

# POULTRY INDUSTRY OVERVIEW

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

America's favorite meat is a gold mine.

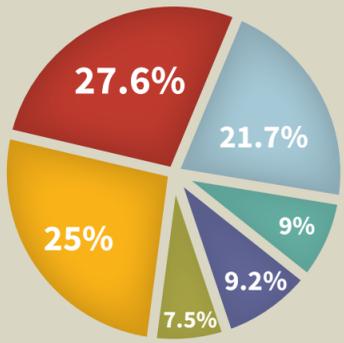
In 2014, chicken generated revenues of **\$ 32.7 billion** in the US alone.

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

## Top Five Poultry Companies

(Ready-To-Cook chicken - mil lb/week)

Tyson Foods	176.64
Pilgrim's Pride	138.36
Perdue	56.49
Sanderson Farms	58.80
Koch Foods	48.00
Others	159.79



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

**INTEGRATED** = owned by the company



## Feed Mill

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

**INTEGRATED**



## Corn/Soybean

The integrator purchases the grains to produce feed



## Breeder Company

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

**SUBSIDIARY**



## Hatchery

Chicks are hatched and sent to broiler farmers

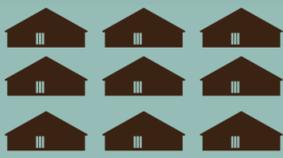
**INTEGRATED**



## Breeder Farm

These farms raise chickens who lay eggs for the hatchery

**UNDER CONTRACT**

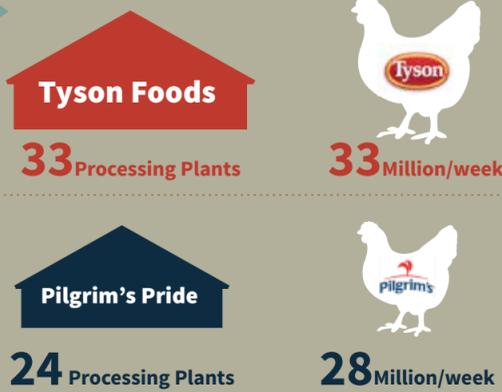


## Broiler Farm

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

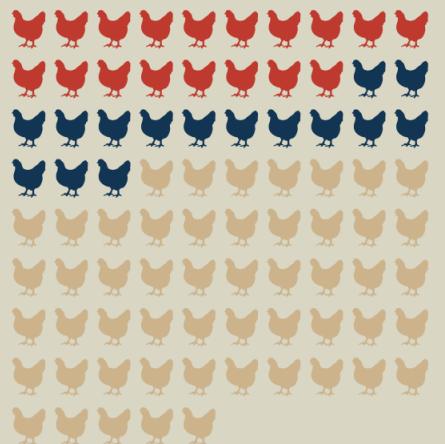
**UNDER CONTRACT**

## Slaughter House



**INTEGRATED**

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



**UNDER CONTRACT**

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



## Further Processing

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

**INTEGRATED**

## Own Brand



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

**INTEGRATED**

## 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.