



Champions Trophy

Case Competition 2012



Case 1: SPCA Blue Tick

1 February 2012

Case prepared by Ms Danielle Brooks under the supervision of Mr Sunny Gu. This case has been prepared solely for the Champions Trophy Case Competition. All data in this case has been obtained from publically available sources and SPCA Blue Tick. This case is not intended to serve as an endorsement, a source of primary data or an illustration of effective or ineffective management. Portions Copyright © 2012 The University of Auckland Business School. All rights reserved.



Phillipa Philanthropy

From: Phillipa Philanthropy
Sent: Wednesday 1st February 2012
To: SPCA Blue Tick Project Team
CC: Michelle Money; David Dollar; Peter Partner; Warren Wallstreet; John Jobs
Subject: SPCA Blue Tick Strategy Presentation

Good morning team,

It's time to jump into our first project for the week: the SPCA's Blue Tick Accreditation Scheme.

The Royal New Zealand Society for the Prevention of Cruelty to Animals (RNZSPCA or SPCA) is one of New Zealand's preeminent non-profit organisations, working to improve the welfare of all animals in New Zealand. Their National Accreditation and Marketing Manager, Juliette Banks, has approached us for advice in growing their Blue Tick accreditation scheme.

The SPCA Blue Tick is an accreditation scheme which certifies the products bearing its logo as being humanely farmed. There exists no legal definition of different farming techniques within New Zealand so the SPCA Blue Tick provides an independent verification to consumers that the product they are buying meets the SPCA's own defined codes of welfare.

The scheme has been in existence for more than ten years, however has only begun to gain the public awareness that it needs to grow in the last two. Juliette sees the scheme as being in start-up phase with strong growth potential.

The Blue Tick's number one goal is to improve the welfare of animals in New Zealand. It does this through developing high standards for humane farming, helping producers to achieve these standards, marketing this achievement to consumers, and working with the government to institute higher standards of animal welfare in the law.

The SPCA Blue Tick operates separately from the other programmes of the SPCA and does not have access to any of the funds raised through general SPCA donations. Its operations are funded through the royalties received from scheme members, however it is not completely financially independent and relies on the SPCA to subsidise its deficit.

Juliette, Robyn Kippenberger, SPCA National Chief Executive officer and Bob Kerridge, SPCA National Chairman, are looking forward to your presentation of the issues facing the SPCA Blue Tick accreditation scheme and your view of actions the scheme should take to further itself in its goals.

You will have ten minutes to make your presentation, which will be followed by a ten minute question and answer session to clarify any issues. Our research team has compiled some relevant information, which I have attached to this email.

Regards,

Phillipa Philanthropy,
SYG Consulting



Background



Royal New Zealand Society for the Prevention of Cruelty to Animals

About the RNZSPCA

The Royal New Zealand Society for the Prevention of Cruelty to Animals is a voluntary organisation which, through 48 branches and member societies across the country, provides help to animals and owners 24 hours a day, seven days a week.

Their mission is to advance the welfare of all animals in New Zealand by:

- Preventing cruelty to animals.
- Alleviating suffering of animals.
- Promoting their policies through education and advocacy.

The RNZSPCA is a registered charity that operates under the Animal Welfare Act 1999.

Funding

As a charity, the RNZSPCA receives two percent of its funding from the New Zealand Government, with this funding ear-marked for the inspectorate team who deal with the rural cases only. As a result, they rely almost entirely on the generosity of the public to carry out their life-saving work. The majority of income comes from donations, bequests and fundraising efforts.

Refer to the Appendices section for more information on the RNZSPCA's financials.

Organisational Structure

The Society operates at two levels - national and district.

At the national level, SPCA National Office:

- Coordinates the activities of the 48 SPCA branches and member societies across the country.
- Handles inspector training throughout the country.
- Coordinates the national empathy education programme, *One of the Family*.
- Arranges national fundraising promotions, such as *Cupcake Day for the SPCA*.
- Coordinates the SPCA's national free range pork and egg accreditation scheme (*SPCA Blue Tick Accreditation Scheme*).
- Represents the Society on government committees.
- Handles major prosecutions which have national implications.
- Promotes and handles all approaches to government for new and amended legislation relating to animal welfare.
- Liaises with overseas and international welfare groups.

At the district level, local SPCAs:

- Investigate and deal with complaints of cruelty and neglect.
- Uphold the laws relating to the treatment of animals and take prosecutions where necessary.
- Give sanctuary to animals in distress.
- Rehome suitable animals where possible.
- Ensure that animals which cannot be kept alive for whatever reason are humanely euthanised.
- Assist with public education.
- Promote responsible pet ownership.

SPCA Blue Tick Accreditation Scheme

About the Blue Tick

What is the SPCA Blue Tick?

The SPCA Blue Tick is a national accreditation scheme that identifies the animal food product it adorns as being produced in a manner that is guaranteed to be humane.

To earn the right to display the SPCA Blue Tick logo, producers must meet the SPCA's rigorous welfare standards and undergo thorough auditing on a regular basis by qualified and independent inspectors. The SPCA is the only independent body that audits animal welfare on the farm.

Which products are covered by the Tick?

Free range and barn laid eggs were first to be accredited under the scheme in 2001, and in 2009 free range and eco barn (free farmed) pork and pork products were added. In May 2011 standards were launched for free range poultry meat, however there are yet to be any accredited products. The SPCA are receptive to developing new standards in order to expand the certification across other product categories.

Products accepted for the Blue Tick scheme display the SPCA logo superimposed over a blue tick surrounded by the words Royal New Zealand SPCA Approved. Refer to the Appendices for a visual of the SPCA Blue Tick logo.

Operations

The SPCA Blue Tick scheme is run solely by Juliette Banks, National Accreditation and Marketing Manager, with support from Robyn Kippenberger, National Chief Executive Officer. It functions separately from the other SPCA programmes, and Robyn's involvement mainly relates to the media presence and government lobbying.

The marketing, operations and spot audits of farms are funded out of the royalties received from suppliers as part of the scheme. Fundraising done by the SPCA (eg, cupcake day) is not used to fund any SPCA Blue Tick activities. The scheme is not self-funding at this stage, and is supported by the SPCA where a shortfall exists. Grants are also a possibility in securing funding for activities, however frequently require a link back to the local community and/or local environment.

The scheme's activities cover three main areas:

1. Producer and certification management
2. Marketing
3. Government interaction

1. Producer and Certification Management

There are two levels of suppliers who are involved in the scheme: producers and distributors. Producers are involved in the primary production (ie, farming) of the product and distributors own and market the brand name. Within the scheme, the Blue Tick accreditation is held by the distributor rather than the producer. For the purposes of this case, producers and distributors are collectively referred to as producers.

See the Appendices for a list of producers that currently hold SPCA Blue Tick accreditation.

Why Join?

Advantages that producers enjoy by being SPCA Blue Tick certified:

a) The Brand

- Use of the SPCA Blue Tick branded logo.
- Affiliation with the SPCA brand and guarantee to the public of high animal welfare standards.
- The SPCA guarantee of no connection to inhumane production.
- The SPCA Blue Tick branding generates a premium on sales price.
- SPCA is the second most trusted charity brand in New Zealand.

Refer to the Appendices for further information around recognition and support for the SPCA brand in New Zealand.

b) The Promotion

- Participation at the New Zealand Food Shows (Auckland, Wellington and Christchurch), giving the producer's brand the opportunity to have direct contact with the public.
- Promotion via the website - Blue Tick has its own section and promotional page.
- Regular PR and marketing of the Blue Tick brand will mention the producer's brand as an accredited product.

