

Newsletter



2012-13: A YEAR OF WINS AND LOSSES

2012-13 has been a mixed year for the regional poultry industry and for many Northern Poultry Cluster (NPC) stakeholders. Ongoing restructuring and adjustment in both the meat and table egg sectors have brought both positive and negative impacts, while at the same time continuing to confirm that north-central Victoria is a great location for efficient and bio-secure poultry production.

In particular, the regional industry has charged ahead with:

- Hazeldene's Chicken Farm's Lockwood primary processing plant extensions having been fully installed for just over 12 months and plans in place to commence installation of a water pipeline next year.
- The establishment of genetic table egg breeder Lohmann Layers Australia in the region.
- Successful expansion of Moira Mac Poultry and Fine Foods through its implementation of high pressure processing technology and growth into the former Pasta Master factory in Bendigo's Mayfair Park.

Unfortunately 2012-13 has also seen closure of Bendigo Gourmet Poultry and Game's Plant, Broiler Breeders Australia and the Broad Poultry Group's value adding facility in Maryborough, which have had a flow on effect to local growers. NPC gratefully acknowledges the valued input and enthusiasm of Mike Cowie, former Managing Director of Bendigo Gourmet Poultry and Game, who was NPC's inaugural chairman; we wish him every success in the future.

...MORE POULTRY PROCESSING RESEARCH AND DEVELOPMENT

NPC is working again with Victoria University's College of Health and Biomedicine to extend the use of high pressure processing (HPP). This technology is non-thermal and imparts minimal chemical and physical changes to poultry products. HPP has been acquired by Moira Mac's Poultry and Fine Foods and is becoming an important part of the value adding supply chain. However HPP does have an effect on the appearance of uncooked poultry. Applied pressure can affect the colour of meat leading to discoloration even at low temperatures.

A new research and development project aims to find solutions to this problem by stabilising colour and texture of poultry during HPP. This could extend applications of the technology and improve shelf life, while providing a sustainable approach through minimal processing.

INSIDE THIS ISSUE:

	Page
<i>2012-13: Year of Wins and Losses</i>	1
<i>...More Poultry Processing R&D</i>	1
<i>Asian Century Business Engagement Project 1</i>	1
<i>RFID Technology and Hens</i>	2
<i>Egg App for Ed Opps</i>	2
<i>Chicken Meat on the Broil</i>	3

ASIAN CENTURY BUSINESS ENGAGEMENT PROJECT

Northern Poultry Cluster was recently (July 2013) one of 27 member-based business organisations awarded financial support to help expand its networks in Asia under the Australian Government's inaugural Asian Century Business Engagement plan.

Organisations from Australia and Asia submitted 95 applications for funding under the Austrade administered engagement plan.

In announcing the funded projects, Australian Parliamentary Secretary for Trade, Hon Kelvin Thomson said "Personal relationships are essential to doing business, especially in many Asian societies and this engagement plan is all about helping Australian business organisations to forge those personal links and to identify opportunities."

By 2025, Australia's trade links with Asia are expected to account for at least one-third of GDP, compared with one-quarter in 2011. Australian companies are increasingly providing high value-added goods and services to regional value chains, leading to greater integration of small and medium-sized enterprises into Asian markets.

The NPC project is building on our successful Champions Fare Regional Food initiative, which has been valuable in providing small food producers with a retail market platform in domestic markets, by extending the concept to select Asian markets. Of course, the program is not confined to poultry products, and has been designed to work with other Victorian food clusters to trial and evaluate emerging products in selected Asian retail and food service markets under an Australian Fare banner. It also aims to develop a new range of food products specifically to meet local Asian 'price points' and local taste profiles.

RFID TECHNOLOGY SUGGESTS ...SOME HENS DON'T HAVE THE WANDER LUST¹

Poultry CRC supported research, entitled "new approaches to assessing welfare in free-range laying hens", aims to quantify outdoor range use by hens, and then relate this to 'welfare status' of the birds.

Employing Radio Frequency Identification (RFID) technology, the CRC supported team from University of New England have conducted a recent trial wherein they monitored movement between an indoor and outdoor area in free-range laying hens. Each hen has been fitted with RFID microchips fixed to a plastic leg band for individual identification. Individual hen movement between the indoor and outdoor area was logged using RFID antennas fitted to 'pop-holes'. Data was collected daily from 9:30am to 4pm during 51 continuous days to identify variation in outdoor use.

"The experimental scale free-range facility comprises an 8 x 12 m shed housing 200 Isa Brown laying hens and a fox-proof fenced free-range area of 2,500 square meters" said team leader Professor Geoff Hinch. "Due to the large amount of information gathered with the RFIDs, custom software was developed to extract meaningful data from the datasets".

