



Compassion in World Farming: Unique focus, exceptional expertise

Summary of USA strategy

Presented to:

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Summary of USA Strategy

(Effective from June 2015)

1. Executive Summary

To create a world where farm animals are genuinely treated with compassion and respect, where fresh air and sunshine are natural features of every farming system, we are seeking to establish farm animal welfare as an intrinsic part of US corporate social responsibility.

Leading companies whose business is founded upon the food we eat have enormous influence over the way in which farm animals are reared and slaughtered. They can move faster and more decisively than politicians or policy makers and are a key driver of change.

Our approach in the US can be summarized as follows:

- Corporate engagement: This is our primary focus and critical to raising US baseline standards for animal welfare (in particular for leading brands and retailers)
- Broilers: Chickens reared for meat are our priority as they represent the most farmed species in the USA and globally
- Eggs: Our *Good Egg Award* provides us with a key lead in opportunity to establish a dialogue with companies. Further several US brands have already secured a *Good Egg Award* through our European program
- Business Benchmark on Farm Animal Welfare (BBFAW): Our Benchmark is becoming a major driver for companies to engage with us. Another 'foot in the door' tool which is proving most compelling in the highly competitive US market (no company wants to be at the bottom of a public and highly visible ranking for investors)
- Incentives for engagement, levers for change: We are acutely aware that major food companies are much more likely to shift if they can see a compelling competitive advantage for doing so or, conversely, there is a clear business risk in not shifting policy. For this reason, our strategy also seeks to sensitize the market to the reality of factory farming. The best example of this to date is the national media coverage we earned through partnering with farmer-turned-whistle-blower, Craig Watts, to lift the lid on intensive broiler production

Our established European program has acted as a springboard into the US and our initial Food Business focus over the past 2 years demonstrates that leading US food companies are receptive and ready to engage with us. However, to meet the growing demand for our services from the US food industry, advance our program and, thereby, increase our impact, we need to expand and scale up our US operation as a matter of urgency.

An investment in our US program will help transform corporate attitudes to food and farming. It will also lead directly to demonstrable and meaningful change in the lives of tens - potentially hundreds - of millions of farm animals within just a few years.

2. Context

Worldwide, over 70 billion animals are reared for food each year. In the quest for more meat, milk or eggs, animals are caged, crammed and confined into shockingly small spaces, forced to grow super-fast and pushed to their physical limits (and often beyond), whilst unable to express even the most basic of natural behaviours.

As well as being the world's single greatest cause of animal cruelty, factory farming is singularly failing as a system of food production. Almost 870 million people in the world are going hungry whilst 1.4 billion are overweight, and nearly a quarter of food calories produced worldwide are lost or wasted.

Compassion advocates a pioneering approach to food and farming, one that safeguards the interests of animals, benefits people and the environment. We are working to create a fundamental shift in the way we produce our food and to secure mainstream acceptance that "ending factory farming is key to

humane sustainable food and farming policy worldwide". We believe that everyone has the right to healthy food that is produced without cruelty, suffering or environmental degradation.

Leading companies whose business is founded upon the food we eat have enormous influence over the way in which farm animals are reared and slaughtered. They can move faster and more decisively than politicians or policy makers and are a key driver of change including and especially in the US.

The US is the birthplace of factory farming and continues to be a top producer for all species of farm animals. The largest animal agribusinesses, restaurants and retailers in the world are headquartered in the US, including Tyson, McDonalds and Walmart.

Compassion's European Food Business program is a proven model for driving far-reaching change through the food industry. Our approach is built on positive engagement with leading global food companies. Underpinning this, the team's technical expertise and practical experience are crucial to delivering our full range of services, and are held in high esteem by our commercial partners. Our program delivers a suite of business-relevant tools that inspire and encourage food companies to commit to changes delivering tangible benefits to millions of farm animals in their supply.

Globally, our primary focus for our food business engagement is on the largest and most influential top 250 food companies since they have the potential to effect the most far-reaching change. However, work with smaller players is still critical to create widespread momentum in the market (i.e. smaller food companies, public procurement bodies or high profile brands that are seen as leaders or innovators¹).

