

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	Colony F/R	£1.20 £1.50	90p £1.40	80p £1.30	
English Wholesaler	Colony	£1.14	84p	76p	56p
	F/R	£1.60	£1.50	£1.30	80p
	Colony	£1.30	£1.10	£1.05	80p
	F/R	£1.70	£1.65	£1.45	85p
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	90p	75p	65p	55p
	F/R	£1.45	£1.35	£1.20	£1.00
Imported Continental Prices in Bulk					
Dutch Eggs	Barn	83p	67p	63p	60p
	Colony		60p(+3p)	54p(+2p)	

The market is sort of static, no real change price wise, but there are eggs about now, hopefully the market will now steady after the large price reductions in the last couple of weeks which were in anticipation of big surpluses which have apparently not happened, possibly the price reductions were too much, but this is now May which traditionally has the lowest prices in the year, the next few weeks will be interesting.

Another reason for the weak market is that there appears to have been a big increase in imported eggs from the Continent which have been extremely cheap compared to our home produced which has created the surplus, we have mentioned German eggs which are freely available everywhere at wholesale for the catering industry but also in pre-packs in corner shops, for that reason we have listed them above also because they are showing a slight price increase for next week.

Farmers Weekly Farm Business Awards 2015

Congratulations to Farmlay

A very happy looking Robert and Ian Chapman receiving the top award for marketing.



FARMLAY EGGS

Three generations of the Chapman family have been producing, packing and distributing fresh Scottish eggs and their entry demonstrated tremendous growth in sales and profits. A sustainable business, with a focus on both the chicken and eggs, our judges applauded Farmlay's forward-thinking attitude and the company's strong local ties to the Scottish community.

Scotland has always done very well in these awards, Glenrath were winning awards last year, is it Farmlay's turn this year as we have the Scottish Egg Quality Awards shortly.

NOBLE FOODS – EGGS FOR SOLDIERS

In 2014, the charity egg brand, Eggs for Soldiers, celebrated raising £1 million for Help for Heroes. Since the brand was launched by Noble Foods in 2011, more than 6.5 million packs of eggs have been sold, with 15p from each sale going towards providing facilities to wounded, injured and sick servicemen,

women and veterans. The team at *Pig and Poultry Marketing* agreed that this work is highly deserving of note, and we are delighted to be able to recognise this today. Here's to reaching the £2 million mark!

(Noble Foods took a simple idea and turned it into a massive fund raiser for a good cause and brought new meaning to the words eggs for soldiers, from soldiers for eggs, with children dunking again part of the good egg image.) Editor

Organic poultry sector faces feed price hike

Organic egg and poultrymeat suppliers face a shortage of feed in the coming months, and a hike in price, as manufacturers struggle to get hold of sufficient raw material.



Problems first started to emerge around Easter, when shipments from Ukraine dried up. There had already been a problem with organic peas, following the detection of pesticide residues. But then organic sunflower meal, wheat and maize supplies ground to a halt.

While there has been no official clarification, traders understand that the certification body supervising organic production in Ukraine has been delisted.

"We get about 50% of our wheat from Ukraine, 70% of our maize and all of our sunflower," Martin Humphrey, of Humphrey Feeds, told *Poultry World*. "This has presented us with a real challenge – especially in respect of the sunflower."

Organic sunflower expeller is a crucial part of layer and broiler rations, he said, as it contains methionine – an essential amino acid. Without sunflower, compounders have to increase other proteins, such as soya, which upsets the balance of the diet and means birds have to expend energy excreting surplus protein.

With UK sunflower stocks running low, Mr Humphrey said his firm was already having to cut its inclusion rates. Boosting the methionine content by using other proteins was costing £10/t more. Finding alternative supplies of organic wheat and maize was also causing headaches, as demand was outstripping supply.

"Importers are trying to honour their contracts, but there is just not enough between now and harvest." Price rises were inevitable and, while most compounders will have bought forward, home mixers would go short.

Alternative sources

Stephen Clarkson of UK certification body Organic Farmers and Growers said it was a "difficult situation". Some mills had been able to source alternative material, "but it is very expensive and is going to put the price up," he said.

EU rules only allow a maximum 5% non-organic material in rations, and no amino acids. "We are not able to issue any derogations – certainly not on the grounds of cost," said Mr Clarkson.

There was still a lot of uncertainty about the situation in Ukraine and how long it might take to get certification reinstated, he added.

Harrow-based importer Feed Factors believes re-establishing certification in Ukraine will be time consuming. "They will have to go back along the whole supply chain, auditing farmers, hauliers, processors, storekeepers," said a spokesman. "That will take many months – certainly into new crop. It seems that Ukraine will be shut off for some time."

Any remaining organic material in Ukraine had probably been sold already as conventional to generate cashflow, and the same would apply to new crop, unless the certification problem is resolved.

Mr Humphrey said the problem had arisen at just the wrong time, as the organic sector was showing signs of recovery, following the economic recession. The organic egg market grew by 16% last year, according to the Soil Association.

"We don't want to see the market now undermined by problems with supply, or worse still, questions about the integrity of the product. But we can only see the prospect of rising input costs, and that in time will mean prices will have to rise at retail, which could hit demand," he said.

By Philip Clarke

€15 million in fines for French poultry sector

The French competition authority l'Autorité de la Concurrence has imposed fines totalling of €15 million on a number of companies and organisations in the French poultry sector for conspiracy on pricing and market shares.



According to the Autorité, the French association of poultry processors Fédération des Industries Avicoles and 17 companies and organisations including DUC and LDC did make illegal arrangements between the years 2000 and 2007. They held a large number of meetings to discuss the prices to charges their customers as well as other business details. Main purpose was to get a stronger position in the price negotiations with the larger supermarkets, an annual ritual in France.

The Autorité took into consideration the integrated nature of the whole poultry chain and the important role feed plays in the financial outcome. Because of the very specific circumstances in this case, the authority concludes that it would be better to set up a sector organisation within the rules of the law as soon as possible then to hit the sector with huge fines. In normal cases, competition authorities can impose fines of up to 10% of the turnover of the companies involved.

By Ruud Peys

What happened to the hen whose feathers were all pointing the wrong way?

She was tickled to death!

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