Increase in Egg Prices Due to Many Reasons

Egg prices have more than doubled within the past year for individual consumers as well as people in the restaurant and catering industries. Prices of a case of eggs (30 dozen) have more than doubled (from $12.95 in January to $26.50 in November and from $22.00 in late spring to $40.20 by the end of November). Retail prices per dozen eggs have increased from less than a dollar to close to $2, with speculation that it could be more than $2 per dozen next year. Currently, some suppliers and stores such as Wal-Mart are not passing on the increases to their customers, but some restaurant owners have indicated that if egg prices continue to increase they will have to increase prices charged for breakfast. There is also speculation that people may look for substitute foods for breakfast.

Multiple factors have contributed to these increases. Higher fuel prices have increased the cost of transporting eggs from farms and distributing centers to stores and restaurants. The U. S. Department of Agriculture estimates that there was a drop in egg production, from about 7.42 billion in October 2002 to 7.39 billion in October 2003. Part of this decrease may be attributed to the outbreak of exotic Newcastle disease, which adversely affected the California poultry industry. Seasonal demands and diet changes have also contributed to an increase in egg prices. The Atkins diet and the recommendation by the American Heart Association has resulted in increased consumption of eggs for breakfast.

Most of the increases being observed, however, are a direct result of initiatives put in place by the United Egg Board (UEP) as a consequence of pressure from consumers and activist groups. Some of these initiatives include increased cage spaces, humane beak-trimming procedures, and phasing out the practice of forced molting. McDonald’s has asked its egg suppliers to increase the amount of cage space to 72 square inches per hen. Last year, the UEP increased the cage space per white leghorn layers from 48 square inches to 56 square inches and plans to increase it gradually to 67 square inches by 2008. The amount of space for brown egg layers will increase from 62 to 86 square inches over the same period. Eighty percent of egg production companies have signed commitments to implement these guidelines. The Food Marketing Institute, the National Council of Chain Restaurants, and most grocery chains have endorsed the guidelines and require their suppliers to do the same.

The results of implementing these guidelines directly affected the cost of doing business and the number of hens placed. Some producers decreased the number of chickens on their farms to be able to increase the amount of cage space. That led to about a 10% decrease in the size of the laying flock. The USDA also indicates that production costs have been increased due to the increased space allowances. Building costs have increased and so have the prices of new equipment and its installation. Implementation of all the other measures will also be costly, and this is why they are being phased in gradually.

Animal-welfare advocates still insist that cage spaces allocated to laying hens are too confining. (Cindy Nevitt, Food Editor, What do animal-rights activists have to do with the price of eggs, 12/3/03, and Erica Walsh, Egg prices hit ‘historic’ high http://www.newsenterpriseonline.com/articles/2003/12/11/news/news03.txt).
USDA Amends National Poultry Improvement Plan

The U.S. Department of Agriculture has amended the National Poultry Improvement Plan and its auxiliary provisions by providing new or modified sampling and testing procedures for participating flocks.

The changes were voted on and approved by the voting delegates at the National Poultry Improvement Plan's 2003 conference. These changes will keep the provisions of the plan current with changes in the poultry industry and provide for the use of new sampling and testing procedures.

This final rule was published in the Nov. 14 Register and became effective on Dec. 15. APHIS documents published in the Federal Register and related information, including names of organizations and individuals who have commented on APHIS dockets, are available on the Internet (http://www.aphis.usda.gov/ppd/rad/webrepor.html). (APHIS news release November 2003).

Dept. of Homeland Security Proposes Agroterror Research Centers

The Department of Homeland Security announced a $33-million plan that would fund two university-based "Homeland Security Centers" that would research ways to combat potential terrorist attacks on America's livestock and food supply.

One center would likely spend $15 million over three years studying postharvest food protection and defense, and the other would spend about $18 million over three years analyzing ways to keep live animals safe.

The centers would be asked to focus on preventing, detecting, responding to, and recovering from attacks on the food supply, according to the department's announcement about the centers.

For the postharvest center, research priorities would focus on the traceability of food products, detecting contaminated food, and methods to rapidly remove any contaminated product.

The preharvest center would focus on understanding and simulating animal disease outbreaks, increasing awareness about pathogens, and establishing methods to rapidly detect and respond to potential attacks.

