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For Immediate Release

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Although no detections of highly pathogenic avian influenza have been recorded in the U.S. for more than seven weeks, the toll the virus has taken on the U.S. poultry and egg industry this year is staggering.

The impact of lost exports alone – the result of a flurry of AI-related trade restrictions imposed on imports U.S. poultry and egg products – reached nearly $390 million during the first half of 2015.

In precise terms, the combined value of U.S. poultry and egg exports for the first half fell by 14 percent from the same period last year to $2.4054 billion, a decline in value of $386.3 million, according to trade data compiled by the Foreign Agricultural Service.

This sharp drop in export value, one of the largest ever for a January through June span, is a graphic example of the economic effect this year’s multi-state outbreak of highly pathogenic avian influenza has had on the industry.

The good news is that some countries have begun lifting their import restrictions on poultry products originating in certain states, now that more than 90 days have passed since affected farms were cleaned and disinfected, as is recommended by the World Organization for Animal Health (OIE).

Hong Kong, in fact, just this week announced that it has lifted restrictions on 10 previously banned counties in the states of Arkansas, Washington, Oregon and California. Some U.S. trading partners have been slow to remove restrictions, however, including Mexico, the industry’s largest export market. Japan and Singapore have also recently removed restrictions.

While the HPAI virus is on somewhat of a hiatus during the warmer months of summer, the U.S. industry is bracing for its possible return this fall, as migratory birds – thought to be the primary vectors of the virus – head south for the winter. State and federal officials worry that wild birds will carry the virus into the Atlantic flyway that cuts through the heart of the main poultry-producing areas of the mid-Atlantic and Southeast.

Exporters, meanwhile, hope for the best after a disheartening first half of the year. Poultry meat exports for January through June plummeted by 9 percent to 1.84 million metric tons, while
value fell by 15 percent to $2.241 billion. The impact goes beyond exports, as more product on
the domestic market means lower prices that add to the losses.

Exports of poultry meat for the month of June were down 14 percent to 305,504 tons, while
value dipped by 25 percent to $348.8 million, compared to the same month a year earlier.

**Broilers** – Monthly broiler exports (excluding chicken paws) for June fell by 9 percent to
255,721 tons, and value slid by 23 percent to $262.5 million.

For the first half of the year, broiler exports dipped by 9 percent to 1.52 million tons as value fell
by 16 percent to $1.68 billion. Korea’s blanket ban on all U.S. product earlier this year because
of HPAI was a significant contributor to the decline.

Export volumes to key markets for January through June were mixed: Mexico, down 6 percent to
330,963 tons; Taiwan, up 52 percent to 106,274 tons; Canada, up 22 percent to 87,067 tons;
Hong Kong, up 49 percent to 79,519 tons; Cuba, 71,076 tons, up 1 percent; Angola, 67,420 tons,
down 29 percent; Iraq (including transshipments via Turkey), 55,976 tons, down 37 percent;
Guatemala, 48,803 tons, down 24 percent; Georgia, 46,402 tons, up 4 percent; and Vietnam,
45,298 tons, up 78 percent.

**Chicken paws** – June paw exports fell by 35.3 percent to 16,657 tons, while value was off by
44.4 percent to $20.9 million. Shipments to Hong Kong decreased by 22 percent to 15,442 tons.
Cumulative exports of paws for the first half declined by 21.6 percent to 110,315 tons as value
dropped 25.5 percent to $148.6 million.

**Turkeys** – June was not a good month for U.S. turkey exports, which fell by 40 percent to 18,945
tons and value dropped by 29 percent to $47.1 million, thanks largely to decreased shipments to
Mexico (down 45 percent).

Cumulative first-half turkey exports decreased by 21 percent to 106,786 tons, while value fell by
15 percent to $285.7 million.

The top five markets in the first half of Mexico, Canada, Hong Kong, Benin, and Japan
accounted for 77 percent of total first-half turkey export volume, with Mexico alone accounting
for 63 percent.

First-half turkey exports to Mexico were 79,597 tons, down 22 percent; Canada, 5,131 tons, up 2
percent; Hong Kong, 4,647 tons, up 64 percent; Benin, 3,830 tons, down 0.03 percent; and
Japan, 2,973 tons, down 25 percent.

**Table eggs** – June table egg export volume also took a hit, falling by 24 percent for the month to
9.97 million dozen. The export value of eggs actually increased slightly to $14.6 million,
however, because of higher market prices brought about by HPAI-induced domestic shortages.

Thanks in part to a strong first quarter, cumulative January-June table egg exports rose by 5
percent to 83.2 million dozen and value jumped by 16 percent to $101.14 million.
The top five markets of Canada, Mexico, Hong Kong, Bahamas, and Netherlands Antilles accounted for 95 percent of total exports for the period, and Mexico alone accounted for 40 percent.

**Processed egg products** – For egg products, June export value plummeted by 58 percent to $5.3 million. Export sales to Japan were $1.9 million, down 37 percent year over year, while export value to Mexico was $0.34 million, down 91 percent.

The cumulative first-half export value of egg products fell by 14 percent to $62.8 million. Export value to Japan decreased by 15 percent to $20.5 million, while exports to Mexico dipped by 5 percent to $17.7 million. Exports to the EU grew by 14 percent to $5.95 million, exports to Canada and Hong Kong decreased by 21 and 19 percent to $7.3 million and $1.7 million, respectively. Export sales to these top five markets totaled $53.11 million, accounting for 84.5 percent of total exports of U.S. egg products.

Total egg exports (table eggs plus egg products in shell egg equivalent units) for the first half were 145.13 million dozen, down 9 percent from the same period a year earlier, with an export value of $164 million, up 2 percent.

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