Over 257 million animals are set to benefit each year from our Good Farm Animal Welfare Award winners policies (as at June 2015 with the next round of Awards being made in June 2016). The impact we are driving in Europe offers a glimpse of what, with appropriate investment and resource, can be made possible in the US. This is summarised on our [impact pages](#)

3. Our USA program – poised for expansion

Our European Food Business program has acted as a springboard into the US and accelerated entry into this market. We are now firmly established as the authority on broiler welfare and corporate engagement in the States. Our track record, experience base and technical expertise is unsurpassed. We have excellent relationships and are engaged in meaningful dialogue with some of the world's most influential food companies including leading retailers and food service companies.

2014/15 has been a pivotal year for Compassion USA. Having made the bold commitment to start up in the US in 2011, and focus primarily on Food Business since 2013, the rewards of our investment are becoming increasingly evident. Demand for our Food Business program from the corporate sector is now outstripping capacity and 2015 witnessed the first ever *Good Farm Animal Welfare Awards* for US companies driven by our US team. We have driven compelling and headline grabbing stories in the US exposing the reality for animals reared intensively. We are perfectly poised to enter into an expansion phase to extend our reach and impact.

We recognize that consumer concern is a key lever for change within the US food industry. As such, we have generated significant consumer and media attention through our complementary market sensitization strand. This included, in 2014, the launch of our public-facing *Better Chicken Initiative* (supported by celebrated chef, Jamie Oliver), as well as our annual showcase highlighting best practice, [Pastured Poultry Week](#), and, more recently, our jaw-dropping exposé of household name and chicken producer, [Perdue](#). These sensitization activities are a crucial means of connecting with the public, converting awareness into concern, and generating media coverage to create the all-important 'push' factor for our Food Business program. This enables us to hold companies to account driving improvements in corporate policy and practice.

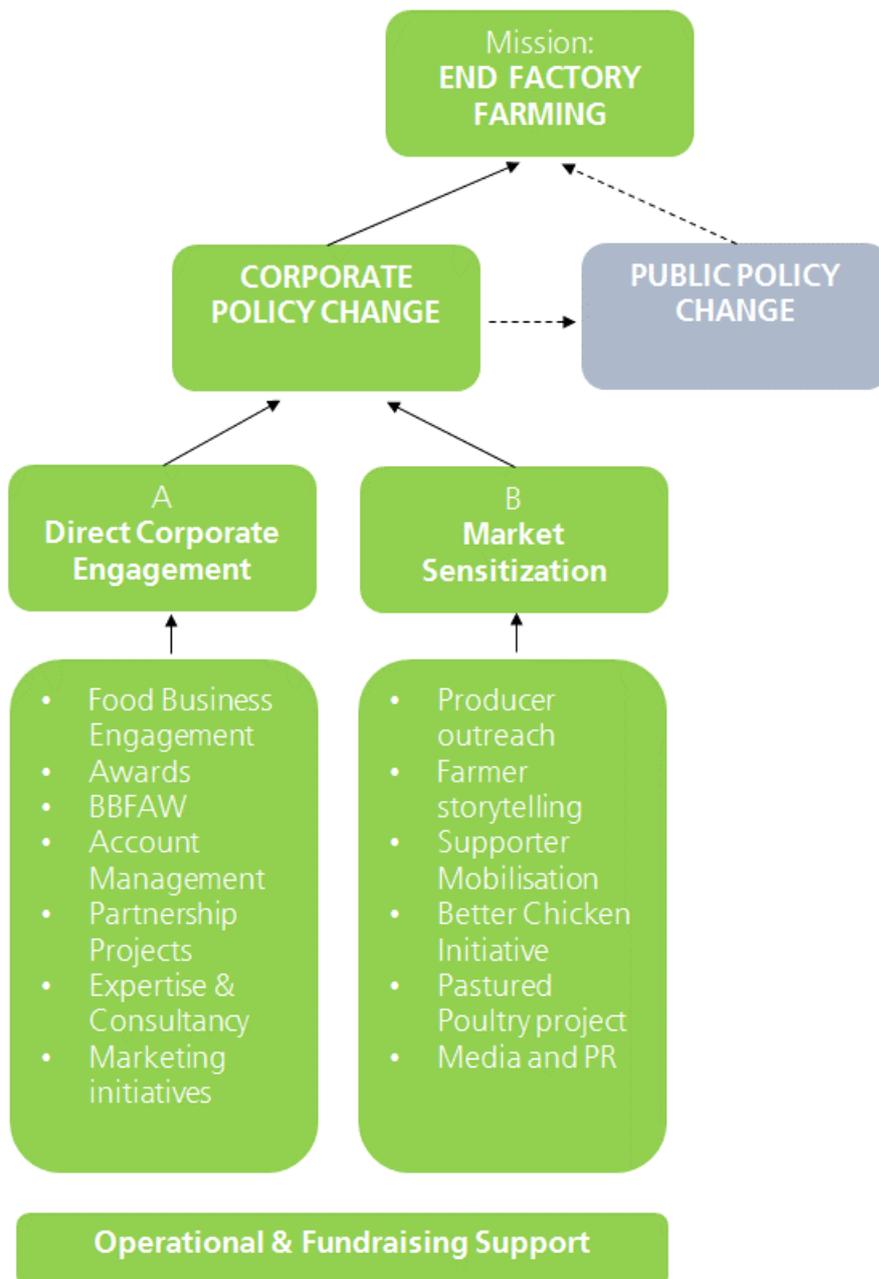
In June 2015 we awarded US Good Egg Award winners, Whole Foods Market and Pret, for their cage free policies in a move that is set to benefit over 1.5 million laying hens each year.

