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# MLA program update – July 2012

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*This report aims to provide the Peak Industry Councils and State Farming Organisations with a brief overview of key MLA program progress as per our strategic imperatives. This is not a comprehensive report on all MLA programs, however highlights some of MLA's recent activities.*

## **Maintaining and improving market access**

- Taiwan has lifted the ban on imported beef containing Ractopamine and has set tolerance limits in accordance with Codex standards. As part of the deal there will be a legislated requirement for all beef to be labelled by country of origin.
- Russia has officially notified the World Trade Organization Secretariat that its ratification process to join the world trade body has been completed. Russia becomes the WTO's 156th member on August 22. Russia's terms of membership was adopted by the WTO at last December's Ministerial Conference.
- Ramadan (Holy month of Fasting) started on 20 July and will continue until 18 August. In many Islamic countries, food consumption increases by 2 to 3 times as people over-compensate in the evenings. There will be increased demand for meat over the next month and additional support has been allocated to Indonesia.
- Indonesia – Live cattle import permits have been released for the 2nd half of 2012 - a quota of 98,000 head until December. This is the remainder for the year's quota of 283,000 head. Indonesian Government policy continues to promote development of local industry to reduce imports. Breeding cattle policy and supply chain risk assessment are major priorities for exporters.

## **Growing demand**

### Eating quality

- The second and third long distance transport trials were conducted on the 18th and 20th of June. There were 88 head in each trial. Urine and blood samples were collected, pH/temperature declines and full MSA grade along with collection of product to be taken through MSA consumer sensory. The final trial is scheduled for September 2012.

### Nutrition

- MLA released the latest edition of Vital magazine - a quarterly publication that has delivered news, views and information to health professionals for 15 years. Vital shares up-to-date nutrition research and what this means in practice.
- MLA is exploring opportunities for collaborating with other primary food industries to promote the benefits of higher protein, nutrient-dense, low GI diets for metabolic health via healthcare professionals.

### Developing new products

- The SmartShape demonstration machine has completed trials at a processing plant and is now being demonstrated to three other processors.
- The next stage of an auto-bagging system to improve SmartShape cycle times is now under development.
- Whole of carcass approach including value added product development has been applied by a producer. The producer has developed a range of value added pre-cooked

products which are sold into food service. Using appropriate precooking methods for rangeland goat improved its eating quality and ease of use in a food service setting.

- A portion controlled sliced roast beef made using SmartShape has been launched for a fast food restaurant chain. Benefits are consistent cook, portion control and improved net yield.

## Global Marketing - Beef

### *Australia*

- According to Nielsen Homescan, the fresh meat category shrunk in the three months to June 9 2012. Beef's value share was 38.2%, higher than the previous quarter but remaining 1.2 share points below the same period last year. Much of this is due to flat/negative pricing changes at retail. IGA and specialty meat retailers continue to lose fresh beef market share to Woolworths and Coles in 2012
- The 2012 Winter beef campaign peaked on July 14th with 'Beefgiving Day'. Activity included a social media video featuring Julia Gillard and Tony Abbott balloons coming together over a beef meal (which gained over 200,000 views and numerous national media mentions without any mainstream media expenditure), a Facebook Meal Planner application, Winter Festival sponsorship, Sunrise and Morning Show appearances (including a segment where the beef industry came together to feed the homeless at a shelter in Sydney's Surry Hills). All material supported the overall 'Nothing Beats Beef' in winter brand message, creating an additional consumption push towards retail. PR activity incorporating beef nutritional messaging, as well as the launch of a pilot 'foodie' magazine, Meat & Co, will take place in August and round out the campaign
- An online study among a representative sample of 508 beef consumers aged 18-64 years was conducted by Galaxy Research to review design options to differentiate between MSA 4&5 star product at the point of purchase. The results confirm that consumers would be more confident in choosing quality beef products using the proposed 4&5 star design to differentiate products.
- MLA provided assistance to Coles supermarkets to launch a new frozen beef mince product line "Simply Mince". The product will be ranged in all 760 Coles stores and includes 500g and 1kg packs of 4 Star (90% Lean) and 5 Star (95% Lean) beef mince that can be used direct from the freezer.
- Beef masterpieces program ran events around the country with one specifically targeting registered clubs in NSW with 80 chefs from clubs NSW in attendance at 2 workshops featuring beef brisket and oyster blade.
- A 5 day Chef tour to Qld was undertaken focussing on paddock to plate with 25 chefs from across Australia in attendance. All participants on the tour program rated the experience and educational component highly and have gained a greater understanding of the process of producing beef for their outlets, MLA also featured various events and dinners focussing on non-loin cuts as a key component of the Beef production chain tour.

