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2017 MSA Excellence in Eating Quality Awards

Strategic Investments shaping the red meat industry

Michael Crowley – GM Producer Consultation & Adoption

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Overview:

The operating environment

- Supply
- Demand
- Market Access

Investments shaping the future

- MSA
- Objective Measurement
- Genetics
- Adoption

Supply

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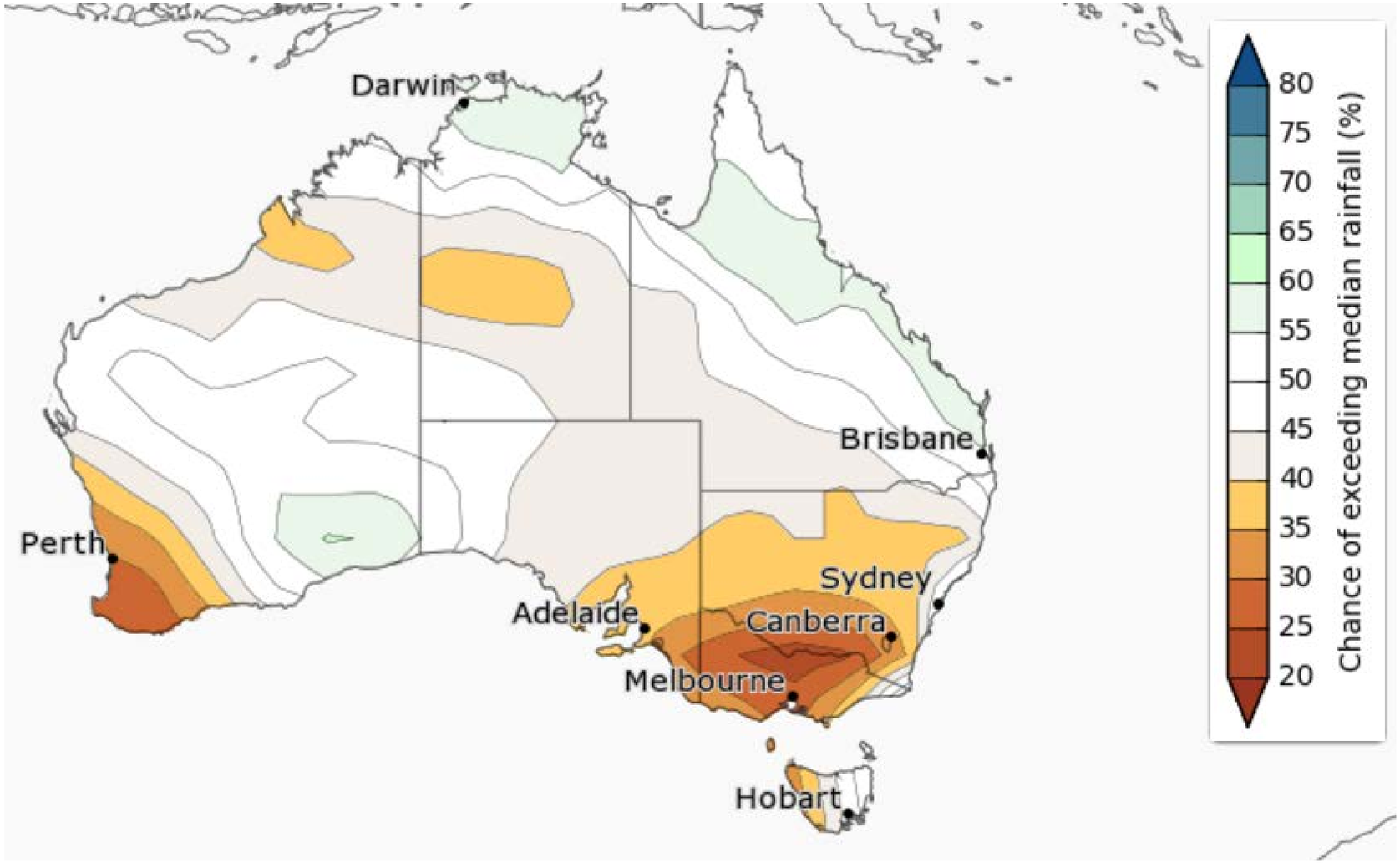
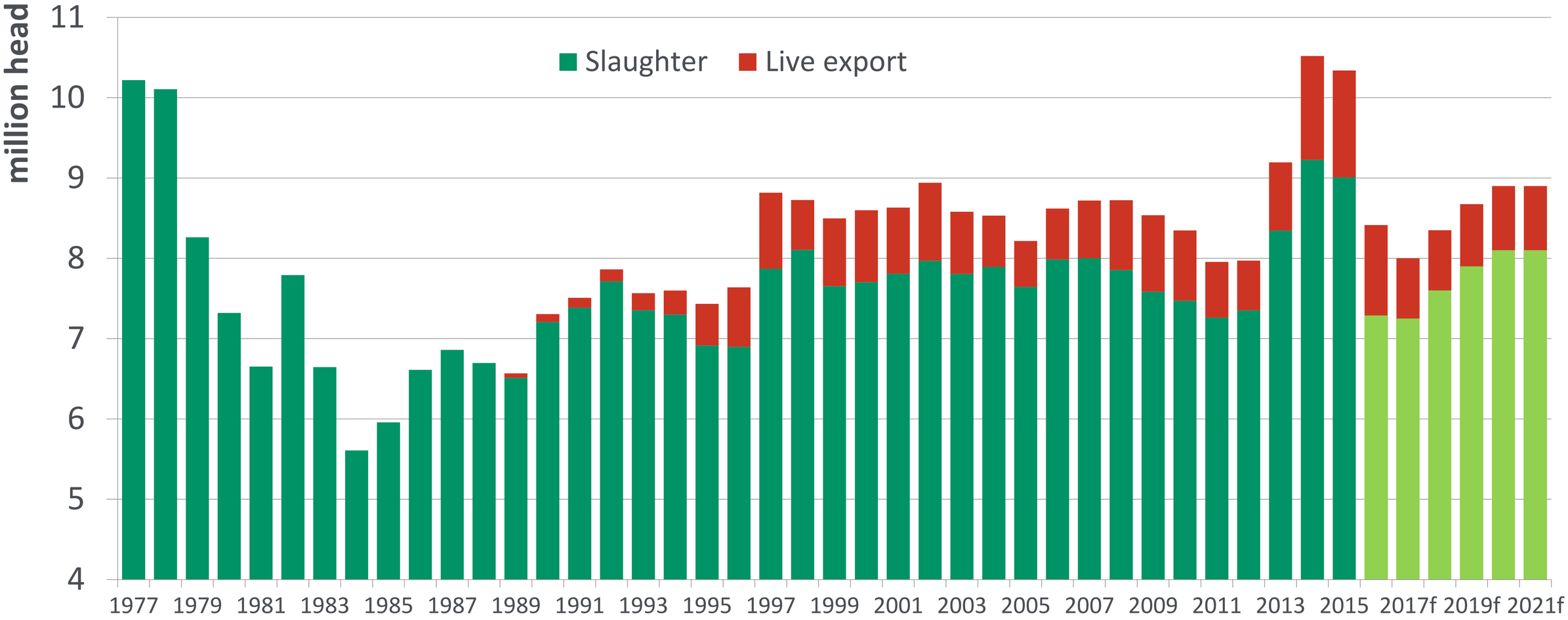
June to September rainfall



