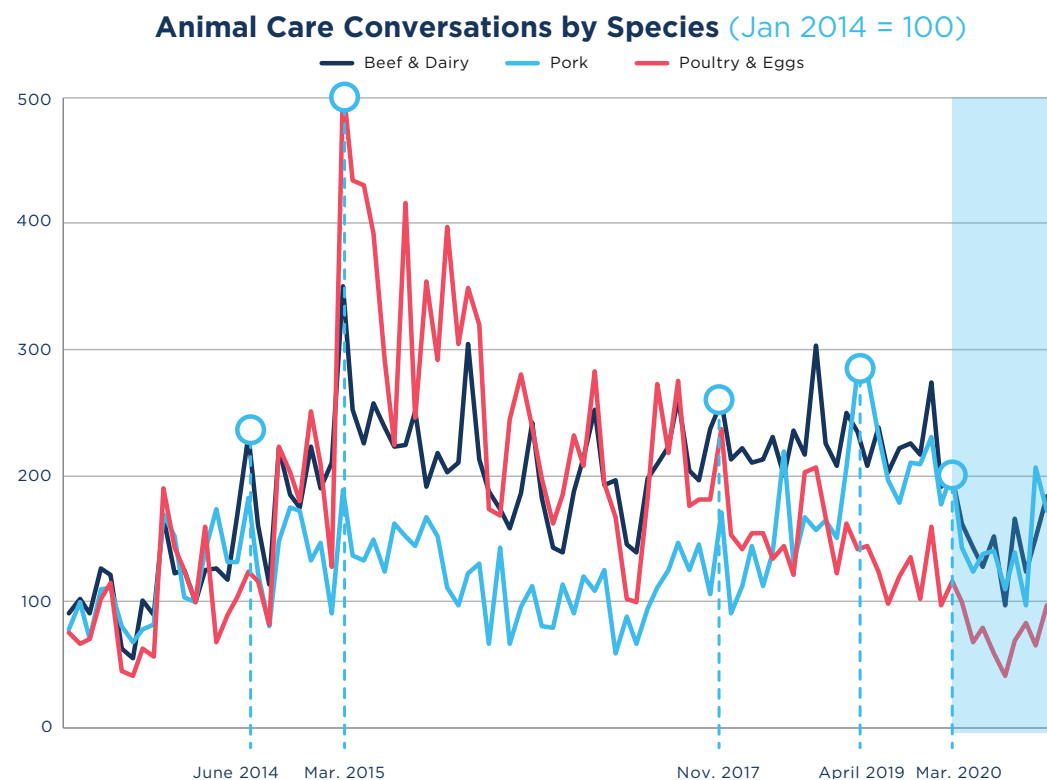


Animal Care: An Evolving Conversation

Animal care plays a large role in sustainability and responsibility discussions in food production, alongside the topics of food safety, environmental stewardship, workforce policies and community relations. Livestock housing, feeding practices, medication and early interventions have become not only the concerns of farmers who breed and raise animals but also of executives and policymakers further down the supply chain. Decisions made in the boardrooms of food manufacturers, foodservice operations and retail grocery stores can have dramatic effects of what happens on farms. Over the past decade, policies about animal care have shifted from companies addressing specific issues within specific species to the industry incorporating animal care into larger sustainability policies. Although the coronavirus pandemic has altered the intensity and direction of these discussions, the resulting pressure remains a powerful force.

COMPARISON ACROSS SPECIES

The chart below illustrates monthly volume of influential conversations around animal care issues over the past seven years. Beef- and dairy-focused topics tended to hold steady at higher levels of interest, but poultry and pork concerns saw more prominent spikes in attention.

