

BUSINESS DAY

Perdue Aims to Make Chickens Happier and More Comfortable

By STEPHANIE STROM JUNE 26, 2016

SEAFORD, Del. — Sunlight floods the floor at one end of the chicken house here at Ash-O-Ley Acres, and spry little Cornish game hens flap their wings and chase one another.

At the other end of the barn, where the windows are covered as part of a compare-and-contrast demonstration, the flock is largely somnolent and slow to move.

“This is my second flock with the sunlight,” said Karen Speake, whose family has raised chickens on this farm for Perdue Foods, the nation’s fourth-largest poultry producer, for almost four decades. “They’re much happier birds, I can tell you, more active, more playful.”

Over the next several years, all of Perdue’s chickens — 676 million last year — will bask in sunlight, part of an

ambitious overhaul of the company's animal welfare practices, which it will announce on Monday. The commitment will hold Perdue to standards similar to those in Europe, which the American poultry industry has long dismissed as antiquated, inefficient and costly.

In addition to installing windows, the company plans to give its chickens more space in barns. It may tinker with breeding to decrease the speed at which birds grow or to reduce their breast size, steps that could decrease the number and severity of leg injuries, an issue that has brought unwanted attention to the company.

Also, Perdue will put its chickens to sleep before slaughter, a step taken several years ago by Bell & Evans, a smaller poultry company.

"We are going to go beyond what a chicken needs and give chickens what they want," said Jim Perdue, whose grandfather founded the business in 1920.

The industry has long argued that such standards would raise costs to producers that would eventually be passed on to consumers. But Perdue, which had \$6 billion in sales last year and increased production more than 9 percent, is betting such concerns are overblown based on its experience so far.

The move may also have a sweeping impact on the industry, forcing competitors to adopt similar practices. When Perdue announced that it intended to use no antibiotics, many of its competitors followed suit at the demand of their big customers.

"It will change the way we do business in so many ways," Mr. Perdue said.

Numerous surveys conducted by the dairy and meat industries suggest that people care and want to know about animal welfare. For that reason, Mr. Perdue said, the company plans to issue annual reports on its progress on the new standards.

“We want to be held accountable,” he said. “If we mess up, we have to be prepared to say we messed up.”

In late 2014, Compassion in World Farming, an animal rights group, released video taken at a barn under contract to Perdue that showed birds with raw, red chests from sitting too long on litter laden with ammonia and feces. A few months earlier, Perdue agreed to stop using the phrase “humanely raised” on packages of its Harvestland brand of chicken to settle a lawsuit brought by the Humane Society of the United States.

Still, in an interview a year ago, Mr. Perdue was unapologetic, emphasizing that the Department of Agriculture had signed off on Perdue’s animal welfare standards.

So Leah Garces, director of Compassion’s American arm, was surprised this winter when Perdue invited her to talk about animal welfare with Bruce Stewart-Brown, its senior vice president for food safety, quality and live operations.

“When you sit down at the table with someone like Bruce, who’s repping a large chicken company, you think you can’t possibly have anything in common,” Ms. Garces said. “Then you start talking, and you realize that you have more in common than you thought.”

She said that while Tyson Foods, the country’s largest poultry producer, asked its farmers to adopt what are known as the five freedoms of animal welfare — including freedom from discomfort and freedom from fear and distress — Perdue is going further by insisting that its farmers enforce them.

“Perdue is going well beyond what Tyson has done, and no other big poultry producer has come close to those two,” Ms. Garces said.

Over the last decade or so, Perdue has done more than any other major American poultry producer to eliminate antibiotics of all kinds from its procedures. That made it impossible to continue raising so many birds in as tight

spaces and under conditions many people consider unsanitary. Tyson and Pilgrim's Pride, the second-largest chicken producer in the world, are also reducing their use of antibiotics.

The purchase in 2011 of Coleman Natural Foods, a producer of organic meats, as well as the acquisition last year of Niman Ranch, a high-end producer of pork and beef, also helped persuade Mr. Perdue that his company, now the largest producer of organic chicken, could improve animal welfare without hurting business.

“As a major chicken producer, you think there's going to be a lot more problems growing an organic chicken, but then you find out that there are a lot of benefits to raising chickens that way that can be applied to raising chicken more conventionally,” he said.

Mr. Perdue traveled around the country over the last three weeks, talking with the company's 2,200 farmers about the new animal welfare program.

Farmers will no longer be compensated solely for efficiency; rather, Perdue will reward them for ensuring better welfare for the birds they tend.

Perdue is also paying to install windows in barns, and it may help offset the costs of adding the avian equivalent of playground equipment — things like inclined slats for perching, haystacks for pecking and hiding places where chickens lower down in the pecking order can get away from bullies.

“We're learning things from them about animal welfare,” Mr. Perdue said. “Our relationships with them are absolutely critical to make this work.”

The company is already considering an innovation by Ms. Speake's father, Elmer Atkins, who found the boards that Perdue supplied to draw across the windows in their barn too cumbersome.

“So he slept on it,” Ms. Speake said. The next day, they bought vinyl and rods and hung curtains.

Correction: June 26, 2016

An earlier version of a photo caption with this article misspelled the name of a chicken producer and the company it serves. As the article correctly notes, it is Ash-O-Ley, not Ash-O-Lay, Acres which is a producer for Perdue, not Purdue, Foods. And an earlier version of this article misstated the name of a Perdue brand. It is Harvestland, not Heartland.

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