

# The Food Marketing Institute and the National Council of Chain Restaurants: animal welfare and the retail food industry in the United States of America

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## **Summary**

In order to achieve real change, there must be a motivating force and all the stakeholders need to be involved. This is the premise of the animal welfare programme developed for the food retail, wholesale and chain restaurant industries in the United States of America (USA) by the Food Marketing Institute (FMI) and the National Council of Chain Restaurants (NCCR). This paper outlines a collaborative process that retailers and producers in the USA are using to enhance the care and welfare of animals in commercial food production. Although the efforts of the FMI and the NCCR are still underway, the process provides one example of how different parts of the food production system can work together to achieve positive change.

## **Keywords**

Advisor – Animal welfare – Chain restaurant – Food retailer – Food wholesaler – Guidelines – Producer – Verification.

## Introduction

The retail food industry closely tracks the interests of consumers and trends in social, economic and behavioural patterns. Retailers can respond to these preferences by offering products or services that consumers request, or by influencing food policy and practices. Often, awareness of an issue is further heightened by the media and activist groups. In the United States of America (USA), there has been a growing interest in the origin of foods, and in organic farming practices and the care and handling of animals.

Retailers are far removed from live animal processes and have limited ways of knowing or monitoring the conditions under which animals are raised and produced. The retail food industry primarily applies controls to the safety and quality of animal foods rather than to the live animals themselves. In the past, the retail industry has

relied on a combination of self-policing and government regulation to control animal welfare practices. However, because of the visibility, easy access, and name recognition of food retailers, supermarkets and restaurants are often used as the catalyst to bring about awareness and change throughout the food chain.

In 2000, animal rights organisations began to demand that individual restaurant chain companies force their suppliers to follow specific animal welfare guidelines developed by activist organisations. The demands by the activists were followed by 'campaigns' that publicly portrayed the targeted companies as supporters of animal abuse, pain and suffering in food production agriculture. In an effort to respond in a manner that would demonstrate to their restaurant customers their concern for animal welfare, several chain restaurant companies began to develop their own animal welfare guidelines and programmes. These initial efforts resulted in chain restaurant suppliers

developing different, customised, and sometimes conflicting, animal welfare requirements. Some of these requirements were based on the demands of activist groups with various motivations, including those seeking the total elimination of animal protein as a food source. Believing their tactics were achieving success, the activists began to approach supermarket chains in the USA, making similar demands.

The supermarket industry wanted to use its relationship with the supplier community to ensure the concerns of consumers were addressed and that the animal production industry was adhering to reasonable standards of care for food animals. To this end, late in 2000, the Food Marketing Institute (FMI) was asked by five member companies (Ahold USA, Inc.; Albertsons, Inc.; The Kroger Co.; Safeway, Inc. and Wal-Mart Stores, Inc.) to develop a voluntary policy and programme to address animal welfare that the entire supermarket industry could embrace. They reasoned that an industry approach would be more efficient, allow the pooling of resources, and provide an incentive for the supplier community to work with their supermarket customers to develop an effective animal welfare programme. The goal was to develop an animal welfare programme that would be science-based, free of direct external pressure, and based on a cooperative approach among retailers and suppliers.

### **The role of the Food Marketing Institute**

The FMI conducts programmes in research, education, industry relations and public affairs on behalf of its 1,500 member companies – food retailers and wholesalers – in the USA and around the world. Member companies in the USA operate approximately 26,000 retail food stores with a combined annual volume of US\$340 billion, i.e. three-quarters of all retail food store sales in the USA (the organisation also has an international membership which includes 200 companies from 60 countries). When approached by the five member companies about developing an animal welfare programme, the FMI contacted the major trade associations that represent the animal industry including cattle, swine and poultry, to advise them of the supermarket industry's initiative and to seek their participation in the process.

In December 2000, the FMI formed a member company advisory committee, undertook qualitative (focus group) consumer research and began meetings with the producer community. Four focus groups were conducted by Kinzey R. & Day Qualitative Market Research; two in Richmond, Virginia, on 23 January 2001 and two in Baltimore, Maryland, on 24 January 2001. All groups composed of primary supermarket shoppers between the ages of 25 and 55; participants represented a mix of races, gender and household income (the results are unpublished). The

purpose of these consumer groups was to informally probe what consumers thought the role of the supermarket should be regarding animal welfare. The unpublished results of the focus groups were that consumers want to be sure animals in food production are treated humanely. Consumers do not want to know the details of animal processing but they do believe the supermarket's role is to work with their suppliers to ensure that animals used for food are treated in a manner free from pain, abuse and neglect.

