Producers' rage at processors' failure to return margin

AMII CAHILL*

The weighted average pig price is down 3c/kg for January compared with the December price. After the shock of the New Year's Eve price fall, the price remained static. EU prices in January followed a similar trend; however, the British price rose substantially during the month.

The abysmal prices are the first complaint on producers' lips.

However, the variation between prices is causing even more anger among those supplying the ROI factories.

It is unsurprising, therefore, to see over 10,000 pigs a week moving northwards in the last two weeks of January and the first week in February (11% increase in exports).

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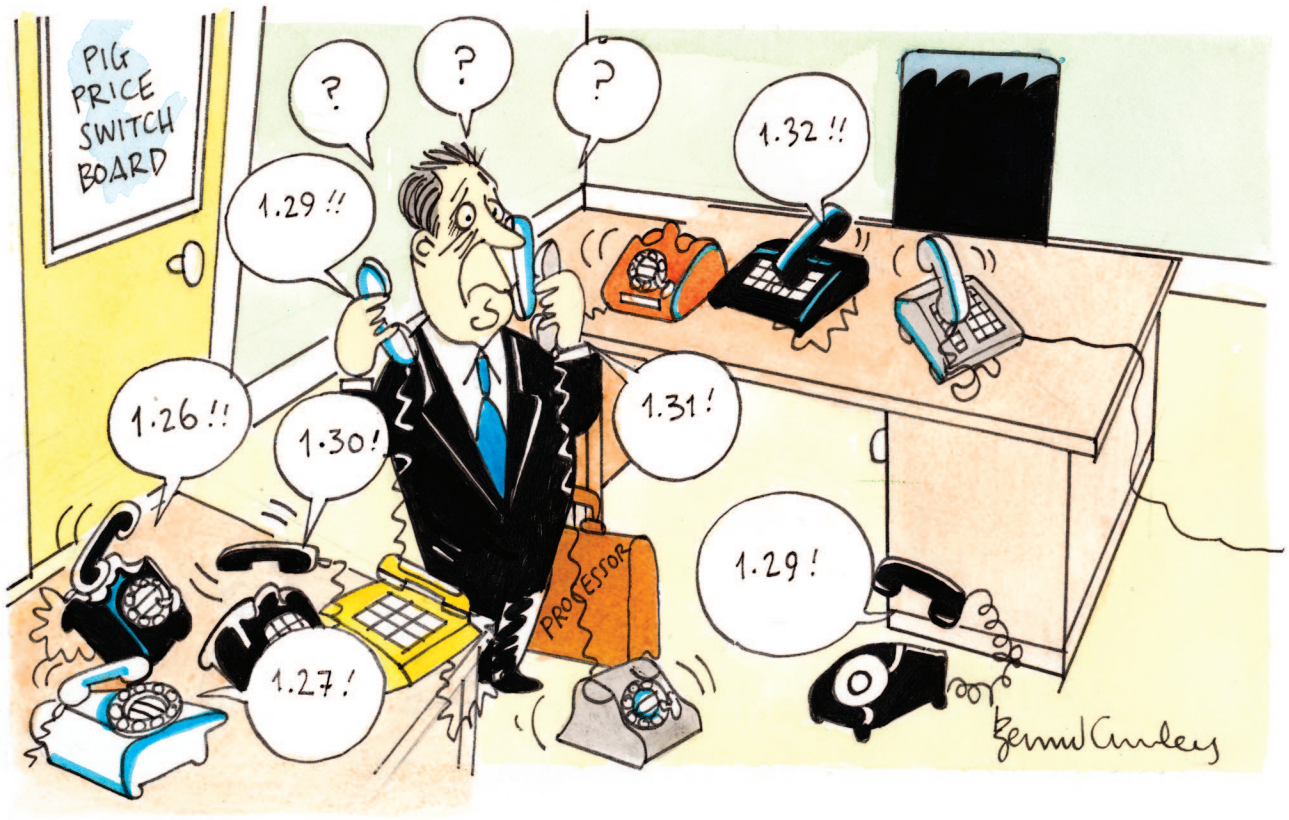
JANUARY 2010 PIGMEAT PRICE LEAGUE TABLE

Factory	Jan 10 per kg DW	Jan 09 per kg DW	Dec 2009	Jan 10 price as % of Jan 09	Est. share of national kill in each factory %
All prices quoted excl. VAT refund					
Division No. 1 €1.23 and over					
McCarren	1.21	1.29	1.23	94%	8%
Stauntons	1.21	1.29	1.23	94%	11%
Dawn	1.20	1.29	1.23	93%	17%
Division No. 2 under €1.23					
Edenderry	1.19	1.28	1.21	93%	28%
Roscrea	1.19	1.28	1.21	93%	26
Weighted Average	1.19	1.28	1.22	93%	
Green Pastures	1.22	1.28	1.23	95%	7%
Ballon	1.25	1.30	1.25	96%	1%
Garbally	1.21	1.29	1.23	94%	–
Northern Prices					
Cookstown	1.23	1.26	1.25	98%	
Grants	1.24	1.28	1.22	97%	
Cullybackey	1.20	1.27	1.24	94%	



Home milling pig feed

MICHAEL MCKEON
TEAGASC

FEED represents about 65% of the cost of producing a finished pig. Purchased compound feed is estimated (Teagasc Pig Development Unit) to constitute 70% of the feed used in pig production in Ireland. However, 30% of feed is manufactured on pig units.

