Testimony of Brad Moline on behalf of the National Turkey Federation

July 7, 2015

Good afternoon Chairman Roberts, Ranking Member Stabenow and members of the committee. My name is Brad Moline, and I am a third-generation turkey farmer from Manson, Iowa. I graduated from Iowa State University with a double major in Animal Science and Dairy Science in 2002. Following graduation, I returned home with my wife Kelly to raise our three children and to work alongside my dad and brother to run Moline Farms. I am testifying today on behalf of the National Turkey Federation, and all of its farmers, processors and other members that have been impacted by this year's highly pathogenic avian influenza (HPAI) outbreak.

On our farm, we raise approximately 155,000 turkeys annually. We are one of more than 40 farmers operations that supply turkeys to West Liberty Foods, a grower-owned cooperative that employs another 1,400 plant employees in West Liberty, Iowa, and Mt. Pleasant, Iowa. West Liberty also has two additional facilities in Bolingbrook, Illinois and Tremonton, Utah. Combined we employ over 2000 people at our 4 facilities. West Liberty Foods started in 1997 and has grown from its humble roots, to processing 22,000 turkeys per day. Combined with Tyson Foods turkey operation in Storm Lake, Iowa turkey industry provide more than 3,500 jobs in the state and well over \$1.5 billion annually to the Iowa economy. I am currently living the avian influenza nightmare. We have already depopulated more than 56,000 turkeys, which totally cleaned out our 12 growing barns. If we are lucky, we will be able to salvage this year with one flock, which we hope to repopulate sometime around August 1st. Regardless, 2/3 of our annual income has been wiped out by HPAI. Without APHIS indemnification of the loss of birds, many farmers may have been forced to hang it up. We could not live without these indemnity payments provided by USDA during this time. We also appreciate Members of Congress and USDA has ensured these payments are timely and still available. We will rely solely on our savings and these payments until our next flock goes to market around the Thanksgiving holiday.

Before we get any further into our discussion on the how we might better handle the outbreak in the future, the turkey industry would like to extend a sincere thanks to USDA and specifically APHIS employees for the thousands of hours of service fighting this outbreak over the last six months. We know that it has taken people away from their families, so we appreciate the dedication and sacrifice given to assist our industry during this difficult time. We could not have done it without them.

Scope of the Outbreak

Since the HPAI outbreak began in late January, there have been 153 cases confirmed in commercial turkey or turkey breeder flocks in eight states, with Minnesota, Wisconsin, South Dakota, and my home state of Iowa being the hardest hit. The impacts are still being felt and have resulted in the loss of nearly 8 million turkeys nationwide, with an economic impact to date estimated at slightly less than \$500 million. Additionally, several processing plants that have had to lay off more than 400 employees because of the lack of turkeys, and some are running reduced shifts for the remaining employees. The virulence of this HPAI strain is like nothing seen before, and its impact is unprecedented. Farmers not only have to deal with the immediate financial and emotional hardship, but many of us will likely pay a steep price in future earnings, as we are not certain when we will be allowed to repopulate. In order to repopulate, appropriate composting and cleaning of the barns must be done. Additionally, new positive cases, in the area, could have a impact on repopulation.

The H5N2 and H5N8 strains currently impacting the Midwest and the rest of the country have been devastating to the farmers and rural communities supported by turkey and egg-laying operations, but it has affected our friends in the broiler industry as well with respect to our international trade partners. Currently 18 countries, including key export markets like China and South Korea, have banned all poultry from the United States, and 32 countries have state or regional bans in place. With HPAI now being a global disease, we need to press our trading partners to have a more robust conversation about the realities of discovery, monitoring and eradication of this disease. Almost every other poultry producing country has this disease, and it is time standard operating practices be revisited. We support USDA in its effort to update trade agreements when it comes to how the world deals with this disease.

Communication and Keys to Eradication

Now that we have an abridged version of the impact HPAI has had on the turkey industry, I would like to turn to how we work to eradicate it. The turkey industry is committed to working with APHIS to improve upon five key areas that are critical in this fight: we must start by having a faster depopulation and disposal strategy, a faster repopulation strategy, a viable vaccine and a coordinated, enhanced focus on biosecurity. There is no silver bullet. However, in order to achieve these objectives, the final thing, above all others, must be to have clear and concise communication. I cannot stress enough how much we believe that a lack of clear communication created the confusion we specifically saw in Iowa and Minnesota. We firmly believe unclear communication contributed to the spread of this disease. We stand ready to build a better working relationship so we can eliminate future outbreaks quicker.