How to Join

Joining Process:



The primary objective of the SPCA Blue Tick scheme is to improve the welfare of farm animals in New Zealand. As such, the scheme does not associate with any cage producers who use these operations in order to subsidise a barn or free range product offering.

2. Marketing

The SPCA Blue Tick programme currently markets itself through a limited number of different media:

a) Social media

Actively engaged on Facebook, Twitter and Google +. Refer to the Appendices section for a sample of posts from the Blue Tick's Facebook page.

b) Print advertising

The SPCA Blue Tick advertises in key food publications throughout New Zealand. Refer to the Appendices section for a sample.

c) Exhibitions at the New Zealand Food Show

The Food Show is New Zealand's annual premier culinary event, with shows held in Christchurch, Wellington, and Auckland attracting tens of thousands of visitors every year.

The Food Show is where everyone can come to taste and buy from a huge range of local and international foods, wines, beers, coffees, and much more. It also features live cooking demonstrations, the latest kitchen equipment and gadgetry and chef master classes.

The SPCA Blue Tick scheme has been exhibiting at the Food Show for five years, educating consumers on the welfare of animals, the Blue Tick and sampling accredited eggs, bacon and pork products to show goers. For photos from the New Zealand Food Show and 2012 show dates refer to the Appendices section.

d) Compassion in World Farming awards

In 2011 the SPCA Blue Tick and Compassion in World Farming partnered to present the inaugural Good Egg Awards in New Zealand. The awards recognise New Zealand businesses - and even supermarkets - that source and sell eggs from cage-free hens.

Awards categories were as follows:

- Retail sector
- Café sector
- Restaurant sector
- Farmer/producer sector
- Food manufacturer/service sector
- Takeaway restaurant sector

In 2012 the Blue Tick intends to present the Compassion in World Farming Good Farm Awards which will enable the SPCA to recognise businesses across multiple industries, potentially including eggs, dairy, chicken and pork.

Refer to the Appendices for photos from the 2011 Good Egg Awards

e) Public relations

In 2010 and 2011 the scheme contracted PEAD PR to raise the profile of the Blue Tick, professionally organising their events and initiating high-quality articles from food writers and other media. While there has been a strong return on investment generated by the PR activity, the SPCA Blue Tick has discontinued this relationship in 2012 due to financial considerations.

3. Government Interaction

The primary legislation relating to animals in New Zealand is The Animal Welfare Act 1999. It sets obligations for people who own or are in charge of animals, in order to meet the animal's physical, health and behavioural needs and to alleviate pain and distress.

However, the Act doesn't expand on these obligations; for example, it doesn't detail what constitutes an appropriate amount of food or water for any particular species. In addition, there is no legal definition of different farming methods within New Zealand (ie, free-farmed, free range).

In order to expand on the Act Codes of Welfare are produced for either a particular species, particular function, or for animals used in entertainment. Codes of Welfare are issued by the Minister for Agriculture. These play an important role in improving animal welfare standards in New Zealand, and establish best practices to ensure high standards of animal care. Importantly, codes also outline minimum standards for care and handling of animals.

Codes of Welfare must be reviewed at least every ten years.

The Act establishes a National Animal Welfare Advisory Committee (NAWAC) which exists to provide independent advice to the Minister of Agriculture on the welfare of animals in New Zealand; research needs; legislative proposals; codes of welfare and; traps and devices.

Most members of NAWAC are nominated by relevant organisations, but chosen on the basis of their expertise by the Minister of Agriculture. The RNZSPCA currently has a member on the committee: Jenny Prattley, RNZSPCA National Vice President.

NAWAC is in the process of re-drafting the Code for Animal Welfare - Layer Hens, which is expected to be passed in early 2012. The new Code proposes a phase out of the current battery cages allowing instead the use of "enriched" or colony cages, and is not supported by the RNZSPCA as voiced by National CEO Robyn Kippenberger.

"A cage is a cage is a cage. These proposed enriched or colony cages offer no significantly better conditions for hens than those they are currently enduring. As such, they are not acceptable." - Robyn Kippenberger, RNZSPCA National Chief Executive Officer

In December 2010, a new Code for Animal Welfare - Pigs came into effect which set limitations around the use of Sow Stalls and Farrowing Crates; banned the use of Sow Stalls from December 2015; and proposed for Farrowing Crates to be banned when a cost-effective alternative is developed - likely in the next five to ten years.

These changes arose following an expose of one farm's disturbing practices on current affairs programme Sunday. This prompted the high-profile resignation of celebrity pork industry frontman Mike King and resulted in widespread media coverage and public outrage, eventually resulting in the reforms.

Robyn Kippenberger is the main media and government face for the SPCA, however Juliette has been taking a more active role; particularly in the areas related to NAWAC Codes of Welfare, which are directly relevant to the SPCA Blue Tick scheme.

"New Zealand is a farming country. If the Government were to institute an outright and immediate ban we would see too much of a collapse in the industry, and we don't want that. We're real about these things and that's why we're not extreme in our decisions and in the way we communicate because we have to work very closely with the Government to make change happen." - Juliette Banks, RNZSPCA National Accreditation and Marketing Manager

Similar International Organisations

Freedom Food – United Kingdom

Freedom Food is the RSPCA UK's farm assurance and food labelling scheme. It is the only UK farm assurance scheme to focus solely on improving the welfare of farm animals reared for food. The RNZSPCA's Blue Tick is loosely based off the UK scheme, and Juliette is visiting Freedom Food in 2012 to review their business model.

The Freedom Food scheme has been running for 15 years and its standards cover eggs, turkey, chicken, duck, salmon, pork, beef and lamb. More than 1,000 products carrying the Freedom Food logo are sold in retailers and farm shops across the country. They have run high profile campaigns featuring Jamie Oliver and Hugh Fearnley-Whittingstall to help raise public awareness of Freedom Food.

Research by the Institute of Grocery Distribution (IGD) has found that over four in five (81 percent) meat shoppers are attracted by higher animal welfare standards and almost two thirds (63 percent) buy Freedom Food products because of its association with the RSPCA.

Extracts from the RSPCA's 2010 Annual Review

PLEDGE: To increase the proportion of farm animals reared under higher welfare systems in the UK.

In 2010 there was an increase in the production of free-range eggs to over 50 percent of the British flock, and an increase of higher welfare chickens to 21 percent of the market, up from 20 percent in 2009, despite the challenging economic conditions. The production of Freedom Farm ducks also increased by five percent and further work will focus on this issue in 2011 following a grant from the Tubney Charitable Trust for this work. Although the production of Freedom Food beef, dairy cattle and sheep did not increase measurably, the continued robust sales and production in the chicken, egg (up by 10 percent), turkey (up by 13 percent), duck and pig (up by nine percent) sectors all meant that the pledge remained on target. The Think Pig campaign was run to encourage people to change their consumer buying habits to higher welfare pig meat following the successful agreement with the pig industry on new labelling terms that could be used on all pig meat and so end the confusion of terms such as "outdoor reared" and "outdoor bred". The RSPCA is also part of a collaborative project with other groups to develop a Europe-wide system of animal labelling for pig meat and chicken.

