



*AMI Animal Care and Handling Conference
February 23-24, 2006**

Speaker presentations have been summarized into 4 topic areas:

1. Corporate food company perspectives
2. Agriculture industry initiatives and directions
3. Managing controversy and dealing with activists
4. International initiatives

Overall common messages:

- Need a mechanism for providing credible assurances regarding animal welfare – for most speakers this translated to 3rd party verification
- Animal welfare is not going away – manage issues early before a trigger event creates a crisis
- Social responsibility theme:
 - ✓ Total industry must pay attention or risk losing consumer trust
 - ✓ Consumers expect social values (e.g., animal welfare/environment) to be ‘taken care of’ by corporate food companies
 - ✓ Consumers think there is room for improvement
- Integrated, whole of industry approach needed – backed by science, affordable and appropriately communicated to consumers

1. Corporate food company perspectives

Speakers: Rob Cannell, Director U.S. Supply Chain Management, McDonalds – Joan Menke-Schaenzer, Vice President of Food Safety, Wal-Mart

- Surveys show there is a significant gap between consumer expectations of corporate food industries, in terms of social responsibility, and consumer perceptions of actual corporate food industry performance in this regard – ***consumers think the food industry has room for improvement***
- Trust is driven by a consumer’s brand experience and corporate citizenship reputation
- McDonald’s role in the marketplace means having the power, and the responsibility, to ensure quality
- Animal welfare - a non-competitive issue needing an integrated approach
- Customers **expect** Wal-Mart to take care of animal welfare issues on their behalf. No desire to pay more
- Being proactive is like having insurance – insurance against consumers making a different choice based on animal welfare
- Desire for an integrated approach, but will continue to develop and implement their own programs until a program is developed that works (FMI-NCCR program not seen as workable)
- Wal-Mart audit program to be released end of April 2006 (*private conversation with Ms. Menke-Schaenzer – audits will not impact Canada until expansion of SAM Club outlets here*)

*Some presentations are available on-line at:

http://www.meatami.com/Content/NavigationMenu/Events_Education/AMI_Educational_Conference_Presentations/Animal_Care_and_Handling_Conference/Animal_Care_and_Handling_Conference.htm

- 3rd party audits are not about trust between retail/food service outlets and suppliers, but about communicating to the consumer in a credible manner
- 3rd party audits augment internal audits – fresh eyes with broad experience offer opportunities to ID areas for improvement that those within the facility may not be aware of
- Instead of focusing on potential costs of implementing an audit process, the focus should be on how improving animal welfare through audits will improve quality and hence profits

2. Agriculture industry initiatives and perspectives

Speakers: Sherrie Niekamp, Director, Animal Welfare, National Pork Board – Angela Baysinger, Ph.D, Vice President, Farm Food Safety, Farmland Food

- National Pork Board (NPB) has a Welfare Discovery Team – Pork Quality Assurance (PQA) & Swine Welfare Assurance Program (SWAP) working together to establish a sustainable pork system
- NPB is revising SWAP and looking at how PQA & SWAP can work together
- Exploring options to ensure credibility of the system while maintaining affordability and workability
- SWAP is currently an educational tool only – cannot fail a SWAP assessment
- FMI-NCCR Animal Welfare Audit Program (AWAP) not workable or affordable (*one speaker referred to it as being dead*)
- Professional Animal Auditing Certification Organization (PAACO) formed in 2004 as an auditor certification body (<http://www.animalauditor.org/>)
- Purpose: to promote the humane treatment of animals through education and certification of animal auditors and to promote the profession of animal auditors.
- Non-profit, formed by: Federation of Animal Science Societies (FASS), American Registry of Professional Animal Scientists (ARPAS), American Association of Bovine Practitioners (AABP), American Association of Swine Veterinarians (AASV), and American Association of Avian Pathologists (AAAP)
- Groups have come together to initiate training and certification for on-farm and processing plant auditors – will not develop audits

3. Managing controversy and dealing with activists

Speakers: John Lewis, Counter Terrorism Division, FBI - Gerald Kinard, President LEARN (Law Enforcement Academic Research Network) - Charlie Arnot, CMA Consulting

