

From the Chair *By Florence Henning*

On May 19, the Canadian Food Inspection Agency (CFIA) released a consultation paper proposing that the Blue Tongue (BT) be removed from the reportable disease list and onto the immediately notifiable list. In addition, BT restrictions would "... be lifted for all classes of cattle, deer, goats, sheep and other ruminants imported year round into western Canada from any state in the US."

In addition, the CFIA would not intervene beyond an investigation into the death losses in domestic ruminants in the event of a BT incursion. The CFIA would also no longer pay compensation to producers who lost animals due to BT deaths. The changes however, would still allow the CFIA to be able to fulfill its international reporting obligations to trading partners and the World Organisation for Animal Health (OIE).

This consultation document, along with the risk assessment that was circulated earlier this year, both outline the science behind the threat of a BT outbreak in Canada. The science is clear, the vector that carries the BT virus is already in Canada, however, the capacity of these vectors to transmit BT is very poor, due to the fact that environmental and climatic conditions for both the vector and virus are marginally competent.

The science is indisputable and the CSF's understanding is that the resumption of normal trade relations with the United States is being hampered by the current BT policy. However, there are some real concerns to changing the BT policy at this point, when the border is still closed to animals over 12 months of age.

The problem for the sheep industry is that if Canada is no longer BT-free, we run the risk (since we cannot predict, with any certainty how our trading partners will react) of losing access to the international markets that we are currently fostering. Over 30 countries have approached Canada indicating that they are interested in our breeding stock.

Further compounding the problem is that the Canadian Sheep Breeders' Association and the Canadian Livestock Genetics Association are currently working tirelessly on implementing strategies aimed at ensuring the long-term sustainability and vitality of our markets. The industry then is facing the possibility of still not being able to export to the U.S. while simultaneously losing our ability to export to other countries should we lose the BT-free status.

Sheep flocks in the southern Prairies and Southern British Columbia are especially at risk. One midge bite infects an adult sheep, with 50-90 per cent of exposed sheep becoming sick. Some countries have recorded mortality rates of up to 50 per cent.

In this Issue

From the Chair 1-2

Consumer
Research 2-3

On-Farm Food
Safety 4-5

CSF Marketing
Plan 6

National Geno-
typing Program 7

CCWG
Announcement 8

Around the
World 9-15

Consumer Research: Study Results

By Jennifer Fleming, Executive Director

FROM THE CHAIR CON'T

If the Canadian sheep industry is able to maintain its trade relationship with some countries, despite changes in our BT import policy, the cost of doing business will increase, as animals will have to be tested for BT and possibly quarantined. This additional increase in the cost of doing business is not something that producers should have to absorb.

The CSF's comfort level with moving BT onto the immediately notifiable list would increase greatly if sheep were included into the USDA's second rule and if ample and continued compensation for flocks afflicted by BT was available. Initially sheep were excluded from the second rule due to the USDA's belief that the Canadian scrapie eradication program was not comparable to the US's. However, with the implementation of our scrapie surveillance program, our genotyping program and the voluntary scrapie flock certification program, it is difficult not to think our programs are comparable.

The CSF has approached the CCA, CFIA, AAFC and Members of Parliament and informed them that it is imperative that the border be open to sheep over 12 months of age as soon as possible.

Lobbying continues into all levels of government to ensure the sheep industry and their concerns are heard and addressed.

As part of the CSF's development of a Market Development Strategy, consumer research was undertaken in conjunction with the George Morris Centre and Ipsos Reid. The purpose of this article is not to describe the results in detail, but to provide an overview of what was found.

A total of 23 questions were used to identify drivers of consumer behaviour towards lamb, along with the impact that those drivers have on purchase and consumption decisions. The results provide valuable insights into how lamb and non-lamb consumers perceive Canadian lamb compared to our largest import competitors; and what the sheep industry can do to increase the value and regularity of lamb consumption.

Distribution of the survey was to the Ipsos Reid "I-Say" on-line consumer panel, whose members are located across Canada and comprise all major segments of the consumer market. The survey attracted 3,453 respondents, 981 of whom consumed lamb at least once a year. The remaining 2,472 respondents provided insights into factors discouraging lamb consumption across the overall population. The only omission to the research sample reflecting national consumer demographics was in the category of recent immigrants, solely because they do not generally participate in on-line panels.

The research found that there is no primary season in which lamb is consumed. However, it is definitely seen as a specialty dish, with 75 per cent of the lamb eating respondents indicating that they only eat lamb on weekends or on special occasions. Encouraging these consumers to eat lamb more frequently would represent a large opportunity for market growth.

While the majority of lamb is being purchased through retail outlets for home consumption, a significant portion of consumers only purchase lamb through restaurants. The reason for this is because they feel the recipe or preparation is better at the restaurant than what they can do at home, suggesting that some consumers are unfamiliar with the proper preparation of lamb. Another driver for consumers purchasing lamb only in restaurants is that a large percentage of families are comprised of at least one non-lamb consumer, discouraging home consumption.

The 46 per cent of lamb eaters that purchase lamb at the grocery stores do so primarily because it is easy, convenient and the prices are lower. Availability, quality, selection and freshness are secondary motives. In other words, they are not making additional trips to purchase lamb. On the other hand, 13 per cent of lamb shoppers are more discerning and

Consumer Research con't

purchase lamb from butchers in order to access better selection, freshness and quality.

Interestingly, there does not seem to be any correlation between consumers' income and the amount of lamb they consume. What does, however, affect consumption is age. People aged 55 years or older are more likely to eat lamb at home, and more frequently (anytime vs. special occasions/weekends) than any other age group. Reasons for this may be that they have more time to prepare lamb, possess greater culinary skills, and may not have children in the household who won't eat lamb.

