmers to scale back applications, reduce planted acreage, or take on additional debt. Smaller and mid-sized farms often face greater difficulty accessing credit or absorbing unanticipated cost shocks, meaning sustained input price increases can contribute to financial distress, farm bankruptcies, and longer-term consolidation of farmland ownership.

These pressures are unfolding in a fertilizer market that is already highly concentrated and structurally prone to pricing volatility during supply disruptions. Fertilizer markets in North America are dominated by a small number of firms with significant influence over supply availability and pricing signals. In nitrogen fertilizers, the top four firms control more than 80 percent of regional production capacity, while just two firms control more than 90 to 95 percent of phosphate and potash fertilizer capacity.[3]

This concentration translates into real market power. Farm Action's research shows that dominant fertilizer firms function as price leaders, exert influence over logistics and storage infrastructure, and use vertical integration and long-term supply arrangements to limit competitive entry. These structural dynamics allow a small number of firms to influence supply availability and pricing outcomes.[4]

We have seen the consequences of this market structure before. In late 2021, when fertilizer prices began rising sharply, Farm Action urged the Department of Justice to investigate what appeared to be suspicious and coordinated price increases among dominant firms.[5] We subsequently published an analysis of fertilizer markets demonstrating that price increases significantly outpaced underlying cost changes during the 2021-2022 period. Wholesale fertilizer prices rose more than 60 percent in 2021 and averaged 132 percent higher in 2022 than 2020. During that same period, dominant

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[2] U.S. Department of Agriculture, Economic Research Service. (2025, March 27). *Fertilizer prices stable at onset of 2025 planting season, below highs of 2021 and 2022.* https://www.ers.usda.gov/data-products/charts-of-note/chart-detail?chartId=111221

[3] Farm Action. (2024, September). *Kings over the necessaries of life: Monopolization and the elimination of competition in America's agricultural system.* https://farmaction.us/wp-content/uploads/2024/09/Kings-Over-the-Necessaries-of-Life-Monopolization-and-the-Elimination-of-Competition-in-Americas-Agriculture-System_Farm-Action.pdf

[4] Farm Action. (2024, September). *Kings over the necessaries of life: Monopolization and the elimination of competition in America's agricultural system.* https://farmaction.us/wp-content/uploads/2024/09/Kings-Over-the-Necessaries-of-Life-Monopolization-and-the-Elimination-of-Competition-in-Americas-Agriculture-System_Farm-Action.pdf

[5] Farm Action. (2021, December 8). *Farm Advocates call for DOJ investigation into suspicious spike in fertilizer prices.* https://farmaction.us/2021/12/08/farm-advocates-call-for-doj-investigation-into-suspicious-spike-in-fertilizer-prices/

fertilizer companies reported dramatic margin expansion, including a 680 percent increase in one major firm's gross manufacturing margin, even as its costs increased only 51 percent.[6]

To help prevent a repeat of the fertilizer pricing crisis experienced just a few years ago, we urge your administration to take two steps.

First, we urge you to initiate an immediate review of whether key fertilizer inputs and materials should be designated as scarce or threatened resources under the Defense Production Act if current supply disruptions persist or worsen. Because federal law does not broadly prohibit price gouging, such a designation would equip federal authorities with stronger tools to deter hoarding, market manipulation, or other conduct that could exacerbate price spikes during a period of constrained supply. In highly concentrated markets, these authorities could strengthen enforcement readiness and provide a meaningful deterrent against opportunistic behavior.

Second, we respectfully urge the interagency task forces established under your Executive Order to provide an accelerated public update on their work. With fertilizer prices already rising and planting decisions underway, timely public reporting would provide critical transparency to farmers, signal vigilance by federal enforcers, and reinforce confidence that concentrated supply chains are being closely monitored.

Taking these steps now would help prevent temporary geopolitical disruptions from escalating into sustained financial harm for already struggling American farmers. Proactive action would help prevent a repeat of the fertilizer pricing crisis experienced just a few years ago and would demonstrate continued leadership in strengthening the resilience and competitiveness of the U.S. agricultural economy.

Farm Action stands ready to support your administration's efforts to promote competitive markets, resilient supply chains, and a stronger future for American farmers.

Sincerely,

Angela Huffman
President and Co-Founder
Farm Action

[6] Farm Action. (2025, October 9). *Fertilizer: The hidden engine of corporate power.* https://farmaction.us/bigfertilizer/