## **Food retail industry policy and programme**

### **Programme of the Food Marketing Institute**

On 14 January 2001, the FMI's Board of Directors adopted a policy and programme to address animal welfare (Appendix I). The policy stated that animals must be raised, transported and processed in a clean, safe environment free from cruelty, abuse and neglect. The policy also stated that supermarkets will work with the food production industry to promote best practices; will consult regularly with experts in animal science and animal welfare; will urge government to strictly enforce animal protection laws and will communicate best practices to maintain consumer confidence. The FMI Board directed the organisation to develop retailer expectations for use with suppliers; to work with respected animal welfare experts and organisations; to review expectations with the producer community; to distribute expectations as voluntary recommendations for retailers to adopt; and, to support an on-going animal welfare expert advisory council.

Following the action of its Board of Directors, the FMI began a series of meetings with the producer community (American Meat Institute, Milk and Dairy Beef Quality Assurance Center, Inc., National Cattlemen's Beef Association, National Chicken Council, National Milk Producers Association, National Pork Board, National Turkey Federation and United Egg Producers) and the restaurant industry (National Council of Chain Restaurants [NCCR], National Restaurant Association) to share the FMI's policy and programme. The FMI formed a panel of animal welfare experts that included academics, veterinarians and animal welfare advocates and publicly announced its intentions and goals through the news media. The panel of animal welfare experts was asked to review the current animal care guidelines of the producer organisations and identify areas where the guidelines should be improved or enhanced, collectively referred to as 'the gaps'. The FMI's committee of supermarket companies then prioritised the gaps identified by the expert panel.

## Programme of the National Council of Chain Restaurants

The NCCR is a national trade association in the USA representing 40 of the country's largest multi-unit, multi-state chain restaurant companies. The organisation's member companies own and operate more than 50,000 restaurant facilities and another 70,000 facilities under their trademarks through franchise and licensing agreements. At the same time as the FMI was developing its plans for an animal welfare programme, the NCCR was taking a similar course of action, relying on animal welfare experts to establish a more uniform set of best practices based on science.

### Joint programme

The animal activist groups continued to target chain restaurants for animal welfare protests and campaigns. The food service companies were being pulled into a competitive cycle whereby each company had to do something different from the next to alleviate the public attention being directed at them and their customers. The food industry was concerned that such an approach could lead to actions that were not science-based and potentially detrimental to animal welfare. Therefore, in June 2001, the FMI and the NCCR joined their parallel efforts. In making this decision, the two organisations considered the advantages of a single industry approach. These included:

- a clear and consistent communication of animal welfare expectations to the animal producers
- a single programme based on science and designed to support continuous improvement
- avoidance of market-driven competition on an issue that affected all the food animal industries
- providing one voice when discussing animal welfare with consumers, the media, activists and the general public.

The combined membership of the two organisations represents the majority of the food retailing industry in the USA. The two associations also combined their expert panels. The expert advisors are:

- Adele Douglas, Executive Director, Animal Welfare Association
- David Fraser, PhD, University of British Columbia
- Gail C. Golab, PhD, DVM, American Veterinary Medical Association
- Temple Grandin, PhD, Assistant Professor, Department of Animal Sciences, Colorado State University
- Joe Mac Regenstein, PhD, Professor of Food Science, Department of Food Science, Cornell University
- Joy Mench, PhD, University of California, Davis

- Janice Swanson, PhD, Kansas State University.

Jointly, the FMI and the NCCR began to meet one-on-one with the producer community to present feedback from the expert advisory panel on how current producer guidelines for animal care and welfare should be enhanced.

### Joint programme goals

The food retail industry understands that the issues surrounding the welfare of animals used for food are important and complicated. Some recommendations have economic implications and some require an implementation timetable because they cannot be accomplished immediately without major disruption to the supply chain. Some areas are still being researched to confirm that changes will enhance, not hinder, animal well-being.

Retailers, animal welfare experts, animal welfare advocates, producers, processors, and the public share the common goal that all animals used in agricultural production be cared for in a manner that takes into account their daily well-being and health. This means that in addition to having ready access to fresh water and feed and adequate shelter, animals in agriculture production must be kept in an environment designed to protect them from physical, chemical and thermal abuse, stress and distress. Managers and those responsible for handling food-producing animals must be thoroughly trained, skilled and competent in animal husbandry and welfare. Animals must be transported in a safe and appropriate manner and be processed humanely.