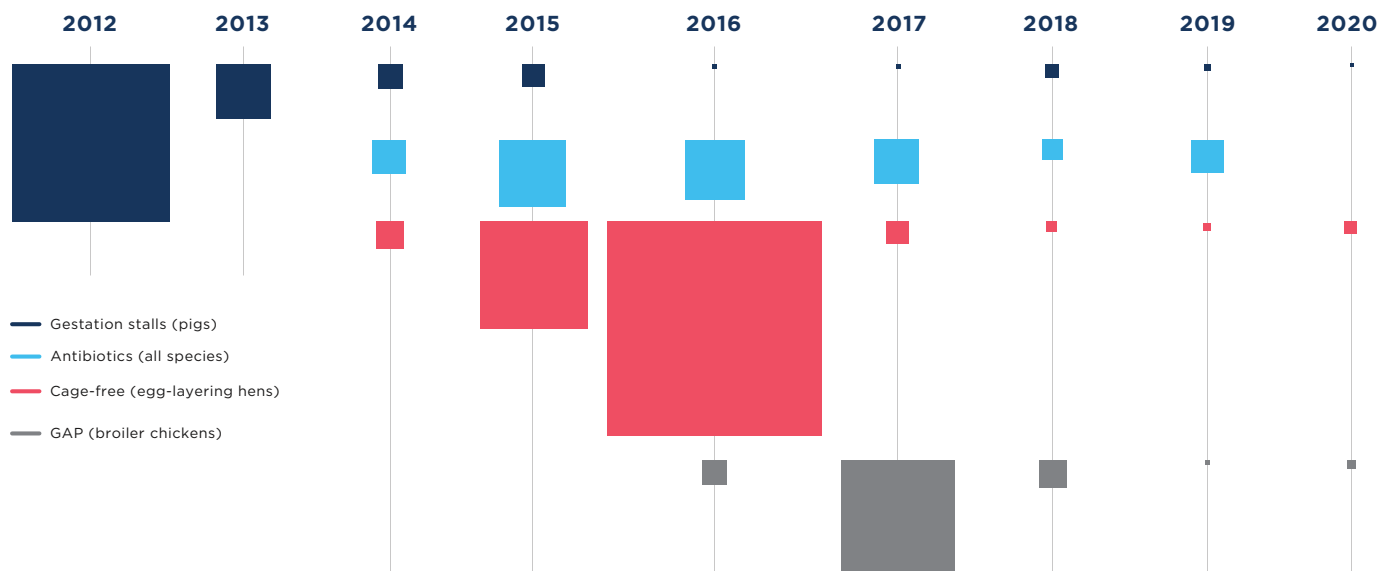


IT'S INCREASINGLY IMPORTANT FOR ALL STAKEHOLDERS IN THE LIVESTOCK INDUSTRY TO ENGAGE IN FOOD CHAIN CONVERSATIONS ABOUT HOW ANIMALS ARE RAISED RESPONSIBLY AND TO ANSWER IMPORTANT QUESTIONS THEY MIGHT HAVE.

- LUCINA GALINA, DVM, HEAD OF U.S. PORK VETERINARY SERVICES, ZOETIS

CORPORATE ANIMAL CARE COMMITMENTS

Corporate announcements are one factor driving these conversations. Below we show when foodservice and retail channels announced commitments on specific animal care policies. By far the largest volume related to livestock housing commitments, many of which are slated to take full effect by 2025.



ANIMAL CARE POLICY EVOLVES PRE-COVID-19



Animal care policies have transformed since the movement started gaining momentum in 2012. Our analysis reflects shifts in focus from gestation stalls in 2012 and 2013 to cage-free eggs and adoption of Global Animal Partnership (GAP) standards from 2015 to 2017. Brands that committed to these changes largely did so under pressure from activist groups and media outlets, with both citing consumer interest — real or imagined — as the driving force for change. In 2018, the number of animal care announcements tapered as food manufacturers, supermarkets and restaurants turned to reporting progress on previously-made commitments. Today, companies are not as focused on individual issues, but appear to be customizing how they highlight animal care policies within their supply chains.

The following animal care policies highlight a range in the types of commitments companies have shared recently:

Food manufacturers

- In February, Perdue Farms [celebrated](#) reaching a milestone 25% of supplier barns converted to free-range standards, outpacing the industry in offering outdoor access to broiler chickens.
- Tyson Foods [committed](#) to source sustainable beef from producers verified by Where Food Comes From, a third-party audit program that ensures best practices in animal care, environmental stewardship and community health.

Retailers

- In August, Ahold Delhaize [outlined](#) requirements for all meat suppliers to post animal welfare policies publicly, provide training for workers, report progress annually and participate in audits to ensure compliance.

Foodservice

- In January, Popeyes [joined](#) more than 200 brands that have adopted the Better Chicken Commitment standards, which were established in 2016 by a coalition of special interest groups to [reform](#) a range of on-farm animal care practices, such as space requirements and enrichments.
- Following the lead of other global food companies, including Nestlé and General Mills, Hershey [expanded](#) its cage-free egg sourcing policy from the United States and Canada to include global suppliers by 2025.

PRE-COVID-19 ACTIVITY (CONTINUED)

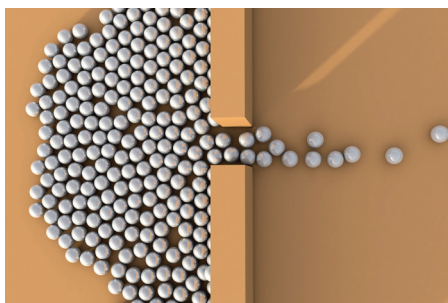
Meanwhile, activist groups continue to push for more change with celebrity endorsements, fighting government policies and rallying support for state ballot initiatives.

