Response To National Advertising Division of the Better Business Bureaus

In Regard to Petition Brought By: Compassion Over Killing

(Information provided by UEP to UEP's attorney so that they might draft a letter of response to the petition.)

Key Points

1. The petition is filed by Compassion Over Killing (COK), an activist group that has knowingly and admitted to breaking the law by unlawfully entering the egg production facilities of at least one egg farm as they have noted at ISE-America without authorization.

COK has further infringed upon UEP's trademarked Animal Care Certified logo by posting the website EggScam.com and in doing so changed the trademarked logo to read: Animal Cruelty Certified.

2. Why should we allow National Advertising Division to share our answers to their inquiry with Compassion Over Killing only to find that COK will again use this against us to rally their members?

UEP Is Not Guilty of False Advertising Because:

- 1) UEP has not paid for advertising in any public manner.
- 2) The Animal Care Certified logo does not state or imply that these eggs are better than eggs marketed without the logo. The logo simply identifies that these eggs were produced by a company implementing, the UEP guidelines.
- 3) The Animal Care Certified logo was selected from several options based upon a consumer preference survey conducted by AEB.
- 4) The petitioner says that the <u>average</u> consumer interprets "animal care certified" to mean that hens are free roaming, etc. UEP has never made such claims and believes that the average consumer is smarter than given credit by COK and would not even reach the free roaming conclusion without being prompted by COK in a well designed survey.
- 5) The consumer has not been caused injury as a result of the animal care certified program or logo.

- 6) The Animal Care Certified program is not a government program.
- 7) The petitioner states that the Animal Care Certified program is an attempt to impersonate legitimate free-range produces, who operate at significantly higher costs, and to whom ACC producers and retailers fear losing market share.

UEP's response is that free-range production only represents a very small share of the U.S. market. Many UEP members are both producers of cage and cage-free production and UEP is supportive of allowing consumers a choice of how they want their eggs produced. In fact, in the market place, cage-free, and organic production is clearly identified on the egg carton.

8) UEP is concerned about their customers and consumers therefore to minimize any market disruption and extreme increases in price, the UEP program, in regard to cage space is being phased-in over a 6-year period. Without this phase-in period and had the industry immediately implemented the ultimate requirements for space per bird, the supply of eggs would have been reduced by nearly 50% thereby causing a major market disruption and severe increases in the prices consumers would pay for eggs.

UEP's Mission

- 1. In 1999 UEP took a proactive position in regard to animal welfare. In doing so, we sought the advise of an independent Scientific Advisory Committee. The selection of the committee members was not even made by UEP. This panel of experts took on the challenge without pay (from UEP) and no pre-conditions were set by UEP. UEP asked this committee to review the scientific research literature on the well being of laying hens and to make recommendations for improvement, if needed.
- 2. UEP's mission was to change the industry production practices providing there was a need based upon science instead of personal opinions or emotions.
- 3. By the fact that 98% of egg laying hens in the U.S. are housed in cages, the Scientific Committee focused their research review primarily upon cage production. They <u>did</u> review production systems other than cages and concluded that all systems have their advantages and disadvantages. The committee elected to review and make recommendations upon five (5) areas:
 - Do battery cages provide for humane care of egg laying hens/
 - Cage space per bird.

- Beak Trimming
- Molting
- Handling, Transportation and Slaughter

After many meetings, a review of thousands of pages of research, visits to breeder companies, visits to pullet growing and laying farms, and visits to cage manufacturers, the committee determined that the production practices of the egg industry were not inhumane but improvements could be made.

The Scientific Committee made a series of recommendations from which the UEP Board of Directors unanimously endorsed.

4. A committee of producers was formed for the purpose of taking the scientific recommendations and creating a set of Husbandry Guidelines.

The producer committee went beyond a voluntary program by establishing the Animal Care Certified program, which required an egg production company to implement the guidelines on 100% of their production facilities regardless of where or how eggs were marketed.

An Animal Care Certified company must file Monthly Compliance Reports to assure UEP that they are meeting the guidelines and requirements of an Animal Care Certified Company.

An Animal Care Certified company must be audited annually by an independent entity – USDA Agricultural Marketing Service (AMS) or American Registry of Professional Animal Scientists (ARPAS).

5. The Food Marketing Institute and the National Council of Chain Restaurants endorsed UEP's Animal Husbandry Guidelines in June 2002.

COK's Mission

It is the opinion of UEP that COK has failed to recognize the proactive position UEP has taken in regard to the welfare of egg laying hens in cage production. Instead they have attempted to imply that free-roaming production is better and thereby have misled the National Advertising Division of the Council of Better Business Bureaus.