Consolidated statement of financial activities

Year ended 31 December 2010

	TOTALS 2010 (£'000)	TOTALS 2009 (£'000)
Income from Freedom Food	1,664	1,167
Expenditure by Freedom Food	2,684	2,788

Recent food and grocery commitments to Freedom Food

Freedom Food has also done considerable work with retailers in the UK:

- Tesco's gravadlax smoked salmon and fresh salmon fillets bearing the Freedom Food label are now stocked in 200 stores nationwide.
- At the beginning of 2008, Sainsbury's committed to launching a new range of chicken produced to higher welfare standards. In August 2008 it met this promise with the launch of its new range of Freedom Food endorsed chicken.
- Waitrose said that sales of its Select Farm chicken - which is reared in conditions which exceed the industry's standards - have increased by 15 per cent since the campaign and are still increasing. Its 'free range' chicken sales have increased by 22 per cent and its organic sales have increased by 39 per cent.
- Asda said it had increased its stock of 'free range' chicken by 50 per cent by the end of September 2008. It also now stocks 50 per cent more organic chicken and a Freedom Food corn-fed line.
- Somerfield said that since the campaign sales of 'free range' poultry have increased by 50 per cent and sales of higher welfare fresh poultry have increased by 40 per cent. The retailer said sales of higher welfare and 'free range' poultry increased from five per cent of total fresh poultry sales in January to 14 or 15 per cent by December 2008.
- All fresh eggs sold in Sainsbury's are 100 per cent British and have been cage-free since 2009. By 2012 any eggs used as an ingredient in Sainsbury's own brand food will be from cage-free hens. Additionally, all of Sainsbury's own label free range and organic eggs are sourced from UK Woodland farms, specially selected for their commitment to raising hens in a more natural environment.



Selected Press Releases



SPCA tries again on hen welfare, with egg accreditation scheme

October 1999, Royal Society

The animal welfare lobby, which unsuccessfully sought a national referendum on battery hens, is taking another peck at the issue.

The Royal Society for the Prevention of Cruelty to Animals (RSPCA) has started an accreditation system to distinguish eggs produced by hens kept in a barn system.

The accreditation label will help consumers avoid eggs produced by hens in battery cages – which the society claims constitutes “cruel, inhumane conditions”.

About 2.5 million battery hens produce more than 90 percent of eggs for commercial sale. With three to five birds per cage, each bird had a floor space slightly smaller than the size of a telephone book, RSPCA says.

The main alternatives were free-range farming, or barn systems in which the birds are free to roam within a confined space.

RSPCA chief executive Peter Blomkamp said today the accreditation scheme was a positive step forward for the egg industry and consumers.

“The caged method of housing layer hens is appalling and must be phased out,” he said. “Our accreditation scheme aims to increase consumer awareness and give the public the opportunity to show a demand for more welfare friendly produce.

“They can do this by buying RSPCA-accredited barn eggs,” said Mr Blomkamp.

“We hope the New Zealand public and other supermarket chains get behind the scheme and show caged egg producers it is viable to change to this method”.

A second accreditation scheme for free range eggs would be launched in six months to ensure high quality husbandry techniques, he said.

SPCA Blue Tick for Free Range Chicken

May 2010, RNZSPCA

Is your chicken truly free range – and what exactly does that mean?

Consumers will soon be able to buy chicken meat that carries the SPCA Blue Tick of accreditation – signifying that the farming methods are in line with the specific welfare standards prescribed by the society.

The SPCA’s Blue Tick programme is the only independently audited animal welfare standard in New Zealand and identifies animal products produced in a manner that is guaranteed to be humane.

With the only definition of ‘free range’ in New Zealand available in the NAWAC code of welfare, the SPCA feels it is important to provide consumers with a simple, universal and recognisable method of identifying free range chicken.

Chicken is the most popular meat protein in New Zealand and, increasingly, consumers are seeking free range products. Industry statistics show that sales of free range chicken rose more than 220 per cent during 2009 and 2010 with free range chicken now making up around five per cent of total chicken sales.

SPCA CEO Robyn Kippenberger says New Zealand poultry producers are finally producing what consumers have been demanding for years. “However identifying which chicken is genuinely farmed free range is still an issue for consumers. The Blue Tick gives them transparency and a guarantee when purchasing animal food products. The chicken products that are soon to carry the Tick will be widely sought out by shoppers seeking humanely produced foods.”

The Blue Tick Free Range poultry standards give chickens more room to move around and guaranteed access to food, shade and shelter outside.

Ms Kippenberger says this promotes activity as the birds are naturally docile. Exercise promotes healthy muscle growth and increases overall health and wellbeing of the chicken.

The code also specifies that antibiotics are prohibited except in case of illness and growth enhancers can't be used under any circumstances – points of difference for the New Zealand standards compared to other countries.

Ms Kippenberger says the momentum in favour of free range poultry is increasing.

“With the success of the Blue Tick logo identifying humanely farmed eggs and pork products I'm confident this is yet another significant milestone for free range advocates.”

“This is a key step in improving the lives of the birds and we're very proud to finally announce the standards. Every single day matters when it comes to animal cruelty and the 84 million New Zealand chicken meat birds that this code applies to would be much better off if all producers adopted it.”

RNZSPCA: proposed hen codes unacceptable

February 2011, Foodworks

The RNZSPCA does not support the draft Code for Animal Welfare - Layer Hens released yesterday by the Ministry of Agriculture and Forestry (MAF).

The code, developed by the National Animal Welfare Advisory Committee (NAWAC), proposes a phase out of battery cages allowing instead the use of 'enriched' cages.

A cage is a cage is a cage. These proposed enriched or colony cages offer no significantly better conditions for hens than those they are currently enduring. As such, they are not acceptable,” says Robyn Kippenberger.

A dispensation on economic grounds was given to egg producers in New Zealand through the original Layer Hen Code of Welfare in 2005 as, under the 1999 Animal Welfare Act, keeping animals in conditions where they cannot exhibit their instinctive behavior is deemed inhumane.

New Zealand's move toward cage-free production follows the EU initiative to phase out battery cages from 2012. The proposals for so called 'enriched' cages puts us 20 years behind our EU counterparts and it brings a whole new level of 'economic' dispensations. Once these units have been installed, industry will ask for a further 20 years to phase them out.

Cage free egg producers affiliated with the SPCA Blue Tick programme are already successfully using barn and free-range methods, proving there is insufficient economic reason for delaying the ban on the use of these cruel caging systems.

Consumers vote with their wallets by choosing SPCA Blue Tick products when shopping for their eggs around the country. The demand for cage-free eggs is increasing and industry is already responding to that change.

It is disingenuous of NAWAC to further bolster the supply of cage bird eggs for the foreseeable future. We call on consumers to write to government to express their wish to see this inhumane farming practice cease altogether.

Celebrity Chefs Supporting SPCA Blue Tick at Auckland Food Show

July 2011, Scoop News

A number of celebrity chefs have lent their support to the SPCA Blue Tick, the Royal New Zealand SPCA's humane farming brand.

The SPCA Blue Tick will be exhibiting at this weekend's highly anticipated Auckland Food Show, Thursday 28 – Sunday 31 July. This is the brand's fifth year exhibiting at the Show, and it has been fortunate enough to be joined this year by some of the biggest names in the New Zealand food industry. Ray McVinnie and MasterChef winner Nadia Lim will spend some time at the SPCA Blue Tick stand during the Show, helping to showcase Blue Tick products in simple recipes that the public will be able to sample.

Chefs Julie Le Clerc, Annabelle White, Simon Holst, Alison Holst, Richard Till and Lauraine Jacobs will also be using SPCA Blue Tick products in their cooking demonstrations in the Electrolux Cooking Theatre at the Show.

