

Written evidence submitted by Open Cages (FFS0006)

# Open Cages evidence submission: Fairness in the food supply chain consultation

## About Open Cages

Open Cages is a UK-based animal welfare charity (registration number 1190484) founded in 2018. We work to improve farmed animal welfare through corporate engagement and raising awareness, with a current focus on broiler chicken welfare and the adoption of the [Better Chicken Commitment](#) (BCC). Along with our international colleagues, we have conducted hundreds of animal welfare-related meetings with retailers, food industry companies, and producers both in and outside the UK. Our efforts most recently contributed to the reduction of broiler chicken stocking density (30kg/m<sup>2</sup>) adopted by major retailers.

This response was prepared by a Campaigns & Business Relations Manager at Open Cages.

## Evidence of fairness issues in the food supply chain

Our discussions with broiler chicken suppliers and food companies highlight a critical dependency on retailers: the primary purchasers of chicken in the UK. Suppliers have many incentives to not meaningfully improve broiler welfare, as major retailers - their main customers - usually prioritise the lowest possible prices and are well placed to switch suppliers when costs rise too high. This creates a transactional "race to the bottom" that squeezes farmers' margins and stalls animal welfare improvements.

One key obstacle is contract length. Suppliers frequently report that companies optimise for short-term contracts, which discourage investment in higher welfare practices. Without long-term agreements or partnerships, suppliers risk being stuck with premium chickens which need to be sold, for example, on the wholesale market alongside standard chickens, resulting in a loss. Longer contracts would provide the financial security needed to enhance welfare standards. These changes cannot be implemented by suppliers alone: it takes the commitment and investment of a major retailer who wants to go down that road. This is the pattern we saw with the move to cage-free eggs, which was primarily driven by retailer commitments and investment.

Retailers have an understandable resistance to higher costs. However, intensive farming practices have reduced costs so much that there is now an illusory norm of extremely low prices. Chicken, once considered a luxury, has become incredibly cheap, creating a vicious cycle where the expectation of low prices drives the need to prioritise production costs over animal welfare to sustain that expectation. This creates a problem for farmers and for animal welfare; retailers are now (understandably) resistant to the higher costs necessary for meaningful improvements to animal welfare, stifling progress which could undo the harms caused by intensive practices which cause animal suffering.

KFC—though not a retailer—recently dropped its 2026 BCC deadline, claiming the industry is not ready. Yet, as a company that buys and sells millions of birds, KFC could drive change by paying the necessary premium for higher welfare birds. Without such investment from major buyers, suppliers have little incentive to offer meaningfully better conditions. Similarly, besides M&S and Waitrose, none of the major UK retailers have yet agreed to phase out the sale of fast-growing chickens, with the main obstacle being the higher costs associated with slower growing chickens. However, prices

for slower growing chickens will not fall until the larger players - like UK retailers and big food service players - invest in this type of higher welfare production and create economies of scale. This feeds a status quo wherein UK retailers stick to the most minimal and least costly improvements, while retailers in other countries such as [France](#), [Denmark](#), [Norway](#), [Germany](#), [Belgium](#), and the [Netherlands](#) are committing to more significant improvements - such as the adoption of slower growing broiler breeds. It is our experience that, while decision makers at major retailers may want to make more significant improvements to animal welfare, they feel unable to do so, due to the inventive structures and norms in the industry.

While general market competition contributes to these challenges, many of them are solvable. In several cases, retailers can absorb additional costs instead of passing them on to consumers, as seen with the broiler stocking density reductions. However, for costlier changes, such as slower-growing breeds, retailers face a false dichotomy: raise prices or continue with poor animal welfare practices. Stronger focus on retailers offering fair prices to suppliers who want to adopt higher welfare standards, incorporating welfare standards into contracts, and adopting longer agreements would promote meaningful reform by making it more feasible, less costly and less risky for suppliers.

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