## Procedures for developing animal welfare guidelines

The FMI and the NCCR have been working with independent expert advisors and the animal producer/processor community to promote best practices for each species that will ensure animal well-being throughout food production agriculture. Both organisations regularly consult with experts in animal science, veterinary medicine and agriculture production to obtain objective, measurable indices for desirable practices in the rearing, handling and processing of animals for food. The two organisations continue to urge appropriate Federal and state government agencies to strictly enforce animal welfare protection laws.

The FMI and the NCCR believe their combined efforts will further develop and support industry policies strengthening animal welfare and will support the following specific goals:

- consistent expectations across the USA food retail sector

- implementation of practicable and attainable animal welfare guidelines based on science
- a measurable verification process
- an ongoing advisory council of third party, independent animal welfare experts
- improved communications across the supply chain on animal welfare issues.

Working with their expert advisors, the two organisations have created 'Recommended procedures for developing animal welfare guidelines' (Appendix II) which consist of recommendations for the process, guideline content and audit components necessary to develop meaningful and effective animal welfare guidelines. These guideline documents are given to the animal production trade associations as tools to assist in the development, revision and maintenance of animal welfare guidelines. Similarly, these documents help the experts assess industry standards across animal species.

As each commodity group submits its own guidelines, the experts convene to review the documents and supporting science and references. Comments on the guidelines are transmitted back to the producer group, and when necessary, face-to-face discussions are held between the experts and the specific producer group to ensure agreement and understanding in the development and the content of the guidelines. When the experts are satisfied with the content of the guidelines, the FMI and the NCCR provide public endorsement of the guideline and notify their respective members of the availability of the guidance document and its endorsed status.

When the animal welfare experts and the producer organisation cannot reach agreement on a specific criterion, it is noted as an exception and FMI-NCCR endorsement is given with the exception noted. For some points of departure, the experts have noted that there is insufficient science or data to establish a criterion. In some of these situations, the commodity group has agreed to fund research and/or to collect additional data to support a more specific guideline in the future.

In addition to guidelines for each of the animal protein producer groups, the experts have also provided recommendations for religious slaughter.

## Verification programme

Following the establishment of a process for developing and endorsing animal welfare guidelines, the FMI and the NCCR turned their attention to a verification programme. The FMI and the NCCR members requested that the two organisations develop a voluntary, independent verification

programme based on third-party audits. To have credibility, the animal welfare programme needed a reliable means to demonstrate that suppliers were adhering to the endorsed guidelines.

The objective is to have one common audit format and process that is available to all sections of the food retail sector and that is used by both supermarkets and chain restaurants as a way to evaluate suppliers' conformance to the guidelines. The benefits of such an approach include achieving uniformity and consistency, reducing the need for multiple audits of individual suppliers and eliminating the need for supermarkets and chain restaurants to develop and administer their own verification programmes.

Neither the FMI nor the NCCR had the resources or infrastructure to set up an animal welfare audit and verification programme. Therefore, it was agreed that a third party organisation or company would be retained to carry out the administration function of a verification programme. Through a review and bid process, the FMI and the NCCR chose an audit firm, Sustainable Environmental Solutions, Inc. (SES) to administer the Animal Welfare Audit Program (AWAP) independent of the FMI and the NCCR. This company works with the animal welfare experts and the producer trade associations to ensure that the audit points are consistent with the guidelines and provide measurable outcomes for evaluating conformance. Once the audit tools are developed, SES provides training for auditors who were interested in performing AWAP audits. The purpose of the training is to familiarise the auditors with the AWAP process and the audit forms. Auditors must meet minimum qualifications including AWAP training, experience and education standards before being certified by SES.

Sustainable Environmental Solutions, Inc. provides a secure database where audit results can be stored. The supplier owns the individual audit results and provides retailers access to the information. The FMI and the NCCR do not have access to the audit results. The AWAP is a voluntary, non-government programme. The audit documents are based on the guidelines that have been endorsed by the FMI-NCCR expert advisory council. As the verification programme was being developed, technical advisors were identified who are available to serve on an appeals board, should an audit result be contested. The voluntary approach to the AWAP process is consistent with the FMI-NCCR belief that animal welfare can best be achieved when it is managed as an agreement between trading partners, and not a regulatory programme.

Retail customers may require that their suppliers undergo an audit or they may ask suppliers to share recent audit results. The animal producers and/or animal food suppliers are responsible for arranging the AWAP audit through SES.