The SPCA expects to receive a warm welcome from Aucklanders visiting this weekend's Show, and is excited about the prospect of educating more consumers on the how the welfare of farmed animals benefits when they choose the Blue Tick in their weekly shop.

"We are delighted at the support the SPCA Blue Tick is receiving this year from celebrity chefs. This confirms the popularity of humane farming in the food industry and is a reflection of growing consumer demands," says Royal New Zealand SPCA National Accreditation and Marketing Manager, Juliette Banks.

"With the growth of the Blue Tick scheme we are able to fulfill our key objective – getting more animals out of cages," adds Ms Banks.

Good Eggs Celebrated

August 2011, Food News

The question of who are the good eggs of the food industry has been cracked – and there are 38 of them. And of those 38, six have been recognised as outstanding in the sectors in which they operate.

The Royal New Zealand SPCA Blue Tick and Compassion in World Farming have partnered to present the inaugural Good Egg Awards in New Zealand.

The awards recognise food industry businesses that support animal welfare and act in sustainable and responsible ways by sourcing cage-free eggs throughout the supply chain. More than 180,000 New Zealand layer hens are set to benefit this year as a result of the Good Egg Award winners policies to date.

The awards were presented by celebrity chef, Peter Gordon and judged by Robyn Kippenberger, national CEO of the Royal New Zealand SPCA and Katy Read from Compassion in World Farming.

Kippenberger says the awards have been a great success with a record number of entries. "It's plain to see that there are many, many New Zealand businesses cottoning on to the benefits of tapping in to the concerns felt by consumers about cage farming and the maltreatment of food-producing animals.

"An example is the Traill Group of McDonald's stores based in the South Island– they use 1.9 million free-range eggs each year but charge no more. They rely on consumer education and improved taste to add value to increase turnover and the reputation of their McDonald's brand."

The Library Café and Function Venue was acknowledged not only for its on-going commitment to educating customers but also for its support of a local developing egg producer.

“They focus on educating customers through information but most importantly taste. For many people the first time they get won over by free-range eggs is the taste and small cafés such as The Library can make a big difference in spreading the message. And at 4,000 eggs a month that’s a lot of tasty eggs,” Kippenberger maintains.

The Good Egg Awards are open to food industry organisations and farmers based in New Zealand sourcing and producing eggs only from cage-free hens. Producers, bakeries, cafés, restaurants, caterers or manufacturing businesses that improve the lives of layer hens raised in the supply chain may enter.

“We are extremely proud to be able to extend our SPCA Blue Tick programme by introducing the Good Egg Awards project to New Zealand business,” says Kippenberger.

“The awards go a long way to extending the reach of the SPCA Blue Tick programme into the commercial arena. We believe consumers are very much aware of the need to protect the welfare of hens and that producers and retailers will benefit from the focus on humane farming.”

“Consumers have told us they want the Blue Tick as they can trust the SPCA brand,” says Royal New Zealand SPCA national accreditation and marketing manager, Juliette Banks. “We are being asked to expand it into restaurants, cafés and manufactured goods. This is of great interest to us at the SPCA because the manufacturing and hospitality industries use significantly more eggs and thus free many more hens from cages.”

Sow stalls to be banned by 2015

January 2012, Radio New Zealand

The use of sow stalls on New Zealand pig farms is to be banned by the end of 2015, Agriculture Minister David Carter has announced.

The changes are included in the Animal Welfare Code (Pigs) Code of Welfare 2010, which comes into effect on Friday.

By December 2012, pregnant sows will only be able to be kept in the stalls for four weeks after mating and they will be banned altogether by December 2015.

The pork industry predicts the phase-out will cost at least \$20 million to implement.

Animal welfare groups have called for sow stalls to be banned because of the extremely cramped conditions imposed on pigs.

Mr Carter says the reality is there is increasing opposition worldwide to highly intensive pig farming and New Zealand has an opportunity to play a leading role in banning sow stalls.

He says a five-year time frame will give farmers time to change their practices and train staff accordingly.

The Animal Welfare Advisory Committee received 18,000 submissions on the issue and Mr Carter says is clear consumers are concerned about how pigs are farmed.

“There is now an opportunity for the industry to positively present itself with one of the highest welfare codes in the world and to signal that to New Zealand consumers of pork.”

Mr Carter says while farrowing crates can still be used when sows have piglets, these too will be phased out eventually.



Appendices



SPCA Blue Tick Accredited Products

Blue Tick Accredited Eggs

- Henergy Cage Free
- Benniks Barn Eggs
- Sunset Free Range Poultry
- Kirkfield Family Farm



Benniks Barn Eggs

Blue Tick Accredited Pork

- Freedom Farms
- Harmony Foods

Overview of Different Egg Farming Techniques

Over 400 million eggs are sold in supermarkets each year. Most (82 percent) come from hens housed in battery cages. But sales of free-range brands are growing rapidly, leaping 30 percent in the last 12 months.

Free-range eggs command a premium. A dozen “cage” eggs cost just over \$3; a dozen free-range will set you back closer to \$7, sometimes more. What you're getting for your money, however, may not be as free range as you think.

Figures published in a report commissioned by the Ministry of Agriculture and Forestry (MAF) indicate the majority of free-range eggs come from industrial-scale operations which farm over 10,000 hens. Chook sheds at these farms can average over 400m² with the largest twice that size.

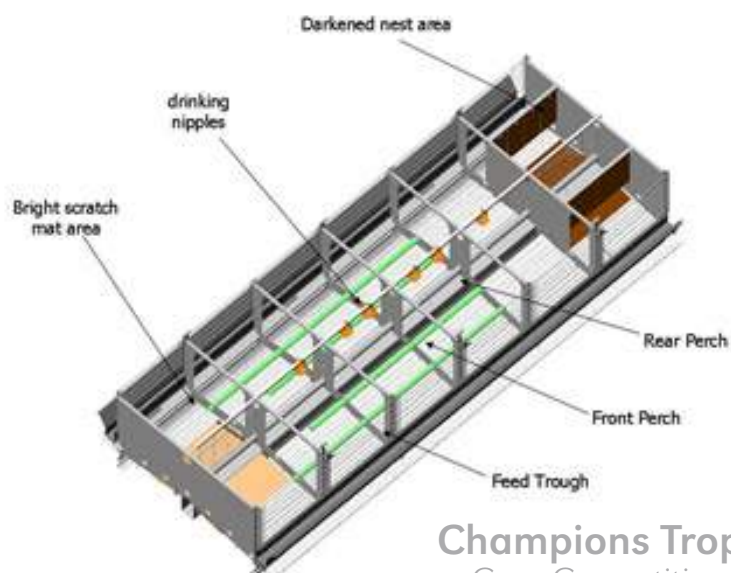
Conventional Caged Production Systems

Cages are the most common method of egg production. Keeping hens in conventional cages enables eggs to be produced on a large scale, however NAWAC and the Egg Industry concede that cages prevent the birds from displaying many of their natural behaviours.

New Enriched Colony Cage System

The colony system provides birds with additional space compared to conventional cages. It also provides areas for perching, laying and scratching so they can engage in natural behaviours. This also includes standing erect and extending their wings. The ability for hens to demonstrate natural behaviour is the key difference between conventional cages and free range or barn raised flocks, and now colony systems.

The diagram below shows the layout of an enriched colony cage. The colony portrayed in the diagram is 3618 mm long, 1250 mm wide and 450-525 mm deep



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Case Competition 2011

Other Production Systems

About 18 percent of New Zealand eggs are produced in non-cage or alternative systems. These include barn and free range systems.