Therefore, a key demographic in our quest to increase lamb consumption should be the 35-54 age range. These consumers tend to eat less lamb overall, and typically only eat it on special occasions and primarily at restaurants. One potential stumbling block to accessing this market is that they most likely do not have a lot of time to prepare lamb and will be looking for quick, children-friendly meals to prepare. To ensure the lamb industry does not suffer from consumers carrying these consumption habits throughout life, resulting in decreased demand, encouraging this segment to consume more lamb is vitally important.

Of the 981 respondents who have eaten lamb in the last 12 months, 97 per cent of them have been completely or relatively satisfied with the product. Lamb's most critical weaknesses though, are that it is not perceived to be: (a) good value for the money relative to other meats; (b) as healthy as other meats (chicken); (c) a meat the entire family will enjoy; (d) consistent in terms of fat content and eating quality.

That being said, those that do eat lamb regularly feel that it is convenient for weekday meals and that it can be cooked in a variety of ways. This suggests that other consumers may benefit from some education on lamb preparation. Offering already prepared or easily prepared products will also be important to the industry in attaining a prosperous future.

Respondents who have not eaten lamb in the past 12 months cited a number of reasons for choosing products other than lamb, including not liking the taste. Increasing their consumption is going to be challenging, if not impossible. It may be more effective to switch occasional eaters into regular eaters.

Even without increasing individual consumption rates, research results suggest that opportunities exist to increase the consumption of Canadian lamb compared to imported products. These include an improvement in merchandizing and promotional activities. While consumers' positive perception of Canadian lamb is close to that of lamb produced in New Zealand, inconsistency in the supply and promotion of Canadian products negatively impacts consumer loyalty to locally-produced lamb.

As an industry, significant opportunities exist to improve the overall market for Canadian lamb in terms of both volume and value. Further insights into the described research will be provided in the near future when the George Morris Centre and Ipsos Reid submit a detailed report to CSF. Those results will be combined with results from other research to suggest methods for capturing identified market opportunities for Canadian lamb.

On-Farm Food Safety: A Year in in implementation Or something like that ...

By France Lanthier, National Coordinator On-Farm Food Safety

It's almost a year to the day since I joined the CSF. The tasks at hand, I was informed, were to coordinate on-farm food safety program implementation, and to develop a management system for the Canadian Sheep and Lamb Food-Safe Farm Practices program. Simple enough, I thought! I had people from coast to coast working on this, I had a budget, and I gave myself a year to do it. Indeed everything was in place: people, money, and time. Fresh out of school, by golly I was going to get this done. I was off to a good start, what a great first day on the job.

A few weeks into this, I remember thinking, how many times can the words challenges and lack of resources be used in one meeting? Slowly something I had heard about called "real life", started happening... although this job WAS going to get done... people would have to reorganize, more money would be needed, and it might take a bit more than one year...

One thing that was understood from the start was that for things to work we need people, money, and time. So where are we and where do we need to go...

Where we are

People:

We have people in each province whose job descriptions include OFFS however more defined roles and responsibilities need to be established in order to avoid confusion and to increase efficiency of information transfer. On the newly assembled/reassembled OFFS technical committee we have representation from each provincial sheep producer organization. While there are OFFS government personnel available in most if not all provinces, the services required (producer training and on-farm coaching) to actually implement On-Farm Food Safety do not seem to be well defined under current job descriptions. Only in the province of Newfoundland and Labrador do we have a person officially designated as Provincial OFFS Coordinator for the Food-Safe Farm Practices Program.

Money:

The Canadian Sheep and Lamb Food Safe Farm Practices program is currently in Phase 4 of the Canadian Food Safety and Quality Program which falls under the umbrella know as the Agricultural Policy Framework. In this phase of funding, national producer organizations are eligible to receive federal program funding that must be 50% matched by industry contribution. Fortunately industry contributions can be in-kind. Unfortunately in-kind reporting is generally poor (not everywhere – Ron Walsh of SPANL would win a prize here is there was one!) and we are currently running the risk of falling short. The availability of provincial financial commitment is ambiguous and needs to be further/better explored. Again, this is an area where the province of Newfoundland and Labrador has made a firm commitment. This is evidenced by the employment of a Provincial Coordinator and two on-farm coaches/auditors.

Time:

We have some time. Our industry has a CFIA approved producer manual and an industry that doesn't demand

FOOD SAFETY KEY TO MEAT PRODUCTION

Food safety is the major factor that has to be monitored in producing food, Norway's Minister for Agriculture and Food Terje Riis Johansen told the Third International Dry Cured Meat Congress in Oslo, Norway, today.

In opening the congress, Johansen said that Norway had recently experienced the unwelcome effects of a food-safety scare when one child died and several fell ill from an E. coli outbreak traced back to a batch of dry cured sausage.

"We have to ensure consumer safety," Johansen said. "It has to be safety from the farm to the table. We have to fight for food safety every day."

He noted that rules and regulations were needed to ensure safety is maintained, but there is also a need for the resources and an independent governing body to ensure the regulations are kept, in order to maintain consumer confidence.

The First International Dry Cured Meat Congress attracted more than 110 delegates from 14 countries and 30 speakers to discuss the different production methods for dry cured meat products and to explore ways to improve production and ensure safe production of dry cured meat products.

Source: <http://www.meatnews.com/index.cfm?fuseaction=Article&artNum=11712>

ON-FARM FOOD SAFETY UPDATE: A year in implementation...or something like that...

the program yet. We have the opportunity to implement the program and work out the kinks without the pressures of an export market that is demanding the program, or without the pressures from abattoirs demanding the program.

