

RE: Transparency in Poultry Grower Contracting and Tournaments

AMS-FTPP-21-0044

My name is Rudy Howell and I have decades of experience working in the poultry industry. Over the past 26 years, while working with Perdue Farms, I discovered many problems within the industry and how it operates.

I own and operate the Robert Miller poultry farm in Fairmont, North Carolina. I contracted with Perdue Farms under a "Poultry Producer Agreement." Over the years, I was awarded title of a "Top Producer" several times. In August of 2020, after about 25 years of working for Perdue, Perdue terminated my contract. I believe this was done as retaliation against me because I spoke out against them. I know many of my fellow growers saw what happened to me and now are even more afraid to speak up. But I refuse to be made an example of. The way I see it, I only have a few more years on this good earth. And before the good Lord takes me, I am determined to make sure that people know what's really happening in the chicken industry.

Below are my concerns with the industry based on personal experience, and recommendations for necessary changes if there is to be any improvement in transparency.

I. Public Health, Farmer Health, and Animal Welfare

Transparency needs to improve between the integrators and consumers. Most farmers have no idea that the chickens they raise can get the public sick. The sad thing is, even if they did know, they are powerless to change the circumstances in which the chickens are raised. The companies call the shots. If a farmer speaks out for the safety of the eating public, that farmer runs the risk of getting terminated like Perdue did to me.

I read Propublica, and I learned in one article (<https://www.propublica.org/article/salmonella-chicken-usda-food-safety>) that farming practices in Denmark, Sweden and Norway eradicated salmonella just by frequent testing and cleaning. In the U.S. we create so many breeding grounds for

disease by not cleaning enough. There is no transparency for the public in how great of a risk there is for purchasing infected meat at the grocery stores.

Additionally, I was in a Vice show (<https://www.vice.com/en/article/5dg49z/antibiotic-resistant-salmonella-campylobacter-chicken>), and I saw the devastating consequences of campylobacter on a young boy who suddenly became completely paralyzed and has long-lasting nerve damage. I realized how important on-farm pathogen control is, but these companies aren't doing anything about it. They'd rather risk lives than spend a little more money to start cleaning more or testing more and taking care of the problem.

This is public information and you folks at the USDA know about it and the integrators know about it, but farmers don't know how to prevent it. Since the USDA doesn't have the authority to force a recall when consumers get sick from chicken products, how is this problem supposed to get fixed? Perdue and 11 other top producers have such high rates of salmonella and campylobacter that they don't even meet USDA standards. The USDA needs to start holding these integrators accountable for risking the public's health knowingly. But not only is the public bearing the burden of health risk, the farmers are suffering too.

Integrators are using individual farms and complexes as research laboratories. The companies need to be transparent about when they are doing experimentation and research on the farms. Since Perdue picks and chooses which farmers get which medication or chemical treatments for their farms, we are each exposed to different health risks. They are essentially using farms as test subjects for new substances, without our knowledge, consent, or compensation. The companies get to try out new techniques on the farmer's dime. Once, they brought me a medication for my chickens that on the container said, "only for use in cattle." I have no choice in the matter. They get to experiment on my flock. Another time, they asked me to use a cleaner that clearly had skull and crossbones on it. I used to work for Dupont, so I know full well that they were putting me and those birds at risk.

These companies are not being transparent about health consequences to farmers. When farmers are being lured into the poultry business, nobody ever tells them about the physical and mental health risks associated with the job.

Being a grower is an around the clock job, not a relaxing and open schedule opportunity as integrators commonly pitch it as. You constantly have to be babysitting the birds, at all hours of the day and night. There is no such thing as a day off. And when the birds aren't demanding on you, the flock supervisor is. Us famers live with the constant threat of losing our contracts. Saddled with millions of dollars in debt, and afraid of losing our land and homes, farmers are under almost constant stress to meet the needs of the birds and the integrators. It is no wonder so many farmers take their own lives. If the crazy chemicals and fumes from the house don't kill you, by God, the stress of this industry surely will. Even though I no longer have a contract, I am thankful that I made it out of this industry with my physical and mental health intact, unlike so many others.

II. Integrators need to be transparent about the amount of control they have over the farmers

To my mind, the transparency problem starts right at the outset when the poultry companies start selling folks on the idea of becoming "contract growers." The name "contract" grower is itself misleading. The farmer is told they are independent "contractors", and that the farmer will have control over how they operate their farms and how profitable their farm can be. That right there is not true. A contract grower is not independent. If the USDA wants transparency, they should make the integrators disclose the reality of the working relationship.

Integrators lure farmers into the illusion that they will be running their own farms, competing against other farmers to be innovative and entrepreneurial in finding the best way to raise the best chickens. The truth is a contract grower is a serf with a mortgage. Everything, from the temperature of the chicken houses to the medications given to the chickens, is controlled by the integrator. There is no competition in this tournament system that is supposed to be a competition between farmers to raise the best flock. How can we compete when every single factor is decided by the integrator and conditions are chosen for each farmer.

The integrator owns the chickens, sends chicks that they choose to the farm, controls every aspect of how the farmer raises the chickens, and then picks up the chickens when they want. They will even come to my farm for pick-up, pick up half of my flock, drive around and pick up chickens somewhere else, and come

back. They're really doing a great job raising their carbon footprint and creating a biosecurity issue. And when they delay picking up the chickens, they will not send more food. So the chickens will sit, many times in terrible heat, losing weight and making the farmer look bad.