- Threat/vulnerability assessments are needed to know where you are vulnerable and minimize yourself as a target
- Industry must come together collectively to address issues with activists
- The challenges from activists are not directed at one industry, but the whole. Action must come from the whole.
- Important to get involved early – before an issue becomes a crisis
- Industry must take an objective, critical look at itself and engage consumers from their perspectives

- Cannot tell consumer what to think, or believe that ‘if they just understood’ issues would go away
- Conflict exists where there is a gap between consumer expectations and industry performance
- Recognize that there is cultural confusion in our society regarding the role and function of animals – companions or food?
- Activists take advantage of this confusion e.g., equate eating meat with eating pets. They try to make the distinction between food animals and companion animals less clear – challenge us as to why there is a difference
- Animal activists are educated and skilled at what they do – do not underestimate
- North American affluence means we can demand more of our food – e.g., produced in a socially responsible manner. We (U.S., UK & Canada) pay less of our total income for food than most countries
- Companies that view social responsibility issues as a threat are at risk, but those who embrace it will thrive
- Americans know little about where their food comes from (and don’t want to know) – but they want permission to believe that all is taken care of, including animal welfare
- Animal welfare is not a driver for consumers, but it can be a derailer if consumers come to believe that they cannot trust industry to take care of animal welfare issues
- Research shows consumers don’t want details on how their food is produced – unless there is an incident. So, must ensure there are no incidents.
- The majority of people (96%) believe farm animals deserve to be treated humanely but recognize that this does not mean care equal to companion animals – this is an opportunity as most recognize a difference
- However, most people do believe more animal welfare laws are needed – indicating they do not believe we are doing our job well enough
- What to do?
 - ✓ Embrace the moral obligation to provide animal welfare and establish standards in all production/processing phases to meet that obligation (connect with that 96%). Do not answer moral questions with economic answers! Q. Do producers care for their animals?
 - It is in our economic best interests to do so – WRONG ANSWER
 - We recognize our moral obligation to our animals and take this obligation seriously. RIGHT ANSWER. Can add in afterward that there is an economic reason to care for your animals, but it should not be the primary answer.
 - ✓ Establish a set of measurable standards for animal welfare. Create a system to measure performance against these standards. Include 3rd party assessment. This also means a more public stance in those cases where producer/processor actions reflect a rejection of the moral obligation
 - ✓ Communicate the value of this system to all segments of the food chain. Industry must embrace their moral obligation or risk losing consumer confidence. Must know you are doing the right thing, deal with bad apples and don’t accept low standards.

- Whoever defines the issue, controls the debate – we have allowed activists to define the debate

4. International initiatives

Speakers: Phil Seng, U.S. Meat Export Federation, and member of International Meat Secretariat offering feedback to the OIE - Kay Johnson, Executive Director, Animal Agriculture Alliance (AAA)

- Real risk of animal welfare becoming a non-tariff trade barrier
- Need to establish a ‘floor’ minimum standard for animal welfare
- European history with BSE is different from North American. BSE caused a loss of consumer confidence – had a huge impact, which did not happen here.
- In Europe - government agriculture departments became consumer protection departments – protecting consumers from farmers.
- Risk of same happening in N.A. – animal welfare is the ‘looming snake that has not struck yet.’ Need to be harmonized on animal welfare or risk same loss of consumer confidence
- Better to address an issue before it becomes a full blown crisis
- OIE is an obvious answer to animal welfare and the harmonization of standards – ensuring sound science-based standards
- AAA is working with USDA to provide input to the OIE
- Important to build liaisons for industry input to the OIE
- Needed to streamline/coordinate the process, as USDA would be inundated with masses of industry feedback, which could be conflicting.
- AAA has developed a review committee to look at OIE guidelines as they come out - a body with knowledge and expertise to provide comments on OIE guidelines. Still evolving and will be tested further when new OIE guidelines are released (terrestrial guide for housing and production expected in 2007).
- Animal welfare has been an exception in the OIE process – NGO’s are allowed to provide input directly to OIE regarding animal welfare. Question of implications for science-based standards.
- Important to monitor OIE and other international activities. Ensure policies and training are implemented throughout industry operations to illustrate good animal welfare practices are in place. Must be able to show we are doing the right thing.
- Need to work with international groups to promote a better understanding between Europe and N.A.
- Need a worldwide opinion on animal welfare.