Where we need to go

People:

We could use more, but more than that we need better communication. Although From the Flock, and provincial producer publications (who have been so supportive – thank you content editors from coast to coast) are a good forum to pass along information to producers, they are not a dynamic forum in which instant feedback is available. Ideas, frustrations, and suggestions are best discussed. OFFS needs to be included as a topic of discussion on producer meeting agendas. Our industry was very skilled in finding its way from the farm to program development and CFIA recognition; we now need to find our way back to the farm.

Money:

We could use more, and we might just get more - well a bit more. Having received our letter of technical review from CFIA, the CSF is now eligible to apply for On-Farm Implementation (OFI) funding. This funding will provide \$100 per producer to the National producer organization (CSF) to conduct training sessions. This funding can be channeled from the NPO to the provinces if they are the ones providing the training. This is an incentive for provinces to provide the training. The dollars will stretch further and better service producers if training is done locally, rather than having to cover the costs (flights, hotels, and meals) for someone from the CSF to provide training. OFI funding also includes \$750 that is available for producers to use for the purchase of equipment that will help them implement OFFS. This funding is 50:50 cost shared between AAFC and producers. In order to be eligible for funding, producers must attend a Food-Safe Farm Practices training session, or have completed the online training (<http://fsfp.cansheep.ca>).

Time:

OFI funding is available until early 2008. In order to qualify for the funding, organizations must show that they have people in place to deliver the training. In order for producers to access the funding they must have attended a training session. We have time but not in excess.

One thing that is agreed upon from coast to coast is that OFFS is important. Aside from the uncertainty of audit costs, the on-going administrative costs, and the uncertain market value of certification, everyone seems to agree that the program is sound and that in principle it's the right thing to do. In order for this program to work, producer organizations and provincial organizations must cooperate and information must flow. People, money, and time commitment must be in place.

CSF Marketing Plan for Lamb: Nutritional Data

As you are aware the Canadian Sheep Federation is in the midst of a study on nutritional data for marketing lamb which was awarded to Maxxam Analytics. In order to meet the requirements of CFIA and Health Canada for nutritional data on Canadian lamb, the variance of the nutrients must be reviewed to ensure the final data meets their compliance. The cause of the nutrient variants has been determined as:

- Feed
- Weight at time of slaughter
- Specie
- Male/Female
- Location within Canada

This variance was determined by studies found and some data already collected for differences in animals. CFIA and Health Canada also questioned the above. Maxxam, will require this information to ascertain how to batch the samples of the different cuts before analysis. Please see the attached Sample

Submission form that will need to be filled out by you for each required cut of meat.

CFIA and Health Canada also require the samples reflect what and where lamb is consumed in Canada. We have data breaking down all of Canada to three provinces (Alberta, Ontario and Quebec) representing 95% of lamb consumed. We will need to collect samples for the two main seasons when lamb is generally raised.

Therefore, collection of samples for the 5 cuts and ground meat will need to be done in now and in October. Again, the required information for the samples will be sent in pre-made forms from Maxxam who will contact you to review the requirements. Coolers will be sent to you to submit the samples requested with pre-made courier forms for easy shipment back to the laboratory.

Producers are being asked to contact the CSF if they are interested in supplying the study with meat cuts. They will be compensated through the CSF for their cuts.

Your co-operation in this matter will help the CSF in marketing lamb in Canada.

Should you have any questions, please feel free to contact Jennifer Fleming at 1-888-684-7739 or at admin@cansheep.ca or Ron Reddam at Maxxam Analytics at 1-800-563-6266 ext. 5746 or at ron.reddam@maxxamanalytics.com.

TECHNOLOGY CHANGES THE FACE OF SHEEP MANAGEMENT

The sheep industry is using state of the art technologies to move from managing animals on a whole flock basis to managing individuals. The new technology will form the centrepiece of the Sheep Cooperative Research Centre's platform at Merino Innovation Day, which takes place at The Grange, Upper Swan on July 12.

According to the Sheep CRC's Cheryl Pope, who is coordinating the group's presentation at Innovation Day, the technologies will bring efficiencies in labour usage, data accuracy and traceability, both in terms of market access and feedback. This is made possible through the use of individual animal identification, the collection of data, the application of decision support tools and smart animal handling technology.

"The Sheep CRC researchers, collaborators and industry service providers are passionate about creating opportunities for precision sheep production and have been working over the last five years to build seamless and robust systems that can deliver value to producers," Ms Pope said. "This will be very evident from our platform at Innovation Day, where walk-over-weighing and electronic drafting will be displayed and discussed by people who have been responsible for making the technology work on farm."

Source: http://www.farmonline.com.au/news_daily.asp?ag_id=35005

Important Change to the National Genotyping Program

By Courtney Denard

Any offspring- **regardless of registration**- with two purebred registered parents will now be accepted on the National Genotyping Survey. This change was announced May 30, 2006 by Agriculture and Agri-Food Canada (AAFC). In early May, Scrapie Canada submitted a request to the Ministry asking permission to accept unregistered offspring of purebred parents onto the project.

Since the project began in January 2005, sample collection and submission have been much lower than anticipated. Even with numerous attempts to increase awareness of the project, the pick up just wasn't there. This has been attributed to the late start of the project and the time of year the project was launched. Another contributing factor to project's low uptake is the recent BSE crisis. Numbers of breeding stock are at an all time low. Since the border closed in May 2003, the Canadian Sheep Breeders' Association (CSBA) membership has decreased by approximately 6%.