Analysis of the RFID data from this trial showed that 89.4% of the hens used the outdoor range on at least one day across the 51 day period, with about 15% of hens going outside every day. Interestingly, 10.6% of the hen population never went outside into the range. "The hens that used the range had an average of 8 visits per day and spent a total of two and a half hours per day outside on the free-range" said Geoff. "However, we really need to confirm the pattern in the next, larger trial before getting too carried away with our initial results".

The next phase of this project is to statistically analyse results from subsequent behavioural and physiological tests, and examine if there is any correlation between range use and welfare status.

"Preliminary analysis suggests that it is feasible to use our methodology to assess individual laying hen motivation to access the free-range while being kept in large groups", Geoff Hinch explained.

EGG APP FOR ED OPPS!

In other CRC news, an egg app for educational opportunities was launched in Australia in March 2013. Now the app has been released in Apple's app store in Europe, Canada and the United States, adding to the potential use of this exciting resource. Egg Grab'n'Grade is available as a 99 cent download in these newly added regions, and remains a free download for those in Australia.



The game simulates an egg grading process, whereby different types of eggs are sorted as they roll past on a conveyor. Players must identify the cracked, dirty, misshaped, undersized or oversized eggs and move them to the appropriate 'buckets', while leaving the good eggs to go through to packing.

Egg Grab'n'Grade has been designed principally to teach school students about food safety and quality in the egg industry. It is compatible with iPad, iPhone and iPod Touch, and can be easily integrated by educators into the classroom environment. It provides a good spring-board for discussions around food production, food safety and quality assurance.



¹ SOURCED From Australian Poultry CRC: E-Chook News 2013.
NPC is an Associate Member of the CRC

CHICKEN MEAT ON THE BROIL

Forget red meat and three veg: It looks like chicken has taken over Australian dinner tables for the foreseeable future. IBISWorld's business analysts project a bright future for meat poultry.

IBISWorld anticipates that the poultry processing industry's revenue will increase by 2.4% over the next five years to total \$7.48 billion as more Australians tuck into a hot roast chicken, rather than traditional roast lamb or beef, during the winter months.

According to IBISWorld's Ms Karen Dobie, chicken is a win-win scenario for consumers. "Chicken is often favoured over red meats by health-conscious consumers for its lean qualities, and it's cheaper than red meat. It is also popular for its convenience credentials as it is relatively quick and easy to cook – something that appeals to increasingly time-poor households", said Ms Dobie.

Australia currently produces 980 kilotonnes of domestic poultry, with exports accounting for just 3% of total production. Consumption of chicken in Australia is around 43.8 kilograms per person, per year, surpassing beef and veal at 33.9 kilograms per person per year.

"Australians are definitely eating more chicken. Since 2010, chicken has been our most favoured meat in terms of consumption and value – significantly outperforming beef and veal", said Ms Dobie.

This year, fresh poultry makes up 17.2% of the meat, fish and poultry retailing sector, contributing \$1.96 billion of its revenue. This compares with 16.3% for the fresh beef and veal industry, which is worth \$1.86 billion.

Organic and free-range varieties

Discussing factors behind the popularity of poultry, Ms Dobie said, "the trend towards organic and free-range chicken is providing the poultry processing sector with some room to innovate and grow as processors look for high-value niches and market opportunities".

Segment	Share of revenue(%)	Revenue (\$ billion)
Fresh poultry	17.2	1.96
Fresh beef & veal	16.3	1.86
Fresh lamb	9.4	1.07
Fresh pork	5.9	0.67
Fresh seafood	16.1	1.84
Processed and other meats	35.1	4.00

SOURCE: IBISWorld

"There's a distinct trend towards providing consumers with ethical meat products. Free-range chicken now accounts for about 4% of all chicken produced, while organic chicken represents 2% of total chicken produced". Ms Dobie said even supermarket giant Coles is responding to demand for ethical meat. Coles now provides sow-stall free pork, HGP-free beef and eggs and chicken with the RSPCA's seal of approval.

Time-poor consumers

In addition, Ms Dobie said as people have less time to spend in the kitchen, pre-prepared meals and prepared cuts are becoming first picks in the supermarket – and chicken is no exception – with many people opting for packaged chicken in the form of stir-fry, tenderloins or pre-seasoned cuts.



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Next NPC Meeting Date: 10am Tuesday August 27th 2013 at Moira Mac's Poultry and Fine Foods, Mayfair Park, Bendigo.