University researchers interested in applying for the grants must send a letter of intent to the Department of Homeland Security by Jan. 5. Proposals for the projects are due Feb. 9.

Complete information about the proposed centers and the grant application is available at DHS.gov. (Eric Hanson, Meatingplace.com, 12/16/03).

Imaging System Detects Contaminants on Poultry

A patent has been granted to USDA’s Agricultural Research Service (ARS) scientists in Georgia for an imaging system that detects contaminants on food surfaces. Scientists were able to use the real-time imaging system to detect with 100% accuracy any feces and ingesta on animal carcasses. Hyperspectral imaging scans of poultry and food surfaces locate hard-to-detect material that may be missed by the naked eye. The system was tested at the rate of 140 birds per minute and is expected to work with up to 180 birds per minute. Other collaborators include the University of Georgia, ProVision Technologies, and USDA/ARS Beltsville (Watt PoultryUSA, October 2003).

Experimental Vaccine for END Developed

USDA’s ARS has announced that there is a new type of vaccine to protect against exotic Newcastle disease virus. The vaccine is currently experimental. While it induces protective immunity, it does not allow the virus to replicate and multiply, preventing its being passed from bird to bird. Only the coat of the virus, and not the whole virus, is used. This makes it easy to differentiate between vaccinated and virus-infected birds (Watt PoultryUSA, 11/03/03).

FDA Considers Banning ‘High-risk Materials’ in Poultry Feed

Dr. Stephen Sundlof, director of FDA’s Center for Veterinary Medicine, has said that the agency intends to expand the ban on brains and spinal tissue in cattle feed to food meant for dogs, cats, pigs, and poultry in an effort to prevent the transmission of animal diseases to man and other animals. Currently, brains and spinal tissue can be used in pet food and feed for pigs and poultry. The new regulations will require such tissue to be removed before sick or injured livestock are incorporated into pet and animal feed (Watt PoultryUSA, 11/10/03).
Survey Shows Stable Antibiotic Use in Animals

New data from a survey of animal health companies show that the volume of antibiotics used in animals in the U.S. was virtually unchanged in 2002 compared to 2001, after two consecutive years of declines.

In 2002, 22 million pounds of antibiotics were sold for use in both farm and companion animals. While that is a slight increase in the 21.8 million pounds reported in 2001, Animal Health Institute’s (AHI) membership base for the 2002 survey was larger than in 2001. When factoring out the different membership base, use in 2002 would have declined slightly from 2001. The data were collected from a survey of members of the AHI, consisting of companies that make medicines for pets and farm animals.

"Careful and judicious use of antibiotics to keep animals healthy contributes to the safety of our food supply and the health and well-being of our pets," said Alexander S. Mathews, AHI President and CEO. "This annual data continues to demonstrate that antibiotics are used prudently and with increasing efficiency."

Notable in this year’s survey is the dramatic drop in the small portion of antibiotics used for health maintenance. The U.S. Food and Drug Administration (FDA) approves antibiotics for use in animal husbandry for four basic purposes: disease treatment, disease control, disease prevention, and health maintenance, as measured by improved growth rates or more efficient feed use. Health maintenance claims have commonly been called "growth promotion." The American Veterinary Medical Association (AVMA) considers treatment, control and prevention of disease to be therapeutic uses. Therapeutic use of antibiotics to treat, control and prevent disease rose to more than 90 percent of total use, despite erroneous claims by some that a majority of antibiotics are fed unnecessarily to healthy animals.

AHI survey respondents provide an assessment each year of the amount of veterinary antibiotics sold for therapeutic use and health maintenance purposes. The percentage of veterinary antibiotics use reported as "therapeutic" was 88 percent in 2000, 83 percent in 2001, and 91 percent in 2002. Animal Health Institute Press Release 12/15/03

Transition

Poultry Pioneer Henry Saglio Dies at Age 92

Henry Saglio, a pioneering poultry breeder whose introduction of genetic research to the industry led to the rise in consumption of chicken, died recently a long illness. He was 92.

Beginning in 1948, when he had the leading purebred entry in the A&P Chicken of Tomorrow Contest with a White Rock chicken he had bred for extra meat and white feathers, his reputation as a geneticist grew until he became known as a "father of the poultry industry."

