



LANE COUNTY FEEDERS, INC.

Jim Meetz, Manager

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COMMENT

**Received CFTC
Records Section
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OFFICE OF THE SECRETARIAT

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Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre, 21st Street, N.W.
Washington, D.C. 20581

Re: CME Speculative Position Limits

Dear Ms. Webb:

I would support the proposed drop from 600 to 300 contracts speculative limit in the spot month change which the CME is proposing. Things would seem to be grossly out of whack when comparing spot month speculative trading limits with the supply available for delivery. I applaud the CME for their move to support the deliverable supply side of their customer base. This action is important for LCF to continue to use the live cattle contract as a cattle feeding risk management source with predictable basis and convergence. For a physical delivery contract to perform efficiently, volume in the deliverable supply would be essential. If they continue ignoring this part of their customer base, an imbalance will truly occur.

When the expense of risk management exceeds the perceived risk taken, then businesses such as Lane County Feeders, Inc. will ignore the use of the live cattle contract as an option. I believe it's time the CME is awakened to the fact that if they continue to ignore the desires of the deliverable supply side of their customer base, then the market will dictate alternative sources for managing risk.

Sincerely,

James A. Meetz

JM/kk