

# meatup FORUM

For the latest in red meat R&D

A photograph of four people walking through a field of tall grass at sunset. From left to right: a man in a tan shirt and hat, a woman in a pink shirt and hat, a woman in a light blue shirt and hat, and a man in a blue shirt and hat. The background shows trees and a warm, golden light.

28<sup>th</sup> June 2022

# Naracoorte MeatUp Forum

Sarah Strachan  
Group Manager  
Adoption & Commercialisation



- 1. Environment in which we operate

- 2. Supply Chain Initiatives

- 3. Problems we need to solve



# 1. The operating environment



# Today's consumer drivers, accelerated by COVID



Finding value,  
buying better



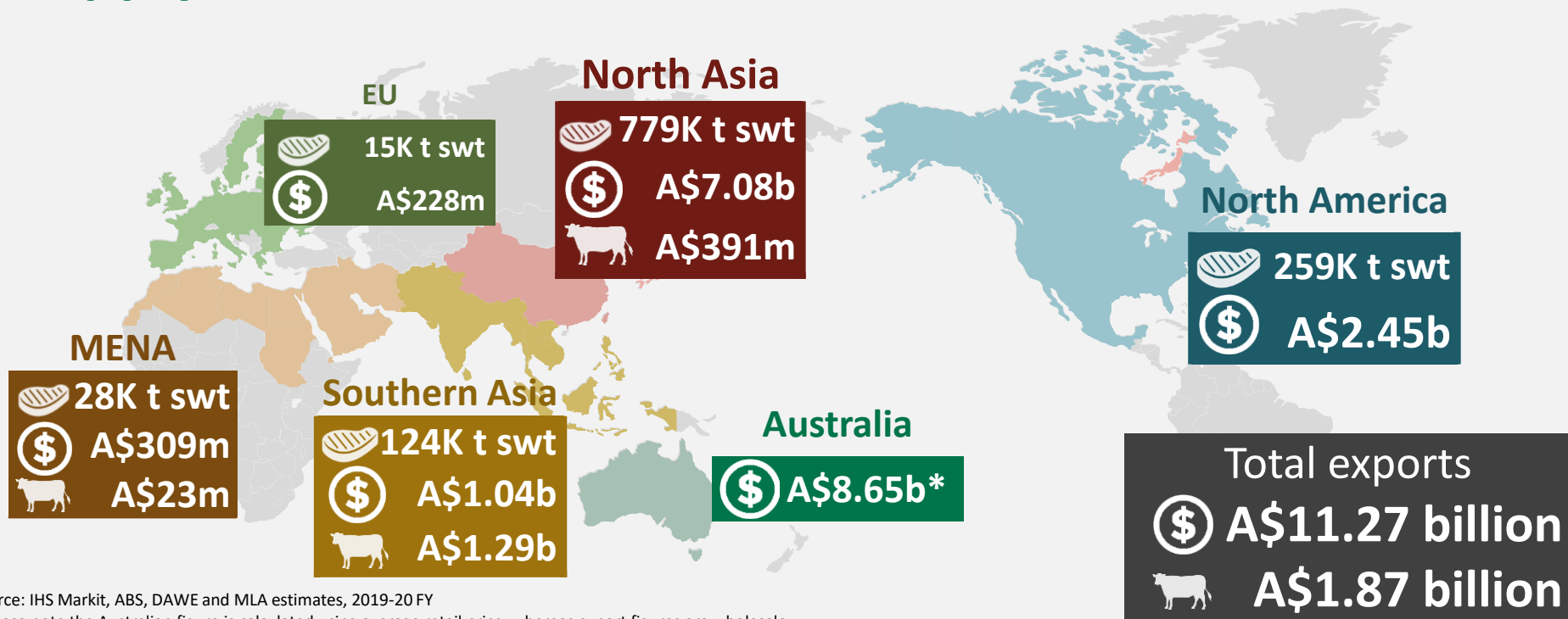
Expanding repertoires,  
exploring choice



