



# United Egg Producers

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## **U.S. CONSUMER EGG PRICES COULD RISE BY 25 PERCENT IF ANIMAL RIGHTS ACTIVISTS GET THEIR WAY**

***Gov't Spending on Food Assistance for the Needy Would Increase by \$169 million  
Cheap Imports Would Increase Food Safety Dangers***

WASHINGTON (October 6, 2009) – Consumers would be forced to pay 25 percent more for eggs soon if animal rights activists succeed in getting only non-cage eggs sold in the U.S., according to a new study by a respected economic consulting group. That increase would cost consumers \$2.6 billion more each year for eggs, a nutritional staple in the American diet. The higher costs would strain Americans' budgets during a difficult economic climate.

Federal spending on food assistance programs for children and the needy also would increase by \$169 million annually if the government could only purchase cage-free eggs, according to the study by Promar International, a Washington, D.C. economic consulting firm. Significant amounts of eggs are purchased for the school lunch and breakfast program (\$47 million annually); Special Supplemental Nutrition Program for Women, Infants and Children (WIC-\$100 million); and the Supplemental Nutrition Assistance Program (SNAP-formerly the Food Stamp Program).

The study predicts that such a dramatic consumer cost increase could open the door to a sharp rise in egg imports from other countries that have far lower food safety and animal welfare standards than the United States. Egg imports could rise from virtually zero today to 7 billion eggs annually, seriously straining the ability of the U.S. government's food safety inspection system.

"If we have to start importing eggs into this country we will increase our food safety risks," said Gene Gregory, president of United Egg Producers, a national cooperative of U.S. family egg farmers. "I don't think American consumers really want to play Russian Roulette with every carton of eggs they buy, which is essentially what would happen if we allow special interest groups to force a ban on the most modern, sanitary egg housing systems in the world. Those systems are used to produce 95 percent of the eggs that American consumers buy every day."

"More imports would also likely increase the carbon footprint of a dozen eggs since they would be transported over long distances," Gregory added.

Bans on modern cage housing systems already are being implemented in California over the next 5 years and several other states because of pressure from animal rights groups.

Similar bans are being implemented in Germany next year and in many European countries in the next few years, which will not necessarily improve the health and welfare of chickens and may have negative consequences for the environment, consumer and government costs, and endangering food safety.

USDA statistics indicate that on average during early September 2009, one dozen grade A “regular” eggs were advertised at retail for \$1.00 per dozen compared to \$1.59 per dozen for cage-free. Cage-free eggs cost more because they require more land, more labor, more energy and more food per hen, Tom Earley, the author of the study, explained. Cage-free chickens also tend to have more diseases which need to be treated with expensive medicines, and they have higher mortality rates.

American consumers currently have the right to choose (and buy) whatever type of egg they prefer and can afford: “regular” eggs from modern, sanitary cage housing systems; cage-free (no access to outdoors); or free range (at least some access to outdoors). Approximately 95 percent of American consumers choose “regular” eggs when they make their purchase decisions at the grocery store and eggs are among the lowest cost sources of high-quality protein, making them an ideal meal solution for low-income Americans. The need for food assistance nationwide has increased 30 percent throughout the last year, according to the website for Feeding America, the nation's leading domestic hunger relief organization, which says that 35 million people are at risk of hunger in America.

Eggs are produced commercially in 49 states. Nearly all commercial egg farms in the U.S. are family-owned farms or farmer co-ops; there is only one publicly traded company. Approximately 95 percent of egg-laying hens in the U.S. are housed in modern cage facilities. The cost to farmers of converting their modern hen houses into cage-free facilities would be \$7.5 billion, the study estimates. The availability of credit and local permits could be a major obstacle for many farmers.

### **About United Egg Producers**

*United Egg Producers (UEP) is the nation’s leading farmer cooperative for U.S. egg farmers, representing 97 percent of U.S. egg farmers, whose members produce eggs including modern cage production, cage-free, free range, organic and other specialty eggs. UEP is based in Alpharetta, GA. To learn more about the egg industry visit [www.uepcertified.com](http://www.uepcertified.com).*

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