With the DNA tissue-collecting ear-tag trial being run through the Manitoba Sheep Association (MSA) there has been an increase in producer interest regarding the project. Producers can now purchase tags from MSA that take a DNA sample upon insertion into the animal's ear. The sample is then removed from the tag and sent to the lab to be genotyped. Drawing the sample through an ear tag allows producers to complete the sampling on their own, saving the cost of the vet fee.

Please note that these DNA tags ARE NOT a substitute to the CSIP tags. Producers are still required to use the CSIP tags when moving animals off of their farm.

The decision to allow unregistered offspring of registered purebred parents on the program was supported by industry representatives including the Ontario Sheep Marketing Agency, the Canadian Sheep Federation, the British Columbia Purebred Sheep Breeders' Association and the CSBA.

Support for the change was also provided by head researcher on the project, Dr. Hossain Farid, Nova Scotia Agricultural College, who has indicated that the change will have no repercussion on the validity of the study. The change will allow producers to genotype their purebred lambs prior to paying a registration fee. This will help Canadian sheep breeders incorporate scrapie genotype information into their selection programs- and will save them money while doing it.

The initial decision to request this change was made by Scrapie Canada upon discussion with industry representatives and feedback from sheep producers across the country. If there is anything that you would like to say about the National Genotyping Project, please contact Courtney Denard at 519-836-0043 or by e-mail at admin@scrapiecanada.ca. You can also contact Courtney if you have any further questions about anything mentioned in this article.

The National Genotyping Survey is being run until November 2006.

GENETICALLY ENGINEERED COTTON — KILLING SHEEP AND GOATS

In India's Warangal district of Andhra Pradesh, government officials have ordered an investigation into the deaths of hundreds of sheep and goats who appear to have been poisoned by eating genetically engineered (GE) cotton.

"They just became very dull and lifeless and died," said one shepherd, Pendala Venkatama. Sheep and goats regularly graze on traditional cotton, but after 4-5 days of eating Monsanto's genetically engineered bT cotton, the animals' stomachs swelled, and they died.

Although Monsanto denies its cotton could have this effect, government officials have launched a scientific investigation. "We have immediately alerted the animal husbandry department to give us the details of villages where this has happened and... their findings regarding this" said Poonam Malakondai, Agriculture Commissioner.

FORAGE DIETS AFFECT SHEEP MEAT QUALITY AND FLAVOUR

Grazing white clover may be the prime cause of pastoral flavours in lamb meat from conventional pastures, according to a study by a PhD student in Palmerston North. However, by analysis of flavour compound formation with different forages followed by tasting tests of sheep meat, Nicola Schreurs, a doctorate graduate from Massey University in Palmerston North, has shown that forages containing condensed tannins (CT) offer new opportunities for managing the flavour of New Zealand's pastoral products.

"The two key flavour compounds appear to be skatole and indole. These are formed in the rumen when microbes ferment a protein amino acid called tryptophan," explains Dr Schreurs, who undertook her detailed rumen studies in collaboration with AgResearch plant and animal scientists Drs Geoff Lane, Michael Tavendale and Warren McNabb while under supervision by Professor Tom Barry of Massey University.

"Flavour has a large influence on meat quality," says Schreurs. "An undesirable characteristic of meat flavour for some overseas consumers is known as "pastoral flavour", which results from livestock grazing pasture. These people are more used to eating meat produced by feeding grain and other concentrates."

New Zealand relies on grazing pastures for producing sheep meat, but the resulting meat flavour impedes sheep meat exporters increasing their sales to some markets. New Zealand pasture is high in soluble protein, and provides a rich and ready source of tryptophan for forming indole and skatole in the animal rumen. One possible solution might involve feeding forages containing the beneficial compound condensed tannin (CT).

"CT, which are present in some forage species, are known to slow down the protein degradation and reduce the availability of amino acids in the rumen," says Schreurs. "So we aimed to see whether dietary CT could reduce indole and skatole production in the sheep rumen and consequently weaken or remove the pastoral flavour from the meat."

White clover, which can comprise up to 30 percent of feed grown in New Zealand pastures, is easily digested in the rumen, explains Schreurs. "We considered this was likely to make tryptophan highly available for conversion to skatole and indole."

So another aim was to determine whether feeding white clover boosted indole and skatole formation in the rumen, compared with perennial ryegrass, and whether this affects meat pastoral flavour.

Schreurs' trials involved fermenting different forage plants in the laboratory using rumen microbes, feeding different forage plants to sheep and measuring skatole and indole in the rumen, blood and fat as well as on-farm feeding trials.

Canadian Cooperative Wool Growers Announce Business

The Board of Directors and management of the Canadian Co-operative Wool Growers Limited (CCWG) are very pleased to announce the recent purchase of Lanagra Wool Merchant Company located at Innisfail, Alberta.

"We view this as a very positive and proactive step for CCWG and our producers as we initiate a strategic plan to expand our services in Western Canada," commented John Balderson of Magrath, Alberta and President of the CCWG. "Our objective is to position our organization in preparation for anticipated growth in the Canadian sheep and wool industry."

The Wool Growers are also pleased to extend a sincere welcome to Mr. Zenek Matkowski, who has joined the Wool Grower team. Mr. Matkowski has many years of experience and a vast knowledge of the sheep and wool industry. He will be offering a wide range of sheep and wool related services to CCWG on a consultative basis.

Although there are no immediate changes planned for the Lethbridge, Alberta branch of CCWG, the board has authorized management to explore relocation options for a larger and more efficient facility in Alberta. A new location that would enhance increasing retail business as well as encompassing wool handling, grading and marketing functions would be the preferred choice.

