MARCO RUBIO FLORIDA

United States Senate WASHINGTON, DC 20510-0908

APPROPRIATIONS
FOREIGN RELATIONS
SELECT COMMITTEE ON INTELLIGENCE
SMALL BUSINESS AND ENTREPRENEURSHIP
SPECIAL COMMITTEE ON AGING

COMMITTEES:

August 27, 2024

Mr. John May Chief Executive Officer Deere & Company One John Deere Place Moline, Illinois 61265

Dear Mr. May:

John Deere is an iconic American brand, beloved for generations by farmers, ranchers, builders, and hardworking Americans of all stripes. Out of a desire to preserve John Deere's deep connection to the American people, I write to remind you of your company's duty to your workers, their families, the communities in which they live, the nation which you call home, your hardworking customers, and your shareholders. While I was encouraged by John Deere's July 16, 2024 statement announcing the rollback of many divisive and counter-productive "Diversity, Equity, and Inclusion" (DEI) policies, I am concerned by recent reports that John Deere has engaged in mass layoffs of American workers at your facilities in Illinois and Iowa, while simultaneously shifting manufacturing to Mexico.

John Deere was correct to roll back some of its divisive DEI policies and programs, which included race-based hiring practices and diversity quota targets, mandatory DEI employee trainings, encouraging employees to state their preferred pronouns in all communications, fostering of race- and LGBTQ-based employee identity groups, and funding of LGBT pride events for children. These initiatives did not meaningfully improve your employees' wages, benefits, or skills, and they actively undermined your company's trust with its customers. While John Deere is hardly the only company to erect a veil of "righteous" DEI policies, the ubiquity of these practices does not make yours any less disappointing. Nor does ending these harmful DEI policies repair the damage when an iconic American company—which builds the engines that feed America—takes jobs away from American families to expand its operations overseas.

Since November 2023, John Deere has laid off a staggering 15 percent of its wage workers in the United States.² More than 2,000 American workers have been laid off in the past year alone. Meanwhile, John Deere managed to find \$7.2 billion in its budget to spend on stock buybacks last year—an average of \$3.6 million per worker laid off.³ These layoffs follow your company's 2022 announcement that it would shift tractor cab production from Iowa to Mexico

¹ https://x.com/JohnDeere/status/1813318977650847944

² https://www.wsj.com/business/deere-shrinks-staff-to-navigate-farm-economy-downturn-0e7bee6c?mod=livecoverage web

https://www.theguardian.com/business/article/2024/jun/07/john-deere-layoffs-work-moving-mexico

by 2024. They also coincide with your more recent announcement that John Deere will shift all production of compact track and skid steer loaders from the U.S. to Mexico by 2026.⁴

America needs a strong manufacturing sector to build the tractors, combines and other implements that make our country's agricultural self-sufficiency and leadership possible. American corporations, like John Deere, have a duty to their workers, nation, customers, and shareholders. Policymakers, likewise, have a responsibility to ensure businesses are able to operate and thrive within the American economy. I hope that John Deere recommits to its American workers and the families that depend on them, and I look forward to continuing to develop policies that make it easier for companies like yours to expand manufacturing operations in this great nation.

Sincerely,

Marco Rubio U.S. Senator

⁴ https://prosperousamerica.org/john-deere-shrinking-in-iowa-but-set-to-grow-in-mexico/