



May 2, 1983

THE HONORABLE GEORGE BUSH
VICE PRESIDENT OF THE UNITED STATES
THE WHITE HOUSE
WASHINGTON, D.C. 20500

Dear Mr. Vice President:

It has been brought to my attention that a proposal to consolidate the SEC and the CFTC is going to be, or has been, presented to the Task Force on Regulation of Financial Services.

I am terribly concerned that such a proposal may be considered by your Task Force. There are distinct differences involved with the trading nature of commodity futures and the trading nature of securities. I cannot imagine the size and scope of a single agency to control both diverse industries. Such a consolidation appears to be an ego trip for a bureaucratic commission that believes it can solve the economic woes of our country by regulating more.

Our firm has been engaged in agricultural production in Northern Colorado for over 100 years. We primarily feed cattle but are also involved in farming, ranching and produce distribution. During the past ten to twelve years we have made use of the futures markets as part of our risk management efforts. I have some records from my Grandfather, who used the grain markets fifty years ago this spring!

With the original authorization of the CFTC just a few short years ago, there has been a marked improvement in the integrity of the futures markets. Prior to that time they were a struggling industry and practically unknown to the public. The CFTC as it exists today is an outstanding example of what a regulatory body of government can, and should, be for the industry it serves and the public it protects.

They are lean, effecient and aggressive, yet responsive to all of the interests involved within the commodity markets. I feel that it would be a grave error for the Administration or the Task Force to consider a consolidation of the two agencies. They are each highly specialized

Page 1

Farr. The cattle people. For over a century.

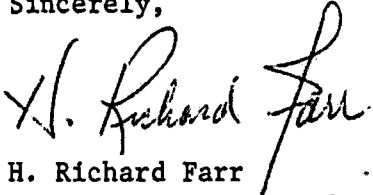
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Page 2

and should retain their independence along with their responsibility to Congress.

Thank you Mr. Vice President for your consideration of my concern.

Sincerely,

A handwritten signature in cursive script that reads "H. Richard Farr". The signature is written in black ink and is positioned above the typed name.

H. Richard Farr
Executive Vice President
Farr Feeders, Inc.

HRF/nmc