

O(13)7816

INTERNATIONAL SHEEPMEAT FORUM

Copa-Cogeca

Brussels

4th October 2013



PRODUCTIVITY RISK

for Lamb Processors in Australia

Paul Leonard

4th October 2013



Paul Leonard

- National Livestock Manager
- 25 years experience
- from Queensland, New South Wales, Victoria, South Australia
- Thomas Foods process annually
 - >6,000,000 Lambs & Sheep
 - >250,000 Cattle



Thomas Foods International

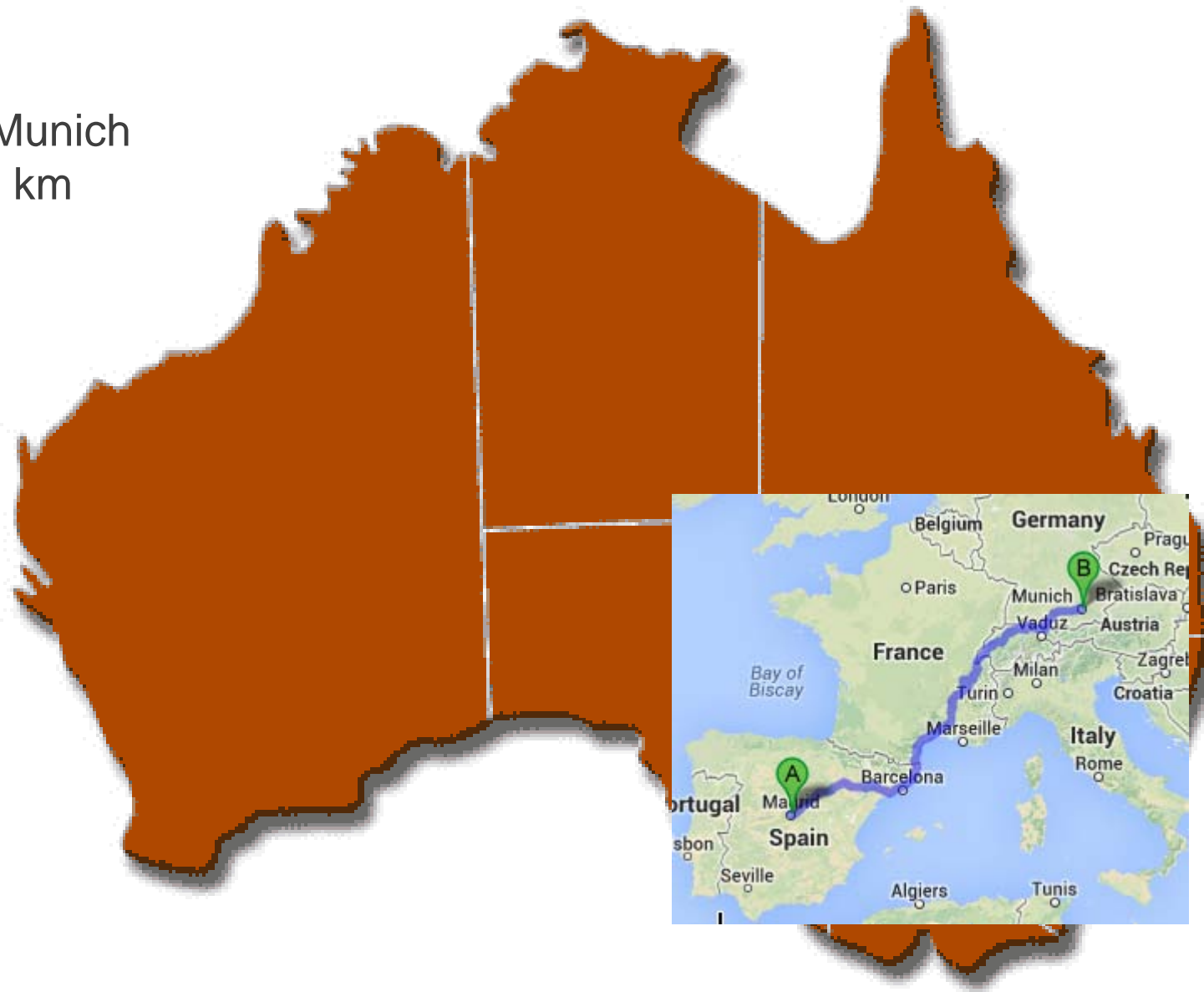
Buy from the

WHOLE of AUSTRALIA



Thomas Foods International

- Madrid to Munich
2,000 km







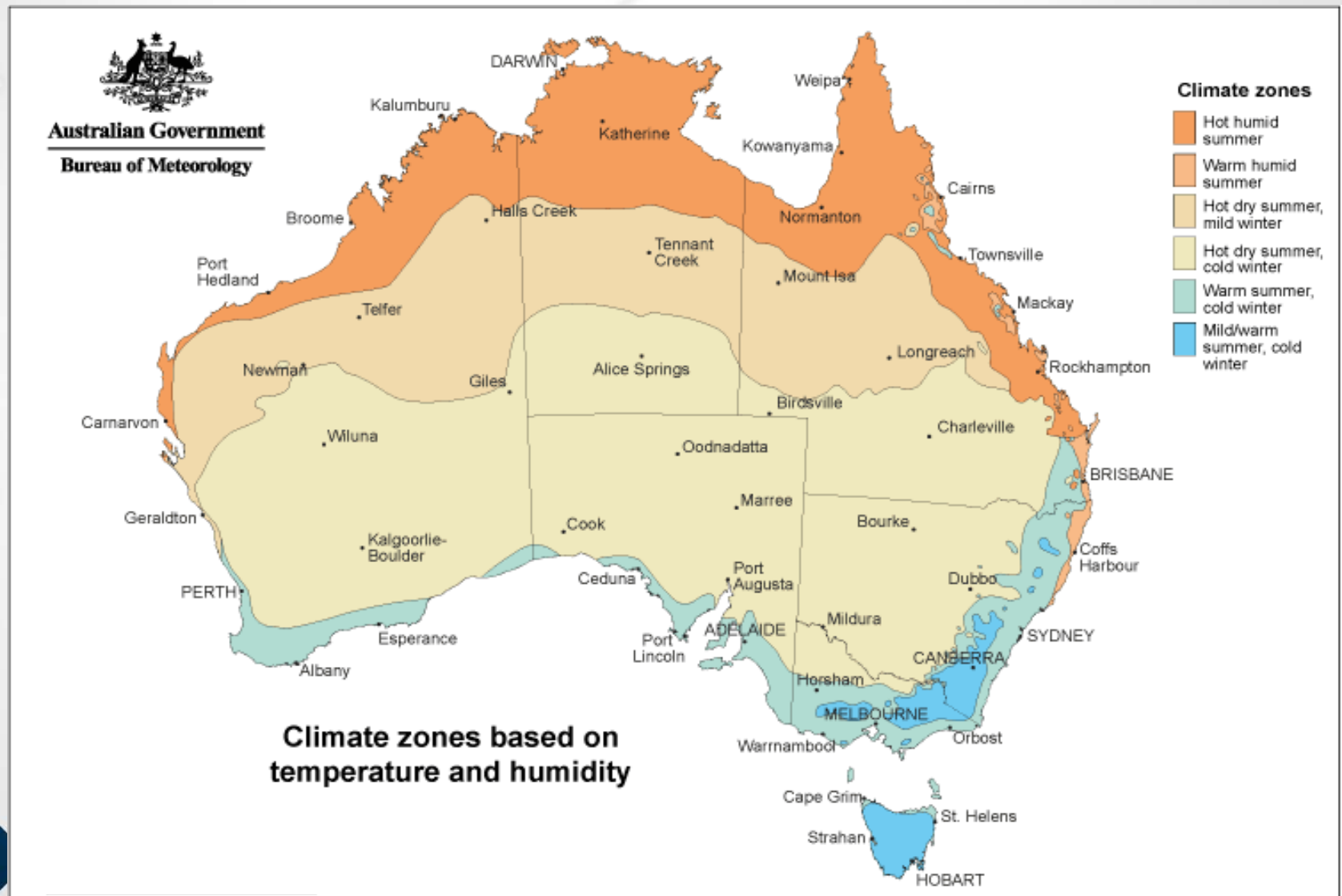
Lamb Productivity Risk

Three Main Risks

- | | |
|----------------------------------|---------------------|
| 1. Climate (Feed Availability) | Rainfall |
| 2. Grass Seeds | Producer Management |
| 3. Predation (Wild Dogs/Dingoes) | Producer Management |