¹ For example, Google has been awarded for their use of cage-free eggs in their staff catering

4. Our strategy for impact

The mission of Compassion in World Farming is to end factory farming and advance the wellbeing of farm animals worldwide. Whilst other NGOs in the USA are lobbying directly for changes in state and federal legislation, Compassion has demonstrated that rapid progress can be made by engaging directly with the US food industry. Leading companies whose business is founded upon the food we eat have enormous influence over the way in which farm animals are reared and slaughtered². A single boardroom decision can transform the fate of millions of animals across supply chains in an instant. Our experience shows that, when properly motivated, industry moves far faster and more decisively than politicians or public policy makers.

In the USA, our strategy is focused on driving meaningful changes in corporate policy. Changes in legislation and public policy are far more likely when industry has led the way. To achieve this, our program adopts a twin-track approach: direct engagement *and* market sensitization as follows:



² By way of example, top American retailer Walmart had higher revenue in 2010 (\$408 billion) than South Africa's GDP (\$364 billion). Each move towards better farm animal welfare, therefore, has potentially enormous impact. Observing the market shift around other sustainability issues brought into the mainstream (including Fairtrade produce, sustainable palm oil and wood products) demonstrates the capacity to transform livestock production

Summary of USA Strategy

Track A Direct Corporate Engagement:

Our direct engagement with leading US food companies is grounded firmly in the experience and expertise derived from our European program. This work consists of encouraging and assisting companies to raise their policies and practices towards meaningful improvements in farm animal welfare and gain public recognition through our awards programme and communications. Experience tells us that the most significant change results from substantial engagement with our expert team, often over the course of several years. Here, we enter into more focused partnership projects that can help transform organisational attitude and appetite for ongoing improvement. Further details about the key components of our Food Business program are included in Appendix 2.

