



# INSIDE COSTCO'S CHICKEN SUPPLY CHAIN: SALMONELLA CONTAMINATION & THE TRUE COSTS OF THE \$4.99 ROTISSERIE CHICKEN



# TABLE OF CONTENTS

---

- 1 Executive Summary**
- 2 Background**
- 3 Costco's Salmonella Problem**
- 5 Costco's Mistreatment of Birds Exacerbates Salmonella Contamination**
- 7 Adding to a Track Record of Abuses**
- 9 Costco Could Do Better, But It Doesn't**
- 10 Author & Acknowledgments**

# EXECUTIVE SUMMARY

---

**For millions of Costco shoppers, a \$4.99 rotisserie chicken** is more than dinner—it's a cultural icon.

The Costco chicken is convenient and notoriously cheap, an automatic purchase for millions of Americans every time they visit the store. It's also a key part of Costco's brand identity: a symbol of quality, consistency, and member value. But few consumers know that Costco's chicken brings high rates of salmonella contamination into its stores.

Costco's Lincoln Premium Poultry (LPP) plant in Fremont, Nebraska, slaughters over 100 million chickens annually for two of Costco's most popular products—rotisserie chicken and raw chicken breasts sold under the Kirkland Signature brand. But the plant **consistently fails USDA salmonella safety standards year after year**, sending contaminated chicken to Costco stores nationwide. The high level of salmonella contamination in Costco's chickens is closely tied to overcrowded, poorly ventilated barns; birds bred to grow unnaturally fast, causing their legs to buckle under their own weight; and stressful transport and handling. This chronically poor animal welfare both weakens birds' immune systems and provides a breeding ground for pathogens, increasing the spread of disease.

Farm Forward analyzed USDA salmonella regulations, inspection records, and humane handling reports to investigate the extent of salmonella contamination in the poultry industry, and any overlap between inhumane handling and higher rates of contamination. We found clear indicators of irresponsibility and disregard for consumer well-being, adding to a broader pattern of neglect across Costco's poultry supply chain:

- **Salmonella contamination:** Costco repeatedly exceeds federal limits, sending unsafe chickens to stores nationwide—more than 1 in 10 whole birds and 1 in 6 packages of chicken breasts are contaminated.
- **Humane handling violations:** Genetically modified birds live in ammonia-filled, overcrowded barns, often collapse under their own weight, struggle to reach food and water, and are routinely deprived of both during transport, weakening their immune systems and underscoring the link between cruelty and disease spread.
- **Established labor and environmental abuses:** Workers endure unsafe conditions, contract growers face crushing debt and production pressure, and poultry waste pollutes local waterways, compounding risks to both human and animal health.

Costco's persistent salmonella failures are not just a food safety problem—they reflect systemic failures in animal welfare, labor practices, and environmental stewardship. Until the company addresses how it raises animals for food, the true costs of those \$4.99 rotisserie chickens will extend far beyond the checkout.

For Farm Forward's full analysis of salmonella contamination and inhumane handling in the poultry industry—and the ongoing failures of the industry and federal government to protect public health—read our [investigative report](#).

# BACKGROUND

In 2019, Costco's Lincoln Premium Poultry (LPP) opened a \$450 million chicken processing plant in Fremont, Nebraska.<sup>1</sup> This plant alone processes 100 million chickens per year, contracting with 120 growers who breed, hatch, and raise chickens for the company. The move has been lauded as a revolutionary model of industrial chicken farming—the first major retailer to vertically integrate its poultry production, thus controlling the entire supply chain (feed mills, hatcheries, growing facilities, processing plants, distribution, and retail).<sup>2</sup>

If you've ever wondered how Costco's rotisserie chickens remain so cheap, it's in part because of how the company consolidated its production to keep costs down. Costco had previously sourced much of its chicken from companies like Tyson and Foster Farms, but acquiring its own supply chain reduced the costs of production.<sup>3</sup> The \$4.99 price tag is also artificially cheap; it's a "loss leader" for Costco, meaning that the company deliberately accepts a loss on the 137 million chickens it sells each year to entice customers to pay for a membership and shop at its stores.<sup>4</sup>

Costco reports that owning every stage of production gives the company control over quality, safety, and cost. However, despite the company's unique capacity to closely oversee its production of poultry, it consistently fails to use that control to produce safe consumer products.