Source: BOM

Annual adult cattle turnoff



Source: ABS, MLA estimates

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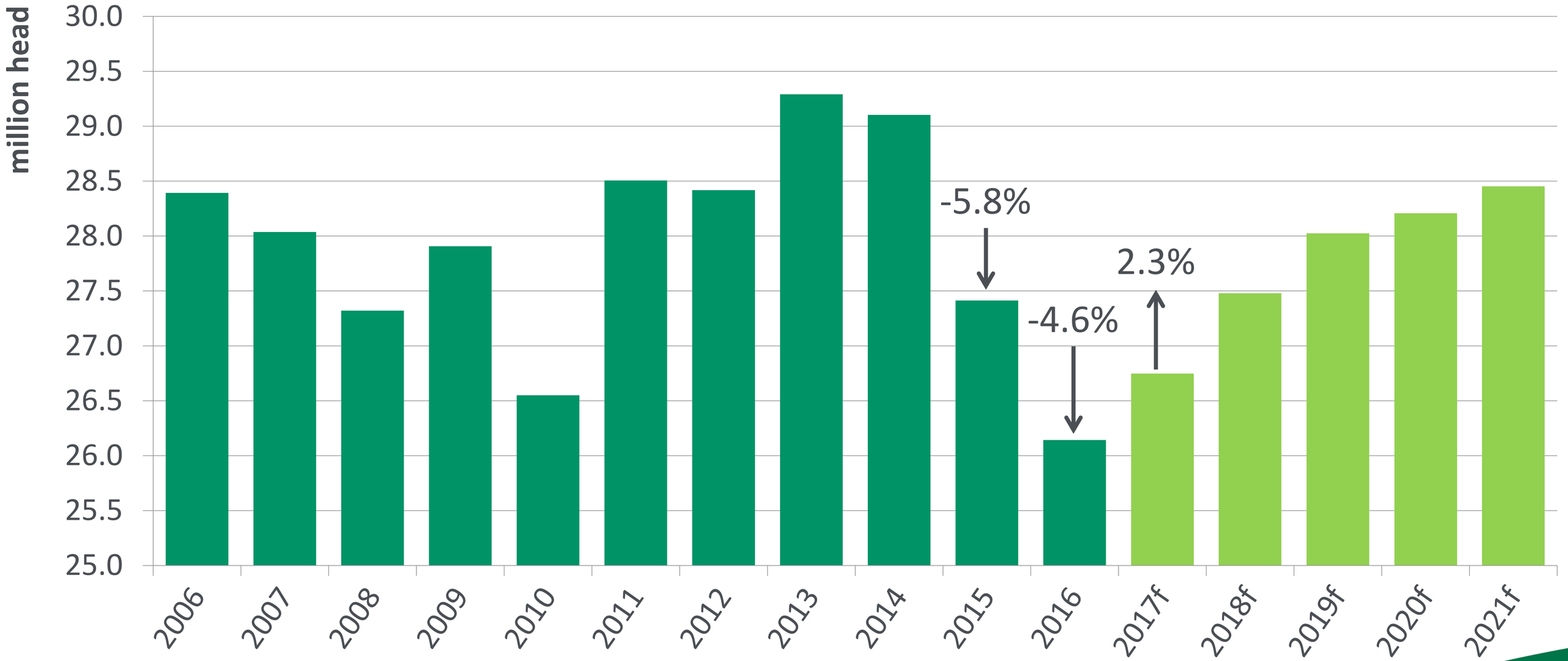
Australian cattle herd



Source: ABS, MLA estimates

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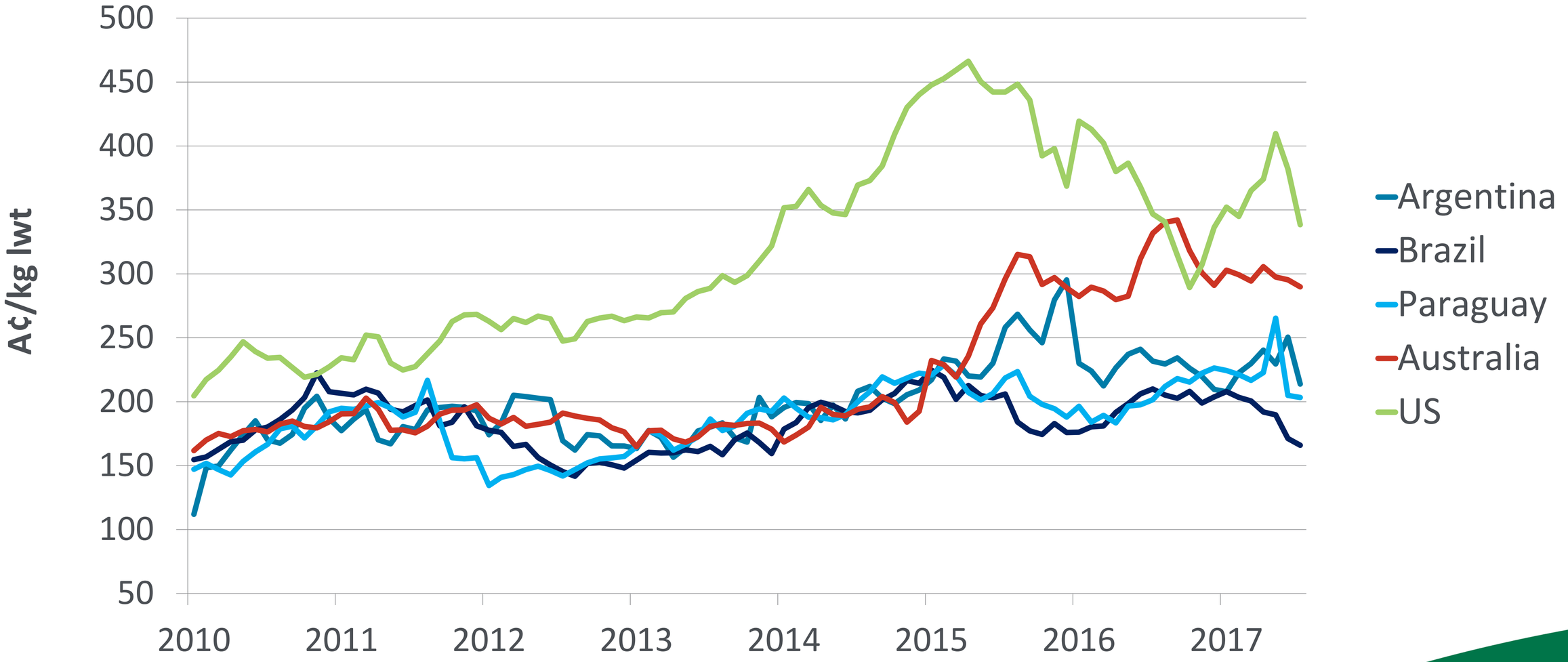
Global Cattle Prices