Barn Egg Production

Barn raised eggs come from hens that are housed in large indoor barns where they are free to roam and express their instinctive behaviour. They are able to perch to avoid danger, dust-bathe to clean their feathers, nest to lay eggs and socialise with other hens. Feed and water stations are placed throughout the shed. Hens do not have access to an outdoor area under a barn system.

Free Range Egg Production

Free range eggs come from hens that are free during the day to range outdoors where they have plenty of room to forage, dust-bathe, stretch and flap their wings, and perform their natural behaviours. They have an indoor area in which to shelter, feed and roost at night, and nesting boxes in which to lay their eggs in privacy. They are kept in small flocks.

SYSTEM	AVERAGE NUMBER OF HENS	AVERAGE SHED SIZE (M ²)
Barn	18,740	463
Large free-range	11,120	419
Small free-range	1338	49
Organic	3200	113

Extracts from the SPCA's Financial Statements to the Year Ended 31 December 2010

From the RNZSPCA Annual Report 2010

Statement of Financial Performance					
	NOTES	GENERAL	RESTRICTED	2010	2009
Income					
Voluntary Income (Grants, MAF, Bequests)	1	1,317,920	362,522	1,680,442	1,153,204
Fundraising and Sponsorship		413,734	326,397	740,131	927,196
Merchandising Income		31,762	-	31,762	29,577
Accreditation Programme		-	178,933	178,933	164,396
Investment Income		24,243	-	24,243	66,071
Branch Support	2	11,381	790,762	802,143	262,212
Sundry Income		11,625	775	12,400	13,475
Education	3	5,470	169,361	174,831	159,366
Total Income		1,816,135	1,828,750	3,644,885	2,775,497
Expenditure					
Charitable Activities	6	735,687	689,694	1,425,381	1,092,493
Fundraising		245,131	-	245,131	282,790
Merchandising		42,842	-	42,842	29,528
Accreditation Programme		43,793	178,933	222,726	168,960
Advocacy and Representation		239,158	-	239,158	258,125
Branch Distributions and Support	7	321,695	790,762	1,112,457	502,178
Education	8	312,412	169,361	481,773	454,182
Total Expenditure		1,940,718	1,828,750	3,769,468	2,788,257
Net Deficit		(124,583)	-	(124,583)	(12,760)

Income is split between general and restricted on the Statement of Financial Performance. Restricted income is income that is granted or donated to the RNZSPCA for a specific purpose. Monies not utilised in the current year are carried on balance sheet until the terms of the donation or grant are met.

1. Voluntary Income

	NOTES	2010	2009
Donations		7,077	22,164
Legacies and Bequests	5	1,317,919	634,956
Grants	4	22,291	78,283
MAF Unitec Funding		45,154	20,505
MAF Farm Welfare Funding		288,000	397,295
		1,680,441	1,153,204

4. Restricted Income

			\$
<i>Grants were received from the listed benefactors for the following uses:</i>			
The Ruth Petty Trust	Saving Lives		10,000
Sir John Logan Campbell Residuary Estate	One of the Family		5,000
Sky City Hamilton Community Trust	One of the Family		11,896
Charitable Trust Gift (Rec'd 2009 for 2010)	Office equipment and inspectorate		16,766
The Oxford Sports Trust	Computer for inspectorate		1,628
Eureka Trust	One of the Family		2,000
The Ruth Petty Trust	One of the Family		5,977
TTCF (Portage Trust)	Storeroom shelving and office equipment		3,897
<i>Received for 2011:</i>			
The Oxford Sports Trust	Laptop for accountant		2,941
Sky City Community Trust	One of the Family		3,000
Sir John Logan Campbell Residuary Estate	One of the Family		5,000

Selected posts from the SPCA Blue Tick's Facebook page

The page has 1,458 followers as at 8 January 2012.



SPCA Blue Tick

How was everyones Christmas ... did anyone enjoy an SPCA Blue Tick approved ham this year?? We did and the whole family thought it was delicious and felt good for choosing a humanely farmed piggie.

Like · Comment · Share · 28 December 2011 at 11:25 · 🌐



SPCA Blue Tick

the spca blue tick is a non-profit certification scheme & our number one objective is to improve the welfare of the farm animals in nz

📱 Like · Comment · Share · 21 December 2011 at 22:22 via Mobile · 🌐



SPCA Blue Tick

Did you know we also (as well as pork, bacon and ham) certify sausages, salami and prosciutto? Yip freedom farms have all sorts of happy products! And your know they are from happy pigs because they have our Blue Tick on them :-)

Like · Comment · Share · 21 December 2011 at 15:13 · 🌐



SPCA Blue Tick

To date no free-range meat chicken farmers have joined the Blue Tick scheme since we launced the standards in May 2011 ... we believe they need to improve their welfare, so do they think consumers don't care?!? you can help by asking your supermarket for Blue Tick chicken ... or go direct to the chicken companies in NZ.



SPCA Blue Tick - your humane farming guarantee

rnzspca.org.nz

Welcome to the official website for the Royal New Zealand Society for the Prevention of Cruelty to Animals.

📱 Like · Comment · Share · 19 December 2011 at 09:56 · 🌐



SPCA Blue Tick

one of the staff asked me if i dream about blue ticks ;) obsessive or just passionate for the cause?!? what do you think ...

📱 Like · Comment · Share · 15 December 2011 at 18:28 via Mobile · 🌐



SPCA Blue Tick

There are approximately 3.3 million layer hens in NZ. The majority live in cages!!! We have 134,000 hens in the SPCA Blue Tick scheme ... with your help we can grow those numbers and get more of them out of cages. How? By purchasing only eggs with the SPCA Blue Tick on them. Look for them in your local supermarket. Thank you New Zealand :)

Like · Comment · Share · 7 December 2011 at 10:15 · 🌐



SPCA Blue Tick

No one has legally defined any farming method in NZ (ie; free-farmed, free-range) so we need to ask HOW our animals are farmed. The SPCA Blue Tick does that for you! How? We defined our farming methods, listed them on our website and guarantee there are NO cages ... all the animals in our scheme get to express their natural behaviours. We guarantee they are all happy!

Like · Comment · Share · 7 December 2011 at 10:08 · 🌐



SPCA Blue Tick

The SPCA Blue Tick offers a solution to all the horrible stuff you see on TV!!! Please help support our important work in this area by donating in the drop down donor box to the SPCA Blue Tick Accreditation Scheme. And lets keep getting more animals out of cages!



Make a Donation

rnzspca.org.nz

Welcome to the official website for the Royal New Zealand Society for the Prevention of Cruelty to Animals.

📱 Like · Comment · Share · 29 November 2011 at 09:57 · 🌐



SPCA Blue Tick

The RNZSPCA work to advance the welfare of all animals in NZ by preventing cruelty, alleviating suffering, and promoting our policies through education & advocacy.

Like · Comment · Share · 9 November 2011 at 16:37 · 🌐

The New Zealand Food Show

The Food Show Wellington 2012

11 – 13 May
Westpac Stadium

The Food Show Auckland 2012

2 – 5 August
ASB Showgrounds

The Food Show Christchurch 2012

14 – 16 September
CBS Canterbury Arena



Masterchef New Zealand winner Nadia Lim and RNZSPCA Chairman Bob Kerridge at the Auckland Food Show.



SPCA National Accreditation and Marketing Manager Juliette Banks and Masterchef New Zealand judge Ray McVinnie at the Auckland Food Show.



