



case 1-429-418 February 27, 2015

## Perdue Farms Inc.: Antibiotic Use in Hatcheries

Dr. Brady Smythe,<sup>i</sup> senior vice president of food safety, quality, and live operations at Perdue Farms Inc., was on his way to a meeting to discuss the use of antibiotics in Perdue's hatcheries with company executives, including Chairman Jim Perdue, the grandson of the company's founder.<sup>1</sup> Thinking about his role in food safety and quality oversight, Smythe felt the mounting pressure from health organizations and consumer groups to reduce antibiotic use in the company's chicken hatcheries;<sup>2</sup> however, previous attempts to do so had failed.<sup>3</sup> Perdue Farms had discussed reducing antibiotics in 2002, with a completed phase-out of growth-promotion antibiotics occurring in 2007.<sup>4</sup>

Despite this initiative, the company remained distant from its goal of completely eliminating antibiotic use from its hatcheries. Smythe was experienced in prescribing antibiotics to hatcheries and understood the effects on the birds and overall food safety. Having worked as both a poultry veterinarian and a health services director throughout his tenure with Perdue, Smythe was now responsible for managing the overall health of chickens and turkeys in all Perdue hatcheries. Included in his responsibilities was the design and oversight of drug programs that treated company animals for illnesses, which usually involved the practice of administering antibiotics.

Smythe pondered what to present to company executives. He considered there was a case to be made for eliminating antibiotic use in Perdue hatcheries, but was now the appropriate time to undertake such an endeavor? Eliminating antibiotic use could provide an added risk to Perdue's profitability due to its likely cost to the company. However, there may also be a marketing opportunity to advertise the elimination of antibiotics, which would benefit the company's public relations with many health organizations and consumer groups calling for reduced antibiotics. With this to think about, Smythe wondered if Jim Perdue would be receptive to such a change that could affect the quality of the food products Perdue sold. As Smythe prepared his talking points, he questioned what the responses from company executives might be.

i Dr. Brady Smythe is a pseudonym created to disguise the identity of the case protagonist.

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