Refocus on health



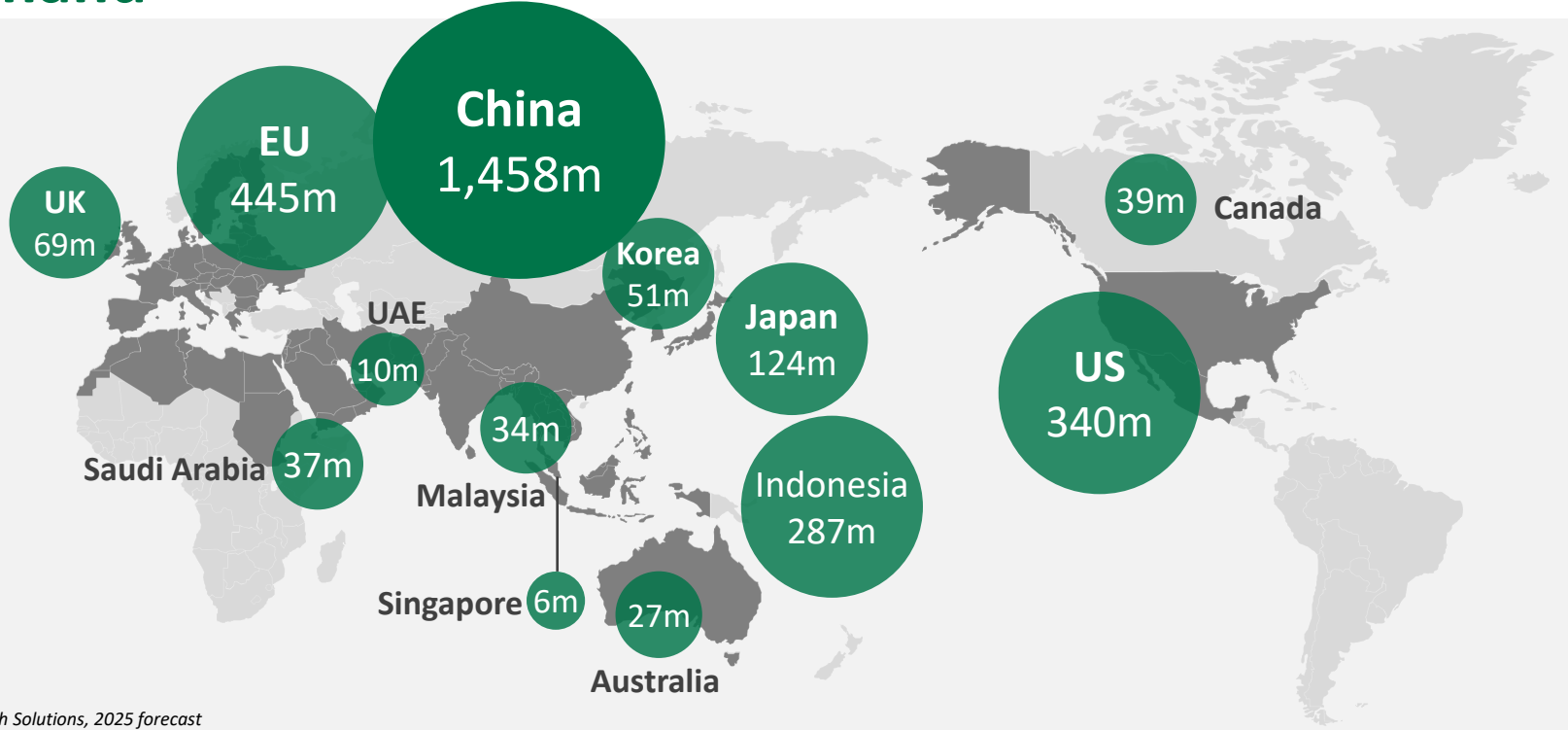
# Globally demand is growing much faster than we can supply