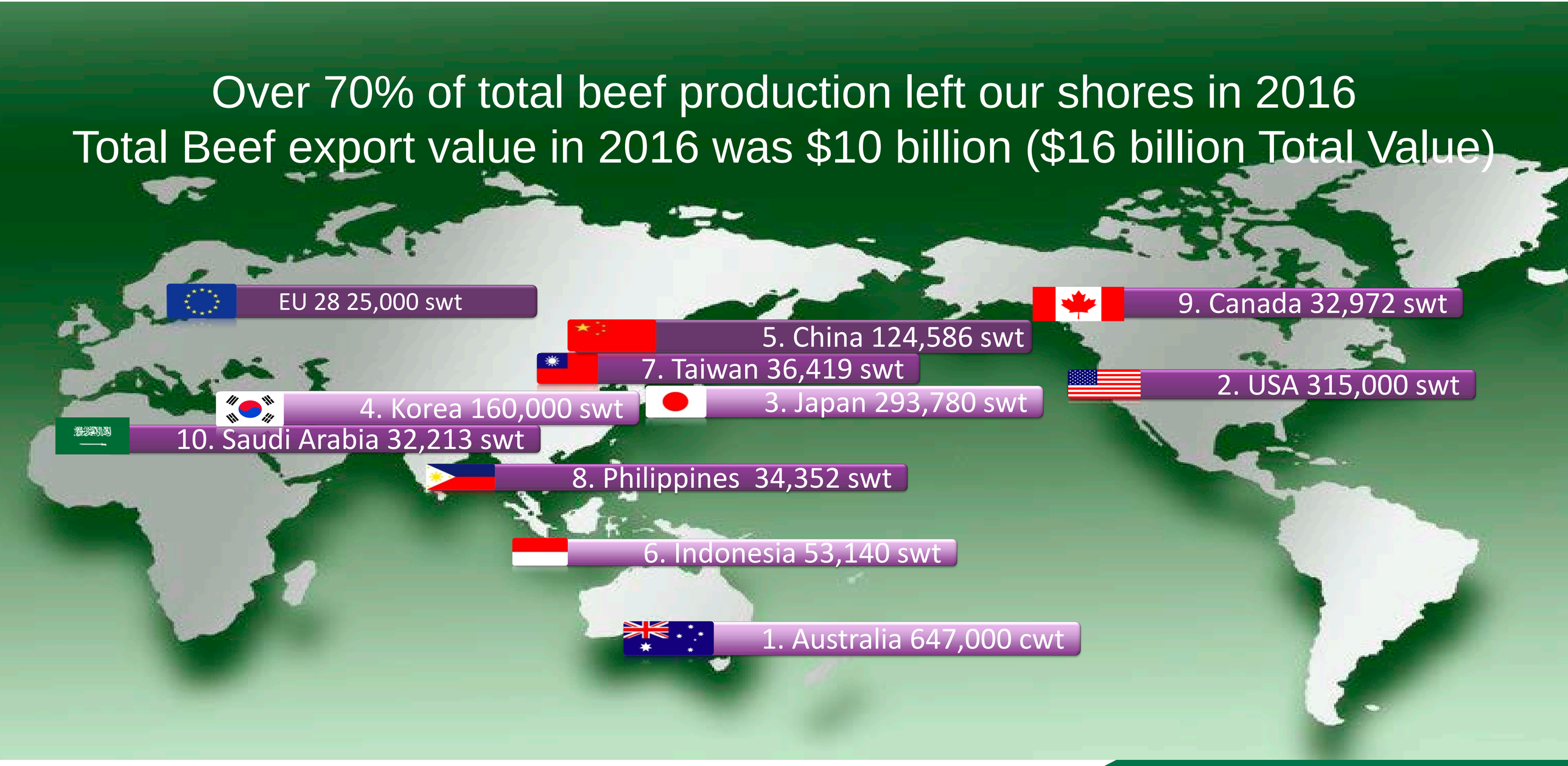


Source: IPCVA (Argentina, Paraguay); MLA's NLRS (Australia); Esalq/Cepea (Brazil); INAC (Uruguay); USDA/Steiner Consulting Group (US). Cattle specifications vary between indicators.

