



# Unión Ganadera Regional de Sonora

AUTORIZADO POR LA S.A.G.A.R.P.A.; REGISTRO No. 6  
MIEMBRO DE LA CONFEDERACION NACIONAL GANADERA  
BOULEVARD DE LOS GANADEROS S/N. APARTADO POSTAL # 45  
HERMOSILLO, SONORA, MEXICO  
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Jean A. Webb  
Secretary, Commodity Futures Trading Commission  
Three Lafayette Centre  
1155 21st Street, N.W.  
Washington, D.C. 20581

COMMENT

facsimile: 202-418-5521  
secretary@cftc.gov

**Re: CME Live Cattle Amendments: Request of Extension of Comment  
Period and Preliminary Comments**

Dear Secretary Webb:

On behalf of **Unión Ganadera Regional de Sonora (Sonora, México)** we are commenting on the "Chicago Mercantile Exchange: Proposed Amendments to the Live Cattle Futures Contract Restricting Delivery to Cattle Born and Raised in the United States," 68 FR 135 (July 15, 2003).

At the outset, we would like to point out that the comment period of 15 days (from July 15-July 30) is an unacceptably short comment period. On behalf of Sonoran producers and U.S. feed lots and importers, those most impacted by this amendment, we would like to emphasize to you that this comment period is unmanageable. We respectfully request that you extend the comment period to a standard 60-day comment period.

Despite the short comment period, we are providing the following preliminary comments on the proposed amendment.

This amendment would result in a price depressing affect on Mexican cattle and appears to be an effort by the U.S. industry to gain a price advantage through a U.S. government action. The amendment goes beyond the step of requiring labeling to an outright prohibition in order to manipulate the market to obtain a competitive advantage. The amendment would impede the movement of Mexican cattle and have a price depressing affect not only on Mexican cattle sold in the United States but also on the Mexican domestic cattle market. This policy would work against integration of North American market and is counter to other U.S-Mexico efforts.



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This amendment would prohibit non-U.S. cattle to be delivered on future contract even if labeled according to the COOL regulation., making the amendment clearly inconsistent with the national treatment provisions of the WTO and the NAFTA. We respectfully submit that an outright requirement that "all cattle delivered on the futures contract must be born and raised exclusively in the United States . . ." violates the WTO and NAFTA, and we will be raising this issue with our Mexican Government.

This amendment would have serious negative economic consequences on the North American cattle market, and we believe that the policy change is ill-advised.

Sincerely,

Lic. Alfonso Elías Serrano  
Presidente

Sr. Enrique Cubillas Corral  
Secretario

c.c.p. Ing. Gustavo Torres Flores, C.N.G.  
c.c.p. Ing. Arturo Bolaños Medina, SAGARPA  
c.c.p. Ing. Leocadio Luis Aguayo Aguilar, S.F.G.