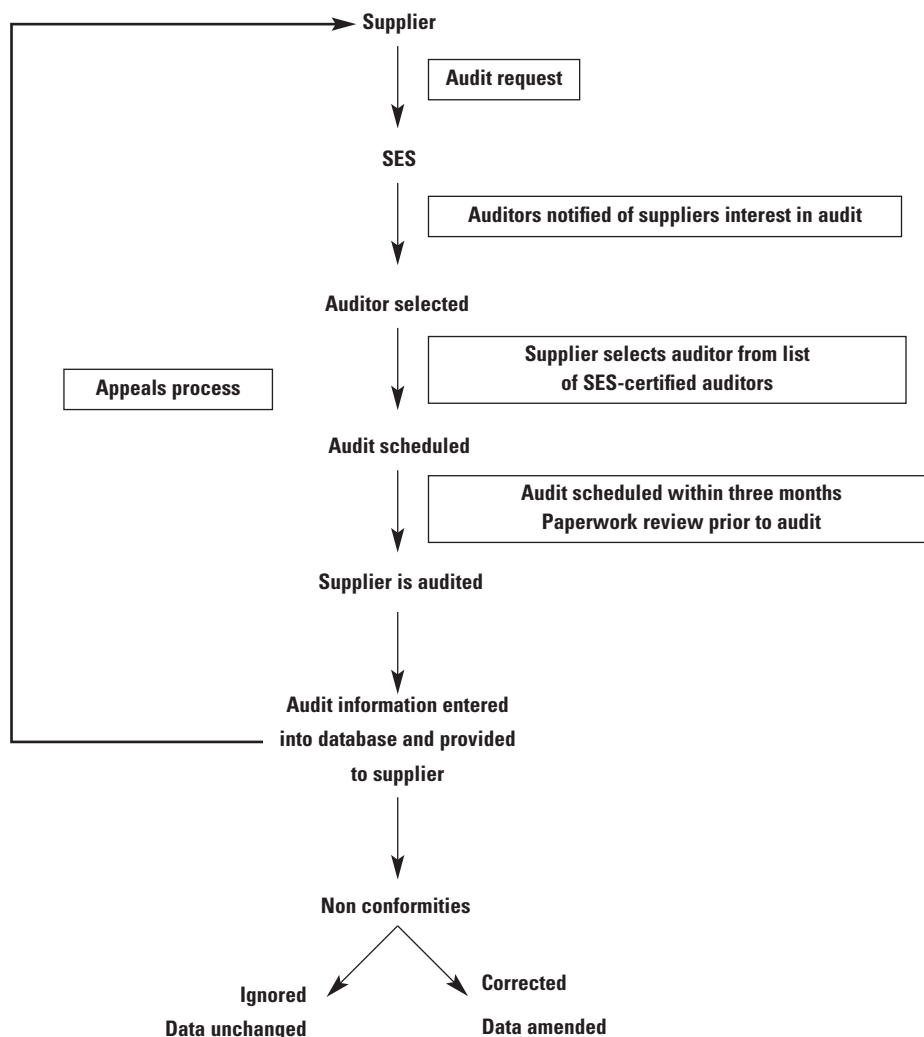
The supplier determines which buyers will be given access to the audit results.

The verification programme is not based on a numerical scoring or pass-fail system but on a series of key audit points and other audit points. The audits detail the findings based on the objective, measurable assessment made by the auditor. Suppliers are given the opportunity to correct non-conformances either through written verification or a follow-up audit, depending on the nature of the non-conformance. If the audit non-conformances are corrected, then the final audit report reflects that the items were in compliance. If the supplier does not correct the non-conformances, they remain on the final audit report. Retailers decide what is acceptable according to their company's purchasing specifications or their animal welfare expectations. The decision to accept or reject a supplier's animal welfare performance rests with each individual retail customer. A retailer may choose to no

longer accept products from a supplier that will not, or cannot, meet the retailer's animal welfare expectations. A schematic of the AWAP process is provided in Figure 1.