Demand

Where does the beef go?

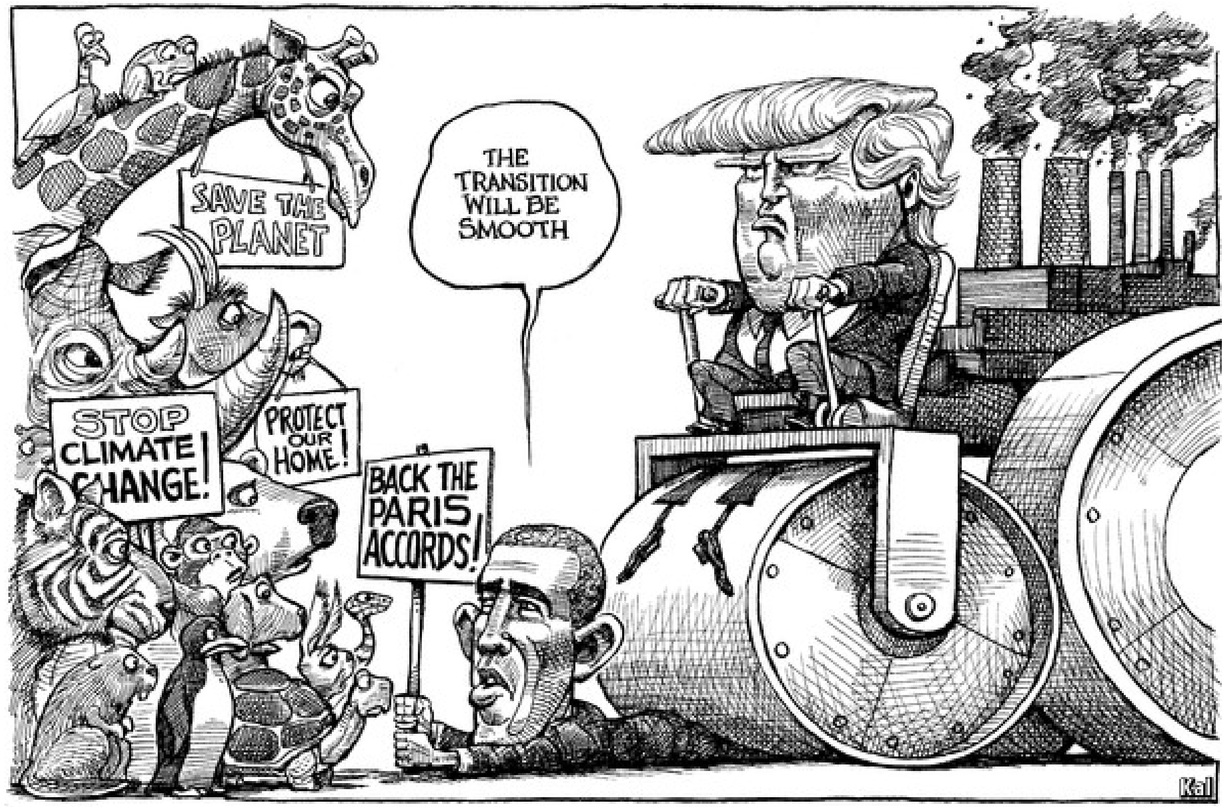
Over 70% of total beef production left our shores in 2016
Total Beef export value in 2016 was $10 billion ($16 billion Total Value)