Eric Bjergso, General Manager of CCWG, is enthusiastic about the future prospects for the sheep and wool industry. "Our future looks very promising. As a producer owned organization, we are committed to improving our products, our customer service and implementing our plans as the industry expands. We look forward to the challenges and opportunities that await us and to marketing the Canadian wool clip to it's best potential and in the most cost efficient manner."

The Canadian Co-operative Wool Growers Limited is a national producer owned organization involved in the collection, grading and marketing of the Canadian wool clip to domestic and global markets on behalf of Canada's sheep and wool producers. The Co-op also operates a large retail business and dealer network for livestock supplies and wool clothing.

Please contact the CCWG for information regarding wool services or livestock supplies. Contact information is available on their website at www.wool.ca.

NEW WARNING ON MUTTON AS BRAIN DISEASE HITS SHEEP

Food experts say that BSE-style illness might affect humans. Meat-eaters have been told that avoiding mutton, goat and some sausages is the only way to reduce the risks from a new animal brain disease. Britain's food watchdog admitted yesterday that it could not rule out a risk to human health from the brain disease atypical scrapie, which is similar to BSE.

The advice from the Food Standards Agency raises the most serious concern about the safety of the meat since the discovery of "mad cow" disease in cattle. The new disease is similar to classic scrapie, a brain-wasting disease that has been known in sheep for more than 100 years, but which has never posed health concerns in human beings.

Mutton accounts for a quarter of sheep meat sold in Britain and is commonly used in many meat pies, pasties, curries and some ready meals. The risk from sausages comes from haggis and some upmarket brands that use casings made from sheep's intestines.

The agency said that it was updating guidance to shoppers because it did not know whether atypical scrapie could affect health. While it is not advising people to stop eating sheep or goat meat, or their dairy products, it makes clear that consumers can reduce the risk of a new disease. However, shoppers will find it difficult to identify mutton products because there is no requirement to label it, except for pre-packed sausages. There is also no legal definition of what comprises mutton.

The agency is to ask the European Commission for the urgent introduction of new labelling rules that would mean manufacturers would have to identify products containing mutton. Proposed new advice, to be discussed by the Food Standards Agency tomorrow, says: "While the agency is not advising anyone to stop eating sheep or goat meat or products, any possible risk could be reduced further by not eating meat from older animals."

It adds: "In addition, some sausages are contained in natural sheep casings made from sheep intestines which are more likely to carry the disease agent and therefore could present a greater risk." Atypical scrapie is now identified in the national flock - there could be as many as 82,000 cases - and it has been found in sheep throughout Europe.

The move threatens to derail a new offensive from the Prince of Wales to bring about a renaissance in mutton eating. Peter Morris, chief executive of the National Sheep Association, said last night that the agency advice would trigger a new food scare. "It runs the risk of people not eating mutton and sends out negative messages about mutton, when there is no proven risk.

"The Prince of Wales is such a keen supporter for the revival in mutton I am sure he will be among the first to put out the message that people should keep potential risks in proportion and keep eating mutton."

Peter Ainsworth, the Conservative rural affairs spokesman, said: "We need to be cautious about any threat to human health. But there is a real danger that a message of this kind will create serious difficulties for sheep farmers at a time when they least need further problems from government agencies.

"It's incredibly important that the FSA behaves in a measured and appropriate manner." The 8,000 tonnes of British mutton eaten each year in Britain is worth about £400 million a year.

Source: <http://www.timesonline.co.uk/article/0,,8122-2224875,00.html>

NEW ZEALAND'S LAMB INDUSTRY

By Martin Gooch

I recently enjoyed an eye-opening and thought provoking visit with lamb producers in New Zealand, where 85 percent of lamb produced is exported to many nations. Some of these nations continue to heavily subsidize agriculture and operate according to processes developed decades ago.

The story of New Zealand, the country that eradicated subsidies literally overnight, is well told. Less well known is the how and why of the sheep industry transition from then to now: Then an average 40 percent of producers' income came from subsidies and agriculture was often viewed as a second-rate career; Now it is viewed as a vibrant forward thinking and exciting industry that regularly attracts young people and qualified professionals from other industries.

Working in New Zealand in 1986, I saw first hand the pain that many New Zealand producers suffered following the eradication of subsidies. As time went on I viewed (often in awe) their development into savvy business people, increasingly confident of their abilities, proud of their success, and optimistic about the future. Producers firmly believe that success in agriculture relies on the exact same factors as the success of any other business and the right to operate a farm has to be earned. It is not a given.

The combined effect of eradicating subsidies and lifting restrictive legislation, introduced when 'fortress New Zealand' ideology said that supporting the masses to ensure uniformity and volume of supply was critical to survival of the national economy, has enabled the most significant commercial achievements to occur. Loss of government support was a turning point in changing producer dependence on subsidy-driven, volume-based production to an industry structure that emphasizes production efficiencies and product quality.

Changes in business climate resulted in industry leaders being stimulated, and free, to innovate according to market demands. No longer did they follow an economic model that encouraged practices resulting in the production of inconsistent quality lambs in such volume that many were rendered down each year due to lack of markets. To make matters worse, previous practices made subsidies imperative to the viability of profiting from selling lamb, produced on land unsuited to sheep production, at discounted prices.

Necessity drives innovation. Since the 1980's, significant focus has been placed on improving genetics in order to produce lambs that consistently meet specifications set by the target market. Emphasis has also been placed on producing lamb rather than wool, on land suited to the task, increasing lambing rates to maintain production efficiencies, and improving producers' business management capabilities.

