Remarks of

George Watts

Mississippi Poultry Association
75\textsuperscript{th} Anniversary Dinner

May 24, 2012
Good evening. Thank you for the warm welcome and for asking me to participate in this very special 75\textsuperscript{th} Anniversary celebration. Having been born 5 years too late for the original event, it’s great to be around for the not so instant replay.

Mark Leggett asked me to talk about the history of the poultry industry and put things in proper perspective this evening. Let me assure you; however, I will not use all the time available to me.

We are here this evening to celebrate a specific event -- the year 1937 when the Mississippi Poultry Improvement Association (now MPA) was formed. However, I see this evening as more than that. It’s about an industry that evolved from backyard flocks to a modern day miracle. It is about the individuals whose pioneer efforts established this industry and those who followed behind them to develop, expand, and improve it.

The Year 1937, which we celebrate, was interesting to say the least. It was a year when many historical events occurred.

The Air Ship Hindenburg exploded and burned while attempting to land in a storm in Lakehurst, NJ, on May 6, 1937, after a transatlantic flight from Germany.

One of the great unsolved mysteries of modern times occurred in 1937 with the disappearance of Amelia Earhart during her attempt to circumnavigate the globe.
And bearing out what we know from old wives tales that bad things always come in three’s, Jane Fonda was born on December 21st of that year.

All of that was offset, of course, by the birth of the Mississippi Poultry Improvement Association, the forerunner of MPA.

The average annual wages that year were $1,780. The cost of a gallon of gasoline was 10 cents. That was before the government put ethanol in your tank.

If you were not growing your own food, the real bargain in grocery stores was not poultry but red meat. A pound of hamburger sold for 12 cents at retail while the average farm price for broilers was over 21 cents a pound. Adjusting for inflation, the 1937 farm price of broilers in today’s dollars would be $3.42 a pound. And that’s at the farm gate.

No wonder chicken was described as the meat for Sunday dinner or special occasions in those days. Just a few hundred thousand broilers were produced in Mississippi that year, ranking Mississippi as the 29th largest broiler producing state behind such powerhouse producers as New Hampshire, Massachusetts, New York, and Washington.

The commercial broiler industry nationwide was not well
developed 75 years ago. There were quite a few so called “farm chickens,” but they weren’t raised, processed and marketed on a commercial basis.

What were Americans eating during the year the Mississippi poultry association was organized? Their favorite meat was “the other white meat.” Americans ate almost 52 pounds of pork per person. Beef trailed at 43 pounds, and chicken was well behind at 13 pounds. Commercial broilers accounted for only 1.1 of the 13 pounds.

Leap forward to 2012. We all know the meat of choice today is chicken – by far America’s favorite meat. Significantly, the diets of populations around the world have been shifting – from pork, beef, and lamb to chicken. And chicken from Mississippi and the USA helped satisfy that shifting world demand.

Remember the 1937 per capita consumption figure I cited for pork – almost 52 pounds? For this year – 2012 – USDA estimates per capita consumption of pork to be 46 pounds – 6 pounds less than 75 years ago. Beef consumption will be just 55 pounds. The good news is that each and every American will consume 80 pounds of ready-to-cook broiler products this year compared to 1.1 pounds in 1937. What a phenomenal success story, and one in which everyone in this room should take great pride.
What about the poultry industry in Mississippi? Cotton was king, and timber was next of importance 75 years ago. Poultry did not even move the needle. Today, the poultry industry is the largest income producing agricultural commodity in Mississippi. The State ranks 4th in the nation in broiler production, and 5 of the broiler companies doing business here in Mississippi rank in the top 10 broiler companies in the nation. Jackson is home of the largest producer and distributor of fresh eggs in the United States.

The people we honor tonight for establishing this industry and the people who followed and built this industry, have done a whole lot of things right over the years.

