



Andrew McCrea

**Commercial Pig Producer
Northern Ireland**

ANDREW McCREA

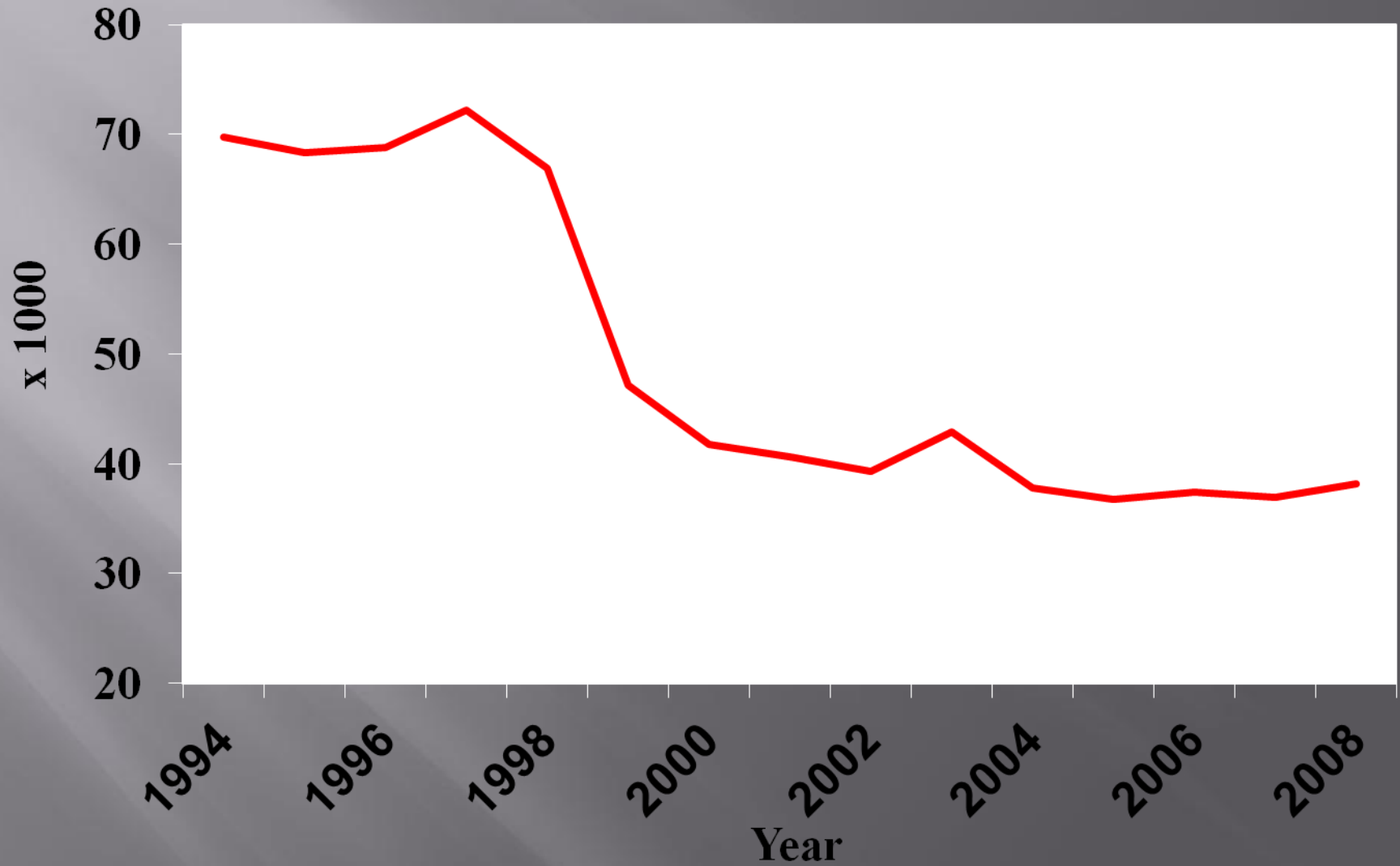
- **Commercial Pig Producer**
- **National Pig Farmer of
the Year 2010**
- **“Focus farmer”**
- **Farmers Representative
“PIG REGEN”**