The need for more reliable and expansive risk management practices has led to producers relying less on spot markets and collaborating together to learn new management techniques quicker than if operating alone. Processors are aware that their own competitiveness often relies on working with producers to supply lambs that meet market demands. Relationships are strengthening throughout the chain, often resulting in dedicated supply arrangements and more effective price grids.

Innovation has led to the New Zealand lamb industry continuing to be an international force to be reckoned with, now and into the foreseeable future. Successful innovation is so intrinsic to producers and processors that a term "The Penguin Effect" has been coined to describe the process of learning from innovative practices spawned by others - whether neighbours or those operating anywhere else in the chain.

If unsure about a situation, penguins look to see if the first one in the water survives or gets killed by a predator. The same holds true for New Zealand lamb producers. They just look at survival from a commercial, rather than biological, perspective.

Like penguins, I have also learnt from those that went first. I have a deep admiration for the producers, Canadian or New Zealand. I believe that there many are opportunities for Canada to learn from New Zealand's innovative ideas, particularly after seeing just what can be achieved when producers actively look for ways to take greater control of their destiny.

IRELAND FACES LAMB PRICE WARS

Ireland's sheep farmers claim processors are unnecessarily depressing lamb prices they pay to farmers despite very strong returns from the French and U.K. markets, as well as a solid the domestic market.

Irish Farmers' Association (IFA) National Sheep Committee Chairman Henry Burns said the processors have adopted a strategy of driving down producer prices to widen the margin between the market return and the farmer price, with severe economic consequences for sheep farmers.

The IFA sheep farmers' leader said this week that Bord Bia reported the French market was returning the equivalent of Euro 4.87 per kg. The U.K. market was paying Euro 5.00 per kg. The quoted lamb price from the processors is in order of Euro 4.06 per kg to Euro 4.30 per kg. "This leaves a margin of 70c per kg between the farmer price and the market price or up to Euro 15 per lamb to the (processing plant)," Burns said. "This is more than the margin farmers will make from sheep production for the entire year."

Burns added that based on current market returns, the factories could easily afford to increase producer prices back up to Euro 4.60 kg and still maintain a positive margin. He noted: "The reality is factories have unnecessarily forced down producer prices to increase their own margins. The outcome of low prices from this negative approach by the factories will be to force more producers out of sheep production."

As well as a very strong French market return, Burns said the domestic market was extremely buoyant and Bord Bia is currently running a major lamb promotion campaign involving 426 television advertisements and 380 radio advertisements. He said it is incredible that the factories were dropping producer prices at a time when market demand and consumption was strong on both the export and domestic markets.

Burns said last week a strategic plan was launched for the sheep sector with the focus on maintaining ewe numbers and increasing production at farm level. "Unless the factories change their policy and return a lamb price to farmers, which is closer to the real market return, producers will be forced out of business in an attempt to protect their single farm payment," he said.

Source: <http://www.meatnews.com/index.cfm?fuseaction=Article&artNum=11737>

NEW BREED OFFERS QUALITY MEAT AND WOOL

THE NEWEST faces at the New England Wool Expo attracted their fair share of attention from industry experts and the curious. South African Meat Merinos, better known by the acronym SAMM, made their debut at the expo with the Allendale SAMM Stud and the Lindon SAMM Stud setting up shop among some of the country's finest fine wool sheep.

The breed are gaining popularity among wool growers for their ability to give producers the option of producing prime lambs as well as prime Merino wool. Many wool growers need to sacrifice wool quality to grow a prime lamb, using the coarser wool British breeds such as Border Leicesters, Dorsets and Suffolks over Merino ewes. John Beynon from the Uralla-based Lindon SAMM Stud said he and wife, Lyndie, were thrilled with the performance of the SAMM. "They are an amazing sheep, and the growth rates are just phenomenal," Mr Beynon said.

"These rams here today are just seven months old, weigh 70kgs already and have started to work with the ewes already. "In some cases these sheep can gain 10kgs a month while maturing. They are an ideal animal for the feedlot situation and they get to the weight need without laying down excessive fat, which is what some British breeds tend to do. "They are also an easy sheep to handle, which is lucky because they have a lot of weight to push around.

"The fleece is pure Merino, usually around 19 microns. We're really happy with the way they have performed and they've certainly added value to our grazing operation."

Source: http://armidale.yourguide.com.au/detail.asp?story_id=480201&class=News%2D+Local

US Sees Growth in Organic Meat

Organic meat sales are continuing to surge in the United States with a 51 percent growth registered in 2005. According to new research data, organic meat is the fastest-growing sector in the North American organic food industry.

Organic meat sales have expanded more than 150 percent since 2002 with high growth rates expected to continue as retail distribution increases. Exceptionally high demand for organic meats has occurred since the first cases of bovine spongiform encephalopathy (BSE) were reported in U.S. and Canadian cattle in 2003, relays the Organic Monitor.

Although the BSE incidents have not eroded consumer confidence in beef products, they have elevated consumer awareness of organic meat production methods, Organic Monitor noted. Organic beef sales in the United States have doubled each year since 2003 partly because of this new consumer awareness of organic meats.

A new study by Organic Monitor found undersupply to have a dampening effect on market growth rates. Producers cannot find enough organic meat supply to meet burgeoning consumer demand with some companies resorting to imports. The U.S. market for organic meats has become highly import-dependent with organic meats coming in from Latin America, Australasia, and Canada. More than 60 percent of the organic pork sold in the U.S. is currently imported because of low domestic production levels.