Does home compounding deliver significant financial savings? How should a producer considering installing a feed milling operation assess the viability of the project? What are the pitfalls associated with home milling?

The Teagasc pig development unit is running an intensive two-day workshop covering all aspects of home milling. The workshop is aimed at existing home compounders and at pig producers considering investing in a feed mill and mix facility.

These will be held in Ballyhaise for the northern half of the country and in Clonmel for the southern half of the country. The aim of the course is to evaluate the economics of home-milling and highlight its strengths and weaknesses.

Recent advances in mill equipment and technology will also be examined with an emphasis on energy requirements, optimum mixing techniques and improving feed quality.

The course will also take an in-depth look at feed ingredients, ingredients prospects and diet formulation. A practical session on diet formulation will be undertaken where each participant can use a feed formulation programme on the day, which they can then bring home.

Guest speakers from Big Dutchman, Skjiold, Halls/Arkady and the Department of Agriculture, Fisheries and Food will all participate in the workshops

The courses are limited to 20 people and will be held in the following locations:

- **Ballyhaise Agricultural College:** 24 February and 3 March.
- **Clonmel Teagasc office:** 25 February and 4 March 2010.

Contact your local pig development officer for further details immediately.

Teagasc's pig development unit is running a two-day workshop covering home milling

Table 1: Percentage facings with quality mark

Category	2009 Q2	2009 Q3	2010 Q1
Bacon	44%	34%	48%
Beef	83%	84%	87%
Chicken	84%	80%	81%
Cooked Ham	13%	21%	21%
Lamb	N/A	N/A	41%
Pork	78%	85%	80%
Rashers	59%	65%	67%
Turkey	N/A	N/A	20%

Table 2: Percentage QA product across retailers

	Bacon	Cooked ham	Pork	Rashers
Aldi	76%	20%	100%	18%
Centra	32%	38%	48%	71%
Dunnes	62%	19%	94%	75%
Lidl	27%	0%	51%	27%
Spar	0%	14%	0%	64%
SuperQuinn	59%	57%	100%	73%
SuperValu	72%	20%	53%	80%
Tesco	0%	6%	97%	60%

Results of latest Bord Bia audit published

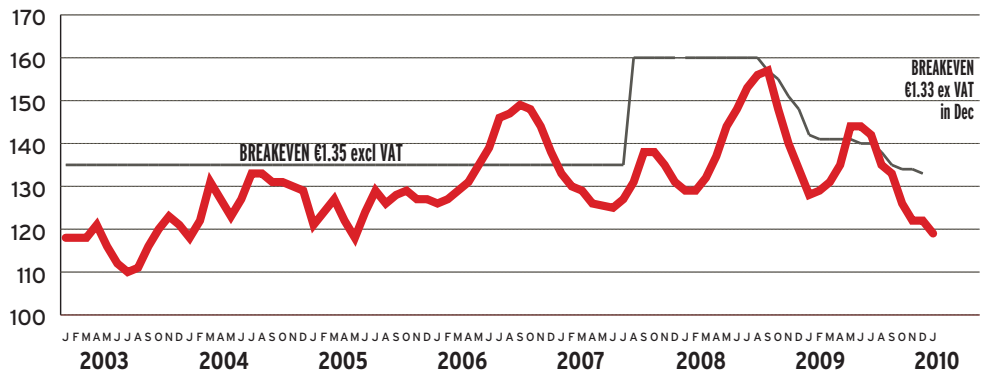
BORD Bia's quarterly audit has been published. For the first time, the cooked ham results are looking slightly more positive. However, at only 21% overall, there is still a very long way to go.

The figure is also being propped up by Superquinn, who have over 50% of their cooked hams carrying the logo.

The biggest shock is to see how Supervalu, who market themselves most of all as 100% Irish, has dropped to 53% of their fresh pork quality assured.

Tesco, meanwhile, after a brief sojourn to Quality Assured bacon over Christmas, has completely turned their back on Irish meat in this category once again.

The multinational controls almost 18% of this market which, according to TNS, would be just under 5,000 tonnes annually. Supervalu controls a similar tonnage in the pork market, according to the same analysts.

Irish pig price gap compared to EU average (c/kg)
January 2002 to December 2009 for a 70kg carcase

Average weighted pig league price
January 2002 to November 2009