### *Japan*

- MLA conducted a beef tasting seminar with 11 major national retailers, showcasing diverse flavours from Australia including grassfed, shortfed, middle-fed and aged cuts. Feedback was very positive, with some suggesting MLA hold an "integrated session with foodservice buyers" to encourage a cross-sectoral network for Australian beef.

### *Korea*

- The annual Australian Beef Grand Seminar which celebrated 10 years of the 'clean & safe' product positioning was held on 21 June. Over 320 attendees from the trade, media, foodservice and retail sectors, as well as government and Korean livestock representatives attended. MLA provided an update on beef industry developments in

Australia; whilst a variety of Australian beef cuts and processed products were on display.

#### South Asia

- The 8th IHG group in-house Black Box Culinary Competition and charity dinner was held in June at the Crowne Plaza, Beijing. Participants from 15 hotels across China competed at the event, which MLA sponsored.

#### Middle East

- Strategy meeting with Spinneys Lebanon management for the “Australian Meat Festival” campaign taking place between the 15th of July and the 15th of August 2012.

#### USA

- The Rammys Awards - the annual industry-only awards gala for approximately 1500 professionals within the restaurant community of Washington DC, Maryland and Virginia - was held in June. Hosted by the Restaurant Association of Washington DC (RAMW) the event offers a unique opportunity to access and influence top chef and restaurateurs as well as their distributors in the lucrative local restaurant industry.

#### EU/Russia

- MLA has continued to support the importers in retail programs in high end Moscow supermarkets.
- In July MLA undertook a market visit to Russia to better understand the current and potential live export opportunities. Significant opportunities still exist for live breeding cattle but also feeder cattle

#### Global Marketing - Lamb

##### *Australia*

- The 2012 Spring Lamb campaign will launch on the 1 September for PR and Point of Sale, and on 16 September for heavy media activities such as TV, integration pieces and magazine ads. The campaign revolves around a consumer magazine with the largest print run of any MLA marketing publication (2.2m), even surpassing Entice magazine. ‘Chop til you drop’ will be distributed via fresh meat retailers including butchers, Woolworths and IGA; and inserted into ACP magazines including Womans Weekly, Womans Day and Better Homes and Gardens. The theme of the campaign remains ‘The most fashionable food this spring’, with significant steps taken this year to ground the campaign in a more mainstream consumption context - educating consumers on secondary lamb cuts and matching cooking methods.
- Lamb continues its stronger performance in the three months to 9/6/12, with value share at 13.5% (as opposed to 13.1% in the corresponding period last year).

##### *USA*

- MLA partnered with an importer and sponsored the “Open Nature All Natural Lamb Contest” at the Safeway Barbecue Battle and Tasting Pavilion at one of Washington’s largest and most unique food and music festivals .
- MLA was a first year sponsor of the International Corporate Chefs Association (ICCA) Summit, held in San Francisco in June 2012. The ICCA is designed exclusively for corporate chefs from the top 200 multi-unit foodservice units. Members are the key decision makers and menu developers within chains.

##### *Japan*

- MLA “pop-up store” at a newly developed food and fashion complex “HIKARIE” in Shibuya concluded, with Australian lamb products (e.g. lamb steak sandwich, lamb spicy pate) attracting strong sales particularly among health conscious young women. HIKARIE attracted over 200,000 visitors in the first two days of its opening.