## Challenges

Achieving acceptance by suppliers of the independent verification programme has been a significant challenge. Suppliers would prefer self-audits or audits administered by their own industry trade associations. However, retailers feel strongly that objectivity and credibility can best be assured through an independent third-party audit programme. Supermarkets and chain restaurants are currently requesting their suppliers to undergo AWAP audits using the guidelines endorsed by the FMI-NCCR experts. The expectation is that suppliers who complete the AWAP process can share the audit information with both their current retail customers



**Fig. 1**  
**The Animal Welfare Audit Program process flow chart for requesting, arranging and reporting animal welfare audits as administered by Sustainable Environmental Solutions, Inc. (SES)**



and with potential customers, benefiting both the retailer and supplier. And more importantly, the food industry can reassure the public that animal welfare programmes are effective and meeting the demands of consumers. The food industry recognises that certain groups are opposed to any use of animals as a food source. No animal welfare programme will be acceptable to them, short of complete abstinence of animal protein. However, animal protein consumption in the USA is highly acceptable and consumers want to make their own food choices. Consumers are interested in the well-being of animals but do not want their dietary habits dictated to them.

The FMI and the NCCR believe that a retail-driven, voluntary programme is the best option for advancing animal welfare programmes. Animal welfare is no longer an emerging issue in the USA; it is an issue that has full recognition and support, and will remain with us for a long time. If the food industry cannot implement a legitimate voluntary programme on its own, regulation by the government is likely. Suppliers and producers need to support their retail customers on public policy issues if the food industry is to avoid mandatory programmes and maintain consumer confidence.

## Conclusion

The road to reach a retailer-driven animal welfare programme with guidelines and audit verification has been a long one. It is important to note that significant work is still underway with the FMI-NCCR animal welfare programme. Some segments of the producer community in the USA have been working actively on animal welfare assurance systems for some time by undertaking research, seeking the counsel of outside experts and developing and revising guidelines as new information becomes available. Other segments have begun their efforts more recently. This diversity creates many challenges, but the work is motivated by the strong commitment and desire of food retailers and restaurants to enhance animal welfare. The FMI and the NCCR believe these efforts have made and will continue to make a significant contribution to enhancing the well-being of animals in food production.

## Appendix I

### **Food Marketing Institute policy and programme to address animal welfare**

#### **Policy**

a) FMI believes animals can and should be raised, transported and processed using procedures that are clean, safe and free from cruelty, abuse or neglect.

b) FMI will work cooperatively with its counterparts in the food industry to promote production 'best practices' for each species that will strengthen food quality and safety, and ensure animal well-being at every step of the production process.

c) FMI will consult regularly with experts in animal husbandry, veterinary medicine and agricultural production to obtain objective, measurable indices of desirable practices in the growing, handling and processing of animals in food production.

d) FMI will continue to urge the appropriate state and Federal government agencies to strictly enforce animal protection laws.

e) FMI will work with suppliers to communicate examples of best practices in order to maintain consumer confidence in the safety of the food supply.

### **Programme components**

a) develop a set of retailer expectations for growers, producers and processors that are modelled on 'best practices' for animal husbandry and humane processing

b) obtain the professional assistance of respected animal welfare experts and organisations in developing retailer expectations

c) review the set of expectations with the producer community to ascertain reasonableness, cost, feasibility and realistic timeframes for implementation and verification programmes

d) distribute the set of expectations as voluntary recommendations for retail companies to adopt and use in their discussions with current and future suppliers

e) support the formation of an advisory council as a mechanism for periodic, ongoing dialogue between the food industry and animal welfare experts on issues related to the care and processing of animals for food.

The FMI will develop its programme working with the assistance of animal welfare experts.

## Appendix II

### **Recommended procedures for developing animal welfare guidelines**

#### **Process elements**

Establish a Committee Structure to develop the guidelines.

Representatives from all stakeholder groups, including producers, animal scientists with animal welfare/behaviour expertise, veterinarians and animal welfare advocates

should be included in the process. These representatives may be actual participants on the Committee or they may serve as consultants to review and comment on the final product.

The role of the Committee is to:

- identify all potential key concerns – public, producer and scientific
- identify if, how and when each concern will be addressed
- oversee a technical review that includes relevant field research, experimental studies, veterinary expertise, producer expertise, environmental scan of issues and measures relevant to animal welfare.

### Guideline components

One of the most important elements for a successful animal welfare programme is the role and commitment of management. Not only is it important to have the commitment of top management, it is equally important to assure that all levels of management understand their specific role and responsibilities in assuring the implementation of the guidelines. Animal welfare programme implementation needs to be a key job responsibility against which annual performance is measured with rewards for good performance and penalties for poor performance.