Track B Market Sensitization:

Our work is grounded in the real world. We recognize that corporate policy will often only change when organizations see a compelling competitive advantage for doing so or, conversely, a clear business risk in not shifting. Our strategy, therefore, is to generate focused public awareness and sensitize the market to the reality of factory farming. We inspire consumers to demand and buy better and companies to do better. This means telling inspirational stories and motivating people to say: *"I will not cooperate with an unjust food system, and I will build a better world through my food choices"*. A powerful example of this is the national media coverage we earned through partnering with farmer-tuned-whistle-blower, Craig Watts, to expose the reality of intensive broiler farming (featured prominently in the New York Times, The Washington post amongst others³). Mindful of the need to offer a positive alternative to factory farming, we also showcase best practice during our annual *Pastured Poultry Week*, a celebration of humane and sustainably produced pasture raised chicken. In 2015, this took place in Georgia, New York City and Charleston. From 2016, our *Pastured Poultry* initiative will be delivered with partner NGOs.

Our Impact

Whilst still in its infancy, our US program is already having an impact beyond original expectations. We have already generated significant public awareness and begun to sensitize the market (in no small part thanks to the national publicity we generated with the Craig Watts Perdue exposé). Our ground-breaking film about Perdue has been viewed over 2.3 million times on YouTube, and we estimate that approaching 131.5 million consumers have been reached via the resulting media coverage. Most importantly, major food industry players are engaging with us and other large-scale companies are seeking us out. Over 1.5 million animals are set to benefit as a result of our 2015 award winners policies, and we have multiple --++millions of animals with the potential to benefit from our long standing partnership work.

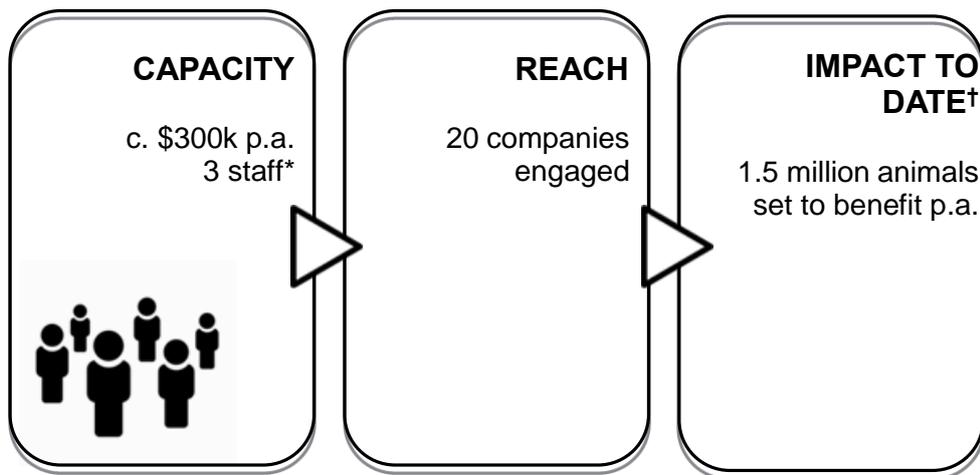
This is just the start. With increased investment, we know we can achieve much, much more. An expanded team will deliver enhanced impact for 10 million animals or more set to benefit from our award winners policies alone within 3 years. In addition, further investment would enable us to undertake the high level and detailed engagement required to make a reality our first ever US Good Chicken Award and achieve significant progress with at least four bespoke partnership projects (with on the ground impact for millions of animals). This will be complemented by an ongoing cycle of ground-breaking media exposés as we seek to build on the Craig Watts project and encourage more farmers to share their stories.

5. Resourcing the US strategy for greater impact

Our US program is, at present, being run on an annual \$300k budget with significant in-kind support from the HQ team across all disciplines (including our European Food Business, Fundraising, Marketing and Operations teams). The US program has been primarily funded via the efforts and generosity of our UK supporter-base. Over the past 3 years, however, US sources have steadily been increasing their contribution to the program.

