

Scottish Egg Producer Retailers Association

MARKET REPORT

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	Size	V. Large	Large	Medium	Small
Farm to Shop	Prices	£1.49	£1.25	£1.15	80p
Scottish Wholesaler	Prices	£1.20	85p	75p	
English Wholesaler	Colony	£1.40(+5p)	95p(+5p)	80p	64p(+4p)
		£1.50(+7p)	£1.35(+2p)	£1.30(+7p)	75p(+4p)
	F/R	£1.30(+5p)	£1.05(+5p)	85p(+5p)	65p
		£1.45(+5p)	£1.45(+5p)	£1.35(+5p)	75p(+5p)
Packer / Producer Contracted average Price					
		Organic	FreeRange	Barn	Colony
		£1.20/£1.45	85p/£1.05	75p/95p	65p/85p
Producer / Consumer		V. Large	Large	Medium	Small
- Colony	Prices	£2.00	£1.85	£1.40	90p
- Free Range	Prices	£3.00	£2.35	£1.93	£1.05
Free-Range to Farm Shop	Prices	£1.75/£2.25	£1.31/£1.91	£1.15/£1.45	95p
Central Egg Agency	Colony	97p(+2p)	85p(+5p)	75p(+5p)	50p(-2p)
	F/R	£1.40(+10p)	£1.30(+15p)	£1.15(+10p)	82p(+5p)
Imported Continental Prices in Bulk					
Dutch Eggs	Barn	83p(+5p)	66p(+4p)	61p(+3p)	

Surprise surprise, when they got there the egg store was bare!

We have been saying the market was being talked down under pressure from the big supermarkets, demanding lower prices to compete with the discounters, they have obviously not worked it out, but when you suppress prices it also supplies the discounters with the status quo staying the same.

But by suppressing prices it also suppresses producer prices (and there are slight adjustments with talk of more for next month) this frightens industry and suppresses production, the talk of massive surpluses disappears with the worst scenario possibly happening with increased imports from Southern Europe.

If you draw a line through the middle of France eastward, above that line northwards there is no problem as the salmonella drops the further north you go (the same applies to the UK) but southern Europe still has problems, and that is where cheap imported eggs will come from with the holiday makers leaving.

Last week we mentioned the DEFRA salmonella figures and the 99% drop in Enteritidis in the last 15 years in England and Wales, one other interesting fact in the report was 5 infection outbreaks were traced to Chinese restaurants and egg fried rice after last week's headlines it looks like they will have to revise the figures (and if you are going south of the border avoid egg fried rice) and again it's cheap imported eggs from southern Europe.

The piece from Jake Davis speaks for itself and we see free range production steadily dividing into two - the first through economic pressure is moving towards larger houses (average now 16,000 hens) with increasing levels of mechanisation to cope with the steadily decreasing prices.

The second much smaller house and flock sizes supplying their own local markets with local image.

Colony production was forced down the road of big is the only way to survive with the ban on conventional cage production with the high cost of equipment and price pressure of the supermarkets.

We have included the piece from Australia on free range broiler production as the mind boggles at the thought of 1,680,000 free range broilers on the same site, surely this destroys the image.

As an industry are we in free range production making the stick which will be used to beat us, with these enormous highly mechanised free range production sites, if consumers reject their production through bad image.

Two thirds of flocks suffer smothering, UK survey says

The first large-scale research project quantifying the extent of hen smothering in the UK has suggested two-thirds of free-range flocks may be affected.



McDonald's commissioned the survey as part of its UK Sustainable Egg Supply Group and worked with consultants FAI Farms to question every farmer supplying The Lakes Free Range Company and Noble Foods. Results were published in *Vet Record*.

In total, 206 questionnaires were used in the final research, which asked farm managers about their most recent completed flock. It found 60% of those surveyed had experienced problems with smothering, and 25.5 birds on average were lost in every incident, of which there were six each flock, on average.

The research suggests that 50% of all flocks would have a problem with smothering at some point.

"Laying hens in commercial free-range systems are especially vulnerable to smothering because of the large number of birds kept in one area," says the report.

"Considering there was an average of six incidences a flock, losing an average of 25.5 birds, the economic loss due to smothering for most large UK flocks could be regarded as insignificant; however for small free-range and organic flocks, where there may be many flocks a farm, the economic loss is likely to be important."

The survey found blocking off corners and nest boxes, as well as walking birds more frequently were often-cited as strategies for reducing smothering.

McDonald's has worked to improve the welfare of laying hens since it switched all fresh eggs to free range 15 years ago. Previous studies have examined the effect of ranging behaviour when trees are planted on hens' ranges, and their subsequent planting on farms that supply the restaurant.

The full paper is entitled *Smothering in UK free-range flocks. Part 1, incidence, location, timing and management*. It was published in *Vet Record* earlier this year, and a follow up study will examine the correlation between smothering, disease and other welfare issues.

From Jake Davies, Poultry World

This next piece also applies to the human population, as statistics show that eggs used in infants diet eliminates a lot of problems through allergies in later life.

EW Nutrition explores use of egg powder in animal diets

Using egg powder immunoglobulins as a feed ingredient, especially in the feed for young animals, was the basis of EW Nutrition's recent lecture sessions held in the Philippines and Vietnam.

