



Poultry Contract Farmer Skit

Narrator:

Sam grew up on his father's farm and now farms the land. Sam has recently not been able to find buyers for his chickens as all the small businesses that used to buy from his father have gone out of business and there are no butchers to sell to anymore. Sam has to find a buyer soon to pay his bills. Sam found out that Top Star Chicken would buy chickens from farmers, so he contacted them.

Nick works at a big company called Top Star Chicken as the contract manager. He meets with farmers to get them to sign contracts. There are many rules to follow and a team of Top Star Chicken lawyers dictate all contracts and procedures for Nick's negotiation with farmers. Nick is really enthusiastic about how great an investment this contract will be for the farmer. He must make it clear to farmers that they cannot discuss the terms of the contract with anyone.

Nick (Top Star Chicken): Here is the contract from Top Star Chicken. You need to build four barns. We will give you the requirements of fans, height, materials, design, etc. for these barns. You are responsible for the cost of these barns.

Sam: Great! But I already have a barn.

Nick: Your barn is not up to our standards, but don't worry, our barn designs will be great for production.

Sam: How much will those barns cost?

Nick: \$300,000 each.

Sam: What?!

Nick: It will be no problem. You just need to get a loan from the bank, but it will be fine because you will more than make up the cost of the barns in chicken sales to us. Don't worry. We will make it so easy for you. We will provide the chicks every season, we will even provide the feed, you just raise them for 4 to 5 weeks and then we will pick them all up and weigh them out and give you a check. Easy.

Sam: How many chickens will you provide? (looking over contract)

Nick: \$20,000 per barn.

Sam: But that is not enough space for them to be healthy.

Nick: You will give them antibiotics and we will provide the medicated grain. It is no problem, the chickens do very well.

Sam: This is not the kind of farming I have done, but I really need the money.

Nick: So you will sign then?

Sam: Can I think about it overnight, discuss it with my lawyer and wife?

Nick: No, you must sign now.

Sam: (looking over the contract again) But this contract says you can cancel my contract at anytime but I will still have to pay back all the loans for the barns you are making me build for chickens you would no longer be willing to buy from me. That doesn't seem fair.

Nick: This is the only contract I am able to offer you. But that is just a protection clause, it never happens except to farmers that are not following the rules.

Sam: (sighs) I guess I will sign it.

Nick: Great!

Narrator: *1 year later...Nick visits the farm again.*

Nick: Well Sam, the company is requiring all the growers to upgrade the watering systems with sprayers.

Sam: Can't I do the watering by hand. My kids help me on the farm and it is no problem.

Nick: No, it is a requirement to continue the contracts.

Sam: How much does that cost?

Nick: About \$30,000 to \$40,000.

Sam: What?! Where am I going to get that money? The last flock of chickens I got did not bring in the money we expected. Your company gave me a much lower price than I got before.

Nick: Well, you can take out a loan. However you do it, if you want more chicks you must do the upgrade.

Narrator: *6 months later...Nick returns to the farm.*

Nick: Hey Sam. The company wants the chickens in the dark 24 hours a day now. You will have to install coverings on all the barns. This will also make it much hotter inside so you will have to install large fans to keep the temperature down.

Sam: Really?!

Nick: Yes really if you want to keep your contract.