³ <http://www.ciwf.com/our-campaigns/better-chicken/news-features/>

Our starting point: June 2015 (US capacity, reach and impact)



* Currently includes one 1-year contract post

† Impact from our Good Farm Animal Welfare Award-winners policies

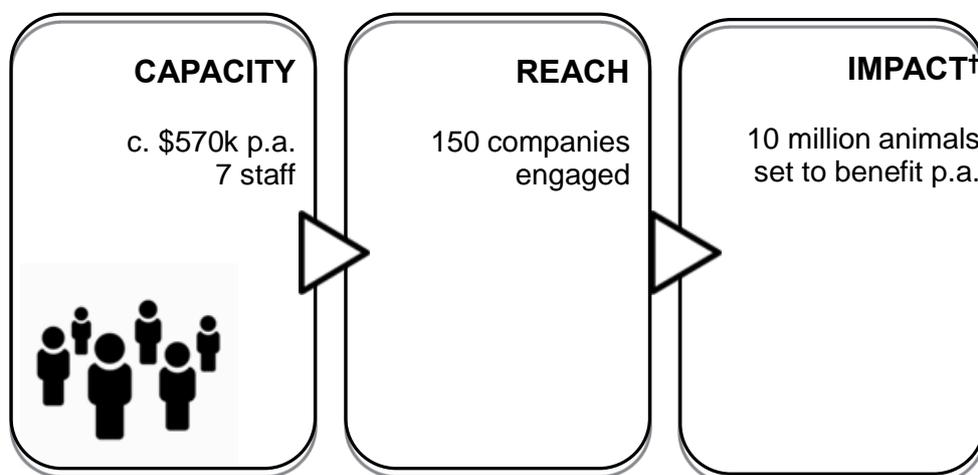
Our objective is to enable the US program to become self-sustaining from US donors – not least to demonstrate a credible mandate for our work to home-grown audiences. However, Compassion will, preserve economies of scale by continuing to deliver core and common services to all international offices through a central team (as appropriate). In preparation for the consolidation and expansion of our US program, Compassion USA is now registered as a tax-efficient 501c3 entity in the US.

The need for new investment

Compassion’s program in the US is yielding results. As a direct outcome of our work, the issues of farm animal welfare, food security, health and sustainability (environmentally and within food production) are gaining traction and, increasingly, part of mainstream and contemporary debate. Influential food industry heavyweights are already engaging with us; there is increasing corporate demand for our services and we have generated significant media and consumer interest in and support for our work.

Over the coming year to 18 months, investment in our program of work will be critical to enabling us to capitalise on the past 3 years’ work to start to shift the US market. An additional investment of \$270,000 per annum is needed to give the US the impetus it needs to build the next stage of a powerful and sustainable program. Delivering the plan for the coming year will mobilise further awareness, support and action. Most critically, it will enable us to influence the policies and practices of the corporate sector.

The next step (US capacity, reach and impact)



† Impact from our Good Farm Animal Welfare Award-winners policies

A summary of the team structure that will be applied in the next step for investment is included in Appendix 4.

This is an opportunity to invest in Compassion's innovative US program to drive positive change from within the food industry itself. Our goal is to reach a tipping point where change becomes inevitable and unassailable.

In service of this, investment in our Food Business program here in the USA - the birthplace of intensive production - can come of age. We have a tantalizing opportunity to harness the power and influence of blue-chip multinationals to create the shift we are striving for to achieve a sustainable food system that can benefit of animals and people alike.

APPENDICES
Appendix 1
Key personnel

USA Director, Leah Garcés:

Leah was formerly Director of Campaigns and Programmes at World Animal Protection and, prior to that, International Development Manager at Compassion in World Farming. An experienced lobbyist, strategist and exceptional communicator, she established Compassion's presence in the US in January 2011 and has since spearheaded our US Program.

Director of Food Business, Dr Tracey Jones:

Tracey has headed up Compassion's Food Business Team since January 2013. Tracey initially joined Compassion in 2010, providing technical expertise for our awards and partnership programs, as well as building credible resources for use by our external and internal partners. She has an extensive background in applied farm animal welfare and behaviour, having spent eighteen years in this field conducting research at Cambac Research and Oxford University, in collaboration with industry and NGOs.

