CAGE-FREE EGGS | CONTENTS

I. INTRODUCTION .................................................................................................................. 3

II. CAGE-FREE MOVEMENT ................................................................................................. 4-32
  Does the ‘consumer’ really want cage-free eggs? ................................................................. 5
  US consumers still prefer cheaper cage-produced eggs ......................................................... 7
  Consumer-driven claim on cage-free eggs outdated ............................................................... 8
  Dramatic egg price shifts cloud cage-free choices ............................................................... 10
  US cage-free egg layer flock is rapidly increasing ............................................................... 11
  Hillandale Farms shifting to cage-free egg production ......................................................... 14
  Michael Foods intends to expand cage-free egg production ................................................. 15
  The demand for cage-free hens reaches Latin America ....................................................... 16
  Canadian grocers make cage-free egg purchase pledge ....................................................... 17
  Retailers’ cage-free pledges demand millions of layers ....................................................... 19
  McDonald’s execs explain cage-free egg reasoning ............................................................ 21
  Cage-free pledges – How companies can reinforce credibility ............................................ 24
  The market will dictate the future of cage-free eggs ............................................................ 26
  Consumer demand for cage-free eggs will increase ............................................................ 28
  US egg market will eventually go cage-free ....................................................................... 30

III. PRODUCING CAGE-FREE EGGS .................................................................................. 33-87
  Rapid US cage-free egg farm expansions lead to ‘chaos’ ...................................................... 34
  US egg industry faces hard choices amid cage-free rush .................................................... 36
  UEP: Egg producers must form own definition of cage-free .............................................. 38
  Will the cage-free housing of choice be combi systems? .................................................... 40
  EU layer breeders adapting hens for cage-free conditions ................................................... 43
  Cage-free housing continues to gain momentum in 2016 .................................................... 47
  Cage-free aviary housing eyed in layer performance test ................................................... 50
  Egg producers see big shift to cage-free eggs by 2025 ....................................................... 52
  How Canada will phase out conventional cages by 2036 .................................................. 55
  California egg producer transitioning to cage-free ............................................................. 57
  Stocking of Red River Valley Egg Farm underway ............................................................. 58
  Rembrandt Foods plans cage-free egg farm in South Dakota ............................................. 59
  Gemperle Farms to produce only cage-free eggs ............................................................... 60
  Kreider’s cage-free flock now certified humane ................................................................. 62
  Cage-free egg production, more cost than benefits? ......................................................... 63
  Can a cage-free layer housing system have a door? ............................................................ 67
  A closer look at the standards of cage-free certifiers ......................................................... 69
  Are aviaries the right cage-free choice for your farm? ....................................................... 73
  5 cage-free aviary facts egg producers should know ......................................................... 78
  Lenders will be cautious toward cage-free egg expansion ................................................. 84
  Are cage-free eggs more sustainable than conventional? ................................................... 86

WATT Global Media’s Focus Series PDF files are for use by the purchaser only, and distribution, reproduction or file sharing
is strictly prohibited without the prior written consent of WATT Global Media.
INTRODUCTION

Social media and activism are largely influencing consumers' views on animal agriculture welfare, specifically hen welfare and the rise of the cage-free egg movement. This collection of exclusive and in-depth cage-free focused articles from the acclaimed editors of Egg Industry, WATT Poultry USA and Poultry International magazines plus expert contributors will provide you with highly valuable insights.

Food-chain safety and transparency issues are influenced by family, friends and other non-experts, making it critical for the poultry industry to control messaging and tell its story. Building consumer trust not only entails conveying communicating scientific facts, but also that poultry companies and the industry are ethical, responsible and honest.

U.S. cage-free layer flocks continue to grow at a rapid rate to keep up with the cage-free pledges made by large retailers, food processors, fast-food and restaurant chains. McDonald’s 10-year transition to only purchasing cage-free eggs in the U.S. and Canada is a tipping point considering they serve 2 billion eggs per year just in the U.S. McDonald’s cites consumer preference for its move to using only cage-free eggs, but producers question the company’s assessment since the vast majority of U.S. consumers pass up cage-free eggs in the retail case and purchase less expensive eggs produced by cage-housed hens. Cage-free egg production and sales in the U.S. still represent only about 10 percent of the total.

The market, not egg producers, are setting the course for cage-free egg production as the future of the industry. As a result, the three largest egg producers in the U.S. are designing and building cage-free farms that will become the largest cage-free egg facilities in North America. Raising cage-free hens introduces new management challenges for egg producers, which requires revising husbandry methods to ensure bird health, welfare, productivity and, of course, profitability are not sacrificed at the expense of consumer preferences. Egg producers also must decide quickly which type of cage-free housing system they should use to supplement, or replace, their cages. Producers and retailers looking for advice on how to equip themselves to go cage free will likely need to turn to independent organizations offering auditing and certification of animal livestock operations to market cage-free eggs.

It is critical to stay on top of the most important issues impacting our industry today to remain competitive. The WATT Global Media Focus Series was created to help you achieve that objective, and ultimately succeed in reaching your business goals.