

# Scottish Egg Producer Retailers Association

## MARKET REPORT

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	Size	V. Large	Large	Medium	Small
<b>Farm to Shop</b>	Prices	£1.49	£1.25	£1.15	80p
<b>Scottish Wholesaler</b>	Colony F/R	£1.20 £1.50	95p £1.40	85p £1.30	
<b>English Wholesaler</b>	Colony F/R Colony F/R	£1.40 £1.70 £1.50 £1.45	£1.10 £1.50 £1.25 £1.45	95p £1.45 £1.20 £1.20	80p 80p 85p 75p
<b>Packer / Producer Contracted average Price</b>					
		<b>Organic</b>	<b>FreeRange</b>	<b>Barn</b>	<b>Colony</b>
		£1.20/£1.45	90p/£1.15	75p/95p	65p/85p
<b>Producer / Consumer</b>		<b>V. Large</b>	<b>Large</b>	<b>Medium</b>	<b>Small</b>
<b>- Colony</b>	Prices	£2.00	£1.85	£1.40	90p
<b>- Free Range</b>	Prices	£3.00	£2.35	£1.93	£1.05
<b>Free-Range to Farm Shop</b>	Prices	£1.75/£2.25	£1.31/£1.91	£1.15/£1.45	95p
<b>Central Egg Agency</b>	Colony F/R	£1.11(-11p) £1.43	96p(-5p) £1.33	86p(-5p) £1.23	65p(-6p) 98p
<b>Imported Continental Prices in Bulk</b>					
<b>Dutch Eggs</b>	Barn	93p(+1p)	77p(-1p)	73p	60p
<b>German</b>			81p	75p	

The market is quatter but steady, it looks like readjusting and a bit of politics in the changes this week, Central Egg have reduced the price on Colony but don't really have any, but the weakening on the price on Small is an indication of some new restocking in Colony.

Also with all the big supermarkets having special offers on Free Range this has weakened the demand on Colony, in correspondence with our American friends they are saying that there has been an increase in the demand for Free Range and non-cage because of the AI problems and the big losses in cage production which has pushed the price up to record heights, also in California their propositioned 2 has swung supply and demand to non-cage.

The small quantity of eggs and product sent to the USA from the EU has affected their prices downward and has steadied and raised the prices in the EU, some eggs and product have been sent to traditional US

markets namely Hong Kong and Japan from Italy and Spain but because of inconsistency in quality and supply they are looking to the US for the future, which would give EU suppliers 12 months to get their house in order or loose these exports which would greatly affect EU pricing with the old supply and demand system, plus eggs and product from Ukraine, which will add to the problem.

The first piece included this week is on the debate between higher welfare standards verses cost of production and where will we be in 20 years' time with the world population expanding to it's predicted level then, the article and the comments are self- explanatory but is certainly food for thought.

AI the out-break in Lancashire is thought to have come from wild ducks nesting on a pond that the Free Range hens had access to, it is coming back to that time of year again when waterfowl migrate South from Siberia, let's hope it is a mild winter and most stay on the Continent and not crossing the North Sea.

In the USA they are also getting that feeling in the back of the neck linked to migrating waterfowl, the next few months will see whether the precautions and increased Bio-Security are having an effect.

It is also good to see that our industry has rallied round to help in the clean-up and sterilisation in Lancashire which hopefully should cut 6 months off the program towards clean state status.

And lastly if you are under 40 or know someone who is and has contributed to the prosperity of your business or our industry get an application sent in to Philip Clarke for Young Poultry Person of the year.

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## OPINION: Welfare paradox

A few weeks ago I had the honour of being the chairman of a poultry conference in the Netherlands. The main topic was the future of the poultry industry in well developed countries. It is clear that when consumers have distanced themselves from agricultural society and live in a wealthy country where food security hasn't been an issue for decades, animal welfare demands soar. Ensuring animal welfare in itself isn't a bad thing of course, the question is at what price?

A poultry farmer once told me that he would produce any chicken, slow growing, with access to the outdoors, fed with GMO-free feed and grown without the use of antibiotics. If that is the demand of the consumer and the farmer can make a business case on that, one should take the opportunity. This market demand, which really exists and is actively promoted by animal welfare organisations, has a flip side. Slower growing chicken and/or free range layers use up more energy to reach the production parameters set by their more efficient counterparts in conventional housing systems and thus need more feed.

Making good money by improving animal welfare and tapping into wealthy consumer demands is an opportunity. However, the paradox is that less efficient production has strong negative effects. On a world-wide scale the poultry sector needs every point of (feed-)efficiency to meet the growing demand for food.

For the sake of reducing malnutrition or even preventing famine one should at least know the consequences of the balance between extra animal welfare and efficiency losses.