### *Middle East*

- Strategy with Spinneys Lebanon planning the “Australian Meat Festival”
- MENA BDM Mr Ibrahim held an internal international training work shop for the Marriott group. Content included full Australian industry “Farm to Fork” presentation covering traceability, food safety/QA, carcass assessment, HALAL slaughtering process with a session on cut utilisation focusing on the bone in lamb legs opportunities and seamed rump variations.

### *South East Asia/Greater China*

- The fourth training session for the 15 participants of the Red Majesty Chinese cuisine program was undertaken in Beijing. Training focused on recipe development using lamb rump and neck fillet.
- MLA conducted a program of lectures at leading Singapore culinary institute- At-Sunrice Chef Academy. This seminar focused on the various parts of a lamb carcass as they were broken down to individual primals

## **Increasing productivity across the supply chain**

- New Merino Indexes developed through industry consultation and surveys, and comprehensive technical analysis, released through MERINOSELECT. To date, feedback is positive.
- Feedbase Investment Plan (FIP) - MLA-CSIRO terms and conditions agreed to enable the phosphorus efficiency contract to progress.
- Technical development of LDL is currently focusing on the integration of MSA data into LDL, and the transition of technical development and system maintenance to NLIS Ltd.
- The 2012 mid-year cattle and beef projections were released in mid-July  
<http://www.mla.com.au/About-the-red-meat-industry/About-MLA/News-and-media/Media-releases/MLA-mid-year-cattle-projections>
- The 2012 mid-year sheep projections were released at the beginning of August  
<http://www.mla.com.au/About-the-red-meat-industry/About-MLA/News-and-media/Media-releases/MLA-mid-year-lamb-and-sheep-projections-update>

## **Support industry to improve animal health and biosecurity**

- Progress of the perennial ryegrass toxicity project was reviewed at a workshop. Short-term relief in the form of mycotoxin inactivators and anti-tremor treatment of affected animals show some promise, but pasture renovation with safe, persistent and productive cultivar-endophyte combinations still offers the best long-term solution.
- Terms of Reference for a "Survey of antibiotic use in the Australian cattle industry" were developed and distributed on a confidential basis as a closed tender. Two applications have been received and are currently being assessed.

## **Supporting industry integrity and sustainability**

- Target 100 engagement continues to grow with an increase across the key platforms of the website, Facebook, Twitter and YouTube by 29% last month
- The ninth social media workshop was held in Brisbane, taking the total number of graduates to 84 producers
- Target 100 is being expanded to include Live Export, as such an ad featuring a Live Export producer is in development as is filming of producers in the sector.

## **Develop sustainable innovation capability within the industry and its service providers**

- The Intercollegiate Meat Judging program was held in Wagga. The program attracted record numbers with over 150 participants from 10 different universities at the Teys Aust Wagga plant. The ICMJ Facebook page is proving to be a very successful mechanism for participants, organisers and companies to interact and communicate beyond the program agenda.

## **New publications**

The following new hard copy and electronic publications were released by MLA in July:

- Meat & Livestock Weekly (electronic only)
- Goats on the Move market report – July (fortnightly, electronic)
- Live Link – Live Export Statistics July 2012 <http://www.mla.com.au/Prices-and-markets/Trends-and-analysis/Beef/Live-exports>
- Cattle Industry Overview – July (electronic) <http://www.mla.com.au/Prices-and-markets/Trends-and-analysis/Beef>
- Sheep Industry Overview – July (electronic) <http://www.mla.com.au/Prices-and-markets/Trends-and-analysis/Sheepmeat-and-lamb>
- Heifer management in Northern Beef Herds, 2<sup>nd</sup> edition <http://www.mla.com.au/Publications-tools-and-events/Publication-details?pubid=5934>
- National Guidelines for Beef Cattle Feedlots in Australia, 3rd Edition <http://www.mla.com.au/Publications-tools-and-events/Publication-details?pubid=5939>
- National Beef Cattle Feedlot Environmental Code of Practice, 2nd Edition <http://www.mla.com.au/Publications-tools-and-events/Publication-details?pubid=5940>
- Vital Newsletter
- Meat & Co [www.themainmeal.com.au](http://www.themainmeal.com.au)

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