While we did not know how bad our outbreak would be in Iowa, we knew from Minnesota's experience that it was very likely to grow exponentially. The federal and state governments missed a critical opportunity to sit down with poultry industry leaders, at the very beginning, in an effort to develop a game plan, and ultimately, clearly define responsibilities. This would have gone a long way in avoiding the mass confusion that we experienced in Iowa. It took more than a month and a half, and urging by our state association and the National Turkey Federation, as well as members of this committee, to finally convince people that things must get fixed in Iowa. This should have happened immediately.

For us farmers, having a clear roadmap explained by government officials (not contractors) would have allowed those of us whose livelihoods are on the line to know what was expected of us, and quite frankly we would have been better able to assist with USDA's plan. When you are at the government's mercy, you're expecting help and a clear understanding of requirements or protocols for each situation. It was an opportunity missed, and it was only exacerbated as more APHIS staff transitioned in and out of the impact zone creating more confusion. We share the frustration with APHIS that as of recently as two weeks ago, contractors were still giving turkey farmers incorrect information. We are coordinating with APHIS now to correct this problem. One recommendation that we think would be very helpful in preventing this communication gap would be to

have more USDA staff overlap in the field. We feel this would cut down on communication errors to farmers that will allow for faster depopulation and disposal of birds.

Depopulation

Keeping with the theme of communication, we have made great strides on the depopulation front, but early on in Minnesota and Iowa it was a struggle. We agree with the government that swift and efficient depopulation is absolutely critical to eradicating the disease, but in many instances it took as long as 11 days before depopulation began, and this made the nightmare even worse. We appreciate the government improving farmer communication, which allowed us to speed up the process to safely depopulate the infected flocks with appropriate government oversight. In order to really keep virus load to a minimum, we believe the goal should simply be to have infected birds put down within 24 hours of a positive test confirmation from the National Veterinary Services Laboratory (NVSL). In order to achieve this, our disease response plan and process need to improve. We look forward to working with USDA to continue improving this critical step.

Disposal

With regards to disposal, the industry is continually challenged to adjust to the ever changing government goal post. We understand the challenges APHIS has had in cutting down on rumors and misinformation regarding disposal requirements and establishing a clear chain of command. The government must understand that its decisions impact families' lives and the reality was that those who were sent to represent the government continued to send mixed messages that kept turkey farmers guessing as to the exact right thing to do.

The most important thing that we in the industry ask is to help us speed up the process where possible and clear communication is the answer. The sooner the birds and infected materials are allowed to be removed from the barns, the sooner the barns can be cleaned and disinfected, which starts the clock on being able to get back to doing what we love, which is raising turkeys. Our future depends on having turkeys in those barns, so any confusion that creates a delay in the cleaning and disinfecting step simply delays us getting back into production. Between now

and this coming fall, we look forward to streamlining the process with USDA so we can keep the game planning on the fly to a minimum.

At the urging of APHIS we have instructed our companies not to wait on implementing contingency plans. Everyone, including us, must be better prepared to handle the volume of material that needs to be disposed of during a situation like we just experienced – in the heat of a crisis it is not the time to be negotiating with a landfill for disposal approval. Furthermore, between now and the fall migratory flight, work needs to be done on developing additional disposal options, such as clearing the legal hurdles surrounding rendering infected birds, improved incineration systems – possibly on farm – as well as on ensuring appropriate hauloff methods are approved by city, state, and county officials. These efforts will further improve the efficiency of disposal.

If composting is going to be used in the future, we need to ensure that all employees and contractors understand USDA's rule requiring 14 days of composting in barn before removal out of the barns and ensure it is adhered to by all. The repopulation clock does not start until we can get all material out of the barns and begin cleaning and disinfecting infected areas. We look forward to working with USDA and Congress to streamline a strategic plan that clearly defines what will be done during the outbreak that focuses on building trust and limiting confusion on these critical measures.

Biosecurity

Biosecurity is something we take very seriously on our family farm. We know it is vital to pay attention to the details. As we try to claw our way out of this nightmare, we are evaluating our farms and brainstorming about how we can enforce better biosecurity. We have are anxious to learn from specialists around the country and other farmers in the industry on the topic of how to better prepare and insulate our flocks from the virus. We were all caught off-guard by this new strain of the disease and it is going to require an extraordinary new approach to biosecurity. What we have done successfully for years clearly needs to be revisited.

Could we all have done more to stop the spread of this virus? Most likely, but I take great offense to the notion articulated by some inside and outside the government that we in the turkey industry were careless or knowingly negligent. We in the industry, and my family farm specifically, have everything to lose by being sloppy – we don't win by cutting corners. And, let's be completely clear here: APHIS officials need to examine their own biosecurity practices, especially those of their contractors, moving forward. APHIS is doing an excellent job of documenting the epidemiology of this disease, but to date, the agency has shared very little information with industry that examines the role delayed depopulation, confused disposal and documented biosecurity lapses by its contractors played in spreading this disease. Turkey farmers are ready to accept our responsibility; and work hand-in-hand with the government to evaluate how they may improve everyone's process.