Source: IHS Markit, ABS, DAWE and MLA estimates, 2019-20 FY

\*please note the Australian figure is calculated using average retail price, whereas export figures are wholesale

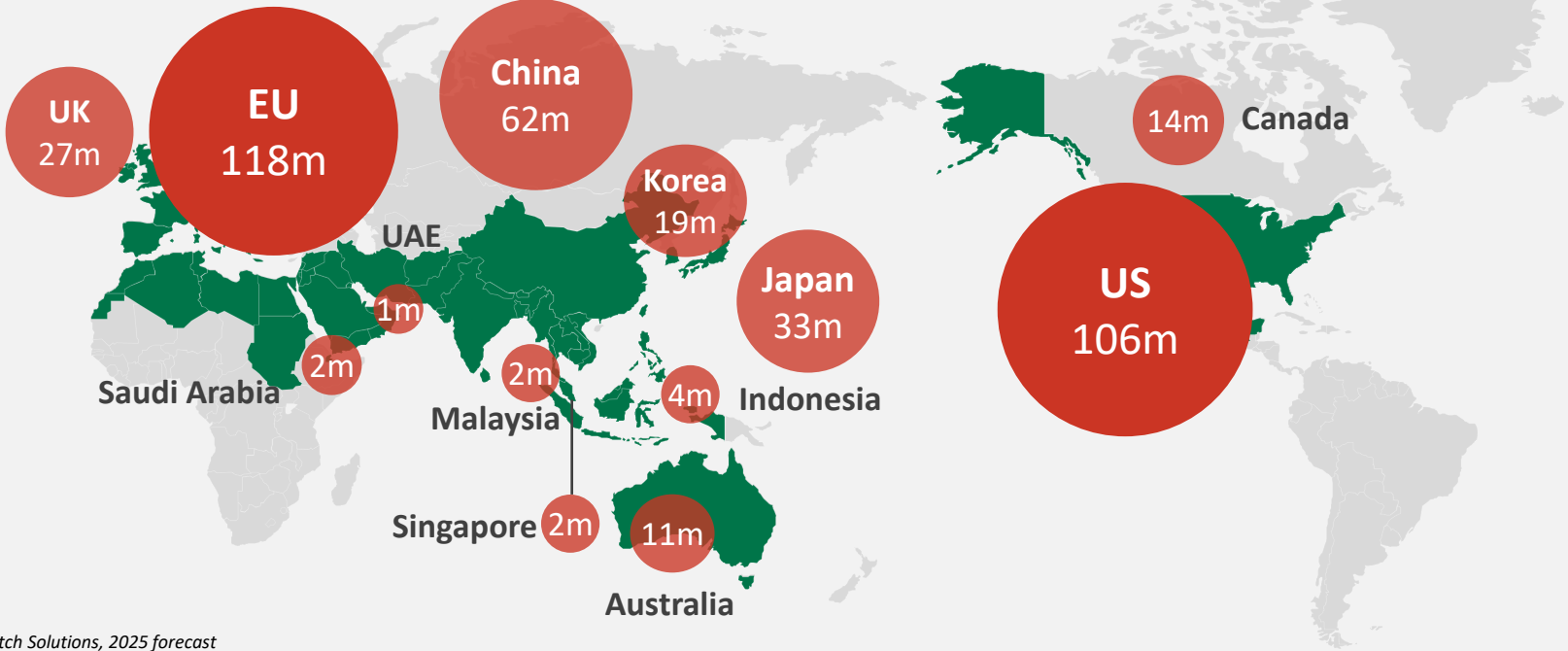
# Population is traditionally used as an indicator for potential demand



Source: Fitch Solutions, 2025 forecast

# However, 'ability to purchase' is a better indicator

Households earning a DISPOSABLE income above US\$35,000 (2025 forecast)



Source: Fitch Solutions, 2025 forecast





## A-UK FTA agreement in principle

- Current UK access:

**Beef: 3.7kt; Sheep/Goatmeat: 13.3kt**

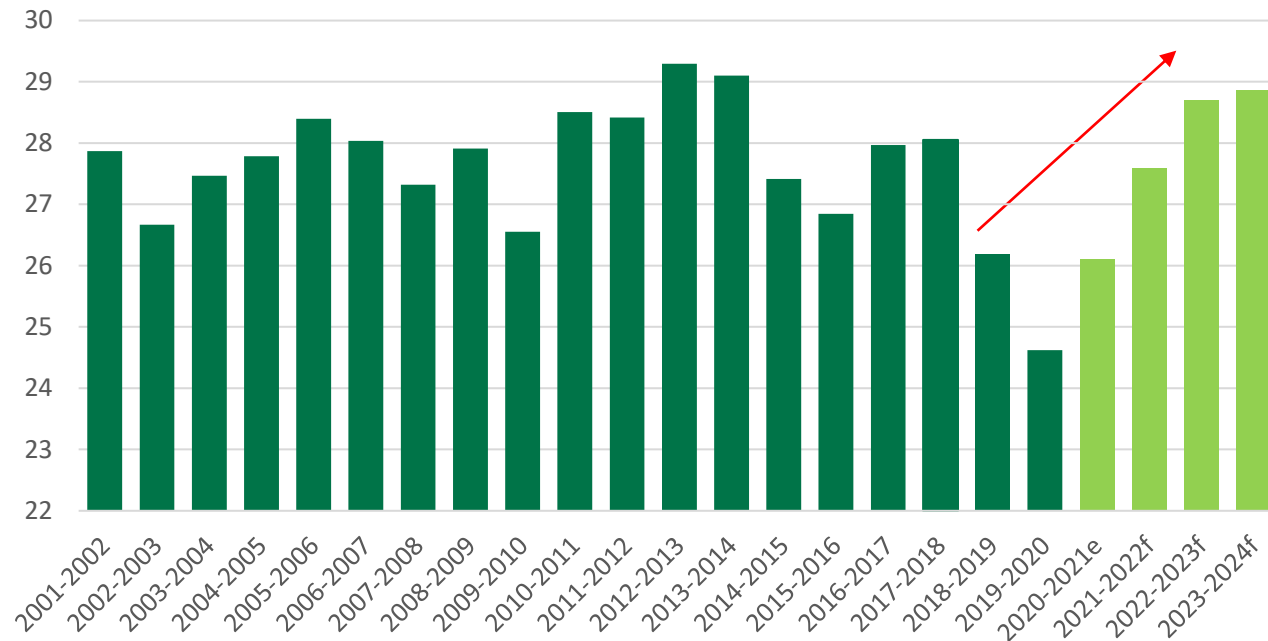
- FTA access Year 1:

**Beef +35kt; Sheep/Goatmeat +25kt**

- After 10 yrs

**Beef 110kt; Sheep/Goatmeat 75kt**

# National cattle herd to rebuild = 11% growth in cattle slaughter to 6.7m head



**2022 – 27.2m head**

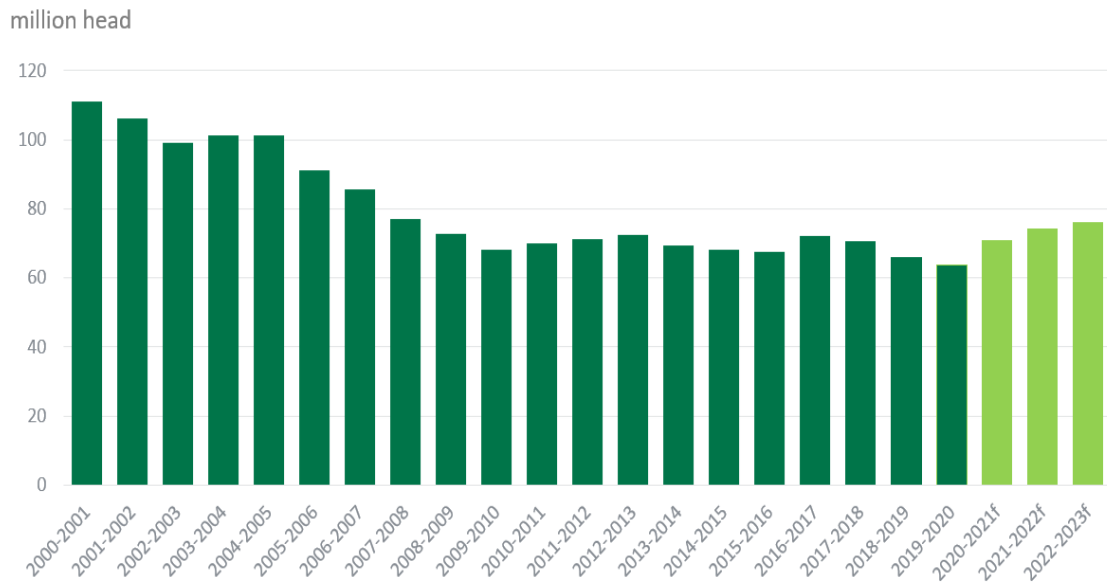
- Up 4.2% or 1.1m head

**2024 – 28.25m head**

- Highest since 2014
- Up 8% on 2021 level

# National flock to grow 5%

## Strong start with 7% increase in lamb slaughter



**2022 – 74.4m head**

- 4.9% or 3.5m head growth on 2021 volume

**2023 – 76.3m head**

- Highest since 2009
- Up 8% on 2021 level

Source: ABS, MLA estimates



## 2. Supply chain initiatives

# Commercial supply chain opportunities

## Calculating true carcass value



How much meat is there to sell?



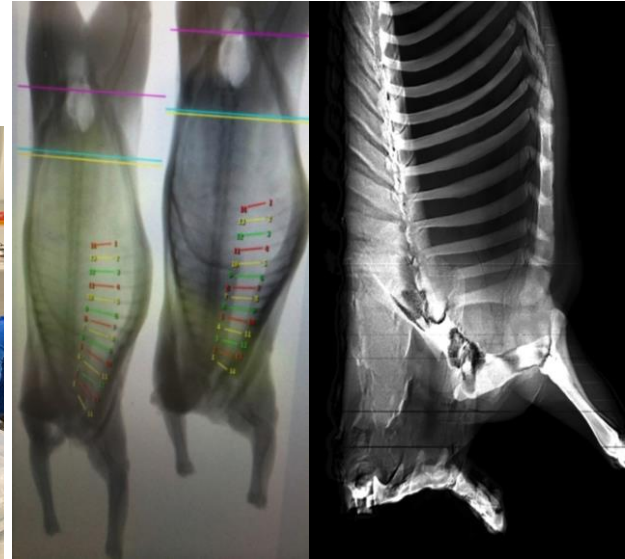
How well does the meat eat?



What impact does animal disease have?



# Objective carcass measurement







# MSA is representing the majority of beef

## 3.3 MILLION

CATTLE WERE MSA GRADED, REPRESENTING **53%** OF THE NATIONAL ADULT CATTLE SLAUGHTER – THE HIGHEST PROPORTION OF MSA CATTLE GRADED ON RECORD

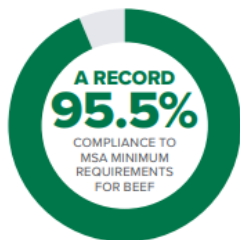
  
**57.62**

NATIONAL AVERAGE MSA INDEX



## 19,000 CONSUMERS

PARTICIPATED IN TASTE TESTING **OVER 130,000 MEAT SAMPLES** AS PART OF EATING QUALITY RESEARCH



BUTCHERS		WHOLESALE	
MSA	NON MSA	MSA	NON MSA
<b>\$36.05</b>	vs <b>\$33.28</b>	<b>\$25.09</b>	vs <b>\$23.12</b>
<b>DIFF: 7.7%</b>		<b>DIFF: 7.9%</b>	