FTA beef tariff elimination / reduction

Market	Tariff before FTA	Tariff 2016	Tariff 2017	Final tariff
Korea	40%	32.0%	29.3%	0% (2028)
Japan	38.5%	28.5%	27.5%	19.5% (JAEPA: 2034) 9% (TPP)
China	12%	9.6%	8.4%	0% (9 years time)

Risk and opportunity



Economist.com

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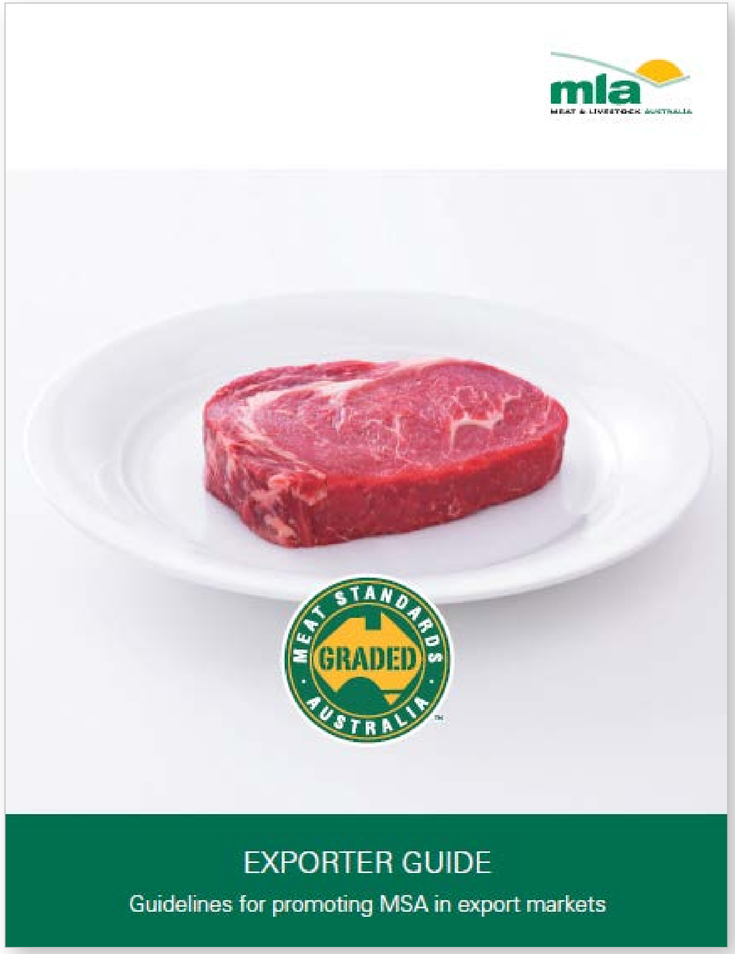
The rise of Brazil

- Re-gained access to **China**, **Saudi Arabia** and finally the **US**
- **Economic recession, weak currency** and **re-opened markets** making exports more attractive
- But still a **large domestic market** and lack of access to Korea and Japan
- Recent “rotten meat” scandal highlights **lack of quality control** but ability to overcome