1 Chloe Sorvinao, "[Costco's Rotisserie Chicken Supply Threatened By Bird Flu](#)," *Forbes*, April 1, 2022.  
 2 Grant Gerlock, "[Costco Builds Nebraska Supply Chain For Its \\$5 Rotisserie Chickens](#)," *NPR*, October 22, 2018.  
 3 Austin Alonzo, "[Inside Costco's New, \\$450 Million Chicken Operation](#)," *WATTPoultry*, June 2, 2020.  
 4 Kenny Torella, "[Costco's Inflation-proof \\$4.99 Rotisserie Chicken, Explained](#)," *Vox*, July 18, 2022; Alex Halverson, "[Costco Sets Sales Records for Its Hot Dogs and Rotisserie Chickens](#)," *Austin Business Journal*, January 22, 2024.

# COSTCO'S *SALMONELLA PROBLEM*

**Costco sells rotisserie chickens and raw chicken breasts** that are produced in a plant with **extremely high rates of salmonella contamination**. Year after year, the plant has failed federal salmonella standards. Farm Forward's analysis of USDA inspection data shows that Costco's plant received the worst rating (Category 3) 92% of the time *since the plant opened* in 2019; in other words, it started out with a salmonella problem and has failed to clean up their plants for the duration of the plant's operation.

That strongly suggests that **the facility Costco itself built to guarantee control and quality exceeds federal limits for salmonella and ships out contaminated chicken products on any given day**. This isn't a case of Costco having a "bad year" for salmonella; it's a reflection of repeated failures to address rampant contamination in the company's chicken supply chain.

The salmonella standards that USDA sets for salmonella allow for extremely high rates of contamination. To *meet* the standard, plants cannot exceed 9.8% of whole chickens or 15.4% of chicken breasts testing positive for

*Costco's plant received the worst rating (Category 3) 92% of the time since the plant opened in 2019.*

salmonella contamination.<sup>5</sup> But for plants, like Costco's, that *fail* the standard, the rate of contamination exceeds these limits, and thus, is even higher—at **least 9.9% of whole**

**chickens and 15.5% of chicken parts, like breasts**. This amounts to *more than roughly 1 in 10 whole chickens and more than about 1 in 6 packages of chicken breasts*. Because Costco consistently fails the standard, this means that if you routinely pick up a couple of packages of chicken breasts during your weekly Costco shopping trip, the likelihood is high that you're bringing home chicken with this dangerous foodborne pathogen every month. When you line up at the checkout

*This isn't a case of Costco having a "bad year" for salmonella; it's a reflection of repeated failures to address rampant contamination in the company's chicken supply chain.*

with that rotisserie chicken in your cart, more than one of every ten chickens unloaded onto the conveyor belt could have entered the store contaminated with salmonella.

USDA does not have the authority to enforce the salmonella standards it sets. Even when levels of salmonella contamination are extreme, it cannot order recalls, stop the sale of contaminated products, or suspend or shut down plants. **Costco does have the ability and responsibility to ensure it is producing safe food for its consumers** by voluntarily ordering recalls or pulling contaminated products from shelves, but is not required to do so. With companies not taking responsibility, and the CDC reporting that only 1 in 30 cases of salmonellosis is correctly diagnosed,<sup>6</sup> it's no

<sup>5</sup> ["Performance Standards: Salmonella Verification Program for Raw Poultry Products \(Directive 10250.2\),"](#) USDA FSIS, March 2, 2021.