Large and Diverse Continent





Solutions to Seasonality

1. Use diverse environments – Sir Sydney Kidman
2. Use grain
3. Genetics adapted to pastoral environment (Dorper)



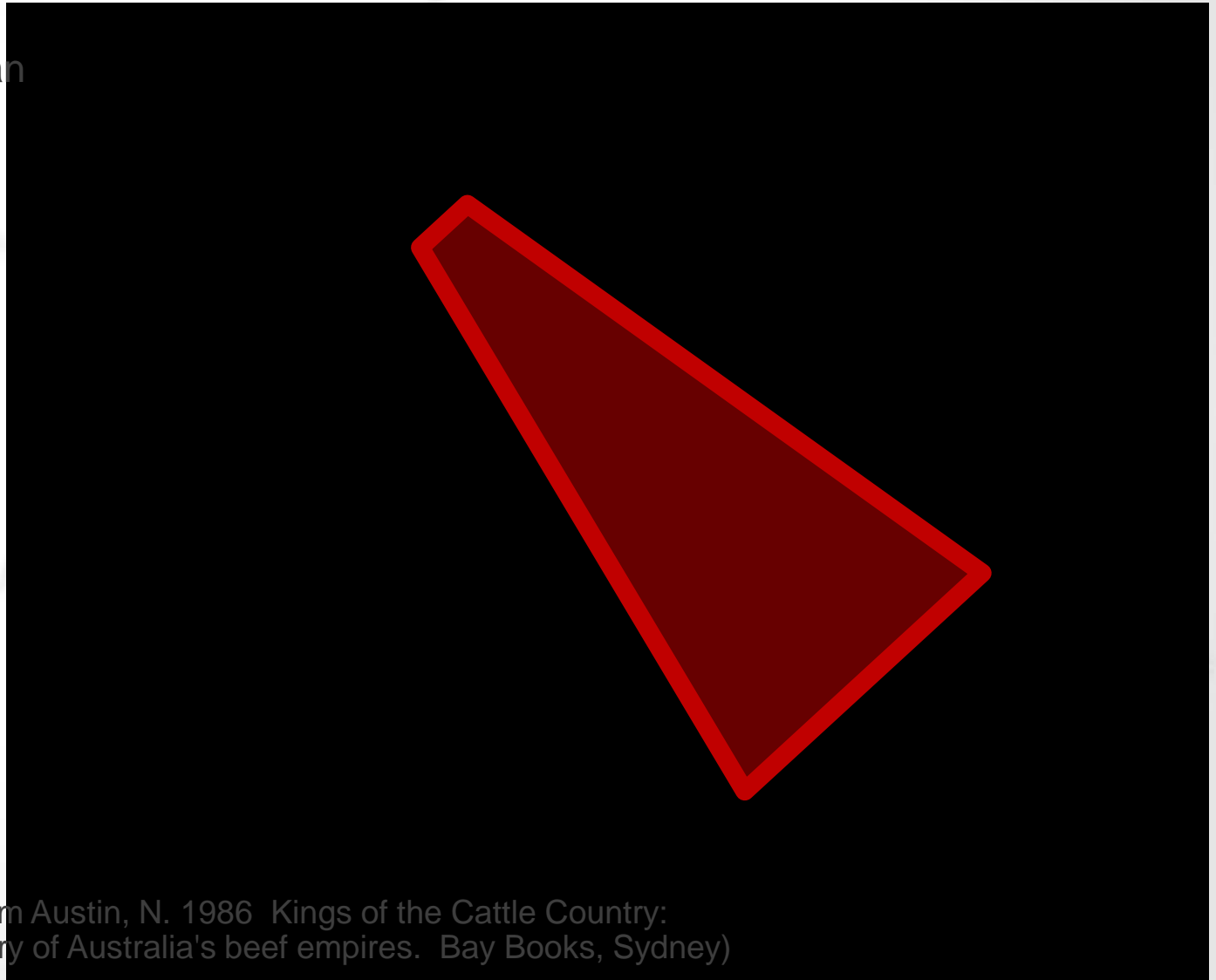


Solutions to Seasonality

Sir Sydney Kidman

controlled

~20% of Australia



(adapted from Austin, N. 1986 Kings of the Cattle Country:
the epic story of Australia's beef empires. Bay Books, Sydney)



Solutions to Seasonality

All of Europe

1 man

1 empire

Just to control

Climate Variability

RISK



Solutions to Seasonality

Numbers of sheep
per state
(Million head)