Supply shortages are mostly affecting the organic beef and pork markets. Low producer interest in these organic meats has been due to high production costs, lack of certified slaughterhouses and meat processing plants, and inadequate distribution infrastructure, the survey shows. Although organic meat production has stepped up since 2004, supply is expected to lag demand for a number of years with imports continuing to meet the shortfall in domestic supply.

The organic beef market is the fastest-growing sector. However, poultry comprises most organic meat sales volume. Roughly 26,000 metric tons of organic poultry were sold in 2005 with chicken comprising the bulk. Its domination is because of the short production cycle which enables producers to adapt relatively quickly to demand fluctuations. Chicken is the most widely available organic meat in North America with a growing number of retailers selling it under their private labels.

Exceptionally high market growth rates are attracting new entrants in the organic meat industry. Natural and conventional meat companies are taking up high market share as they use their existing distribution networks to launch organic meats. In contrast, many dedicated organic meat companies are finding it difficult building supply chains from farmers to retailers because of supply problems. Indeed, the lack of distribution infrastructure makes direct marketing an important channel for many producers.

Source: <http://www.meatnews.com/index.cfm?fuseaction=Article&artNum=11634>

NLIS JUST GETS BETTER, SAYS MLA

Almost a year after its launch, the National Livestock Identification System (NLIS) has experienced a 400 per cent lift in usage, says Meat and Livestock Australia. MLA says new statistics shows the NLIS database has responded to a major increase in demand and now processes 98 per cent of all transactions in well under one hour with 71pc processed in under a minute.

These latest statistics were announced with today's unveiling of a new look NLIS database interface which MLA says will improve the navigation and usability of the NLIS database. More than 143,000 farms and 38 million electronic devices are now registered on the NLIS database which has seen a 400pc increase in usage from July 1, 2005. The number of NLIS database interactions has increased from an average of 600 to 2700 per day, the MLA says.

The NLIS database, which is administered by MLA, records an average of 41,000 cattle movements every day and has recorded up to 96,000 cattle movements in a single day. MLA managing director, David Palmer, says the NLIS database has performed solidly during the sharp increase in usage during the past 11 months and remains robust and efficient.

"The NLIS database is doing exactly what it should - going quietly about its business, processing cattle transactions quickly and securely and allowing our cattle industry to operate smoothly," Mr Palmer said. "The database is the engine room of the NLIS and MLA takes its role in administering it very seriously. We are continually working to ensure the database remains stable, secure and efficient."

The new look database interface was developed following more than a year of research which included the use of focus groups involving cattle producers using the NLIS database. The changes were made following a 2005 survey of NLIS database users found that although almost 60pc of producers rated the 'ease of use' of the NLIS database as good to excellent, 40pc of survey respondents said the usability of the database interface needed to be improved. Ninety seven per cent of focus group respondents agreed that the new version of the NLIS database interface is easy to use and navigate, Mr Palmer says.

UK Lamb Campaign Planned

A summer-long, national newspaper advertising campaign in the United Kingdom to boost the Welsh Lamb brand will launch next weekend and run through to August.

The comprehensive, U.K.-wide campaign will feature in the color magazines of leading quality national papers, as well as other top, glossy consumer and trade publications. It follows in the wake of Hybu Cig Cymru /Meat Promotion Wales' successful autumn and spring seasons of television advertising, which saw sales for both Welsh Lamb and Welsh Beef brands increase on a year-on-year basis.

"This is the first time that our quality Welsh Lamb brand has been heavily promoted to HCC's target audiences of ABC1 consumers through the color magazines of the top national newspaper titles and food magazines," Stewart Pope, HCC's marketing manager, remarked.

The magazines of The Times, Sunday Times, Observer, Mail On Sunday and Independent on Sunday will feature the advertisements, which will powerfully project Welsh Lamb's Protected Geographical Indication status in the advertisement's words, the E.U. "Seal of Approval" that "recognizes the quality, traditions, and landscape" in which the lamb is reared.

"HCC hasn't got infinite resources and to get maximum value for money for our stakeholders we have to use them smartly-- that's what we are aiming to do with this investment in summer advertising activity," Pope explained. "We will be looking to directly attract the consumers that our research shows are likely to buy Welsh Lamb and also those who are our regular customers and love the taste, to tempt them to spend more and spend it more often on our products."

Source: <http://www.meatnews.com/index.cfm?fuseaction=Article&artNum=11641>

SHEEP PRODUCERS SAY NO TO NLIS ELECTRONIC TAGS

The NSW Farmers' Association is urging the sheep industry to reject the electronic tagging of sheep, saying that the current system is unproven, the electronic tags underdeveloped and the cost alone could drive producers out of the industry.

NSW Farmers' Association Sheepmeats Committee chair, Chris Groves, says it is premature for sectors of the industry to call for the implementation of electronic tags when the present visually based system has only been in place for 6 months.

"Now is not the time to be regulating standards for electronic tags. We don't even know if the current system needs improvements," Mr Groves said. "Using currently available technology, based on 30 million lambs per year, and tags costing \$2.50 each, a move to electronic NLIS Sheep will annually cost producers \$75 million in tags. The total cost of implementing the system would be over \$300 million for the sheep industry," Mr Groves said.

"At present, the Sheep CRC is undertaking trials of electronic tag technology which they believe won't even be suitable technology for sheep until at least 2011," Mr Groves said. "This is in addition to the CRC's current investigations into the technical and operational barriers to electronic identification post farm gate," Mr Groves said. "We need an NLIS sheep system which is user friendly and cost effective," Mr Groves concluded.