- In February, during his Golden Globe Awards acceptance speech, Joaquin Phoenix [thanked](#) organizers for adopting a vegan menu at the annual event to call attention to animal agriculture and climate change.
- The Humane Society of the United States released a scorecard on March 10, tracking progress by major supermarket and restaurant companies toward achieving supply chain commitments on cage-free eggs, gestation stalls for sows and broiler chicken care standards.
- Activists [celebrated](#) when a court upheld California's Proposition 12, which establishes minimum space requirements for livestock and prohibits sales of animal products that do not meet these standards — even if they are produced out of state.
- Activist groups that rely heavily on undercover filming successfully [challenged](#) anti-trespassing laws in North Carolina and Kansas as unconstitutional.

CONVERSATIONS LOW, CONCERNS HIGH **POST-COVID-19**

Since the start of the coronavirus pandemic, our data showed a marked decrease in attention to animal care issues across the board. The second quarter of 2020 saw a 26.5% drop in volume of influential conversations dedicated to this issue versus the same period in the four previous years. However, several topics related to animal care rose in importance as the coronavirus disrupted food production.

THE BOTTLENECK



Dallas Hockman, VP of Industry Relations for the National Pork Producers Council, described the pandemic's "bow tie effect" in the meat supply chain: Producers maintained an abundant supply of livestock and consumer demand for meat remained strong — but complications in processing and distribution knotted the middle. Pork production suffered the most of any species, as closed processing plants forced farmers to euthanize pigs. An August 19 National Hog Farmer article [provided](#) a clear retrospective of this crisis.

CASTING BLAME



Throughout the pandemic, activist groups and some media groups blamed modern agricultural practices as the primary cause of the pandemic. Sigal Samuel, writing for Vox, [suggested](#) that concentrated animal feeding operations (CAFOs) in general, not "wet markets" like those found in China, are — and will continue to be — the root cause of pandemics. In turn, Mercy For Animals and other anti-meat groups [used](#) the pandemic as a launchpad for attacks against animal agriculture.

AN OPEN LETTER



On June 5, an international coalition of more than 75 organizations [signed](#) an "Open Letter on the Value of Animal Agriculture," which refuted the claim that livestock production played a role in the origin and spread of COVID-19. The letter suggested that the anti-meat activist groups making this claim threaten "to distract the global public health response at a time when animal agriculture can offer lessons for wildlife zoonosis management as part of the long-term pandemic preparedness."

LOOKING AHEAD

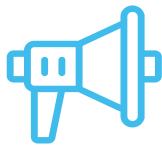
With the immediate future very difficult to predict, all groups involved in livestock agriculture and animal care will face changing developments and partnerships in the marketplace:



State Legislation: California Proposition 12, which established minimum space requirements for livestock housing, is scheduled to go into effect in 2022, but contends with ongoing lawsuits. In March, Arizona and Hawaii passed legislation requiring laying hens to be cage-free, while Colorado and Maine have similar legislation pending. The laws complicate decisions for out-of-state suppliers who wish to sell across state borders.



Investment: [Farm Animal Investment Risk & Return](#) and [Business Benchmark on Farm Animal Welfare](#) both seek to influence investors by calling attention to animal care and environmental practices.



Activism: Special interest groups will continue to pressure foodservice operations, retailers and food manufacturers to share progress on their animal care commitment deadlines. At the same time, pandemic-related supply chain issues are making it especially difficult for these companies to fulfill their commitments.



NGO Partnerships: Industry groups and brands are partnering with thought leaders to promote advancements in animal care. The U.S. Poultry & Egg Association [announced](#) research initiatives addressing poultry welfare that will be conducted in collaboration with the Foundation for Food and Agriculture Research. The SMART Broiler Initiative, supported by McDonald's, will [develop](#) automated technology to monitor and objectively evaluate poultry welfare.



Alternative Protein: The alternative protein marketplace continues to grow rapidly; at the core of this category is “protein without the animals” messaging that appeals to many consumers. Even as traditional companies compete with startups by investing in meat alternatives, the companies are looking to shift focus to core consumer benefits of meat, such as price and nutrition.



Coalitions: To navigate an evolving marketplace and changing consumer preferences, new organizations are forming to open new conversations on supply chain issues that affect animal care practices on farms. Founded in 2018, The Global Coalition for Animal Welfare (GCAW) [counts](#) Aramark, Compass Group, Elior Group, IKEA food services, Nestlé, Sodexo, Tyson and Unilever as members.



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