

SUMMARY AND CONCLUSIONS

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We have had presented to us a series of informative and thought-provoking papers. They have stimulated lively and wide-ranging discussions to which producers, meat traders, research workers and advisers have contributed. In our final session, producers have been represented in quality, if not in quantity.

There is general agreement that the development, indeed the survival, of the Meat Industry depends upon satisfying the consumer. This will require the provision of competitively priced lean meat, attractively presented to have visual impact at the point of sale and of consistently acceptable eating quality to sustain repeat sales.

We recognize that the demand for alternative meat and meat products must be sustained in an intensely competitive market. In this context, the interests of producer, wholesaler and retailer are all interdependent in the medium and longer term. Only by working together more effectively can we continue to meet the changing requirements of the consumer and survive in business. This requires improved communication up and down the production-marketing chain, together with trading relationships that are based on mutual confidence in long-term commitments rather than short-term opportunism.

I suggest that the success and competitive strength of poultry in the meat market has important implications for all those concerned with the production and marketing of pig meat, beef and lamb. If demand for red meat is to be sustained, reliable supplies of consistent high quality produce, supported by innovative marketing, will be required. Although there is unlikely to be full integration of production, slaughter, processing and marketing as in poultry, significant developments in terms of concentration of slaughtering and the growth of 'factory' abattoirs with processing capacity are gaining momentum. In the absence of full integration, there is an even higher premium on improved communication and mutual confidence between the producer and meat trader. Many of our speakers have drawn attention to the obstructions that must be removed to facilitate this.

- 1) We need *better understanding of consumer attitudes and perceptions* of quality in meat and meat products, especially with the prospect of the medical profession encouraging a reduction in meat fat intake.
- 2) We need *the realistic assessment of eating quality* in terms of the commercial significance of preferences. This is a major deficiency that MLC is currently attempting to tackle.
- 3) We need to have a *clearer definition of more specific and quantitative objectives* relating production targets to market requirements. These are likely to be defined in terms of the following carcass characteristics:
 - (a) optimum level of carcass fatness and distribution,
 - (b) a high lean meat yield,
 - (c) acceptable meat quality.

The continuing controversy on the relative importance of carcass fatness and

conformation, especially in lamb and, to a lesser extent, in beef cattle, still requires to be resolved.

- 4) Finally, we need the *objective specification of retail and wholesale requirements* to be related directly to appropriate cash incentives to producers.

Only if these requirements are clearly described and the premia and penalties match realistically the cost-effectiveness of production strategies will prospective market opportunities be realised. The three papers by our producers demonstrate that currently these premia and penalties do not provide sufficient incentives.

However, improved communication between retailer and producer does seem likely to be encouraged by structural changes in the marketing chain. The growth of multiple, self-service outlets, that require volume supplies to increasingly precise specification, is becoming a dominant feature of the market. The concentration of slaughtering and development of abattoir processing plants will also provide improved opportunity for objective description of carcasses for feed-back to the producer. This is a notable feature of the poultry industry and we have had described to us the advantages of the full integration of poultry production and marketing in this respect. Pig marketing is also characterized by a degree of objectivity in carcass description, at least for bacon pigs.

However, with respect to cattle and more especially sheep, the predominance of live-weight sales through auction markets imposes a particular barrier to improved communication. Both meat trader and producer at this Conference have suggested that certification and classification of all meat sheep should take place *only at slaughter*; with carcasses on the hook. The necessary arrangements should then be made so that objective information on the carcasses can be passed back to the producer. In this context, it has been suggested that the role of 'auction markets' should be developed as 'livestock centres' providing an improved service to both producers and wholesalers. This surely deserves urgent and serious consideration.

Dead weight purchase and carcass assessment is *the first and essential pre-condition for progress in cattle and sheep marketing*. Then, to be effective, objective carcass assessment must be directly related to adequate cash penalties and premia.

The confounding of appropriate carcass quality objectives for lamb production by the conditions of the present variable premium scheme for sheep has been clearly laid out to us. The basis on which this scheme operates must be modified to match current and prospective market requirements and effectively encourage improved quality in lamb production. At present it operates to the long-term disadvantage of both producer and meat trader alike and, indeed, threatens the survival of lamb as a competitive meat.

Let no one doubt that all forms of meat production are in competition one with another; on price; on quality of leanness, appearance, eating characteristics, flexibility of use and potential product range; and, finally, on consistency of both supply and quality.