# MSA DELIVERED AN ESTIMATED \$157 MILLION

IN ADDITIONAL FARM GATE RETURNS TO BEEF PRODUCERS

# Revolution for sheepmeat is coming



## INPUTS

Hot standard carcass weight (HSCW)

Lean meat yield (LMY)

Intramuscular fat (IMF)

## OUTPUTS

Grill



knuckle

loin

outside

rump

topside

Roast



knuckle

leg

rack

shoulder



FAIL

# An evolving red meat industry

## Arcadian Organic supply chain embraces carbon-neutral credentials

Jon Condon, 06/09/2019



**farmonline**  
NATIONAL

NEWS BEEF DAIRY SHEEP CROPPING MACHINERY PROPERTY WEATHER CLASS

BEEF STUDSTOCK SALES AUCTIONS CALENDAR

Clothing Manufacture Australia  
Recent Brand Supply

Open

**Beef** Livestock Auctions NEW

### Great Southern launches sustainability promises

14 Jun 2024, 9:14 a.m. Beef

AUSTRALIA'S leading certified grass-fed beef and lamb program, Great Southern, has announced the inclusion of its first sustainability framework in response to evolving consumer expectations.

As part of Great Southern's Farm Assurance Program, lamb and cattle producers, via a producer advisory committee, have developed the sustainability framework to ensure their on-farm practices meet the evolving expectations of customers and consumers.

## Coles to be first Australian supermarket to offer carbon-neutral beef

Colin Paekham

Energy and resources reporter

Apr 20, 2022 - 5:00am



Coles will be the first major Australian supermarket to offer a carbon-neutral beef product line, as it seeks to tap into rising demand from consumers for sustainable products.

Agriculture is one of the world's largest sources of emissions, prompting calls for consumers to reduce meat consumption in a bid to aid global efforts to meet net zero emissions by 2050.

A growing number of Australians are consuming less meat, while those continuing their eating habits are increasingly looking for sustainable products.



Coles to launch Australia's first carbon-neutral beef line

RELATED QUOTES





## 3. The problems we need to solve

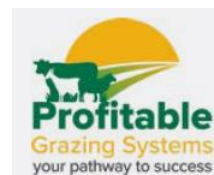
Trusted source  
of high quality  
protein

Double the  
Investment  
in adoption

Double the  
value of red  
meat sales

Achieve  
carbon  
neutrality

# Adoption programs





# Connecting producer needs with adoption



## Sheep reproduction strategic partnership

Best practice  
management

Human  
social factors

Enabling  
technologies

### Influence and motivate

Bred Well Fed Well, EDGE Network and livestock advisors

### Involve and partner

PGS e.g. Lifting Lamb Survival training package,  
PDS projects and large regional adoption projects

### Current projects

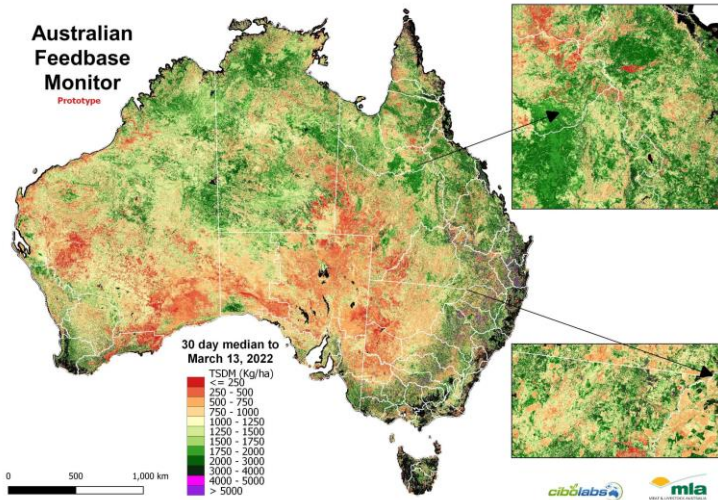
Accelerating sheep reproduction best practice  
Edible shelter to improve lamb survival  
Investigating heat stress in ewes