Saglio was a direction of Perdue Farms and a charter member of the National Chicken Council, as well as a director of the Connecticut Opera Association. In addition to creating Arbor Acres, he developed Avian Farms International. Most recently he was involved in the start-up of Pureline Genetics, a breeder of antibiotic-free poultry.

He was married to Florence Miller, who died in 1971. Their children are Robert Saglio and Janet Saglio. Henry had five grandchildren (Joshua Lipsky, Meatingplace.com, 12/17/03).
**International News**

**Russia Decertifies U. S. Poultry Plants**

In September 2003, Russia indicated that illegal hormones and *Salmonella* were found on imports from four poultry plants. As a consequence, Russia decertified the plants. A USDA spokesperson said that an investigation did not verify the claims and that the birds had all tested negative for *Salmonella* before shipment. She also indicated that since hormones are banned for use in poultry in the United States, there was no evidence that the hormone 19-nortesterone had been used. There is hope that since President Bush lifted the steel tariffs that started the poultry trade wars with Russia, trade relations may return to normal. (Watt Poultry, 11/17/03 and 12/08/03).

**South Korea Confirms Outbreak of Bird Flu**

South Korea's agriculture ministry has confirmed that an outbreak of bird flu, which can be fatal to humans, has killed thousands of chickens at a farm less than 80 miles from Seoul.

South Korea's National Veterinary and Quarantine Service said the recent death of chickens at the farm was caused by a variant of the same H5N1 bird flu virus that killed six people in Hong Kong in 1997. So far, the virus has killed 21,000 of 26,000 chickens at a farm in Umesong, Chungcheong Province. Quarantine authorities have slaughtered all the remaining chickens and sealed off all 76 poultry farms within a 6.2-mile radius.

South Korea's National Institute of Health said it had yet to confirm that the newly found virus could infect humans. "The H5N1 virus has different types," said NIH official Kim Young-Taek. "Investigations are under way to see if it is the type that can be fatal to humans" (Joshua Lipsky, Meatingplace.com, 12/16/03).

**Avian Influenza in Hong Kong**

A young boy and two girls caught a strain of avian influenza last month in Hong Kong. All have since recovered. The strain in question has been identified as H9 N2. According to health officials, this strain is less virulent than the H5 N1 strain responsible for the 1997 outbreak. But the officials say that they are searching for the possible source and looking for a bird-to-human transfer. Classmates of the boy are also being tested (www.meatingplace.com, 12/11/2003).

**Lawsuits and Activists**

**Fur flies Over Flier: PETA Targets 'Nutcracker' Kids**

Animal rights advocates will single out small children at performances of “The Nutcracker” in the next few weeks by handing out fliers saying, “Your Mommy Kills Animals” to youngsters whose mothers are wearing fur. “Children can't look up to a mom in a battered-raccoon hat or a crushed coyote collar,” said Ingrid Newkirk, president of People for the Ethical Treatment of Animals (PEIA). “Maybe when they're confronted by their own children's hurt looks, fur-wearers' cold hearts will melt.”

The fliers include a color drawing of a woman plunging a large bloody knife into the belly of a terrified rabbit. The fliers urge kids to “ask your mommy how many dead animals she killed to make her fur clothes. And the sooner she stops wearing fur, the sooner the animals will be safe. Until then, keep your doggie or kitty friends away from Mommy--she's an animal killer.”

Lisa Franzetta, a national coordinator for PETA, said the group will launch its “fur-ocious” protest at ‘Nutcracker’ performances in as many as 20 cities across the United States (David Weber, 12/17/03, Boston Herald article http://news.bostonherald.com/localRegional/localRegional.asp?articleid=593)

**Lawsuit Filed Against Poultry Processor and Chemical Company**

Residents are suing a poultry processor and an ingredient supplier over arsenic contamination that led to health problems and the deaths of several children.

The first of several lawsuits were filed in Washington County, Arkansas, on behalf of residents of Prairie
Grove, Arkansas. The residents have all lost children or suffered serious health problems, including cancers and blood disorders, because of high concentrations of arsenic ingested as a result of chicken litter spread around their town. Alpharma Inc. and other poultry producers were named defendants in the lawsuit.