To that end, the National Turkey Federation has initiated a review and update of our Biosecurity Best Management Practices, last revised in 2013, to see where we can hopefully provide critical improvements that can be incorporated into each grower's flock management plans. It also should be noted that the industry has already learned important lessons on biosecurity from this situation and will incorporate many of the items in the completed version. We will tackle the issue of biosecurity head on – starting with a "lessons learned" meeting later this month in Iowa. This will be an important step toward improving the poultry industry's best management practices that will ensure we come out of this troubling time as even stronger leaders in the stewardship of biosecurity.

We appreciate and commend APHIS for working with the industry to provide feedback and analysis from their initial research that allowed us to have the most up-to-date information, and make sure that important biosecurity measures are not missed or neglected. If someone in our industry is being careless we need to better self-regulate our farmers and companies that are not holding up their end of the bargain. As noted, APHIS needs to do the same. We are dealing with a new and very deadly strain that is unfortunately likely to strike again, but working in partnership with the government we can eradicate this deadly influenza strain.

Repopulation

All of these disposal and cleanup efforts will not mean much if we cannot get birds in our barns and try to raise at least one flock by the year's end. There was tremendous uncertainty surrounding when infected farms would be allowed to restock, and what requirements farmers would need to meet in order to do so. The *APHIS Red Book*, which lays out all of the procedures to be used in an HPAI outbreak, contains guidance for repopulation, but it became apparent that the agency was not going to follow these guidelines. Communications with different agency personnel led to confusing and often contradictory information, with different messages coming from the field and D.C. Conflicting information from state agencies compounded this uncertainty. Not knowing when, or if, we would be allowed to repopulate our farms added to the worry and stress we were already under.

Because turkeys live longer than smaller poultry; the turkey industry operates on timetables often planned a year or more in advance, with every step is scheduled from poult delivery to the day the turkey is processed. With no known date for when we might be able to restock, we could not begin the process of planning the rest of the business operation, much less the rest of our personal lives. Lack of certainty on when restocking might happen prevented us from knowing when we would need poults, which had impacts further up the supply chain, as the egg and poult suppliers need more lead time before they can deliver new birds to a farm.

After a great deal of effort on the part of industry and USDA, restocking criteria for previously infected farms was finally issued in early June. This was almost two months after the first outbreak in Iowa, and over four months after the first reported case in turkeys. Although we still have concerns over some of the criteria, we at least have a plan to move forward. Better communication at every step could have helped prevent a lot of the unease, uncertainty, and confusion that seemed rampant in April and May.

Vaccines

After recovering from the horrible impact of the outbreaks, the next step is to ensure that this virus does not strike again. It does not do any of us any good if we place new flocks in the Midwest only for another deadly outbreak to strike us come the fall or the spring. To truly recover from this devastating chapter we need every means possible to eradicate the disease in commercial poultry.

There are many strategies that will be employed, but one of the most powerful potential tools in the toolbox will be a vaccine to fight the virus. USDA Agricultural Research Service has developed a vaccine seed strain specifically to combat the deadly strain of H5N2, and now APHIS has made available virus isolates so that qualified labs could study the virus, its genetics, and even conduct challenge studies against it. We are close to having the right tool to help us eradicate the disease. The science is nearly there, so our hope is to have it commercially available for the fall.

What we do not have is political assurance that we will be allowed to use this tool when it becomes available. There are concerns that some countries will cite our use of vaccines in order to restrict our poultry exports. If the turkey industry were to vaccinate, we would do so in a fashion that allows us clearly to differentiate between vaccinated and infected birds, so that we can ensure that no infected bird ever leaves the farm and that no meat from vaccinated birds ever leaves our shores. We commend APHIS in working diligently to limit any nationwide impact of these possible trade restrictions, and assure our key trading partners that the vaccination plan we will have in place is effective at not only eliminating the disease but ensuring that vaccinated poultry and poultry products will not be a threat to exports. But in the end, the decision will be one that weighs the impact on the export margins of certain sectors of the poultry industry with the potential survival of the Midwest turkey and layer industries.

To conclude, great strides in communication between all impacted stakeholders have improved detection, biosecurity, depopulation and disposal, as well as vaccine research and development since the beginning of this unprecedented outbreak. As we work to prepare for the fall, we appreciate APHIS' comprehensive approach it has now incorporated in working with industry. We cannot eradicate this disease without open and clear communication as a top priority.

With that Mr. Chairman, I conclude my testimony and will be happy to answer any questions.