SPCA Blue Tick Accredited products on display at the New Zealand Food Show.

Champions Trophy
Case Competition 2012



What does the Blue Tick say?
To ethical farmers, it says pride.
To other farmers, it says change.
To us, it says humane treatment.
To animals, it says a better life.
To you, it says trust.



Every food producer that carries the tick is audited by the SPCA. It gives you the peace of mind that your food was produced without cruelty, and that the company has exceeded our strict ethical standards all round. If you care about the welfare of animals, please choose the brands that also care.

Look out for the tick. Find out more at www.sPCA.co.nz

Benniks Barn Eggs | Sunset Freerange Poultry

Freedom Farms | Kirkfield Family Farm

Henergy Cage Free Eggs | Harmony



SPCA Blue Tick Consumer Brochure



Look for the
SPCA Tick



Your Guarantee
Cruelty Free

www.rnzspca.org.nz

AUTHORISED BY ROYAL NEW ZEALAND SPCA,
PO BOX 15349, NEW LYNN, AUCKLAND.
DONATIONS WELCOME.



If you enjoy pork,
bacon or eggs, there's
something you should
know about the
conditions in which pigs
and chickens are kept.

*What you are about to read you
may find truly hard to digest.
Yet it's happening in New Zealand
right now.*

Factory farmed pork and bacon

The neatly packaged factory farmed pork and bacon that ends up in your fridge starts off somewhere very different. A pregnant pig lives in a cruel device called a dry sow stall. It's a cage about the size of a large family fridge. She's constrained here during all or part of her 16-week pregnancy. She can't walk, or turn around. In her frustration, she'll bite the metal bars that hold her captive. Her conditions are so severe they can lead to abnormal behaviour and leg weakness.

*It's tragic. Yet thousands of
sows in New Zealand suffer
these appalling conditions.*



Caged bird eggs

Eggs can have a similar hidden history. Caged hens live their cramped lives in a wire cage around the size of the freezer compartment in a large family fridge. Think of a floor space little more than an A4 sheet of paper per bird. The hen can't walk, stretch her wings, peck or scratch the ground. She may also suffer feather loss. She'll be forced to lay her eggs in these horrific intensive conditions because of consumer demand for low priced eggs. In return, she'll never see the light of day, or know what it's like to be outdoors.

*All you get to see is the egg,
of course.*

There is something **YOU** can do

After years of SPCA campaigning on these important animal welfare issues, it's clear that the Government will not enforce a ban on these cruel factory farming practices.

The SPCA has only one hope left. And that's you.

The single most powerful thing you can do is boycott factory farmed products. You can also help us to convince the supermarkets not to sell these products – they will listen to you, the customer.

So add your voice now. Fill in this protest coupon and place it in your local supermarket's suggestion box. Or hand in your protest to Customer Services.

Or you can decide to do nothing.

Because if what you've just read doesn't open your eyes every time you look in your fridge, what will?



TO DONATE \$30 TO THIS
CAMPAIGN PHONE 0900 97772



To The Supermarket Manager

I wish to make it known that I am totally opposed to the use of layer hen cages and sow stalls in New Zealand.

I believe that these systems are cruel and unnecessary and have no place in a caring society.

I ask that you – as a major buyer of eggs, pork and bacon – listen to concerned customers and use your influence to effect change for these animals.

I ask you to stock humanely farmed eggs, pork and pork products and that you encourage producers to phase out caged bird eggs and sow stall pork.

I ask that you ensure that caged bird eggs are clearly labelled so that concerned consumers can avoid them.

Add your own message here:

I would appreciate being kept informed about the steps your company takes to address my concerns.

Name: _____

Address: _____

Signed: _____

AUTHORISED BY ROYAL NEW ZEALAND SPCA,
PO BOX 15349, NEW LYNN, AUCKLAND.
DONATIONS WELCOME.

Good Egg Awards 2011



From left to right: Juliette Banks, SPCA National Accreditation and Marketing Manager, Katy Read, Head of Food Business at Compassion in World Farming (UK), Robyn Kippenberger, SPCA National CEO.



Winners of the Café Sector Good Egg Award, Library Café and Function Venue.



Peter Gordon speaking about his support for animal welfare at the Good Egg Awards.



SPCA Blue Tick and Compassion in World Farming Good Egg Awards 2011.

What New Zealanders Really Think About Animal Welfare

Extracts from the report published by the Ministry of Agriculture and Fishery (MAF), March 2011

Definitions

Sceptics - who tend to view animals as production units.

Pragmatists - don't like to see animals mistreated, but when making purchase decisions or trade-offs put people and money first.

Idealists - consider animals to be as important as humans and feel that humans have a duty of care towards them.

Executive Summary

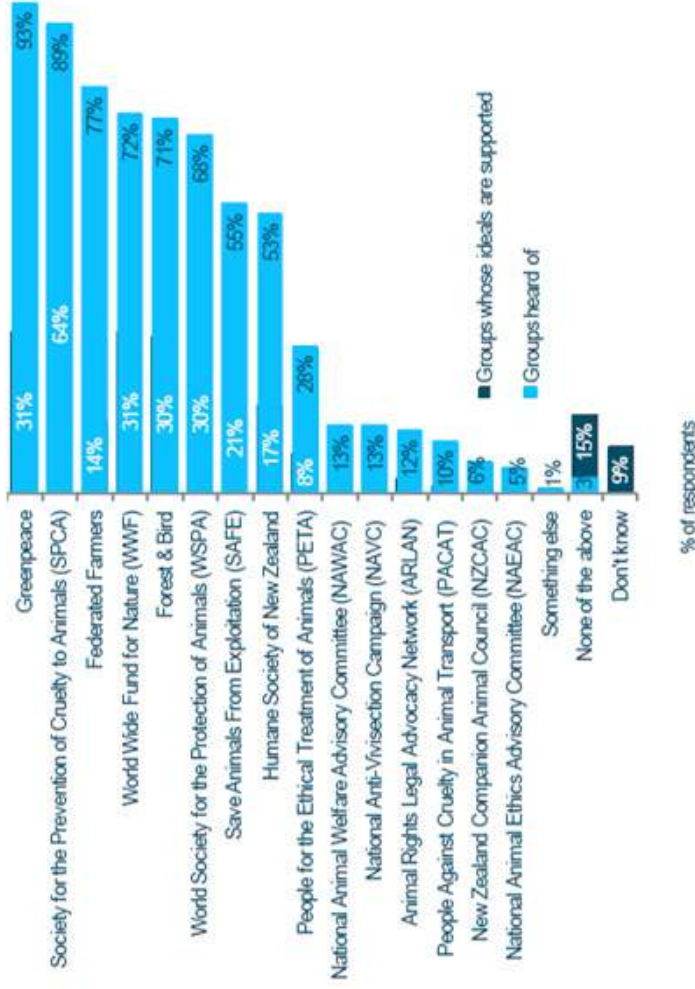
Most New Zealanders believe we have similar or better standards of animal welfare than the rest of the world. However, New Zealanders are still quite concerned about animal welfare, and believe it needs more importance and improved publicised standards.

Many consumers claim to be willing to pay extra for animal-friendly products, but most do not when actually shopping. The shopping process is generally focused on finding acceptable quality products at a reasonable price as fast as possible; animal welfare concerns are rarely considered (except amongst Idealists). The main reason given for not purchasing animal friendly products was price, but some shoppers struggled to identify animal-friendly products and would like more labelling.