Chief Executive, Philip Lymbery:

Philip became the Chief Executive of Compassion in 2005. With over twenty years' experience in animal welfare, Philip's former roles include Director of Communications for World Animal Protection. Throughout the 1990s, Philip was Compassion's Campaigns Director, leading our successful European campaign to ban battery cages. In 2011, Philip Lymbery was listed in the 'The Grocer Power 100' by The Grocer magazine – a reflection of Compassion's growing profile among the food business community. A prominent commentator on the effects of industrial farming, his book, *Farmageddon: The true cost of cheap meat* was published in 2014 to great critical acclaim. Philip was awarded an 'outstanding campaigner' award by Eurogroup for Animals for *Farmageddon* and the subsequent campaign to bring factory farming into the mainstream of the sustainable food debate. He is a recipient of the prestigious Italian award, *Colombe d'oro per la Pace*, alongside luminary figures such as Nelson Mandela, Olaf Palme and Daniel Barenboim.

Key components of the Compassion in World Farming Food Business Program

- **Good Farm Animal Welfare Awards:** the pinnacle and public face of our food business program and often the starting point for deeper engagement. The awards now include 5 species and recognize a company's specific commitment to improve welfare across their supply chain. So far, more than 750 awards have been given across 26 countries to retailers, manufacturers, food service companies, public procurement bodies and smaller businesses and restaurants.
- **Business Benchmark for Farm Animal Welfare (BBFAW):** ranks global food companies on their publicly-disclosed farm animal welfare policies and practices. BBFAW is a public-facing tool and driving force in establishing animal welfare as a key business and investor issue, increasing transparency and, most importantly, creating concrete change in the market.
- **Retailer survey:** analyzes the policies, practices and performance of leading retailers on key farm animal welfare issues and species. The confidential survey is a powerful gap analysis tool that has successfully galvanized change in retailers since 2007 and feeds into our biennial Retailer Awards.
- **Partnership projects:** bringing Compassion's expertise to bear on a range of issues from policy development to securing higher-welfare supply, or addressing specific welfare issues and solutions. These are some of the most exciting, in-depth pieces of work to affect change in the sector.
- **Marketing initiatives:** our Marketing and Communications expertise enables us to support food companies in promoting their awards and farm animal welfare commitments to maximize the impact in terms of consumer awareness and behavior as well as market shift. Through year-round media and digital communications activity we extend the reach of the program and maximize its profile by delivering key messages to food industry stakeholders and consumers across our target markets.

Appendix 3 About Compassion in World Farming

Compassion's track record: Combining campaigning with engagement

With almost 50 years' campaigning experience behind us, Compassion has an impressive track record of delivering change through public campaigning, from the banning of veal crates to opposing 'mega-farms'. The EU barren battery cage ban for hens, which came into force in 2012, making it illegal to sell eggs from battery systems across 28 countries in Europe, illustrates how our campaigning experience, combined with our expert food industry engagement is a powerful force for change. Our long-running campaign kept the issue in the public and political eye whilst, behind the scenes, we worked with companies to go cage-free rather than simply moving to 'enriched' cages. Our theory was proved right that if retailers and consumers shunned caged eggs, then a market shift would follow. Compassion is uniquely placed to provide a similar 'one-stop shop' of campaigning and positive engagement on broilers and eggs in the US.



Compassion's Food Business Program: Building on success

Compassion has a mature Food Business engagement operation in Europe, offering expert advice and consultancy to leading food companies on improving the welfare of animals in their supply chain. Our program has a proven track record of securing material changes in company policy that push farm animal welfare up the corporate social responsibility agenda and, most importantly, transform the lives of millions of farm animals. The program began in 2007 with the Good Egg Awards, celebrating companies who source cage-free eggs. We have since expanded the scheme by launching awards for Chicken (2010), Dairy (2011) and Pigs (2012). **Over 257 million animals are now set to benefit each year from the higher welfare policies adopted by our award winning companies.**

"Having worked with Compassion in World Farming for a number of years, I can say that it has been a truly productive relationship. We highly value their expertise and insight and they continually push and challenge us, but they also publicly recognise companies like ours when they feel we are doing a good job."

Keith Kenny - Senior Director, McDonald's Supply Chain Europe

Appendix 4
Draft proposed USA team structure:
Next stage of investment