## [Fabian Brockotter](#)

### 2 comments

#### [Christophe Pelletier](#)

By following the rational logic you present combine with environmental concerns, the natural conclusion would be to recommend a drastic reduction of animal products consumption in developed countries, if not even switching to a vegetarian diet. That bothers me. Consumers may be a part of the problem, but the beauty is that they also can be part of the solution. You mention the disconnect. It does exist indeed but nothing should stop producers to help them reconnect. It is just that it is difficult when consumers have lost trust in the industry. Reconnecting can be done but it will take time and candor. PR type of content works in the opposite direction. In this day and age of global social communication, consumers want to make up their own minds and do not accept being told the "official " story. Even much less so than ever before.

#### [LM Thomson](#)

At the moment, every day, there are less and less vegetarians / vegans in developing countries as millions more reach, or aspire to reach, the middle class. I believe, therefore, animal product production and consumption will continue to rise, overall, for quite a while. In the fullness of time, it's likely to fall again to a plateau, as consumers realise the value of eating a moderate amount of animal protein (predominantly poultry and fish, with perhaps some arthropod thrown in for good measure). The tricky part will be navigating the "crunch" period around the middle of this century, when the demand for animal products runs close to outstripping supply, planet-wide. We need to achieve a fine, dynamic, balancing act between human demands for energy and resources and environmental sustainability; we shall see how that works out.

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# Bird flu clean-up aided by industry fund

An industry fund has been established to help speed up the process of secondary cleansing and disinfection at the Staveley's egg production unit near Preston, Lancashire – site of an outbreak of highly pathogenic avian influenza (HPAI) in July.

Site owner David Staveley explained that, initially, he had used his own staff plus a small team from Birchall Poultry Services to start the painstaking process of removing litter from the colony and free-range sheds, and then washing down.

With nine of his own staff and three contractors, the initial expectation was that the process would take six months to a year to complete.

That would have had obvious negative consequences for the whole poultry sector, as so-called "country-free status" from HPAI can only be declared three months after the completion of secondary cleansing and disinfection

That would have meant a number of key export markets for poultrymeat and hatching eggs would have remained closed until next year, costing the sector millions of pounds in lost business.

In response, a one-off fund of over £200,000 has been created, involving contributions from meat processors, primary breeders and egg packers, to pay for a second team of washers.

"Everyone is affected by this, either because their exports are down, or because their old hen and breeder prices are down," said James Hook of PD Hook Hatcheries. "So everyone has paid in, with contributions ranging from £10,000 to £20,000, depending on the size and impact on their business."

He described the fund as "an interim step", until such time as an industry levy can be established to provide a more permanent contingency fund.

With a second team in place, the clean-up process should now be completed inside three months. Total cost is expected to be close to a million pounds.

Philip Clarke

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## Egg seconds most likely caused on-farm, study suggests

Second-quality eggs are probably caused by cracking on the farm, rather than during transport or grading at the packers, a new English study has said.

Interim figures from the report, released by the British Free Range Egg Producers Association (Bfrepa), have suggested preventing cracks on-farm is the most effective way to reduce seconds.

Four farms were selected by consultant Adas, which conducted the study, chosen for a typical layout and their geography. Two of the four had relatively young hens, and two housed older birds. On three of the four farms, there was clear evidence of cracking along the mechanical egg collection systems, despite the young age of two flocks.

## **Level of cracks in eggs**

Samples were taken at three points: on cross-conveyors, after being placed on trays and at the packing centre. There was little difference in the level of cracks between rejected hand-candled eggs, taken on-farm, and overall seconds at the packing centre.

One distinction between farms was the maintenance of farm equipment – with regular maintenance seeming to cut seconds. Further farm visits will feed into a final report, which will be published in the autumn.

## **Big impact on profitability**

Robert Gooch, policy director at Bfrepa, said the study was part of the organisation's new sustainability programme, with sponsorship drawn from a wide range of companies involved in the egg industry.

"We want to work with packers to solve common problems," he said. "This was one of the first projects we identified – a small change in the percentage of seconds can have a big impact on profitability."

Jake Davies

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## **Enter the Epic Young Poultry Person of the Year award**



The search is on for this year's Epic Young Poultry Person of the Year.

Presented by the Egg and Poultry Industry Conference (Epic) organising committee in memory of egg processor Clive Frampton, the award is intended to recognise young talent within the entire poultry sec-

tor. Last year's winner – the third in the short history of the award – was Rebecca Tonks (pictured), who has been a driving force behind the St Ewe Free Range Egg business in Cornwall.

In 2013, the award went to poultry vet Philip Hammond, and in the inaugural year, Matthew Davies, of egg producer David Davies and Co, picked up the prize.

So if you know someone under the age of 40 who is making a splash in the egg and poultry sector (including duck, turkey and goose production, as well as the ancillary services), then please let us know.

You should email a submission of about 500 words to [philip.clarke@rbi.co.uk](mailto:philip.clarke@rbi.co.uk) explaining what it is that makes them stand out and how they have benefited their business or organisation.

The winner will get a free place at Epic – to be held at the Celtic Manor Hotel on 1 and 2 November – including accommodation and a place at the banquet.

Self-nominated entries are also welcome. Closing date is 14 October.

By Philip Clarke

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