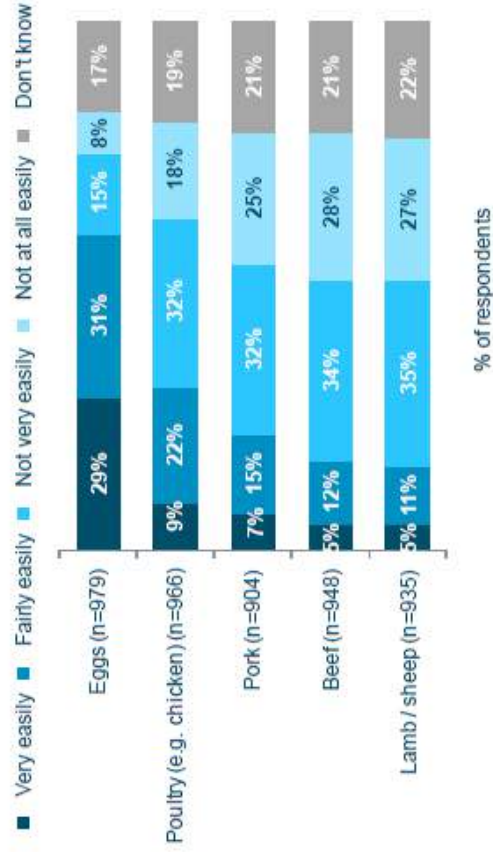
There was low awareness of animal protection laws – fewer than half know that animal welfare is legally protected. Animal protection agencies are most strongly associated with animal welfare protection in New Zealand and are the most trusted to set and enforce standards (with government backing).

Overall it seems that most New Zealanders will accept and approve of increases in animal welfare standards, as long as farmers are not undermined by cheaper alternatives when they have to cope with increased production costs to meet new standards, and when New Zealand's wider economy is not adversely affected. Improvement in standards is desired for pork, chicken and egg production. Beef, dairy and sheep systems are not seen by many New Zealanders as currently needing improvement.

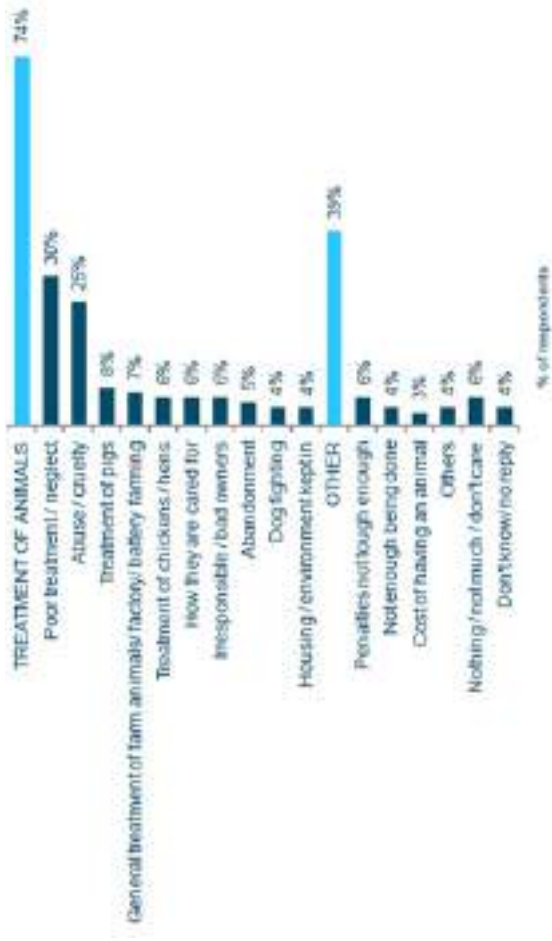
Environmental/Animal Groups Heard of and Ideals Supported