MSA

MSA in international markets



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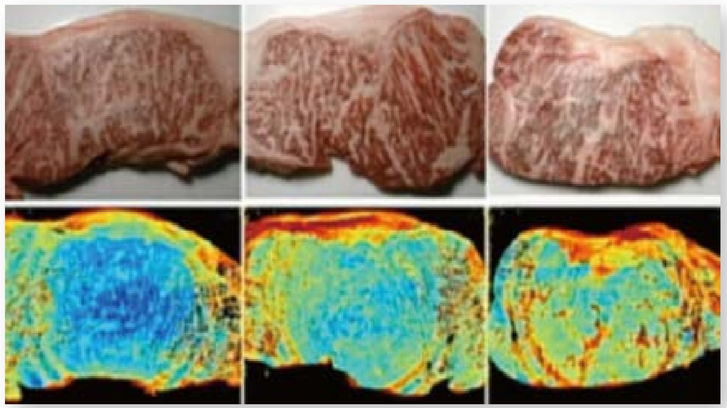
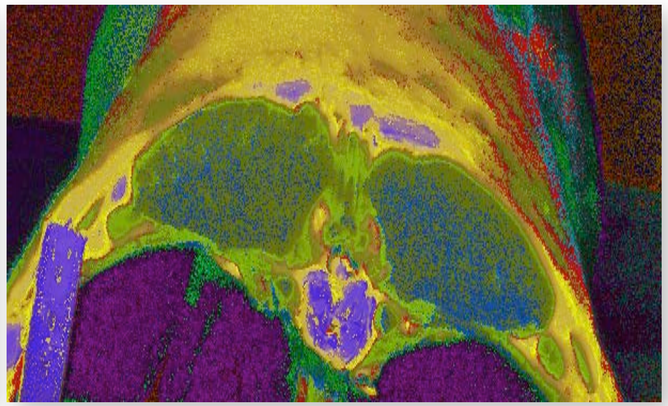
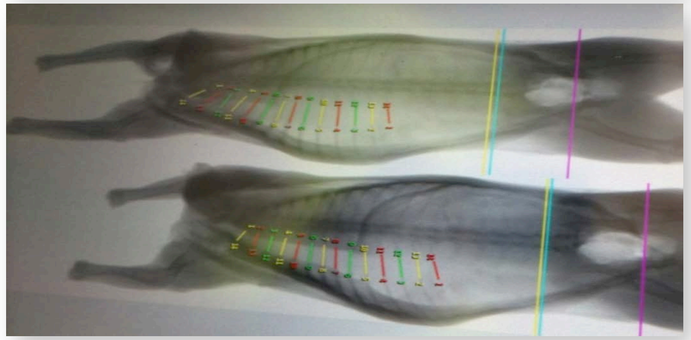
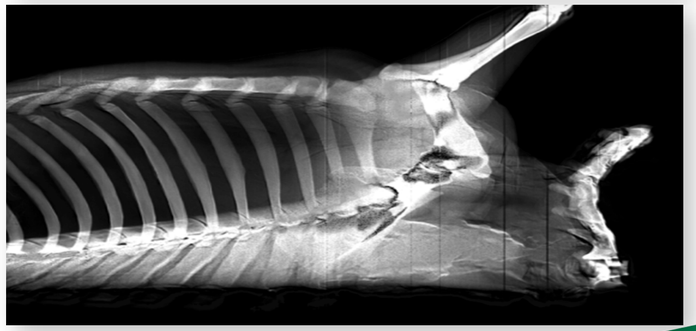
Objective Carcase Measurement

- Hyperspectral cameras
- DEXA – dual energy x-ray
- Infra red and optical sensors
- NIX colour sensor

