

A conversation with Nick Cooney, August 1, 2016

Participants

- Nick Cooney – Executive Vice President, Mercy for Animals
- Lewis Bollard – Program Officer, Farm Animal Welfare, Open Philanthropy Project

Note: These notes were compiled by the Open Philanthropy Project and give an overview of the major points made by Mr. Cooney.

Summary

The Open Philanthropy Project spoke with Nick Cooney of Mercy for Animals (MFA) as part of a grant update. Conversation topics included updates on MFA's cage-free advocacy work, including corporate outreach campaigns, investigations, staffing, and budget.

Corporate outreach campaigns

Prior to receiving an Open Philanthropy Project grant for its cage-free advocacy work, MFA had not done much corporate campaign work in this area. Previously, it had run one small cage-free campaign in 2015, and lent support to several campaigns led by The Humane League (THL). As a result of this grant, cage-free advocacy has become the primary focus of MFA's corporate outreach efforts in 2016.

U.S. campaigns

While most corporate outreach campaigns are joint efforts involving multiple organizations, MFA's U.S. office has been the main player in several campaigns in the first half of 2016. Its efforts have resulted in 100% cage-free commitments from a variety of grocers, including Albertsons, SUPERVALU, Jerry's Enterprises, Associated Food Stores, Rouses Supermarkets, PAQ Inc., and IGA. MFA also helped win a commitment from H-E-B and has supported a number of other successful grocery store campaigns, including THL's campaigns against Trader Joe's, Kroger, and Wakefern.

MFA has also led successful campaigns against companies in other sectors of the food industry, including Wendy's in January 2016. It has also contributed to campaign victories against other major corporations including Walmart, who, in response to MFA and Humane Society of the U.S. (HSUS) campaigns, made a 100% cage-free pledge in 2015, and in 2016 committed to a specific timeline to reach this goal.

Canadian campaigns

MFA is one of the few organizations that have achieved cage-free egg victories in Canada, though the Canadian chapter of Humane Society International (HSI) also works on this issue. Mr. Cooney said that MFA has been responsible for all Canadian

cage-free victories in 2016 to date, with the exception of U.S. companies that have pledged to go cage-free in response to U.S. campaigns and extended these policies to Canada. MFA has obtained 100% cage-free commitments from approximately 90% of the Canadian grocery industry, including all of the major chains, such as Loblaw, Metro, Walmart, Sobeys, Costco, and Giant Tiger.

MFA also obtained cage-free commitments from several major Canadian fast food and restaurant chains, including Tim Horton's, CARA, SIR Corp, A&W, MTY Group, Boston Pizza, Denny's Canada, Moxie's, Second Cup Coffee Co., Cora, St-Hubert, Chairman's Brands, Earl's, and The Keg.

MFA has also obtained cage-free commitments from Aramark, a food services company, bakery companies Weston Foods, Labrea, and Oak Run Farms, and consumer-packaged goods (CPG) companies including Otis Spunkmeyer, Dare Foods, and General Mills.

The U.S. branches of some of these companies (including General Mills, Otis Spunkmeyer, Aramark, and Costco) had already made cage-free pledges, which helped facilitate the Canadian campaigns.

Mexican campaigns

Following a successful U.S. campaign in April 2016, H-E-B extended its cage-free policy in the U.S. to a 100% free range commitment for its Mexico stores in June 2016.

Impact

MFA estimates that once these commitments are in effect, MFA-led campaigns from the first half of 2016 will prevent roughly 30 million hens/year from confinement in battery cages, and that through these campaigns and joint collaborations with other organizations, MFA's efforts will affect a total of approximately 85 million hens/year (roughly 68 million in the U.S., 17 million in Canada, and 1 million in Mexico).

Future campaign strategy

U.S.

Grocery stores have been the main target of MFA U.S.'s corporate outreach efforts. In collaboration with THL, it is currently targeting the few grocers on the top 75 grocery retailers list that have not yet made cage-free commitments. MFA's focus will then shift to large corporations in other food industry sectors, including restaurant chains, CPGs, and distributors.

On average, MFA's U.S. office is currently winning approximately one campaign per week. While this is a good rate, there are still a significant number of companies left to target. Mr. Cooney expects that it will take the team the rest of 2016, and likely into early 2017, to complete its major cage-free campaigns in all five sectors of the food industry. Almost all MFA campaign staff will be focusing on cage-free advocacy work during this period.