We are also told how to cut the grass, what feed and medication to use, what temperatures to keep the chicken houses, and what equipment to use and when to make expensive upgrades. We give them the password to our computers, so they can control the data input and penalize us if we change data. We aren't even allowed to take photos of the birds on our own property, which we need to be able to do for data or documentation of conditions. They tell us not to count the unhealthy chicks as culls. They tell us that it will make you look like a bad farmer, even when it's not your fault and the farmer is the one paying for these chicks. Over time and over different flocks this can cost a farmer thousands of dollars. The integrator lets all the blame and burden and cost fall on the farmer by telling them exactly what to do and controlling everything at all times. This is not independent contracting.

This system is also terrible just by the way it is set up. There has to be a winner and there has to be a loser. For example, if there are ten farmers in the competition and all ten farmers in the competition do quite well producing quality chickens, someone still will take the top position, and someone will take the bottom position. So even if you do quite well, you could still come in last and lose money. That doesn't make any good sense.

There needs to be more transparency here. Farmers need to know what they're getting into. They're getting into an employer/employee relationship. There is nothing independent about this job.

III. Education

I appreciate these rules and folks trying to level the playing field, but I think people need to get real about how little most of these farmers out here know about their rights and what these rules are supposed to be doing on their behalf. Informational resources and education would significantly increase the USDA's attempt to increase transparency. From my experience, most farmers do not

realize what they're getting into when they sign a contract with an integrator. That needs fixing with the banks. The banks giving out these huge loans need to provide clear disclosures about what risks the farmer is about to incur. But it's not just the lending. Farmers don't realize all that the job entails. Most farmers have no idea how to care for the chickens, how to fix the equipment, how much new equipment costs, and how much additional money for fuel it will take to condition the houses. These farmers end up paying for a lot of their expenses (outside of the huge loans) with their credit cards. This adds to stress and reoccurring debt. I know that some farmers can't even afford to feed their families because they underestimated how much the bank takes out of their checks. This debt keeps compounding, and before you know it, the farmer gets behind in repairs and then sinks to the bottom of the tournament. There is a huge need for transparency here. Farmers need to be educated on all of these things. I know a lot of us farmers listen to Rural Radio/RFDTV to learn about what's going on in agriculture. It seems to me that if the USDA was serious about helping poultry farmers understand their rights and the companies' responsibilities, the USDA would figure some way to use that media to tell us what's going on. Not all of us have the ability to watch online programming.

1. The farmers need help understanding all the paperwork they're forced to sign and whether they should or should not sign them. Farmers get pressured to sign whatever the company gives them at risk of losing their jobs. If the company tells the farmer to sign that they have had animal welfare training, the farmer will, even if they haven't had the training. No questions asked. Yet the company doesn't even follow their own "training" or follow their own rules. Like I said before, they act like they have animal welfare procedures, yet when they weigh the chickens, they willingly drop them on their heads or deprive them of food when they pick them up late. But it's not just the farmers that need educating, the company personnel need more training as well. The people telling us what to do are commonly fresh out of college and don't even know what the standards are that they want us to follow.
2. Most farmers cannot read their flock reports much less their feed tickets. USDA should offer online training or a helpline to explain these reports to farmers and how to read them. It's great that USDA wants farmers to

report wrongdoing, but many farmers don't know enough to know they are wronged or know where to get help.

3. The "opt-out" of the class action is terrible. Farmers simply don't understand the consequences of failing to opt out. How can they know what they are losing by failing to opt out of the class actions when they don't even know what rights they have to seek justice in the first place? They don't understand that if they don't opt out, they can't do anything about it later. No one is telling them anything about this.
4. The farmers need to know how to keep extensive and accurate records of everything that goes on there. This includes feed type, feed tickets, amount of gas used, mortality records, weigh tickets, etc. USDA should offer training on these housekeeping matters. Otherwise, the imbalance of power will continue. But even if the farmer wants to keep records for themselves, there are so many ways that they are not given access to their own information. For example, many times, farmers are cheated out of feed and don't even know. I think it's a good thing that the new Rules consider holding the companies accountable for telling us how much feed we farmers are getting. The problem is, it's not always easy for a farmer to know how much feed they are getting. Sure, some farmers knock on their feed bins and can tell generally how full the bins are or at least know from the knocking if too little feed has been delivered. I even know some farmers where the companies allow the farmers to attach scales to the feed bins themselves. But what I think is that farmers should be able to have truck scales in their driveways so that the farmer can get an actual delivery of weight. To that end, tare weights of the trucks need to be listed on the feed ticket. If the goal of these rules is to increase accountability and transparency, then farmers should be given the ability to call these integrators out when they short us on inputs. These farmers cannot yet do a budget for themselves because they have no idea what they're going to get. They don't know the quality of the birds they are getting to grow, they don't know what quality of feed they are getting or how much, and they don't get to watch the weighing of their own birds to have any transparency in their pay. It's easy enough to say that they should keep detailed records, but how can they do that when so much is hidden from

them? How could they possibly know if they were being cheated on their pay when they aren't watching their chickens being weighed.

Transparency is not just about posting some information at the integrator's will, for the farmers to see. They're just creating an illusion of transparency. It's just as much about helping the farmers understand that information, understand their rights, understand paperwork, track their own data, and be aware of potential risks to them in this job.

Integrators cannot continue to take advantage of farmers. These problems not only affect the farmers themselves, but public health, the quality and stability of the food system, and animal welfare. In the end, the system fails the farmer, the eating public and the taxpayer. Maybe the USDA should be transparent about how much this rigged system costs John Q. Public? Every failed guaranteed loan is getting some company billion-dollar profits at the taxpayer's expense. Full transparency (in my humble opinion): there is nothing cheap about chicken!

Sincerely,

Rudy Howell
Robert Miller Farm