We have been asked whether the Poultry Industry is a success story to follow? I consider we have no choice. They are coping with the treadmill of cost/price squeeze through increased efficiency to permit reduced prices to increase volume sales. They achieve this by integrated production centred on innovative processing and the

development of highly acceptable products and, finally, a vigorous service back-up in product presentation to the customer. We must compete in these same respects even although production and marketing are not fully integrated for cattle, sheep and pigs.

Pig production is best organized to compete in the market place. Genetic improvement, together with controlled nutrition and environment, have enabled production to be increasingly closely tailored to clear market objectives, largely in terms of fatness. At this Conference we have heard that many of our pigs are now 'lean enough' and had described the increasing attention being focussed on the 'quality' of their lean meat. The range of between-animal variation and consistency of performance and carcass quality is of continuing concern but, generally, management can now be closely controlled and the computer can be harnessed to aid decision making and improve efficiency of both production and marketing.

Cattle and sheep pose greater problems, both in the nature of the resources available and the structure of the marketing that has developed for their utilization. We now have considerable knowledge enabling us to match a diversity of breeds with production systems to meet differing market specifications.

In beef production, we must come to terms with the fact that, for the foreseeable future, the major proportion of our beef will come from the dairy herd, as a by-product of milk production, from cattle of extreme dairy type. This gives rise to outstanding problems relating to the lower carcass and meat yield of these animals, as well as their poorer conformation. However, the Industry must turn its attention from 'talking down' what is available and face up to the problems of handling these Holstein-cross cattle and to the opportunity to develop the potential usefulness of their lower-cost, lean beef. What for some is a problem, will, for those with sufficient initiative and enterprise, be an opportunity.

Forage-based production of cattle and sheep is attended by greater variability in feed supply than is the case with intensively fed pigs and poultry. However, much can be done to improve the consistency of supply and quality of grazed and conserved grass to provide a reliable basis for low cost beef and sheep production over an extended season.

This must be associated with more precise selection of live animals for slaughter and then with attention to dead weight information and carcass classification. Clear signals are required as a basis for adequate cash incentives to improve the matching of production to requirements, in terms of both consistency of quality and planned supply. Specification must nonetheless be realistically drawn to encompass the degree of individual variation that is likely to arise even under the best management and control.

It is noteworthy that, in the Poster Session, two ADAS Experimental Husbandry Farms have demonstrated how, under practical conditions, with regular handling and selection, 85% of lambs could be produced to match the realistic targets specified by their buyers.

There were also encouraging examples of market development for beef cattle in the

presentations of 'Buchan Beef' and 'Aristocrat Beef'. Both of these emphasized the crucial significance of the development of mutual confidence between producer, wholesaler and retailer. 'Aristocrat Beef' exemplified the way in which substantial quality incentives based on objective assessment of carcasses had successfully stimulated and sustained improvements in production that better matched the requirements of the consumer and were to the advantage of both producer and the meat trader.

Much remains to be done to improve communication. The Meat and Livestock Commission has demonstrated many facets of their activity in terms of development and advice to the Industry; procurement schedules, contract specification and comparison of pricing schedules in relation to classification. The Meat Research Institute has exemplified its work on meat quality, carcass composition and variation in retail value of beef carcasses in relation to different butchering techniques.

Those of us in research, development, advisory work and in education have a responsibility to provide objective information on the resources and methodology of meat marketing that will be useful to producers and meat traders and will help sustain the development of our Industry.

We are mutually interdependent. We need to exchange information and experience and develop mutual confidence in clearly defined objectives and marketing policy. This Conference was planned to contribute to this. We trust that each of you has found it to be informative and stimulating.

BSAP Occasional Publications

- No. 1 (1978) The Use of Blood Metabolites in Animal Production.
- No. 2 (1980) The Mechanization and Automation of Cattle Production.
- No. 3 (1980) By-Products and Wastes in Animal Feeding.
- No. 4 (1981) Intensive Animal Production in Developing Countries.
- No. 5 (1981) Computers in Animal Production.
- No. 6 (1982) Forage Protein in Ruminant Animal Production.
- No. 7 (1983) Trace Elements in Animal Production and Veterinary Practice.
- No. 8 (1984) Matching Production to the Markets for Meat.

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