POULTRY INDUSTRY OVERVIEW

Chicken is a multi-billion dollar business (for a few)

America’s favorite meat is a gold mine. In 2014, chicken generated revenues of **$32.7 billion** in the US alone.

The three biggest companies control almost **60%** of the production, concentrating power in the hands of a few corporations.

Top Five Poultry Companies

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
<th>Output (Million lbs/week)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Tyson Foods</td>
<td>176.64</td>
</tr>
<tr>
<td>2</td>
<td>Pilgrim’s Pride</td>
<td>138.36</td>
</tr>
<tr>
<td>3</td>
<td>Perdue</td>
<td>56.49</td>
</tr>
<tr>
<td>4</td>
<td>Sanderson Farms</td>
<td>58.80</td>
</tr>
<tr>
<td>5</td>
<td>Koch Foods</td>
<td>48.00</td>
</tr>
</tbody>
</table>

Poultry companies are called **INTEGRATORS** and they **CONTRACT** farmers to raise their chickens.

Feed Mill

The integrator creates their own secret feed mixes that they deliver to the farmers.

Hatchery

Chicks are hatched and sent to broiler farmers.

Slaughter House

Tyson Foods

33 Processing Plants

33 Million/week

Pilgrim’s Pride

24 Processing Plants

28 Million/week

Further Processing

Raw carcasses are turned into frozen or pre-cooked products and packaged for consumers.

Own Brand

Many companies like Tyson own their own brands that sell whole chicken or processed products.

Food Services

Pilgrim’s Pride as well as most of the poultry companies have contracts with retailers and food services to provide a predictable amount of products with a standardized quality.

**Sources:**

- WATTAgNet: wattagnet.com/directories/
- US Poultry: uspoultry.org/economic_data/

© 2016 Rural Advancement Foundation International (RAFI)

To know more visit undercontractfilm.com

In 2014, chicken farmers raised **8.5 billion** chickens in the USA.

Tyson Foods produced 1.8 billion chickens

Pilgrim’s Pride produced 1.5 billion chickens

There are almost 30,000 poultry farmers in the US.

97% of the chicken we eat is produced under contract.

There are almost 30,000 poultry farmers in the US.

97% of the chicken we eat is produced under contract.

Soybean

Corn/Soybean

The integrator purchases the grains to produce feed.

Breeder Company

Breeds are developed and owned by a firm, often a subsidiary.

Breeder Farm

These farms raise chickens who lay eggs for the hatchery.

Chicks and feed that are owned by the company are delivered to broiler farmers.

Chicks are raised into slaughter weight broiler chickens in less than 5 weeks.

M T W T F S S

Mon Tue Wed Thu Fri Sat Sun

Most companies like Tyson own their own brands that sell whole chicken or processed products.