



United Egg Producers

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U.S. EGG PRICES BEGIN TO MODERATE

ATLANTA - U.S. egg prices are beginning to moderate now that the traditional Easter demand has subsided, says the United Egg Producers (UEP), a trade association that represents most U.S. egg farmers.

The Urner-Barry index which tracks market trends of U.S. egg farm prices declined 25 percent in the three weeks since Easter (March 23 – April 10, 2008), to \$1.25 per dozen in the Midwest Region and \$1.39 in California. Although retail egg prices are always higher than farmer prices, this price reduction should begin showing up in the grocery stores within the next month said Gene Gregory, president of UEP.

Currently, retail egg prices average about \$2.16 for regular, modern eggs, \$3.00 for cage free and about \$3.50 for free range, depending on the markets, according to U.S. Department of Agriculture and American Farm Bureau reports.

“Even at 20 or 25 cents per egg, eggs are a great nutritional value,” Gregory said. “Each egg contains six grams of protein and 13 essential nutrients like choline, folate, iron and zinc which can play a role in healthy brain function and eye health.”

U.S. egg farmers also are increasing the amount of eggs they produce to supply the growing U.S. consumption, which now totals 76 billion eggs per year, or 253 eggs per person. UEP says that the “hatch” of young chickens which will soon be laying eggs is up 5 percent from one year ago.

Egg farmers have been hesitant to increase the supply of eggs up until now despite high demand and prices. Their hesitancy has been borne out of prior years’ experiences when they overproduced eggs and lost millions of dollars. Farmers’ costs for fuel and feed also have risen sharply over the past two years as a result of higher prices for oil and gas as well as higher prices for corn and soybeans used in chicken feed.

Ironically, one of the steps that U.S. egg farmers adopted several years ago was a sweeping, progressive animal welfare program called UEP Certified that increased the amount of space for egg-laying hens by 50 percent and provided them enough room to help ensure that they could easily stand upright, turn around, and walk to the feeders and water nipples. However, by providing hens more space, farmers now have fewer egg-laying hens in each hen house, which has contributed to the slightly smaller supply of eggs.

The tightening credit markets have made it more difficult for some farmers to borrow the millions of dollars required to build new hen houses, Gregory said. In addition, farmers were hesitant to invest money in new, modern hen houses because some animal rights activists have been pushing for new laws which would ban the modern hen houses that are required to produce eggs.

Californians will be the first to vote in November on this ban, which would virtually eliminate almost all egg production in that state and could force California consumers to pay much higher prices for eggs that will have to be trucked in from other states.

“We don’t believe that California consumers will want to vote to increase their grocery bills, or have their eggs not produced by local farmers,” Gregory said. “We believe that those choices are better left to consumers to make inside their own grocery store than in the voting booth.”

UEP developed the UEP Certified program for modern egg production out of scientific guidelines established by an independent advisory committee of the top animal welfare scientific experts in the U.S. The USDA, the Food and Drug Administration and the Federal Trade Commission have approved the UEP Certified logo. The International Egg Commission has recognized the program as a model from which to create animal welfare programs in other member countries throughout the world. In addition, the Food Marketing Institute and the National Council of Chain Restaurants also endorse these guidelines. To view a complete copy of the UEP Certified Guidelines and to learn more about the program visit www.uepcertified.com.

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