Bpex launches growth strategy for pork sector

ELEANOR MACKAY

Bpex launched a new strategy to deal with challenges facing the pig industry at the Pig & Poultry Fair earlier this month.

The Go for Growth strategy, set out in a five-point plan by Bpex director Mick Sloyan, aims to "close the gap, protect the environment, enhance pig welfare, encourage safe and traceable pork and help to sell more pork".

Sloyan said: "The challenges the industry has faced include a global pig price collapse, animal disease outbreaks, unique welfare legislation and volatile feed costs. These took a terrible toll with producers and primary processors leaving the business. For a number of years Bpex pursued the 'Road to Recovery' strategy.

"The time has come to move on, to build on the progress made and 'go for growth'. It's the job of Bpex to use the resources invested by producers and processors through the levy to help industry maximise opportunities in the next five years."

Mick Sloyan: going for growth

At the fair, held at Stoneleigh Park, Warwickshire from 13-14 May, Bpex hosted a range of Growing Your Business forums on topics including foodservice and the environment.

Bpex chairman Stewart Houston highlighted how the organisation planned to help businesses become more competitive and profitable.

He said: "The strategy of differentiating us from our main competitors, which we have been pursuing for a number of years, has served us well. However, this is the first time for a long time that we have been in a settled financial environment.

"This has allowed us to start looking forwards, rather than just battling crisis after crisis. The position the industry is now in, after years of losing money, has allowed the Bpex board to look at ways of taking the industry to the next level.

"The primary aims of the strategy will be growing the market, especially for assured pork and pork products, and getting our production costs onto the same level as those of our major competitors.

"Exports are increasingly important to the profitability of producers and processors. This is an area we need to expand. But we remain aware of the threat from exotic and emerging diseases such as PEDv and African Swine Fever. Our first line of defence has to be continued vigilance, both on pig units and at our borders."

GLOBAL OUTLOOK

ROB SHELLEY
CEO
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There has been much chat about London Gateway and how it will affect business at Tilbury and Thamesport, Isle of Grain. London Gateway has already started to take business from its Thameside rival - indeed the SAECS consortium (Maersk, Safmarine, Mitsui OSK Lines and Deutsche Afrika Linien) switched its UK port of call from Tilbury to London Gateway in November, possibly a foretaste of what is to come.

The ambition of London Gateway is remarkable by any standard – 2,700 metres of quay, 24 giant cranes, deep-sea ship facilities, an annual capacity of 3.5 million TEUs (twenty foot equivalent unit) and a 'ship to lorry' time of less than 10 minutes – all making a powerful proposition to hauliers. It boasts savings of £65m in HGV road miles a year. However thus far, only one terminal has been completed, while hauliers are complaining about slow turnaround times.

London Gateway is potentially good news for meat traders. Positioned to dispatch goods to the richest parts of the country via the M20, M2, M23 and M25, with 24/7 opening and heavily automated stacking cranes, the long hours in transit from port to warehouse can be reduced (although Felixstowe says it is equally well placed for import distribution).

Our experience as forwarders is that London Gateway has yet to prove its niche for importers. Initial impressions are that it's quite slow. Tilbury, conversely, has traditionally been good at handling meat, being swift to process health examinations in one day (compared with the two days at Felixstowe).

Cattle supplies set to tighten in 2014 - QMS

According to research by Quality Meat Scotland (QMS), cattle supplies are set to tighten throughout 2014, easing pressure on farmgate prices.

As the number of cattle reaching slaughter age reduces, supply should begin to tighten, QMS reported. The organisation said the market would benefit in the short-term from an additional 60,000 24-30 month-old cattle on British farms.

However, calf registrations were down on last year, according to government statistics, showing Scottish calf registrations in the first quarter to be down 6.5% - the decline was reflected across the UK with overall calf registrations down 2.8%.

Head of economics services Stuart Ashworth said: "Just under half of the additional cattle are female and some will be destined for the breeding herd. Nevertheless, there is a short-term availability of cattle still weighing on farmgate prices.

"To re-coup the Scottish decline of the first quarter would require calf registrations during April and May to increase by over 4%. Despite quite a number of cows calving later than usual as a result of being slow to settle in calf last summer, this would seem unlikely. The legacy of 2013 is not only seen in calf registrations this spring but also in the population of cattle under 18 months old on British farms."

Ashworth added: "Across GB the number of cattle under 18 months was 3% lower at the beginning of April than last year. There is also a small decline in cattle aged between 18 and 24 months. This points quite clearly to a tightening in the number of cattle reaching the slaughter stage as the year progresses."

The past quarter has also been tough for meat exporters, said Ashworth with beef deliveries running well below last year's levels.

Sainsbury's to stop labelling mince as 'lean'

Sainsbury's has changed the way it labels its 'lean' mince and reformulated its own-brand beef mince meat to remove fat.

As part of a customer pledge to reduce fat in its own-brand products, Sainsbury's will remove 244 tonnes of fat from eight own-brand mince meat lines. "We achieved this by selecting leaner cuts of meat, which will save two billion calories from our customers' baskets," said a spokeswoman.

The retailer will also replace the description 'lean' on mince meat packaging with fat percentages. For example, the labels now say 5%, 10%, 15% or 20% fat across minced beef, pork, lamb and turkey.

Under law which came into force in January, for mince meat to be labelled 'lean meat' it must contain 7% or less fat and a maximum 12% collagen or gristle content.