Section 201 investigation of lamb meat · U.S. International Trade Commission · Inv. No. TA-201-80

Key facts: what the evidence shows

Drought and a shrinking U.S. flock are shaping America's lamb supply. These are the numbers on the public record ahead of the ITC's injury hearing on October 16, 2026.

73.1%

Economic analysis filed with the Commission by Georgetown's Rodney Ludema and Rutgers' Thomas Prusa finds drought accounts for 73.1% of the movement in U.S. wholesale lamb prices that their model explains; imports, less than 2%.[1]

Drought

The drought behind the price story

Over the five years under investigation, American ranchers endured one of the worst droughts in living memory.

All of California was in drought from mid-May through December 2021.[2] On December 7, 2021, drought covered 94.6% of the 11 western states, a record in the U.S. Drought Monitor's history for the region.[3]

Yet in the 395-page public staff report prepared for the Commission, the word "drought" appears once.[4]

The flock

A flock that has been shrinking for decades

3 *in 8*

For every eight sheep in America's flock 50 years ago, three remain: 13.3 million head in January 1976, 4.99 million in January 2026.[5,6]

145,000

The flock fell by 145,000 head between January 2021 and January 2025.[4]

Imports

No surge in imports

Total lamb imports rose 14.7% from 2021 to 2025, according to official import statistics.[7] That is about 3.5% a year, slower than the 4.4% a year from 2010 to 2020.[8]

Australian lamb exports to the United States were 12.1% lower in January to September 2026 than a year earlier.[7] From 2021 to 2025, they grew 7% by volume, while Australia's lamb exports to all markets grew 37%.[4]

Supply

Imports fill the gap

U.S. lamb consumption grew from 254 million pounds in 2021 to 298 million pounds in 2025. Imports supplied 78.9% of it in 2025, up from 72.4% in 2021, as the U.S. flock shrank.[4]

Imported lamb is counter-seasonal, it complements domestic production, helping keep lamb on shelves and menus year-round.

U.S. producers

What U.S. producers told the Commission

Of the 49 U.S. producers that answered the Commission's questionnaire, 31 reported no injury from imports and 31 took no position on safeguard relief, according to the brief of Meat & Livestock Australia and Thomas Foods International USA.[7]

The market

Different products for different buyers

Most U.S. producers (7 of 10), importers (13 of 15) and purchasers (8 of 13) told the Commission U.S. and imported lamb are only sometimes or never interchangeable.[4]

Most imported lamb is shipped frozen (51.4% of importers' U.S. shipments by volume in 2025), while large U.S. producers ship more than 80% of their lamb fresh or chilled.[4]

Processors

Steady supply, stronger processors

The prehearing brief of Meat & Livestock Australia and Thomas Foods International USA, drawing on Commission questionnaire data, finds processors that use at least some imported lamb were consistently more profitable than those relying only on U.S. lamb, because steady supply kept labor and other factory costs down as a share of their costs, not because imported lamb was cheaper.[7]

What happens next

OCT 16, 2026	Public injury hearing, from 9:30 a.m. ET at the ITC, 500 E Street SW, Washington, DC, with an official webcast. There is no fixed finish time.[9]
OCT 23, 2026	Post-hearing briefs due.[9]
BY NOV 13, 2026	ITC injury determination.[9]
DEC 1, 2026	Remedy hearing, only if the ITC makes an affirmative injury determination or is equally divided.[9]
BY JAN 11, 2027	ITC report to the President.[9]
AFTER THE REPORT	After an affirmative ITC determination, an interagency committee chaired by the U.S. Trade Representative (USTR) must recommend action.[10] In recent Section 201 cases, USTR's Trade Policy Staff Committee has also invited public comments and scheduled a hearing about a month after the report, on the public interest and effects on other domestic industries and downstream consumers.[11] That step is established practice; the recommendation is required by law. The President has 60 days from receiving the affirmative report to decide (30 days from receiving a requested supplemental report), weighing factors including effects on consumers and the national economic interest.[10]

Drought and other factors mean any restrictions on imported lamb would see Americans eat less lamb overall, because it would be harder to source, more expensive and less competitive than other proteins.

Sources

PDF page numbers, with printed page numbers in brackets

1. Rodney Ludema and Thomas J. Prusa, "An Economic Analysis of Imported Lamb on U.S. Lamb Prices and Sales," Oct. 8, 2026, Appendix A to the prehearing injury brief of Meat & Livestock Australia and Thomas Foods International USA, PDF p. 93 [report p. 86], Table 6. EDIS doc. 897870.
2. U.S. Drought Monitor, California drought statistics, 2021 weekly maps (D1–D4). usdmdataservices.unl.edu.
3. NOAA National Centers for Environmental Information, Drought: Annual 2021 report, West. ncei.noaa.gov.
4. ITC, Lamb Meat, Inv. No. TA-201-80, prehearing staff report (public version), Oct. 2, 2026. PDF pages [report pages]: "drought," p. 42 [1.30]; flock, p. 82 [Table 3.1]; Australian exports, p. 186 [4.26]; consumption and import share, pp. 18 [1.6] and 283 [Table C.1]; interchangeability, p. 245 [Table 5.21]; frozen imports, p. 62 [Table 2.3]; U.S. producers' fresh and chilled shipments, p. 111 [3.31]. EDIS doc. 896447.
5. USDA, Sheep and Goats, Jan. 28, 1976, p. 1. esmis.nal.usda.gov.
6. USDA National Agricultural Statistics Service, Sheep and Goats, Jan. 2026, p. 1. esmis.nal.usda.gov.
7. Meat & Livestock Australia and Thomas Foods International USA, prehearing injury brief (public version), Oct. 9, 2026. PDF pages [brief pages]: imports, p. 32 [21]; Australian exports in 2026, p. 118 [107]; processor profitability, pp. 65–69 [54–58]; U.S. producers' answers, p. 12 [1]. EDIS doc. 897870.
8. Government of Australia, prehearing submission, Oct. 8, 2026, p. 8. EDIS doc. 897067.
9. ITC, notice of institution and scheduling, 91 Fed. Reg. 45283 (July 20, 2026), govinfo.gov; ITC hearing page, usitc.gov.
10. 19 U.S.C. §§ 2253(a) and 1872(a)(3)(A). law.cornell.edu (2253); law.cornell.edu (1872).
11. USTR (Trade Policy Staff Committee) notices: Quartz Surface Products, 91 Fed. Reg. 28096 (May 15, 2026), govinfo.gov; polyester staple fiber, 89 Fed. Reg. 63465 (Aug. 5, 2024), govinfo.gov.

Documents marked EDIS are on the ITC's public docket. Opening them requires a free EDIS account, which you can create with Login.gov.

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