<sup>6</sup> ["Estimates: Burden of Foodborne Illness in the United States,"](#) CDC, accessed October 1, 2025.

wonder that most cases are never traced back to their source. Until companies like Costco are held accountable for tracking and reporting salmonella cases, we can't know the full extent of the problem.<sup>7</sup>

What we can and do know, however, is that Costco is producing and distributing chicken from a plant that had excessive salmonella contamination at least 92% of the time. Costco's vertically integrated model brought the company greater control and oversight over safety

*... Costco does have the ability and responsibility to ensure it is producing safe food for its consumers ... but is not required [by the USDA] to do so.*

and quality in the production process, and yet, the company has failed to meet the weak government standard for contamination, much less eliminate unsafe products from their shelves.



*Photograph by Haig / World Animal Protection / We Animals*

7 Costco issued one recall in 2013 for its rotisserie chicken in the midst of a salmonella outbreak, and USDA issued a public health alert for salmonella tied to a Washington state Costco store for its rotisserie chicken salad in 2016. However, this does not reflect the risk or potential reality of salmonella outbreaks both because so few cases are diagnosed and recalls are solely at the discretion of Costco. [“Update: Costco Recalls More Rotisserie Chicken Over Salmonella,”](#) *SupplySide Supplement Journal*, October 17, 2013; [“FSIS Issues Public Health Alert for Chicken Product Due to Possible Salmonella Contamination,”](#) USDA FSIS, October 9, 2016.

# COSTCO'S MISTREATMENT OF BIRDS *EXACERBATES* *SALMONELLA* CONTAMINATION

**Salmonella contamination doesn't emerge out of nowhere.** The conditions under which animals are raised contribute directly to the virulent spread of the disease, including overcrowding, poor ventilation, unsanitary conditions, and the genetic uniformity of birds bred to grow so fast that they often collapse under their own weight and suffer compromised immune systems, making them more susceptible to disease.<sup>8</sup> Stress during transport and slaughter further increases contamination risks. It is now understood that the risk of foodborne illness is heightened by poor animal welfare.<sup>9</sup>

The USDA itself has acknowledged this connection, noting that stress in farmed animals increases pathogen levels and carcass contamination,<sup>10</sup> **yet there are *no* enforceable federal poultry welfare regulations.** For example, birds are excluded from the federal Humane Methods of Livestock Slaughter Act. In 2005, the Poultry Products Inspection Act did add a guideline for “good commercial practices” including more humane treatment, in response to concerns over the lack of protection for

birds in the poultry industry. However, similar to the unenforceable salmonella standards, because this is merely a *guideline*, plants can be cited for violations, but their adherence to these standards is voluntary, making it impossible to reliably prevent routine inhumane practices from compromising both animal welfare and food safety.

*The conditions under which animals are raised contribute directly to the virulent spread of the disease ...*

Farm Forward's analysis found that, during the same time Costco received Category 3 Salmonella ratings, the company was also cited for humane handling violations, supporting evidence that poor welfare contributes to higher contamination. USDA has reported numerous humane handling violations by Costco, including repeated transport-related incidents: In 2022, 2,000 chickens froze to death in trailers on their

8 Animal Welfare Institute (AWI), [“The Welfare of Birds at Slaughter in the United States: The Need For Government Regulation.”](#) November 2020; B.Y. Kwon, J. Park, D.H Kim, and K.W. Lee, [“Assessment of Welfare Problems in Broilers: Focus on Musculoskeletal Problems Associated with Their Rapid Growth,”](#) *Animals (Basel)* 14, no. 7 (2024): 1116; Sara Shields and Michael Greger, [“Animal Welfare and Food Safety Aspects of Confining Broiler Chickens to Cages,”](#) *Animals (Basel)* 3, no. 2 (2013): 386-400.

9 Luigi Iannetti et al., [“Animal Welfare and Microbiological Safety of Poultry Meat: Impact of Different At-farm Animal Welfare Levels on At-slaughterhouse Campylobacter and Salmonella Contamination,”](#) *Food Control*, 109 (2020): 106921; L.A. Boyle and K. O'Driscoll, [“Animal Welfare: An Essential Component in Food Safety and Quality.”](#) In *Food Chain Integrity - A Holistic Approach to Food Traceability, Safety, Quality and Authenticity* Woodhead Publishing (2011): 169-184.