Fire at Lovell & Christmas processing plant 1998

Repercussions on sow numbers



Production sector

- ▣ **Approximately 40,000 sows**
- ▣ **Approximately 1/10 of the size of the G.B. herd**
- ▣ **Last 10 years**
 - **Stable numbers**
 - **Now rising**
- ▣ **Consolidation of farms**
- ▣ **Numbers of farms increasing!**
- ▣ **Numbers employed in the industry ~ 2000people**

Cost of production

- ▣ **Feed cost 75 - 80% of total cost**
- ▣ **Intensive “cereal/soya” industry**
- ▣ **Home produced grain fed**
 - **Wheat – 0.6%**
 - **Barley – 2.3%**
- ▣ **ROI relies more on imports of animal feed ingredients than any other country in EU!**
- ▣ **Price of imported grain. Cost of production considerably higher than G.B.**



How do I develop my business?

- **“Give up or stay for the long haul”**
- **Can’t change factors outside my control**
- **Concentrate on factor I can influence**



My side of the bargain!

To develop, my industry and I must Have...

- ▣ **Lowest possible cost of production**
- ▣ **Efficient production**
- ▣ **Meat Quality “PIGIS”**
- ▣ **Food Safety**
- ▣ **Reliability**



Unit output

- Maximise business output

- Know performance

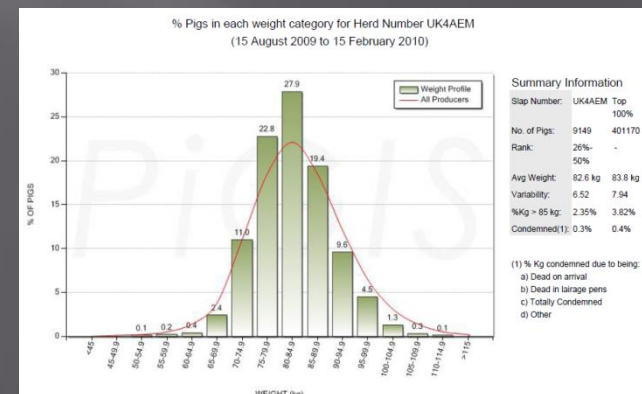
- Physical and financial

- “Borrow” best practice in:

- My industry
- Europe
- World stage

- Produce a quality product

- PiGIS
- Quality Assurance



Lower cost

Second highest non-feed cost is power

- ▣ **Very venerable**
- ▣ **Energy intensive sector**
- ▣ **Must reduce my reliance on non-renewable source**
- ▣ **“Playing catch-up” with some parts of Europe**
- ▣ **Government led!!! Northern Ireland devolved
Government has already raised incentives**

Astute businesses will evolve

- ▣ New Technologies
 - Anaerobic Digestion
 - Wind energy

The other side of the bargain!

Retailers

- ▣ Retail TNC will have most influence?
- ▣ Top four retailers in UK sell
 - 72% pork
 - 66% bacon
 - 74% ham
- ▣ Unified standard Needed
 - ▣ “Red Tractor”
- ▣ Level playing field

TESCO

Sainsbury's

M
MORRISONS

ASDA



Red Tractor
Farm Assurance

Quality Product for quality market

“EU has retreated from world markets as policies have changed and the export capabilities of key commodities are predicted to decline”

Export to where high standards are demanded eg. Japan

- ▣ UK is minor exporter of pig meat**
- ▣ EU has world leading welfare and food safety measures**
- ▣ Can we Exploit these on the world market?**
- ▣ What else can we do for market penetration?**

The other side of the bargain!

Government

- ❑ **Environmental legislation**
- ❑ **Welfare legislation**
- ❑ **Importation of disease**
- ❑ **Provision of good training**
- ❑ **Provision of good advice**
- ❑ **Partnership with R & D**
- ❑ **Food labelling**



Playing into the wind!

- ▣ **49% of meat consumed in UK was pig meat**
- ▣ **“Home-fed production’s” share of pigs and pigmeat for domestic use is 52%**
- ▣ **58% of all pork products eaten in UK were imports**
- ▣ **... almost 70% of imported pig meat would be illegal to produce in the UK”**

- ❑ *“Goods shall be deemed to have been manufactured or produced in the country in which they last underwent a treatment or process resulting in a substantial change”*
- ❑ *BPEX “Produced in the UK” has become a euphemism for “made from imported pork”*
- ❑ *93% of English consumers believe that pork and pork products should not be imported into the UK if they do not meet standards equivalent to those in the UK*