



Poultry Industry Trade Organization Collaboration Agreement

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I. INTRODUCTION

This document is intended to review the collaboration of four national trade organizations serving the poultry industry; namely, the National Chicken Council (NCC), National Turkey Federation (NTF), USA Poultry & Egg Export Council (USAPEEC) and U.S. Poultry & Egg Association (USPOULTRY). The four organizations share many common members, yet each has distinct mission areas. It is incumbent upon staff of the organizations to not only avoid duplication of effort, but to also ensure that collaboration is occurring, such that the knowledge, information and expertise developed by one organization is shared and available to and utilized by the remaining organizations to further their own mission areas. Each of these organizations has its own strengths and focus points, and organization leadership must ensure that these strengths are shared with their sister organizations to effectively and efficiently serve and represent the poultry industry.

II. Mission Areas and Membership of the Organizations

As stated above, NCC, NTF, USAPEEC and USPOULTRY serve many common members in different mission areas. The following describes the vision or mission for each organization.

NCC mission: The National Chicken Council promotes the production and consumption of safe, wholesome and nutritious chicken products both domestically and internationally. NCC participates in the development of national legislative and regulatory policy, serving as the industry's voice on Capitol Hill and at federal agencies. The Council is dedicated to enhancing consumer understanding of the industry, its practices and products, and the environment in which they are produced.

NTF mission: The National Turkey Federation is the national advocate for all segments of the turkey industry, providing services and conducting activities which increase demand for its members' products by protecting and enhancing their ability to profitably provide wholesome, high-quality, nutritious products.

USAPEEC vision: The USA Poultry & Egg Export Council (USAPEEC) is a non-profit, industry-sponsored trade organization dedicated to increasing exports of U.S. poultry and egg food products in all foreign markets.

USPOULTRY mission: To progressively serve our poultry and egg members through research, education, communication and technical assistance.

The "meat" side of the poultry business is the common denominator of all four organizations. However, for both USPOULTRY and USAPEEC, the additional participation of the egg industry is critical to their effectiveness and success.

III. Existing Collaborative Areas

The four organizations purposefully have developed and maintained a close working relationship. The outgrowth of this has been collaboration in a number of areas where the issue or problem that exists, or project in support of an industry need, spans the respective mission areas. The following reviews several of these areas of collaboration.

NCC/USPOULTRY

Chicken Summit/Food Media Seminar. In the 1990s, USPOULTRY began providing financial support for the National Chicken Cooking Contest that NCC developed and organized. Later, reflecting changing

priorities for both organizations, USPOULTRY support was shifted to the Food Media Seminar. The most recent event was the April 2011 Food Media Seminar in Charleston, SC. This project has been renamed "Chicken Summit," and the next edition is scheduled for 2013.

NCC Board Meeting: In January 2009, the NCC board began conducting its winter meeting at the IPE. Having NCC's board (as well as UEP's, which began meeting at the IPE in 2005) present at the IPE has helped maintain the viability of the show, and kept it from declining as many other trade shows have done in the last decade. Many NCC board members join USPOULTRY board members in thanking exhibitors for their participation in a pre-opening visit to the trade show floor.

NCC/NTF/USPOULTRY

Joint Environmental Committee: In 2003, USPOULTRY, NCC and NTF combined their respective environmental committees into a single committee. Industry benefits from a single committee that can address an issue from inception, and on all levels, from a research or educational need to reaching out to national legislators, and helps ensure all are informed and can collaborate on the totality of efforts on behalf of the industry. The chair of the committee is selected on a rotating basis by each organization.

Joint HR Committee: In 2008, adopting the model of the Joint Environmental Committee, a single HR committee was formed. This committee provides the industry the convenience of common meetings, and allows each organization to utilize its inherent strengths to address industry issues.

Joint Safety Committee: In 2008, also adopting the Joint Environmental Committee model, a single industry Employee Safety Committee was formed, providing the same efficiency and coordination to this industry focus area.

USAPEEC/USPOULTRY

Salmonella Study: In 2008, USAPEEC and USPOULTRY collaborated on a study to gauge the variability of *Salmonella* testing protocols worldwide. USAPEEC secured funding, through its association with Illinois Soybean Board. USPOULTRY managed the project, which led to significantly (20%) less overhead charged by the research institution. The resulting study has been useful both domestically and internationally in educating regulators and trade officials.

USAPEEC/USPOULTRY/NCC/NTF

International Poultry Council: The four organizations share the U.S. membership fee to the International Poultry Council. Each organization contributes staff time as well, ensuring that this body (recognized by OIE, FAO and Codex to represent the international poultry industry) positively engages in developing export programs and removes technical barriers to enhance the international poultry trade, and hence, U.S. exports. USAPEEC has provided the leadership of the IPC, as well as the understanding of complex export agreements. USPOULTRY has provided the technical expertise on various food safety issues and their implications for US producers. NCC has provided marketing considerations and, when needed, political/regulatory support. NTF is the most recent participant in this organization, having joined in 2012.

Animal Ag Alliance Support: USPOULTRY makes a single contribution (minimum \$50,000) on behalf of the entire poultry industry. This support entitles NCC, NTF, UEP and USAPEEC board representation and participation in AAA.

FFA: USPOULTRY makes a single contribution (\$35,000 per year) on behalf of all poultry industry national trade organizations. These funds are utilized to support the poultry Career Development Event at FFA, and maintain a booth at FFA's National Convention to recruit FFA members into our industry.

4-H: USPOULTRY makes a single contribution (\$6,000 per year) on behalf of all poultry industry national organizations. These funds are utilized to support the 4-H Poultry Judging Contest.

