

National Pork Producers Council Comments: BIS-2025-0022

The National Pork Producers Council (NPPC), which represents the interest of more than 60,000 U.S. pork producers, appreciates the opportunity to submit the following comments in response to the Section 232 (of the Trade Expansion Act of 1962) national security investigation of imports of pharmaceuticals and pharmaceutical ingredients.

Animal health products are critical inputs for pork producers, who use them to diagnose and control/treat disease. Consistent access to animal health products not only impacts animal welfare, but also animal productivity and livability, all of which influence a producer's bottom line.

Pork producers have faced significant financial challenges in recent years. From late 2022 to early 2024, farmers lost an average of \$30 on each hog sold, largely due to record-high production costs. Profits improved to a positive \$7 per head from Q2-Q4 2024 due to lower feed prices and stronger hog prices. Many producers have still not recovered financially from the losses incurred in 2023 and **continue to face elevated breakeven price levels associated with higher nonfeed expenses.**

Nonfeed variable costs, which include labor, utilities, transportation, and veterinary services and supplies have not declined and combined are 38% higher than in 2021. These costs now account for \$46 per head, which is 27% of total estimated production costs for farrow-to-finish hog producers. **Veterinary services and supplies are estimated to account for 4-8% of total production costs, and these expenses have increased by 30-40% since 2020.**

The Secretary of Commerce's investigation into the effects of pharmaceutical imports on national security concerns U.S. pork producers. Tariffs on pharmaceutical products would increase already elevated production costs for an industry working hard to produce an affordable, safe and nutritious protein for U.S. consumers and many others around the world. NPPC appreciates the opportunity to provide comments and urges the Secretary to exclude animal health products from the scope of the investigation.

Sincerely,



Bryan Humphreys, CEO, NPPC