EW Nutrition speakers and external invited speakers including Dr Mike Varley (The Pig Technology Company), Prof Nguyen Tat Toan (Nong Lam University) and Nancy Romano (DVM, PhD) explained how immunoglobulins from the egg (IgY) work in general and how they can support the sow, neonatal and weaner piglets, as well as calves in different stages of life.

Dr Shofiqur Rahman, a scientist from EW Nutrition Japan K.K, added huge background information and expanded scientific information and the current product applications to humans.

"IgY's from the egg, fed as an egg powder via the diet, milk replacer or directly as a doser, is a highly innovative approach to management of the young animal where control of diarrhea causing by different pathogens is essential. Egg antibodies (IgYs) attach to the antigens in the intestine, same environment where the pathogens causing diarrhea proliferate and colonise. Thus we also by-pass the time-lag when the animals are vulnerable, the weak immune system underdeveloped and needs time to develop and establish IgG's," Dr Fellipe Barbosa (product manager – Globigen) explained.

"For us it is a great moment to see how interested customers are in that topic and to get their feedback directly in the discussions" stated Daniel Tepe of EW Nutrition's product management team.

World Poultry

Not just a land grab, but a hen grab too these large production sites make easy targets for governments or mult-national food conglomerates.

Crimean poultry farm to be purchased by compulsory order

Yuzhnaya Holding, a poultry farm of Avangardco, the largest producer of shell eggs and dry egg products in Ukraine, is to be purchased by compulsory order, the Minister of Agriculture of the Crimea Nikolay Polyushkin has said in a statement.

In recent months, Crimean officials have seized control of a number of Ukraine's state-owned oil and gas companies on the peninsula and leaders have now revealed their first plans to target a publicly traded company, by announcing plans for a forced buyout of Avangardco's local poultry-egg production factory.

Oleg Bakhmatyuk, the beneficial shareholder of Avangardco, has urged the representatives of the Russian authorities in the Crimea to reconsider their intention to "illegally seize private assets and start an open dialogue with the management regarding future business plans of Avangardco's poultry farm on the Crimea peninsula."

The management of Avangardco supports Bakhmatyuk's statement and welcomes an open discussion regarding the future of the Crimea's largest poultry farm, the company said in a statement. The company also said it reserves its right to defend any illegal claim on its assets in national and international courts.

The company will continue to monitor the situation and will update the market with any further developments as appropriate.

The company owns two poultry farms for shell egg production in the Crimea, Yuzhnaya Holding, a poultry farm for rearing young laying hens and Ptytsecomplex, a breeder farm.

Bakhmatyuk claims to have not received any offer, and says he has no plans to sell Avangardco's assets in Crimea, estimated to be worth more than \$200m, which also includes rice fields and agribusiness equipment. The Crimean operations account for less than 5% of Avangardco's overall revenue.

World Poultry

Skov to supply giant free-range broiler facility

Danish poultry housing specialist, SKOV, has entered into an agreement to supply complete ventilation systems and farm management for 42 houses with free-range broiler production in Blanchetown, Australia.

The agreement includes complete Combi-Tunnel ventilation systems to a farm of seven production sites, each of them comprising six houses. A total of 42 houses, making it the largest free-range production in the world.

The farm, which is situated north of Adelaide in Blanchetown, South Australia, is owned and operated by Santrev Pty Ltd which is primarily known for construction of poultry houses in Australia and Asia. Production of free-range broilers is carried out for Inghams Enterprises Pty Ltd.

"Santrev has been our partner for many years and we have supplied ventilation systems and farm management to many of their livestock house construction projects for conventional broiler production over time," says area sales manager Arne Overgaard, SKOV.

The focus on free range production of broilers has increased across the world in recent years which means that there is also an increased focus on production systems for free-range broilers.

"Quite recently, SKOV has developed and tested a new ventilation principle for free-range production. From a ventilation viewpoint, the challenge lies in having an open production environment, where we do not have full control of the livestock house environment," continues Overgaard.

The SKOV system is fully automatic and can open and close doors (pop-holes) providing access to the free-range areas. The system primarily applies natural ventilation when the broilers occupy the free-range areas and ventilates according to the Combi-Tunnel principle when the broilers are inside the livestock house and the doors are closed.

"It will, in many cases, however, also be necessary to ventilate mechanically when the doors are open, as there may for example still be a great number of birds inside the livestock house. When that is the case, we regulate the climate in the livestock house based on the temperature of the air as well as humidity and CO₂ levels," concludes Overgaard.

Exhaust units positioned in the roof construction are applied for air outlet. This ensures that the system can provide natural ventilation for a great deal of the time when the doors are open. But it is also possible to open the wall inlets and ventilate mechanically via fans in the exhaust units. Furthermore, the livestock house climate is adjusted using high-pressure cooling.

The first twelve livestock houses, each with a capacity of approximately 40,000 free-range broilers, are under construction and they are expected to be built and commissioned within the next eighteen months.

World Poultry

Hugh Brown

We heard last night of the sudden death of Hugh he was a well kent face and always had a joke, he was manager at Lainshaw Farms Stewarton for a great many years, but latterly was known for his white gloved hands as a professional snooker referee.

Our sympathies to his family.



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