USAPEEC/NCC

Export Markets: USAPEEC and NCC often collaborate to enhance export of U.S. poultry products. In 2012, the NCC/USAPEEC Joint International Trade Committee was established to further promote and formalize this relationship. The Committee consists of USAPEEC's Executive Committee, plus key NCC exporters, and focuses exclusively on chicken exports. USAPEEC serves as the eyes and ears of the U.S. industry around the world, establishing and maintaining key domestic and international relationships with agricultural, trade, customs and food safety officials, thereby enhancing the flow of U.S. exports to trading partners. Both NCC and USAPEEC maintain close relationships with the USTR and similar U.S. government officials responsible for U.S. trade policy. However, USAPEEC is not allowed to conduct political lobbying to support trade policy that enhances U.S. poultry exports. Working closely with USAPEEC, NCC provides the key political support as necessary. An excellent example of this close working relationship is evinced by their collaborative efforts on the Russian WTO accession issue.

USAPEEC/NTF

Export Markets: The relationship to develop and support turkey exports is similar in many ways to the USAPEEC/NCC relationship, and all three organizations often work in tandem on certain trade issues. A unique feature of the USAPEEC/NTF relationship is that NTF's Executive Committee recently affirmed the turkey industry's commitment to USAPEEC as the primary trade organization for the turkey industry, directed NTF staff to ensure all turkey companies interested in export are USAPEEC members and further instructed NTF staff to form an "Export Advisory Committee" to further assist USAPEEC in its effort to secure market access for turkey products.

IV. Recent/Current Collaboration Efforts

USPOULTRY/USAPEEC/NCC/NTF

IT Support: Driven by the IPE, as well as its own organizational needs, USPOULTRY has developed in-house IT expertise. This expertise, which encompasses everything from syncing Smartphones to database management to ensuring compliance with industry standards in accepting credit cards over the internet, is shared with a dozen state poultry organizations and UEP. In the summer of 2011, NCC determined a need to upgrade its IT systems and requested that USPOULTRY provide the requisite expertise, and USPOULTRY will continue to provide support and maintenance (remote when possible, onsite when necessary). Similar implementation occurred with USAPEEC in the spring of 2012, and NTF in the fall of 2012. NCC, NTF and USAPEEC benefit from having virtually an extension of staff with IT expertise that has no vested interest other than satisfying the needs of each organization.

USPOULTRY/USAPEEC

International Recruiting: USPOULTRY's International Committee, and USAPEEC's foundation, UIPDP, have launched a pilot program, to occur at the 2013 IPE, that brings Latin American students into interview with member companies in USPOULTRY's long-standing College Student Career Program (CSCP). Program expenses are borne equally between the two organizations, while USPOULTRY staff coordinate the logistics of bringing in the students and their academic advisors.

V: Future Collaborative Areas

The items above highlight some of the areas where NCC, USAPEEC and USPOULTRY have collaborated over the years. Perhaps as importantly, by collaborating on these items, a level of familiarity and trust exists at all staff levels in the respective organizations. The staff heads are committed, and set the tone for, cooperative, non-competitive service to the industry.

There continue to be opportunities for enhanced collaboration, built on the success of existing collaboration. Further investigation is warranted in the following areas:

USPOULTRY/NCC/NTF/USAPEEC

Food Safety, Tech/Reg Committees: Due to the species-specific nature of many food safety and similar technical issues, NCC and NTF maintain separate Tech/Reg committees. However, each organization has recently granted “ex-officio” committee member status to USPOULTRY and USAPEEC on their respective Tech/Reg Committees. This, in turn, has allowed the elimination of one committee – USPOULTRY’s Food Safety Advisory Committee – and should serve to increase coordination and efficiency of industry actions in this critical area.

Accounting Services: USPOULTRY currently provides accounting services to four organizations – USPOULTRY, USPOULTRY Foundation, Poultry Protein and Fat Council, and Poultry Breeders of America. The controller for USPOULTRY is a CPA, the former controller for Gold Kist and area controller for Pilgrim’s, and is widely known and respected in industry financial circles. USPOULTRY could provide accounting services with minimal transition cost to NCC, NTF and/or USAPEEC, freeing up resources to be repurposed directly to other critical mission areas.

USPOULTRY/NCC/NTF

DOL, OSHA, DOT Advocacy: Beginning the summer of 2012, USPOULTRY retained the services of a DC-based advocacy group to engage Department of Labor, OSHA, Department of Transportation, Federal Motor Carriers Safety Administration and other miscellaneous federal agencies that impact the poultry industry. This initiative will further inform and enhance the collaborative efforts of the combined HR and Safety and Health Committees.

USPOULTRY/USAPEEC

Technical and Data Communication Services: Given the relatively close physical proximity, it may be feasible for USPOULTRY and USAPEEC to consolidate telephonic and data transmission services.

International Recruiting: Subject to the success of the aforementioned Latin American student recruiting at the 2013 IPE CSCP, UIPDP and USPOULTRY intend to expand this program to recruit from other areas of the world as well.

International Research: UIPDP and USPOULTRY are investigating the feasibility of funding key international research priorities through USPOULTRY’s existing research program, so that administrative costs are minimized, allowing maximum use of available funds to conduct actual research.

VI: Ongoing Review and Commitment

Annually, the four organizations will formally review this document, to ensure that presently unseen collaborative opportunities are recognized and acted upon to the benefit of the industry. Further, the results of the annual review will be submitted to the respective boards for endorsement.