According to John Baker, attorney representing the residents, the first suit includes survivors of cancer and the parents of four children who died from leukemia and brain cancer. Several residents have been diagnosed with rare forms of cancer normally occurring at a rate of one in a million. Prairie Grove has a population of just 2,540, and the county population is 175,000.

The families represented in the lawsuits have asked the court to enjoin the poultry producers from using the Roxarsone as a poultry feed supplement and from spreading the manure in Washington County.

Poultry Pollution Suit Granted Class-Action Status

Class-action status has been granted for a suit by property owners who claim that waste from three poultry operations spilled into an Oklahoma lake and hurt the value of their lakefront property, according to the plaintiffs' attorneys.

"The District Court in Mayes County, Oklahoma, on Thursday granted certification of two separate classes consisting of all lakefront property owners on Grand Lake O' the Cherokees in northeastern Oklahoma," the attorneys said in a statement. The plaintiffs allege environmental damage from discharges and waste runoff from poultry operations operated by Tyson Foods Inc. (TSN.N: Quote, Profile, Research), Simmons Foods Inc., and Peterson Farms Inc.

Tyson Foods said in a statement that it was disappointed in the court's decision and will "vigorously defend the case." It also said there are hundreds of sources of discharges into the streams that feed the lake. Officials at Simmons Foods and Peterson Farms were not immediately available for comment.

One part of the suit asks the poultry companies to fix the problem and clean up the lake, and the other part seeks monetary damages for impairment to the value of the lakefront properties, the attorneys said.

Reuters News Service December 17, 2003

The West Virginia Poultry Association is inviting people to join for 2004. Dues are $20 annually. Anyone interested in becoming a member of the Association should contact the WVPA office at P.O. Box 612, Moorefield, WV 26836; Telephone, 304-538-2725 or 538-6688

Programs and activities offered by the West Virginia University Extension Service are available to all persons without regard to race, color, sex, disability, religion, age, veteran status, political beliefs, sexual orientation, national origin, and marital or family status. Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Director, Cooperative Extension Service, West Virginia University. West Virginia University is governed by the Board of Trustees of the University System of West Virginia.
Upcoming Meetings

Jan.
12    USDA/FSIS Anti-Terrorism Workshop, Chicago, Ill. (630) 620-7474
27-30  National Poultry and Food Distributors (NPFDA) Annual Convention, Hyatt Regency, Atlanta, Ga. Details, (877) 845-1545, (770) 535-9901; Fax (770) 535-7385; info@npfda.org
28-30  56th International Poultry Exposition, Georgia World Congress Center, Atlanta, Ga. Contact U. S. Poultry & Egg Association, (770) 493-9401; www.poultryegg.org

Feb.
  8-10  National Turkey Federation Annual Convention, Westin Savannah Harbor, Savannah Ga. (202) 898-0100
     16  USDA/FSIS Anti-Terrorism Workshop, Alameda, Calif. (510) 337-5000
19-20  USDA Agricultural Outlook Forum, Arlington, Va. Contact Raymond Bridge, (202) 720-5447; rbridge@oce.usda.gov

Mar.
  7-9    53rd Western Poultry Disease Conference, Capitol Plaza Holiday Inn, Sacramento, Calif. (530) 752-0198, confandeventsvcs@ucdavis.edu
14-16  AMI Annual Meat Conference. Contact American Meat Institute, (703) 841-2400; www.meatami.com
16-18  Midwest Poultry Federation Convention, Touchstone Energy Place, St. Paul, Minn., (763) 682-2171,
17-19  Food Safety Summit, Washington Convention Center, Washington, D.C. (973) 514-5900

Poultry Voice is published quarterly to provide those interested in the poultry industry with pertinent production information from industry, academia, and federal and state governments to help ensure economic production of poultry in a manner that sustains the environment. Poultry Voice is sponsored by the West Virginia Extension Service. Contact: June deGraft-Hanson, WVU Poultry Specialist, PO Box 6108, Morgantown, WV 26506-6108 Phone: 304/293-6131 ext. 4099 E-mail: June.deGraft-Hanson@mail.wvu.edu WVU Extension Service Poultry Web Site: www.wvu.edu/~agexten/poultry/index.htm