Tasmania
2 million



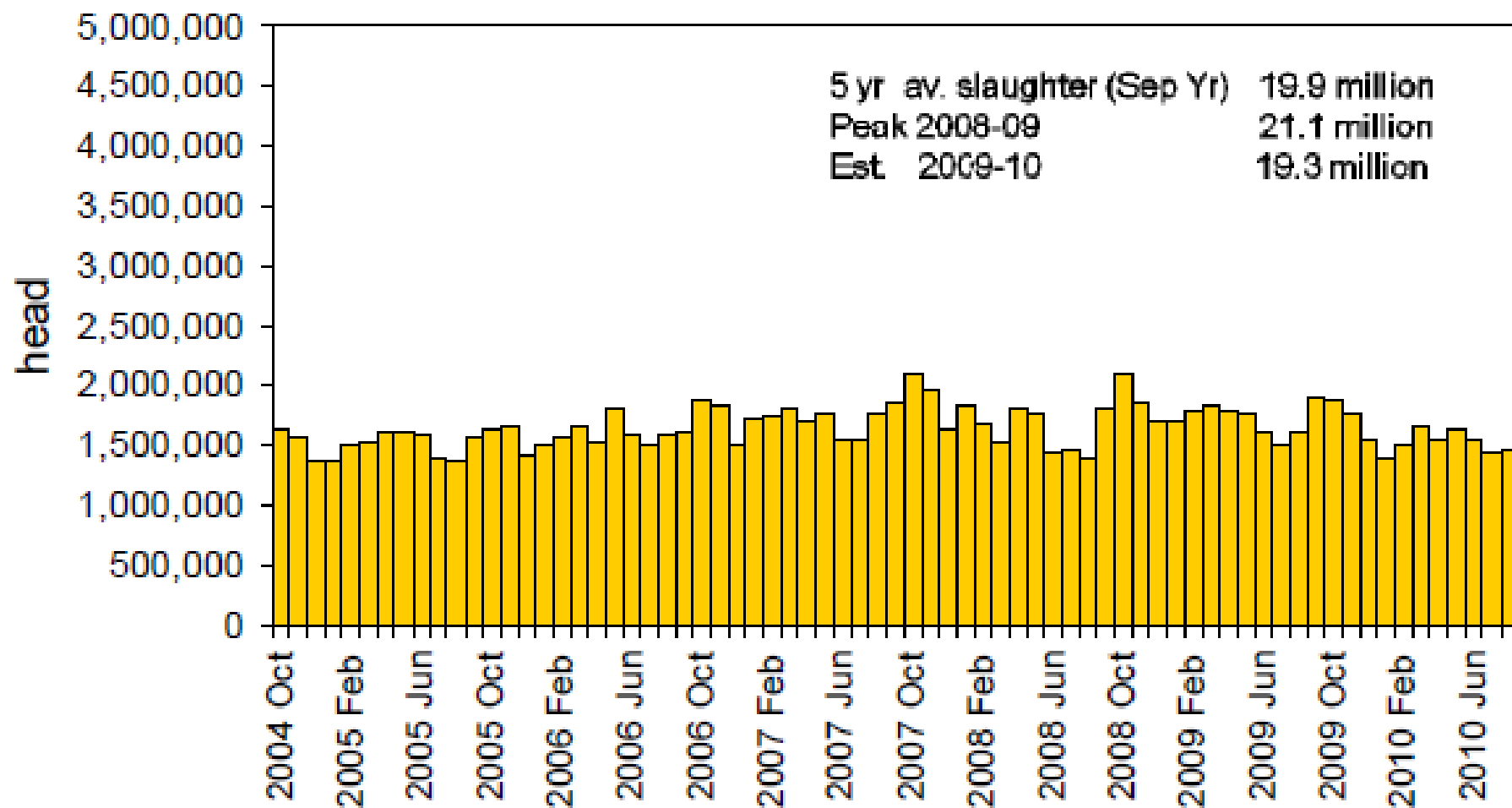
Solutions to Seasonality

Drought Feeding



Lot Feeding

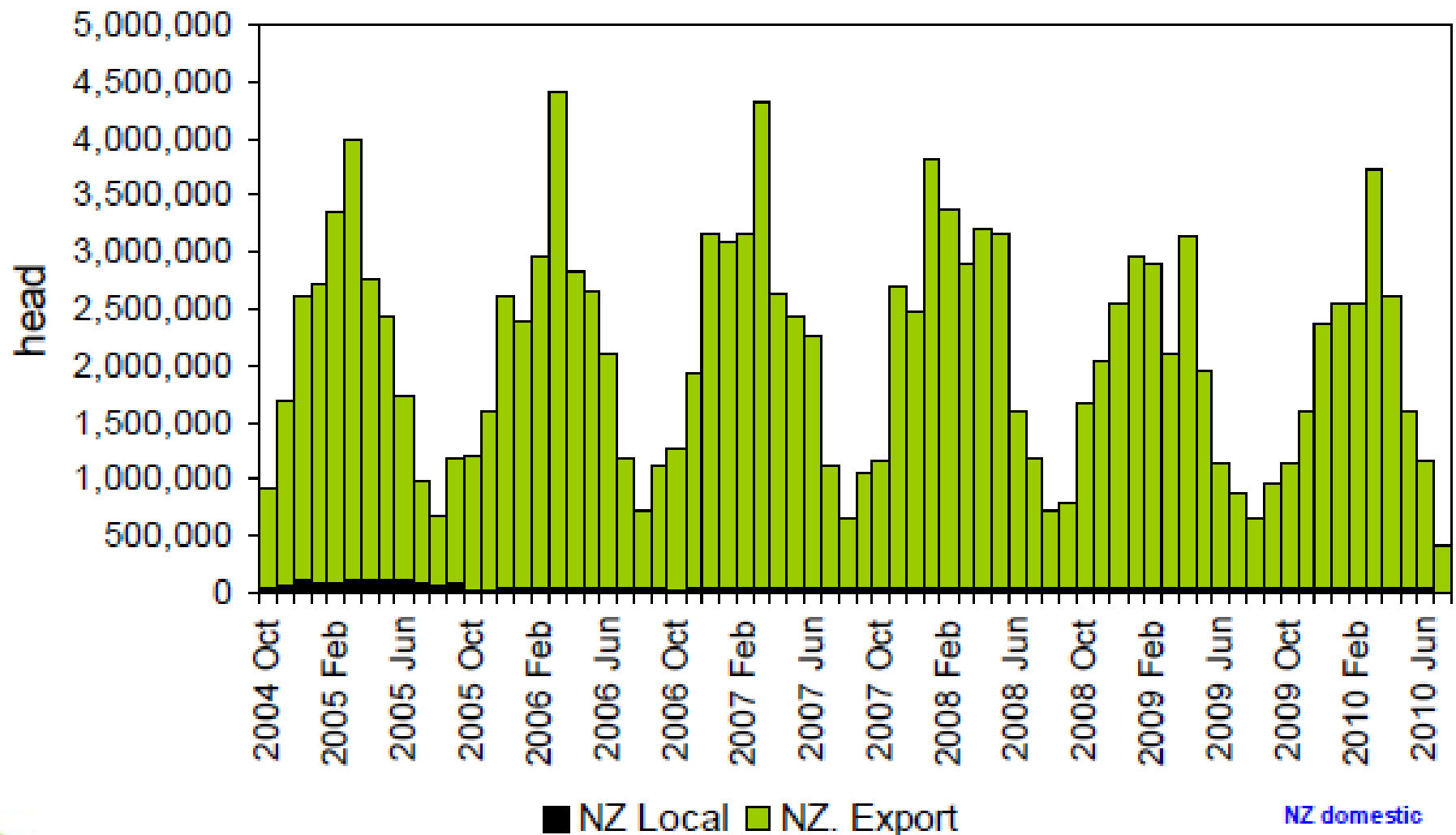
Solutions to Seasonality



Source: MLA

Australain domestic
consumption 55%

Solutions to Seasonality



Source: Beef + Lamb New Zealand Ltd - Economic Service

NZ domestic consumption 8%

Genetics – Expand Grazing Range

- Traditional prime lamb breeds prefer temperate climates
- Australia's wool Merino is well adapted to the drier Mediterranean climate
- Dorper
 - from South Africa
 - introduced to Australia last 15 years



Dorpers

Attributes



- adapted to pastoral country,
- fertility,
- growth,
- fleece shedding
- continuous breeding season.