10 Marcos H. Rostagno, [“Can Stress in Farm Animals Increase Food Safety Risk?”](#) *Foodborne Pathogens and Disease* 6, no. 7 (2009): 767-76.

way to the plant,<sup>11</sup> 1,000 birds in a truck perished in a fire,<sup>12</sup> and in 2020, 1,600 birds died after being left without food and water in conditions of extreme overcrowding.<sup>13</sup>

These reports align with the findings of a 2021 undercover investigation by Mercy for Animals, which exposed severe animal welfare violations at Costco's facilities.<sup>14</sup> The investigation documented filthy, dimly lit barns filled with ammonia fumes, **where birds bred to grow unnaturally fast often collapsed under their own weight, developed painful sores and burns, and sometimes could not reach food or water.**<sup>15</sup> Tellingly, Costco responded that the footage showed mostly "normal and uneventful activity" and said it is working to improve bird genetics.<sup>16</sup> Despite Costco's

*The disease, lack of adequate care, and very genetic make-up of chickens in the poultry industry lead to millions of birds dying before they grow to slaughter weight.*

normalization of the inhumane treatment unfolding in its production process, the investigation highlighted how the company's low-cost chicken model depends on systemic cruelty and neglect while heightening risks to public health.

The disease, lack of adequate care, and very genetic make-up of chickens in the poultry industry lead to millions of birds dying before they grow to slaughter weight. Rather than trying to improve the conditions under which birds are raised, the poultry industry accepts these losses as a cost of doing business. Costco reports that, pre-slaughter, they lose approximately 7.2 million chickens per year.<sup>17</sup> MFA's investigation shed light on the reality of these "acceptable" losses.

Following the investigation, two Costco shareholders filed a 2022 resulting lawsuit against Costco executives, alleging that the company, through LPP, was neglecting and mistreating chickens in violation of Nebraska and Iowa animal welfare laws.<sup>18</sup> Plaintiffs argued that Costco's leadership breached its fiduciary duty by allowing unlawful neglect while maintaining its low-cost rotisserie chicken program. Although the court dismissed the case in March 2023, it allowed a formal shareholder demand to the board, filed in July 2023, urging a plan *to ensure birds' access to food and water*; **the board ultimately rejected the demand in April 2024.**<sup>19</sup>

In the wake of the investigation and lawsuit, Costco has not shown evidence of improvement in its treatment of live birds, and **their salmonella record highlights that the company has made no meaningful progress toward addressing these interconnected problems of welfare and public health.**

11 [Statement and Emails regarding dead-on-arrival birds and failure of stunning system at Lincoln Premium Poultry, December 23, 2022.](#) USDA FSIS, obtained by People for the Ethical Treatment of Animals under the Freedom of Information Act, PDF.

12 Obtained by People for the Ethical Treatment of Animals under the Freedom of Information Act, "[Table: MOIs in Response to FOIA2022-211.](#)"

13 Obtained by People for the Ethical Treatment of Animals under the Freedom of Information Act, "[Table: MOIs in Response to FOIA2020-347.](#)"

14 Nicholas Kristof, "[The Ugly Secrets Behind the Costco Chicken.](#)" *The New York Times*, February 26, 2021.

15 Kristof, "[The Ugly Secrets Behind the Costco Chicken.](#)"

16 Rosie Bradbury, "[Costco Faces Backlash Over Poultry Farm Conditions.](#)" *Grocery Dive*, February 11, 2021.

17 Paul Hammel, "[Stockholders Sue Costco Officials Over Alleged Mistreatment of Chickens Grown Too Big.](#)" *Nebraska Examiner*, June 14, 2022.

18 [Smith v. Vachris: The Costco Lawsuit.](#) Legal Impact for Chickens, accessed November 17, 2025.

19 "[Smith v. Vachris: The Costco Lawsuit.](#)" Legal Impact for Chickens; "[Costco Wholesale Corporation: Quarterly Report Pursuant to Section 13 or 15\(d\) of the Securities Exchange Act of 1934.](#)" United States Securities and Exchange Commission, accessed November 17, 2025.

