

Cheryl A. Bachelder

President and Chief Concept Officer



March 18, 2003

Ms. Ingrid Newkirk
People for the Ethical Treatment of Animals
501 Front Street
Norfolk, Virginia 23510

1441 Gardiner Lane
Louisville, KY 40213
Tel: 502 874 2700
Fax: 502 874 8789

Dear Ms. Newkirk:

In response to your phone call to my home on Saturday evening, here is a brief update on our poultry welfare program, which has been consistently communicated to your organization in the past.

KFC, in consultation with our Animal Welfare Advisory Council, has established strict, measurable poultry processing welfare guidelines for our suppliers. Working with Dr. Temple Grandin, we conduct annual unannounced audits of each of our suppliers' facilities to ensure compliance with those guidelines. Failure to take remedial action would result in termination of the supplier relationship. Additionally, KFC is working within the NCCR-FMI process to develop comprehensive farm-level guidelines that we anticipate will be finalized within the next 2-to-3 weeks.

I have been kept up to speed on our animal welfare policy and am comfortable with the actions we have taken in this regard. It's unfortunate PETA does not agree with our policies, however, we will continue to rely on the advice and counsel from the experts on our Animal Welfare Advisory Council on this matter.

Please send future comments or recommendations in writing to either Jonathan Blum, Yum! Brands Senior Vice President of Public Affairs, or Brian Riendeau, Yum! Brands Vice President of Government and Community Affairs. I also would appreciate the courtesy of your not disturbing my family again in the privacy of our home. Thank you for your consideration.

Sincerely,

A handwritten signature in green ink that reads "Cheryl A. Bachelder".

Cheryl A. Bachelder

CB/lg

cc: Jonathan Blum
Brian Riendeau