**Opportunity**  
Improve sheep  
reproductive  
performance,  
ewe and  
lamb survival

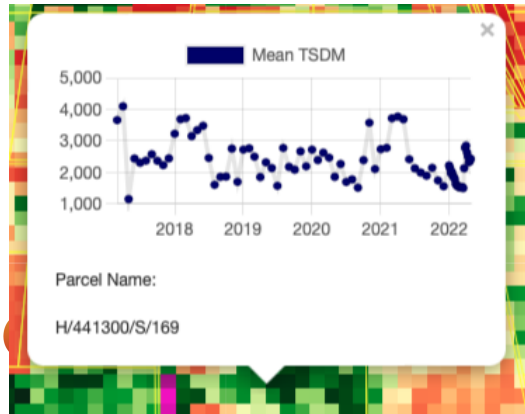
**Reduce  
lamb  
mortality  
by 5%**



# Australian Feedbase Monitor

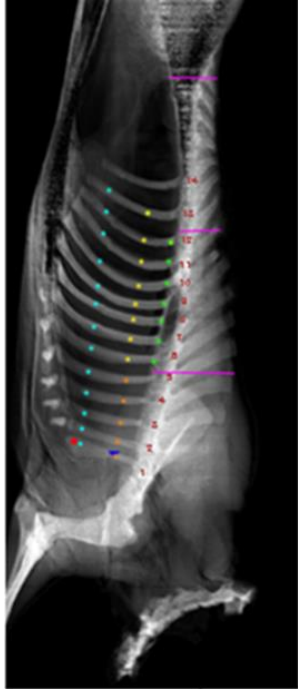


- Total Standing Dry Matter (KgDM/Ha) & Groundcover (%)
- Resolution of 1Ha & updated every 5 days
- Access through myMLA platform
- Access will be linked to PIC and LPA land parcels
- Available from 1<sup>st</sup> July 2022



Source: P.PSH.1336 'Driving adoption of objective management of pasture biomass for Australian livestock producers'.

# Modern Meat Processing

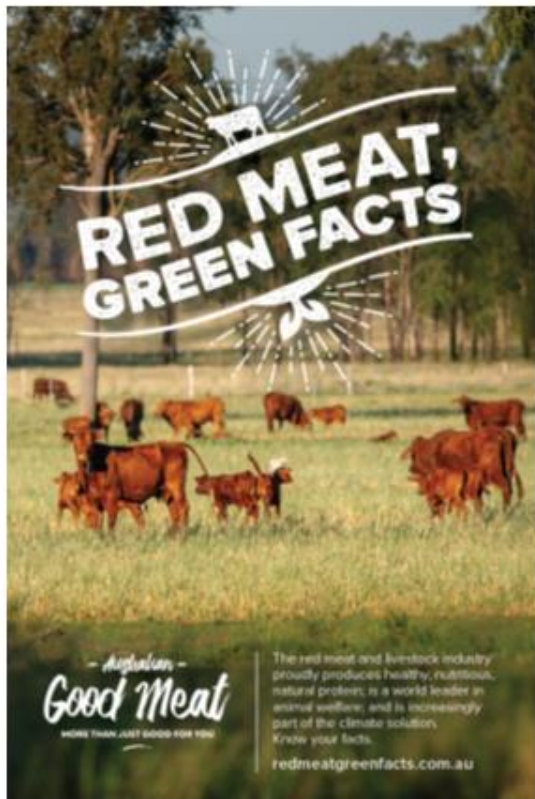


# Making more from less





# Red Meat, Green Facts



**Australian Beef  
Sustainability  
Framework**



**SHEEP  
SUSTAINABILITY  
FRAMEWORK**