Statement of Eric Benson JS West Before the Committee on Agriculture, Nutrition, and Forestry United States Senate July 26, 2012

Good morning. My name is Eric Benson, and I am here today representing JS West in Modesto, California. Our business was founded in 1909. We are family-owned and – operated, with the third and fourth generations of the West and Benson families now providing management. Our values are family, employees, customers and community. We believe in not only providing the highest-quality products to our customers, but also in contributing to the communities in which we live and operate -- for example, by offering quality health care and retirement benefits to all our employees.

You have heard about our problems in the egg industry - the growing patchwork of

inconsistent state animal welfare laws that began with California's Proposition 2. Our family was deeply engaged in the debate about that ballot measure. I have always believed that the marketplace should make most economic decisions through consumer demand and preferences. That is balanced by a belief in the political process to help set standards that our society believes in. The dilemma we face is that today's consumers will vote with their hearts and buy food with their pocketbooks. We as a society need to

decide how we are to treat our food before it is food. I think government's role is to set at least a minimum standard. We are willing and able to produce competitively under most all conditions, as long as the playing field is fair and the rules clear.

I am here to tell you that the best and real solution to our industry's problems in this area is S. 3239, the bill that our Senator, Dianne Feinstein, has sponsored along with 15 of her colleagues. We are very proud of the leadership our Senator has shown in standing tall as a champion for our industry and for improved animal welfare. The two are not incompatible. We can have both a vibrant egg farming sector *and* improvements in the welfare of our hens.

I would like to spend my brief time talking about the system which would become a national standard if the bill is passed. Under S. 3239, producers would make a multi-year transition to enriched cages.

At JS West, we have installed two production houses with this system and have taken a flock through the complete laying cycle, with two more currently in production. We have an example to show our industry – and ourselves – how enriched cages can work. So if you want to know what the egg industry will look like if S. 3239 passes, you can watch our webcam at <u>www.jswest.com</u>, which lets anyone with access to the Internet look at our hens live and in real time.

The enriched colony system is not an experiment. These enclosures are the standard for caged egg production in the European Union. We are not making this up as we go along. However, not many of these systems are in place in the United States yet. So you might be interested in some of our results.

But first, what is an enriched colony system? It is larger than the conventional cage – in

our case, each colony contains 60 hens, and is "enriched" because each colony is furnished with a nest box, perches and scratch areas. Hens can express more of their natural behaviors. Of course, there is almost twice as much space per animal as in conventional cages.

Our results in this system have been encouraging. Hen mortality is lower – meaning that the small portion of each flock that dies during the production cycle is lower than other systems. Our egg production is somewhat better than in the conventional system. Hen feed consumption is a little greater, but we think this is because of higher activity levels and the use of feed in the scratch areas. The birds definitely use the enrichments.

S. 3239 wisely provides for a multi-year phase-in of enriched systems. There are undoubtedly incremental capital investment costs associated with moving to the new system. Having said that, manufacturers tell us that already, about 80% of new equipment being purchased is capable of conversion to enriched colony. That means that S. 3239 will not necessarily require most producers to make capital investments that they are not already planning to make, albeit at a somewhat higher level than before.

When you consider the cost of any investment you always consider what the returns will be, and what the alternatives are. If you think you can maintain the current conventionalcage system forever, there is a cost to enriched cages. But in California, we are pretty sure that is not the case. The future is not conventional cages. If we cannot gain a consensus in favor of the enriched colony system at densities that society agrees is acceptable, the future will lie with those egg producers with the highest density of hens per square foot and the cheapest possible approach to animal welfare in the state where no rules exist and no concern is given to society's standards on hen welfare.

By the way, in that vein, I urge you to examine the House version of the farm bill. There is an amendment which encourages the opposite approach to a national standard. If JS West has to produce to a certain safety or welfare standard, and everyone else in the country can sell at a lower standard in our market, this will constitute an economic death

sentence for us and similarly situated producers in Michigan, Oregon, Washington, Ohio, Arizona, and other states where there are such standards.

I am not here to criticize any particular production system or density level, but I am convinced that this colony system, and standards that support it, are the best compromise for the future of our industry. This system has higher production efficiency and better animal welfare than cage free or free range systems, and reflects the best minimum welfare standard for egg production going forward.

Our industry and I may disagree with the Humane Society of the United States in many areas, especially with certain tactics they endorse. I must say that I salute them for their willingness to be open to compromise on this issue. In supporting this legislation, HSUS recognizes that you can improve animal welfare within the context of an economically-sustainable cage production system, if it is designed right. And HSUS also recognizes that only a single, uniform national standard will allow producers in all states to compete fairly, and provide a sustainable future for their families.

What does make sense is a national production standard that is fair to everybody – that treats everyone the same and that reflects our country's ideas of fairness and humanity. That is what is required here. That is what S. 3239 provides. We urge you to support it.

Timed 6:00

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