Currently in extensive sheep industry trials.

Organic Production

Injury & Contamination

- Animal Welfare
- Production
- Food Safety

Grass Seed





Grass Seeds

- Kill seeds in Spring
- Shear Sheep in Spring
- Only certain species



Predation – Dingoes / Wild Dogs



Predation – Dingoes / Wild Dogs

**Dogs KILL over
7,000 lambs**

Courtesy of Queensland Country Life – printed 22 August 2013

<http://www.queenslandcountrylife.com.au/news/agriculture/livestock/sheep-wool/lansdownes-dog-threat/2668685.aspx>



Thomas Foods' approach to Productivity Risk

Whole Chain Approach

- Independent Auditable Systems
 1. Food Safety – Codex Alimentarius (World Health Organisation and Food and Agriculture Organisation)



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 2. Livestock Production Assurance Welfare, Health & Safety
Animal Welfare



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Animal Welfare
 3. Eating Quality – Meat Standards Australia



Thomas Foods' approach to Productivity Risk

Whole Chain Approach

- Independent Auditable Systems

Ensure
we meet our

CUSTOMERS' EXPECTATIONS



Buy Nationally

-

Sell Globally



SUMMARY MESSAGES

- **Climate Variability**
 - Buy Nationally
 - Pay producers to finish
- **Grass Seeds**
 - Whole of Industry Approach
- **Wild Dogs**
 - Emerging Threat
- **Whole of Supply Chain Approach**

Consumer

to

Producer





FURTHER INQUIRIES
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THANK YOU