Sheep Can Self Medicate

SHEEP are not exactly the Rhodes scholars of the animal kingdom, but research points to a degree of medical acumen among the much-ridiculed ruminants.

A trial by CSIRO scientists has researchers thinking that sheep might be able to self-medicate, eating particular plants to remedy various ailments. The project, at CSIRO Livestock Industries in Perth, aims to identify the range of plants – particularly those not used for grazing – which can help sick sheep recover. Scientists have long been aware of the ability of sheep to meet their nutritional needs through plant selection, but the animals' apparent ability to choose natural remedies for illness is a new line of research.

CSIRO senior research scientist Dean Revell said the sheep in the trial were being exposed to different plants such as shrubs and other perennials, rather than grazing on paddocks containing a single crop and grasses. Researchers then monitor the animals' eating patterns, determining whether sheep infected with parasites pick particular plants and whether their health improves as a result. "If we can show, as we suspect, that sheep have the ability to self-medicate and learn how to manage or exploit this capacity, it could have important ramifications for building more environmentally sustainable farming systems," Dr Revell said.

"If sheep can self-medicate, we also expect to be able to suggest changes to farm management practices which will improve animal welfare outcomes while reducing the need for artificial medication. "It could be that sheep need certain medicinal paddocks where we take them to self-medicate ... or it could be that they need ongoing low level intakes of certain plants to keep parasites at bay."

Sheep learnt best from their mums, Dr Revell said, and their knowledge of medicinal plants could be passed down through generations. "The right plants have to be available to the animals at the right time," he said. "We suspect they need access to a range of different forage plants to learn which to choose." The research is part of a national project examining how mixed forage can lift livestock production. The study is a collaboration between CSIRO, the Co-operative Research Centre for Salinity, Meat and Livestock Australia and Australian Wool Innovation.

SHEEP MEAT EXPORTERS FLEX MUSCLE ON SHEEP NLIS

Sheepmeats exporters say they will have no choice after July 1 next year but to source only "tagged" livestock. In flexing their industry muscle in this way, they will bring to a head demands for an end to the exemptions to the recently introduced NLIS (Sheep) program.

Given processors should have a clear understanding of their customer requirements, their stand will carry a lot of weight. The ban, they say, will apply equally to all sheep and lambs and include breeder lines sold direct for over-the-hooks slaughter. Drawing this new line in the sand, Roger Fletcher, chairman of the Australian Meat Industry Council (AMIC) national export sheep, lamb and goat council says, "AMIC has opposed the inclusion of exemptions since its beginning.

"The current program puts at risk not only the livelihood of meat processors but all sheep industry sectors owing to its failure to meet consumer trends." "Our customers are looking for a means to underpin their products and protect their brands. "Australia's competitive advantage rests with its ability to provide these assurances."

Global Team Works to Increase Lamb Production

During the past 25 years, per capita consumption of lamb in the United States has been hovering around one pound. Current per capita consumption is at 1.1 pounds, said Judy Malone, director of industry information for the American Sheep Industry Association.

The National Sheep Improvement Center, as well as the American Sheep Industry, are working with Australia and New Zealand to find ways as a worldwide program to increase lamb consumption. One such way to accomplish this is to make nutritional value statistics for lamb consumption available to consumers, Malone said.

Several new and exciting lamb products have been introduced in supermarkets in both the US and Canada in recent years. These products range from appetizers to main courses. In Canada, some of the most recently released products include President's Choice Lamb Spiedini Frozen Mini-Skewers, which are ready to grill and serve in minutes; Marc Angelo Spiedini Frozen Mini-Skewers—lamb skewers, seasoned and made with fresh ingredients; and President's Choice Thick

& Juicy Frozen Lamb Burgers, with no artificial flavors.

Similarly, products have been introduced in the United States, as well. Cedar Springs Restaurant Style Natural American Fully Cooked Premium Veal and Fresh American Fully Cooked Premium Lamb are now available in parts of the country.

These are sold in microwavable trays and include lamb meatballs, lamb barbeque ribs, lamb sausage and lamb patty links; Coleman Purely Natural Meat Products lamb is also available in parts of the U.S. This is part of an all-natural line that boasts, “No antibiotics—No preservatives—No added hormones—Always vegetarian fed;” and Cuisine Solutions Frozen Meat Product. Regarding the latter introduction, New Zealand Lamb Shanks are slowly cooked with rosemary and mint sauce and are fully cooked and ready to eat in minutes.

“I think there is a lot of potential to shape consumer perception regarding lamb and to play up the fact that it is somewhat exotic from a taste perspective,” Tom Vierhile, director,

Productscan Online, Datamonitor, Naples, N.Y., tells *MeatNews*. However, he did acknowledge that it has been a low-profile food.

There is hope that lamb consumption will increase in the future, once promotional programs, supermarkets, and restaurants have some time to establish themselves in the lamb market.

“Given the slight decline in total lamb consumed in the United States over the last 10 years, the trend is that consumption will stabilize.

The presence of the promotional programs of the American Lamb Board provides increased visibility in the market, which we hope to be positive to consumption,” says Peter Orwick, executive director for the American Sheep Industry Association. “Another advancement for the industry is the availability of case-ready lamb, which will continue to expand the variety of cuts in the retail market. The United States will continue to be one of the highest-valued lamb markets in the world.”

Source: <http://www.meatnews.com>



Canadian Sheep Federation

130 Malcolm Road
Guelph, Ontario
N1K 1B1

Tel: (519) 824-6018

Toll Free: 1800-684-7739

Fax: (519) 824-9233

E-mail:

cansheep@cansheep.ca

Website:

www.cansheep.ca