# ADDING TO A TRACK RECORD OF ABUSES

**Costco's high rates of salmonella contamination** and its consistent inhumane handling violations are not the only costs of Costco chicken. They are the latest in an ongoing pattern of abuse and disregard for the wellbeing of humans, animals, and the environment.

When Costco set up operations in Fremont, Nebraska, the location had appeal because of the availability of feed crops, water, and farmers willing to raise chickens. Experts have stated that Costco may have found the area particularly attractive due to the community's low awareness of the impacts of poultry production.<sup>20</sup> The company recruited mostly inexperienced local farmers as *contract growers* under 15-year contracts that required them to take out large, **sometimes multi-million-dollar loans from private lenders or backed by USDA** to build high-capacity chicken barns.<sup>21</sup> Though Costco promised better terms, pay, and support than typical grower contracts, this structure has trapped farmers in financial dependency, forcing them to prioritize production quotas over animal care.<sup>22</sup> This pressure, combined with growers' inexperience, contributes directly to poor animal welfare: conditions of overcrowding, stress,

and disease that create the ideal environment for salmonella proliferation.<sup>23</sup>

*[Costco's grower contract] structure has trapped farmers in financial dependency, forcing them to prioritize production quotas over animal care.*

Inside Costco's plant, OSHA citations for chemical, electrical, and respiratory hazards, as well as a COVID-19 death and unreported injuries, reveal a pattern of cost-cutting at the expense of safety and oversight.<sup>24</sup> The company has also opposed legislation such as Nebraska's 2025 "Meat and Poultry Workers and Contractors Protection Act," which would require stronger biosecurity and disease mitigation—key measures for preventing pathogen outbreaks like salmonella.<sup>25</sup> Following the initial February 2025 hearing in which Costco testified against the proposed legislation, the committee did not act to advance the legislation.

Recent studies on the environmental impacts of industrial chicken production—including a 2022 report linking LPP manure to waterway

20 Ray Levy Uyeda, "[Affordable Chicken May Be Nice, But the Poultry Plants Behind it Are Harming the Environment](#)," *Prism*, March 3, 2020.

21 Grant Gerlock, "[Farmers Take Out Millions In Loans To Raise Chickens For Big-Box Retailers](#)," *NPR*, June 22, 2017; Associated Press, "[Poultry Growers Lean Heavily on Government-backed Loans](#)," *WizM*, December 17, 2018.

22 Gerlock, "[Farmers Take Out Millions In Loans To Raise Chickens For Big-Box Retailers](#)."

23 "[Formal Demand on the Board of Directors of Costco Wholesale Corporation to Stop Dehydration and Starvation of Disabled Chickens](#)," *Legal Impact for Chickens*, July 1, 2023.

24 "[Inspection: 1570044.015 - Lincoln Premium Poultry Llc](#)," Occupational Safety and Health Administration (OSHA), December 22, 2021; "[Inspection: 1758762.015 - Lincoln Premium Poultry Llc](#)," OSHA, June 25, 2024; "[Inspection: 1474098.015 - Lincoln Premium Poultry Llc](#)," OSHA, May 5, 2020.

25 "[One Hundred Ninth Legislature, First Session, Legislative Bill 573](#)," Legislature of Nebraska, January 22, 2025; Brent Wasenius, "[Lincoln Premium Poultry Official Testifies Against Possible Bill](#)," *The Best Mix*, February 25, 2025.

contamination, a 2019 waste overflow, and **research connecting agricultural waste to elevated pediatric cancer rates in Nebraska**—show the significant risks posed to local communities.<sup>26</sup> The vertically integrated grower model shields Costco from responsibility for pollution by placing the burden of waste management and resulting contamination on contracted farmers, whose industrial poultry facilities produce waste that pollutes air and groundwater. The convergence of worker exploitation, animal crowding, and manure pollution not only harms animals and comm-

unities but also heightens the risk of foodborne contamination—a systemic failure linking animal welfare abuses to public health threats like salmonella in the poultry supply chain.