The following are the components that need to be addressed in any animal welfare guideline programme; they are meant to provide a framework for considering and developing species-specific guidelines:

- a decision-making process that is transparent
- identification of welfare issues needing further study, along with the short-term solution
- guidelines that can be audited based on performance outcomes or design criteria
- handling guidelines
- animal husbandry procedures (e.g. food, water, space allocation and bedding condition)
- sanitation
- environmental considerations (e.g. ventilation, air quality and ambient air temperature)
- health programme based on veterinary guidance (biosecurity)
- behavioural management, including identifying and minimising behavioural problems
- facility and equipment maintenance and design
- emergency preparedness (e.g. power outage, weather emergencies and fire)

- transportation and slaughter procedures where appropriate
- euthanasia (in transport and on farm)
- inspection procedures and frequency
- training programmes
- record keeping
- review and revision mechanism (every five years or as new research becomes available).

### Audit components

The following are a series of items to consider including when developing an auditing system:

- a) each auditing point needs to relate to a specific item in the guideline (consider using a side-by-side format)
- b) use graphics or pictures where possible to aid the auditor (e.g. body condition, lesion scoring, space allocation and normal body posture when cage-confined)
- c) use established scoring systems (e.g. lameness, body condition, gait, stunning)
- d) develop a method for evaluating results, including compliance with the guidelines and corrective actions needed or taken. A weighting or indexing system needs to include a rationale for designating essential items (pass/fail); acceptable threshold items; and weighted items
- e) outline record keeping procedures
- f) consider pilot testing the audit system in the field
- g) auditors should be trained based on species-specific guidelines; they should be independent and have no other contractual arrangement with the producer to avoid conflicts of interest
- h) include terminology that is as objective and specific as possible. For example:
  - identify audit check-points that are required items which are non-negotiable, versus those that are recommendations which involve some judgement
  - provide specific measurable descriptors (e.g. 'During transport on trucks, provide enough space for each animal to lie down without being on top of one another' versus 'Provide adequate space')
  - provide guidance for objective assessments (e.g. 'Mud and manure in a feedlot should not be over the top of the hoof' versus 'Minimize mud and manure in feedlots')
  - avoid the use of subjective words such as: adequate, properly, sufficient, appropriate, undue, excessive, normal, improperly, good, bad.



## Le secteur des détaillants de produits alimentaires et le bien-être animal : points de vue de l'Institut de commercialisation des aliments et du Conseil national des chaînes de restaurants des États-Unis d'Amérique

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### Résumé

La réalisation d'un vrai changement requiert que toutes les parties prenantes soient motivées et mobilisées. Tel est le principe sous-jacent au programme en faveur du bien-être animal mis en œuvre par le secteur des détaillants et grossistes de produits alimentaires et des chaînes de restaurants aux États-Unis d'Amérique par le Food Marketing Institute (FMI) et le National Council of Chain Restaurants (NCCR). Le présent article décrit les éléments de la collaboration mise en place par détaillants et producteurs aux États-Unis d'Amérique pour améliorer la prise en charge et le bien-être des animaux dans le cadre de la production alimentaire industrielle. Le FMI et le NCCR n'ont pas fini de déployer leurs efforts, mais le processus illustre comment différentes composantes du système de production alimentaire peuvent collaborer pour parvenir à un changement positif.

### Mots-clés

Bien-être animal – Chaîne des restaurants – Conseiller – Détaillant en produits alimentaires – Grossiste en produits alimentaires – Lignes directrices – Producteur – Vérification.



## El Instituto de Comercialización de Alimentos y el Consejo Nacional de Cadenas de Restaurantes de los Estados Unidos: venta de alimentos al por menor y bienestar animal

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### Resumen

Para que las cosas cambien realmente se precisan una fuerte motivación y la implicación de todos los interesados. Tal es la premisa en que se basa el programa de bienestar animal que dos organizaciones estadounidenses, el Food Marketing Institute [Instituto de Comercialización de Alimentos] (FMI) y el National Council of Chain Restaurants [Consejo Nacional de Cadenas de Restaurantes] (NCCR), elaboraron para los sectores de minoristas y mayoristas de la alimentación y las cadenas de restaurantes del país. Los autores describen las grandes líneas del proceso de concertación que están siguiendo los minoristas y productores estadounidenses para mejorar la atención a los



animales y su bienestar en la producción industrial de alimentos. Aunque todavía no ha concluido, este proceso brinda un ejemplo del modo en que distintas componentes del sistema de producción alimentaria pueden trabajar concertadamente para conseguir cambios tangibles.

**Palabras clave**

Bienestar animal – Cadena de restaurantes – Consultor – Directrices – Productor – Venta de alimentos al por mayor – Venta de alimentos al por menor – Verificación.

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