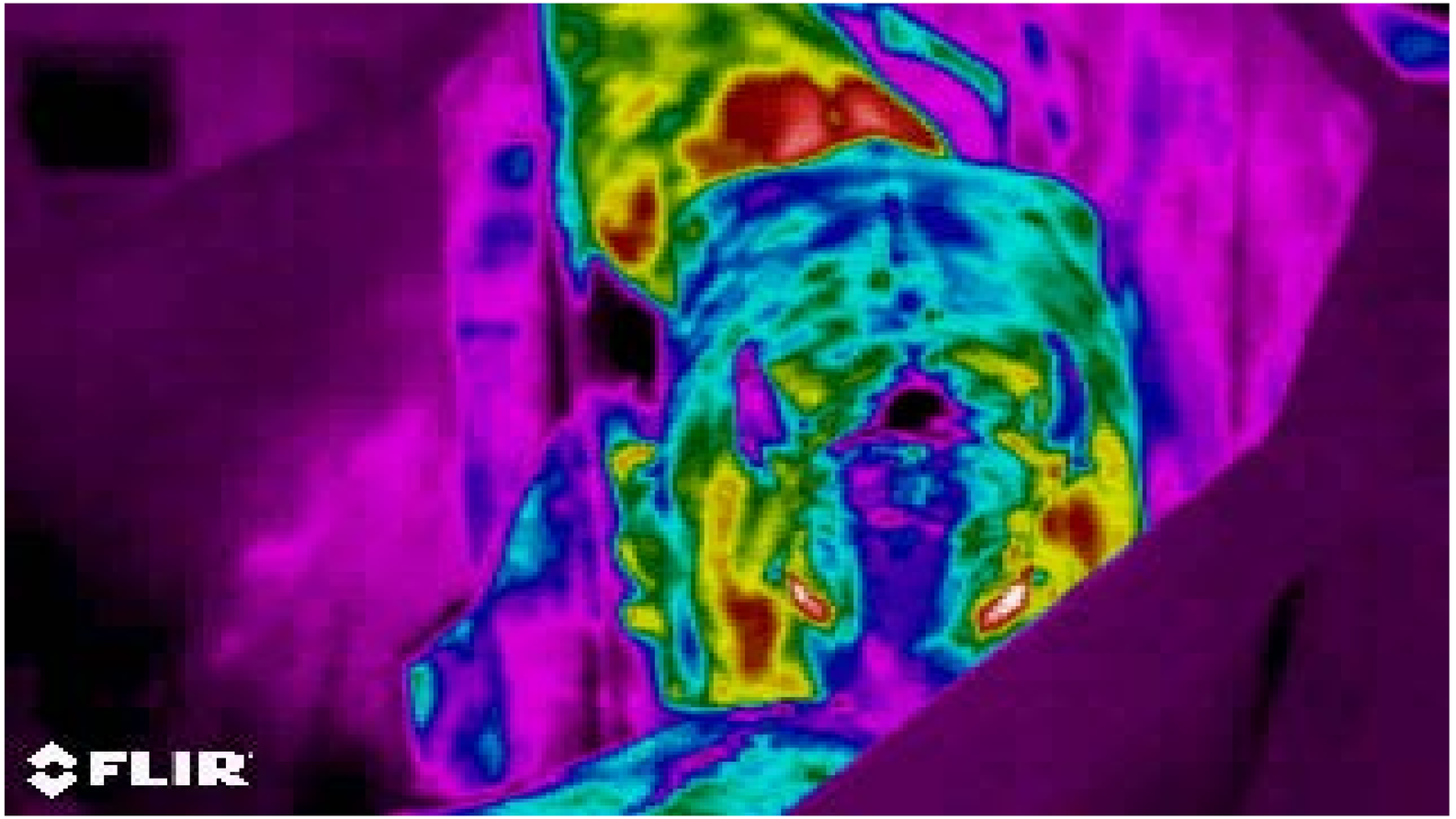








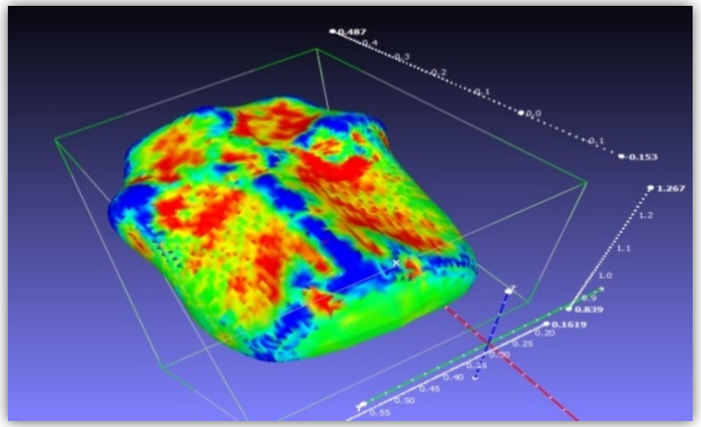
Stress indicators – Infra-red thermography



On-Farm Yield Prediction

- 3D Red, Green, Blue, + Depth (RGBD - xbox) camera technology

- Trialed to show great ability to assess body condition score



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National Livestock Genetics Consortium

World's Best R & D

- Cost of genotyping
- EQ improved through genetics
- Benchmarking & target setting genetic gain

Culture Change

- Value of genetics
- Increase adoption
- Develop Value Proposition

Disruptive Technology

- Cost Effective genomics
- Commercial value in genomics
- Reproductive technologies
- Multi-breed analysis

Open Data Platform

- National data platform
- National platform to link databased
- Data transfer & data canonical

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Improving on-farm performance

"Installing pump management and tank level monitoring systems has freed up two to three hours each day that we can now devote to better managing our stock, pastures and farm business"

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“To escape the lack of control associated with being a price taker we took a proactive role in the value chain. We now sell high quality products directly into the domestic and international markets. ”

NSW Beef and Lamb Producer

New products, brands, value chains

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“We transformed data into a decision making tool. The platform we built enables us to measure the quantity of grass needed for the quality and quantity of beef we grow. Our plans are to add drone and satellite data in the future to improve the accuracy.”

NSW Beef Farmer

New ventures and start-ups

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