This is a good time to say that the success of the chicken industry in Mississippi and throughout the United States has depended on lots of people and groups working together. First, the integrated companies and the independent contract growers have worked together in a unique partnership. Researchers and educators at institutions such as Mississippi State have worked closely with the poultry industry as have those who represent allied industry to provide the products and services that kept this industry moving forward.

Certainly not to be overlooked is the favorable climate for
agriculture and commerce that exists here in the State of Mississippi – a climate created by local and state government officials and your representatives in Congress.

You begin to get the idea. J.C. Penney of retail fame once said, “Growth is never by mere chance; it is the result of forces working together.”

The broiler industry really started coming together in the decades of the 40s and 50s. World War II brought about meat rationing and in turn increased egg and chicken production and consumption. The segmented industry took a more rational approach with feed mills, hatcheries, and processing plants combining into integrated complexes. Economic uncertainty, cyclical markets, and unacceptable market risks at the farm level combined to bring about integration of the broiler industry.

Some of the same forces that brought about integration also brought about consolidation as time marched on.

When I joined the Council as president, a major part of my duties included serving as lobbyist for the chicken industry in Washington. As a result of the seniority system and long held committee chairmanships, the broiler industry at that time was represented by some of the most powerful Congressional
delegations in history. I thought my job would be a piece of cake until President Nixon froze wages and prices, including the wholesale price of chickens, but not input costs such as feed ingredients. Our costs increased dramatically while our wholesale price was frozen. That almost put us out of business.

Thank goodness for Senators Eastland and Stennis of Mississippi, Sparkman of Alabama, McClellan and Fulbright of Arkansas, Congressmen Jamie Whitten and Bill Colmer of Mississippi, Wilbur Mills of Arkansas, and many others. They saved our bacon.

And, of course it was a sight to see all of the people from industry who dropped everything to camp out in Washington to do battle – Joe Frank Sanderson Sr, Marshall Durbin, Jr., Don Tyson, Mac McCarty, Bo Pilgrim, to mention a few. If you could have seen Tam Etheridge arriving in Washington, you would have known for sure he had come to do battle. He would still be in his flight suit, having flown a Navy Jet to the nation’s capital on a Reserve training mission.

The chicken industry has always rolled out its top guns and artillery when threatened. Our response to the wage-price freeze was no exception.

Most of the poultry companies doing business in Mississippi today can trace their history back to the 30’s or 40’s. What they
have in common is a rather modest beginning, a good work ethic, and the spirit of an entrepreneur.

Sanderson Farms started in the 1940’s as a feed and farm supply business, and poultry production was added later.

The history of Koch Foods’ Mississippi operations can be traced back to the early 1930’s when B.C. Rogers, Sr. got his start.

Over in Arkansas, John Tyson started hauling hay, fruit and chickens for local farmers in 1931 and began selling live chickens outside Arkansas in the mid-30’s.

John Herman Hickman started what is now Peco Foods in Gordo, Alabama in 1935 by raising 75 white leghorn chicks and selling them door to door.

Marshall Durbin, Sr., began his business with a retail stand selling fish and chicken in Birmingham in 1932.

Wayne Farms may be able to claim more history than any other company since its parent was founded in Belgium in 1813.

It was a hard-working, no-nonsense generation of entrepreneurs that pioneered this industry. I had the privilege of knowing some of those first generation pioneers just as many of you did. Some of you, of course, are relatives and direct
descendants. These are the pioneers that laid the foundation for the modern broiler industry.

Most people who are making history are too busy working to realize they are making history. They have no way of knowing they are responsible for starting something big, REALLY BIG.

But that’s just what happened in Mississippi, Alabama, Arkansas, and throughout the poultry industry three-quarters of a century ago and earlier. Today, the industry is strong. Its future is bright. Its people are active and involved. That’s worthy of a celebration. It feels right to call the poultry industry family in Mississippi together this evening for a reunion.

Congratulations, and thank you for allowing me to be a part of the Mississippi poultry family for the past 40 years.