Ease of identifying products from animal-friendly systems

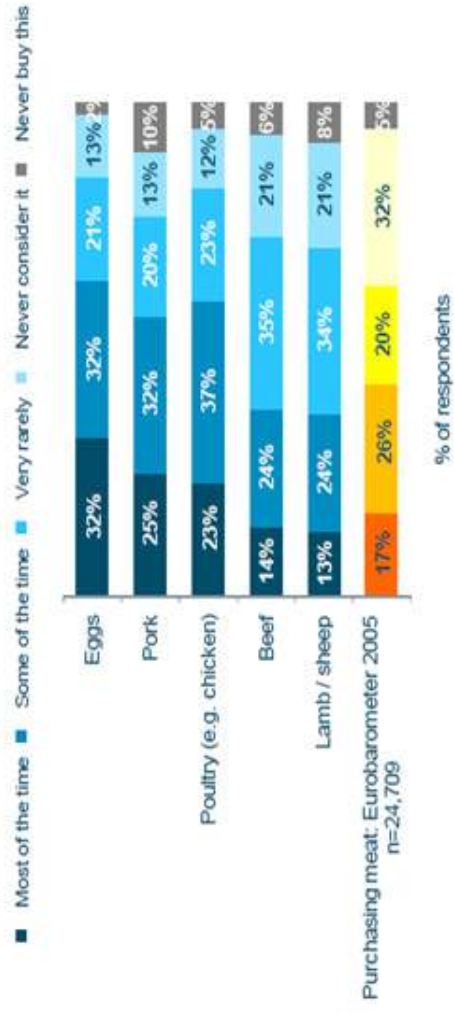


Biggest Animal Welfare Concerns

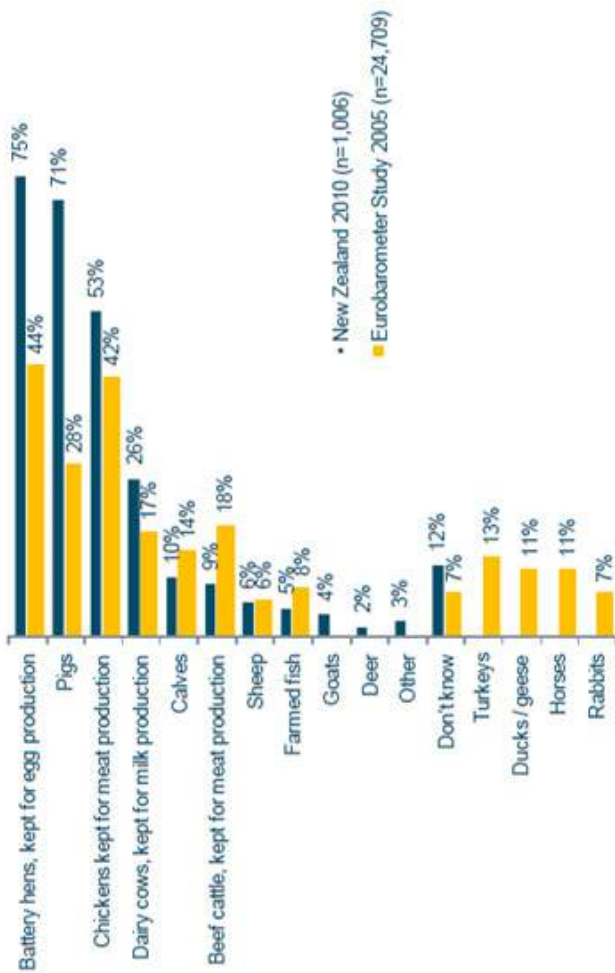


Shopping and Labelling

How often welfare is thought about while shopping

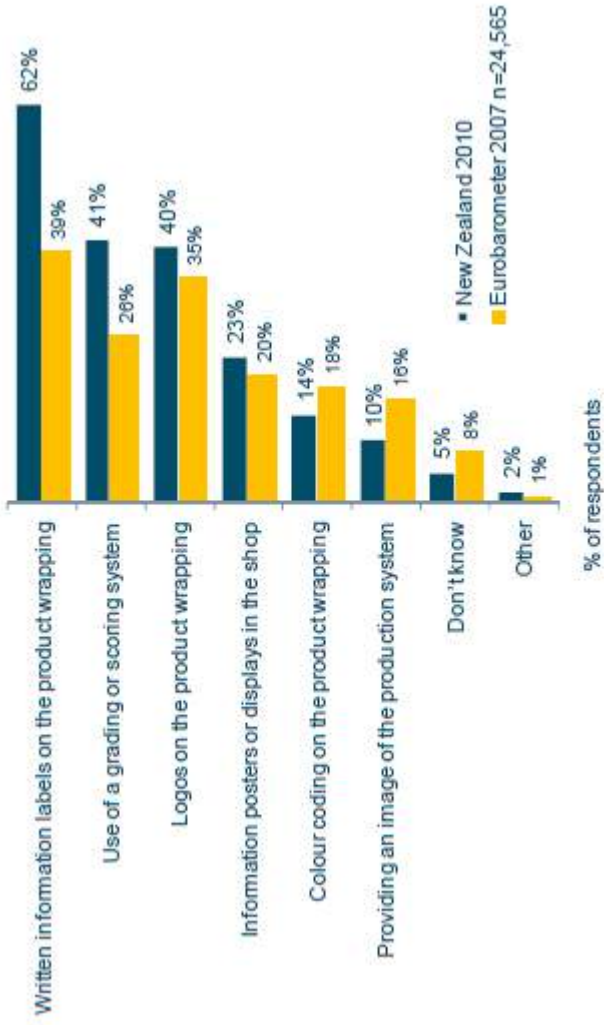


Farm animals whose current level of welfare and protection should be most improved



Note, those who have not said they support a group's ideals don't necessarily reject the work of that group - a lack of knowledge will prevent many from saying they support a group's ideals outright.

Preference for Finding out whether a Product is Animal-Friendly



Shopper Behaviour

Results indicate a desire among New Zealanders to purchase animal-friendly (high welfare) products and a willingness to pay extra for them. While this was the case for some participants in the second, qualitative stage of the study, others were more influenced in their purchasing decisions by factors such as price.

Key findings with regard to shopper behaviour revealed by the qualitative interviews (part 2 of the study) include:

a) Struggling with competing signals

Generally participants felt there were competing and potentially confusing signals at the supermarket. These are illustrated in the picture below. The size of the writing next to the picture reflects the perceived importance that participants placed on each factor.

b) Shopper priorities

As mentioned, for most people price is the single, most important, factor in the purchasing decision. This is reflected by the fact that “special offers”, i.e. additional price or value propositions, are ranked as the second most important factor. Freshness and other physical characteristics of the product follow, with factors such as “locally produced” and “organic” being ranked as least important in the purchasing decision.

c) Label problems

Pragmatists and Idealists both felt that it is not easy to make comparisons between food products on the basis of animal welfare – especially due to a lack of information on food labels and other signs on the packaging. Also, neither group is sure that they can trust labelling. Pragmatists appear to use this as means of justifying decisions not to buy on welfare grounds, while Idealists complain that the lack of clear and trusted welfare labelling is a genuine problem.

d) Speed-shopping

For Sceptics and Pragmatists, shopping is seen as a chore. It is something to be done as quickly as possible, with no time to linger and consider all of the issues at hand. Given that these groups make up 67 percent of the sample, and potentially 67 percent of shoppers, this finding has significant implications for how animal welfare messages are communicated in the retail environment. Reaching Idealists did not appear to be a problem, as they take the time to research animal welfare, both via labels and online.

e) Trust in local butcher

Some participants indicated that they shopped at a good butcher (trusted person) in order to ensure the source of the meat. However, this is done mainly to ensure product quality rather than animal welfare.

f) Animal welfare not considered

Perhaps the most surprising finding in relation to shopping behaviour was the fact that very few participants mentioned animal welfare as something they actively considered when shopping. This was despite participants knowing that animal welfare was the topic of the research. Although it is possible that this behaviour was due to the factors identified above, such as “label problems” and “speed shopping”, the qualitative interviews revealed that most participants have not thought about the subject in detail, ie, have only a very limited understanding of animal welfare and its associated issues. As mentioned above, the qualitative stage of the study found that Sceptics and some Pragmatists were more influenced in their purchasing decisions by factors such as price than animal welfare. This was in contrast to the findings of the quantitative survey, which suggested a willingness to pay extra for high-welfare products.



Situation and Outlook for New Zealand Agriculture and Forestry

June 2011, Ministry of Agriculture and Forestry

TABLE 1.2: GROSS AGRICULTURAL REVENUE AND EXPENDITURE, YEARS TO 31 MARCH 2008–2015

YEAR TO 31 MARCH	ESTIMATE				FORECAST			
	2008 (\$ MIL)	2009 (\$ MIL)	2010 (\$ MIL)	2011 (\$ MIL)	2012 (\$ MIL)	2013 (\$ MIL)	2014 (\$ MIL)	2015 (\$ MIL)
Dairy	10 140	6 384	7 904	9 515	10 157	10 958	11 921	13 174
Cattle	1 709	2 049	1 842	2 125	2 139	2 071	2 295	2 661
Sheepmeat	1 667	2 136	2 134	2 044	2 448	2 278	2 561	3 018
Wool	480	402	448	560	569	533	588	673
Deer	258	280	218	222	245	265	287	315
Poultry/eggs	163	178	204	213	214	216	218	220
Pigs	160	180	171	154	158	159	161	163
Other farming	253	216	217	229	253	240	268	313
Sales of live animals	735	735	806	851	938	891	994	1 162
Value of livestock change	154	29	70	10	8	-8	11	16
Fruit	1 750	2 117	1 942	1 913	1 983	2 116	2 381	2 618
Vegetables	963	918	985	1 063	1 089	1 131	1 182	1 232
Other horticulture	274	246	224	241	247	257	268	280
Crops and seeds	510	698	619	639	654	692	727	727
Agricultural services	2 974	3 752	3 864	4 087	4 309	4 531	4 754	4 976
Non-farm income	325	407	403	448	478	494	541	602
Total gross revenue	22 515	20 729	22 052	24 315	25 889	26 823	29 157	32 149
Intermediate consumption	11 808	11 546	11 337	12 712	13 505	13 916	14 859	16 198
Contribution to GDP¹	10 707	9 183	10 715	11 603	12 383	12 908	14 298	15 951
Wages	2 373	2 532	2 552	2 606	2 709	2 831	2 960	3 093
Depreciation	1 429	1 578	1 507	1 681	1 839	1 866	2 039	2 256
Net indirect taxes ²	564	624	586	713	762	795	883	987
Operating surplus	6 340	4 448	6 071	6 603	7 073	7 416	8 417	9 616
Interest paid	2 933	3 287	2 292	2 317	2 085	2 103	2 466	2 947
Interest received	286	319	210	213	182	206	230	247
Agriculture sector income	3 692	1 480	3 988	4 499	5 170	5 518	6 181	6 916

Notes

1. GDP – gross domestic product.
2. Net indirect taxes are indirect taxes less subsidies.

Sources Statistics New Zealand and MAF.