Canada

The pace of MFA Canada's campaign wins, as well as its timeline for completing its cage-free advocacy work, are similar to those of the U.S. office.

International

Outside of North America, MFA's cage-free advocacy efforts are still in a preliminary phase, and will likely continue to be the organization's main international focus for the next 2-3 years.

Post-cage-free campaign focus

Once MFA has completed its cage-free advocacy work, it plans to shift its focus to broiler chicken welfare and fish welfare.

Investigations

In the past, MFA conducted several battery cage investigations, including some in the early 2000s, and a few leading up to the campaigns for Prop 2 in California and an Ohio ballot initiative. It has recently reprioritized these investigations, completing one in Canada and two in the U.S. in the first half of 2016:

1. **Gray Ridge Egg Farms**, Canada's largest egg producer. Successful investigations can help facilitate policy change, and MFA had hoped that these efforts might push Canada's National Farm Animal Care Council (NFACC) to ban battery cages in its next Code of Practice for the egg industry. While this recommendation was not included in the Code's first draft, MFA will continue to pursue this objective.
2. Shady Brae Farms, a supplier to **Shoprite**. As a result of these efforts, Shoprite transitioned from a partial to a complete cage-free pledge.
3. Briarwood Farms, a supplier to **IGA** and **Eggland's Best**. As a result of this investigation, IGA made a 100% cage-free pledge. In July, Eggland's Best also made a 100% cage-free pledge.

Budget

MFA's approximate revenue figures for the last few years were: \$2 million (2012), \$3 million (2013), \$5 million (2014), and \$7-7.5 million (2015). MFA is cautiously optimistic that it will reach its 2016 fundraising goal of \$10 million.

In January 2016, MFA used its 2015 revenues (at the time these were approximately \$7.2 million, though the final figure ended up being slightly higher) to establish its 2016 budget of approximately \$6.5-\$6.9 million. Relative to its projected revenues, MFA tends to budget conservatively. This is due to two main factors:

1. Though MFA's base of small donors is large for the field of farm animal protection and is increasing, donations from a few large funders account for a significant portion of its revenues. If MFA were to lose the support of

a major donor, conservative budgeting would help it avoid major program cuts and/or staff reductions.

2. There is an awareness that funding from some of MFA's new major donors, or major donors giving at a higher level, will be restricted to specific new projects that are not included in the base budget.

Open Philanthropy Project grant

The Open Philanthropy Project grant has covered, or will cover:

- Cage-free campaign expenses (advertising, IT, etc.).
- A portion of cage-free investigation expenses.
- All of MFA's corporate outreach positions (with the exception of the Director of Corporate Outreach), including: all cage-free campaigners in the U.S. and Canada offices, one cage-free campaigner in Brazil, and one in Mexico.

Staffing

U.S.

At the beginning of 2016, MFA's U.S. office only had a Director of Corporate Outreach, whose work was not focused on cage-free campaigns. One cage-free campaigner was hired in March 2016, and two additional cage-free campaigners were hired in May 2016.

Canada

At the beginning of 2016, MFA Canada's single staff member did not spend a significant amount of time on corporate outreach work, and had not yet done any cage-free advocacy work. She now devotes a large portion of her time to cage-free work, and the office hired a full-time cage-free campaigner in May 2016.

International

In the first half of 2016, MFA had funding to hire one staff member in each of its Mexico and Brazil offices.

Current MFA staff members in Mexico (Blanka Alfaro Pola) and Brazil (Lucas Alvarenga) are transitioning into Managing Director roles. They have been working on recruitment for positions in their respective offices in collaboration with Mr. Cooney and Jake Morton, MFA's Director of Operations. In India, recruitment is a collaborative effort between Mr. Cooney, Mr. Morton, and Subru Santakumar, MFA's India Communications Coordinator.

MFA is hoping to increase its cage-free staff capacity in its Brazil and Mexico offices soon. MFA Brazil's first cage-free staffer began work in August 2016, and there is at least one other promising candidate in that country's hiring pipeline. MFA also has some promising prospects in Mexico.

Given MFA's rapid growth, the most significant limitation on its international hiring efforts has been internal capacity.

*All Open Philanthropy Project conversations are available at
<http://www.openphilanthropy.org/research/conversations>*