*The vertically integrated grower model shields Costco from responsibility for pollution by placing the burden of waste management and resulting contamination on contracted farmers ...*



*Photograph by Jo-Anne McArthur / Animal Equality / We Animals*

26 Deborah Van Fleet, "[Study Points to Poultry Litter as Source of NE Water Pollution](#)," *Public News Service*, December 7, 2022; Paul Hammel, "[Report Suggests That Litter From Chicken Farms Has Upped Contamination of Water](#)," *Nebraska Public Media*, December 7, 2022; "[Industrial Agriculture](#)," GC Resolve, accessed November 17, 2024; Balkissa Ouatarra, "[Agrichemicals \(Nitrate and Atrazine\) In Drinking Water and Adverse Health Outcomes in Children in Nebraska](#)," Digital Commons, University of Nebraska Medical Center, accessed November 17, 2025.

# COSTCO COULD DO BETTER, *BUT IT DOESN'T*

**Costco's vertically integrated model—where the company has control over every stage of production—could mean better poultry production practices,** but the company has failed to adopt more responsible practices at every juncture. There are successful models of improved welfare and food safety in the poultry industry that Costco could follow. For instance, the Norwegian discount retailer REMA 1000 committed to better production practices by transitioning to a slower-growing chicken breed and an improved slaughter process, and saw no impact on production costs or consumer pricing.<sup>27</sup> Costco, too, could implement these kinds of changes to ensure better food safety standards, improve animal welfare, support protections for workers and contractors, and practice environmental stewardship. Until Costco takes these issues seriously and demonstrates meaningful change, **the true cost of that rotisserie chicken is simply too high to pay.**

**What can you do to protect your family** and hold Costco and the federal government accountable for creating safer poultry products?

1. [Sign a petition](#) to urge USDA to re-publish the August 2024 proposed Salmonella Framework for Raw Poultry and declare salmonella at certain levels to be an adulterant, in effect prohibiting poultry companies like Costco, Perdue, Foster Farms, and Butterball from selling salmonella-contaminated products.
2. **Demand that Costco adopt improved production practices**, for example through signing [the Better Chicken Commitment petition](#), to ensure higher welfare practices and the adoption of slower growing, higher welfare breeds.
3. **Call on USDA to investigate** the extent of the association between inhumane handling at the slaughter plant and salmonella levels, adopt strong and enforceable GCP regulatory requirements for the handling of live birds, and include strict requirements for the handling of live birds in any future salmonella regulation.
4. **Stay educated on the issue of salmonella contamination** in the chicken and turkey industries by reading our [full report](#) and [issue brief on USDA failures](#), visiting our [foodborne illness issue area page](#), and checking out our blogs on the [hidden health risks of industrial poultry](#), [how to find out if you're buying contaminated poultry](#), and how [Butterball is selling contaminated Thanksgiving turkey](#).

These recommendations are the first steps to address the problem of salmonella contamination in chicken. **They are the bare minimum requirements for protecting public health.** Until the federal government and companies like Costco take action, salmonella will continue to contaminate our food supply, putting the health of families buying Costco chicken at risk.

<sup>27</sup> ["Norsk Kylling: A Case Study for the Future of Broiler Chicken Production,"](#) Humane Society International, accessed November 17, 2025; ["Norsk Kylling: Pioneers of Higher Welfare and Sustainable Chicken Production,"](#) Compassion in World Farming, accessed November 17, 2025.

# AUTHOR & ACKNOWLEDGMENTS

---

**Farm Forward was founded in 2007** as the nation's first nonprofit devoted exclusively to end-factory farming. We are a team of strategists, campaigners, and thought leaders guiding the movement to change the way our world eats and farms. More information about Farm Forward's work and our other publications can be found at [farmforward.com](http://farmforward.com).

This issue brief was written by:

## **Dr. Kathryn Gillespie**

Farm Forward's VP of Research and Strategy, Dr. Gillespie received her PhD from the University of Washington in Human Geography and is the author of several books, including *The Cow with Ear Tag #1389*.

Dena Jones was a contributing researcher.

Dr. Gillespie thanks Farm Forward staff Andrew deCoriolis, Trevor McCarty, and John Millspaugh for their essential contributions to this issue brief.