

DIVE BRIEF

Coca-Cola Fairlife supplier cuts ties with 2 Arizona farms over animal cruelty allegations

A lawsuit, which also claims the brand polluted nearby waterways, is the latest challenge for the ultra-processed milk offering that has grown into a \$1 billion-plus brand.

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CHICAGO, IL - JUNE 26: A general view at Holiday Inn And Vanessa Lachey Bring Oversized Hotel Room To Millennium Park For Chocolate Milk Happy Hour With Complementary Fairlife Chocolate Milk And Otis Spunkmeyer Cookies on June 26, 2018 in Chicago, Illinois. Daniel Boczarski via Getty Images

Dive Brief:

- A supplier of milk to Coca-Cola's Fairlife milk brand has cut ties with two farms in Arizona after an investigation by Animal Recovery Mission last year found what the group called "egregious and frequent" animal cruelty. The findings were made

public on Feb. 26 as part of a lawsuit filed in California district court alleging Fairlife also polluted nearby waterways.

- ARM’s six-month investigation revealed abuse from employees, including top managers, with animals being hit, dragged, whipped, shot, shoved, force-fed and chained at Rainbow Valley and Butterfield Dairy farms in Buckeye, Arizona.
- In a statement, Fairlife said the dairy offering has “zero tolerance for animal abuse,” adding that supplier United Dairymen of Arizona “has suspended delivery of milk from these facilities” to all of its customers. The brand added it operates as a milk processor and does not own farms or cows, though it requires its suppliers to follow “stringent” animal welfare standards.

Dive Insight:

The Arizona investigation is the latest animal abuse allegation to hit Coca-Cola’s fast-growing milk brand.

In 2023, ARM alleged that Fairlife was continuing to source milk from two Indiana dairy farms — Windy Ridge Dairy and Windy Too Dairy — where cows were subjected to animal abuse.

The Indiana farms were previously exposed for similar acts of animal cruelty by ARM in 2019. Coca-Cola and other parties agreed to pay \$21 million to settle lawsuits in 2022 for falsely advertising their Fairlife ultra-filtered milk came from humanely treated cows.

“While Fairlife admits to failures in oversight, we have little faith that anything will change in the long run,” ARM founder Richard Couto, said of the investigation in Arizona. “This isn’t an isolated issue – it’s systemic, and Fairlife’s response is just another attempt to cover up the truth.”

Founded in 2012, Fairlife has surpassed \$1 billion in annual retail sales. Coca-Cola, which initially owned a minority position in Fairlife

through a joint venture with Select Milk Producers, acquired the remaining stake in 2020.

Known for its ultra-filtered milk made with 50% more protein and half as much sugar as regular milk, Fairlife has been a blockbuster brand for Coca-Cola. James Quincey, the company's CEO, said in December that Fairlife has “good profitability” and “tremendous growth prospects.” Coca-Cola is expected to open later this year a \$650 million facility in New York that will serve as Fairlife's flagship Northeast location.

In its annual stewardship report released last April, Fairlife said it has invested, along with its suppliers, nearly \$30 million in its animal welfare program. It also noted that its supplier farms “undergo regular, third-party audits, ensuring the highest levels of animal care and the highest quality products.”

United Dairymen of Arizona said in a statement that each of its farm members participate in a national animal welfare initiative and that the group itself provides dairy employees with skills and knowledge on the proper way to treat animals.

“We are shocked and saddened by the behavior depicted in the recently released videos,” UDA said, noting it is looking into the circumstances shown in the videos. “There is no place within our cooperative, or in our society, for mistreatment of animals.”

So far, the prior allegations haven't hurt Fairlife. In 2024, it was the leading white milk brand in the U.S. based on sales growth of about 28%, according to data from Statista.

Editor's note: This story has been updated to add comments from United Dairymen of Arizona. It also includes an updated statement from Fairlife.