

2019 A DIFFICULT YEAR FOR BEEF SALES

Throughout 2019 reports from industry and retailers have indicated some difficulties in beef sales and this has been reflected in the Kantar retail sales data for the 52 weeks ending 29 December 2019.

The value of beef retail sales in the UK totalled £2,989 million during 2019, back by 1.8 per cent from an overall spend of £3,042 million during 2018. This decline in the overall value of beef sales was driven primarily by a decline in volume sales but also by a slight decline in the average retail price of beef.

The value and volume of retail beef sales in the UK have both come under pressure in 2019

During 2019 the volume of retail beef sales in the UK totalled 386,745 tonnes, a 1.2 per cent decline from year earlier levels. The 1.2 per cent decline equates to 4,641 fewer tonnes of beef being sold through major UK retailers when compared to 2018 levels. The average retail price of beef declined by £0.04/kg to £7.73/kg during 2019.

While there has been a decline in the

overall volume of beef sales there has been some variance in the performance of individual cuts. Beef roasting joints and frying/grilling steaks are generally the most valuable cuts and both have performed relatively poorly in terms of volume sales during 2019 when compared to 2018 levels.

Sales of roasting joints were back by 7.6 per cent year on year and consumer insight has indicated that price is a key factor behind this decline. Beef roasting joints are generally perceived as expensive by consumers and beef has struggled against cheaper pork joints, fish and chicken during 2019.

On a more positive note however there has been a five per cent increase in the volume sales of mini roasting joints of beef or 'weekday roasts' during 2019 which has helped to counteract the overall decline in sales. This is perhaps also a reflection of smaller household sizes in the UK and the decline in the popularity of the Sunday roast.

Volume sales of frying/grilling steaks meanwhile were back by 4.3 per cent during 2019. However despite this decline in volume sales research has indicated that consumers are more engaged with steaks than other beef

products, and have indicated it is the tastiest and most enjoyable cut of beef.

During 2019 there were also declines in the volume of stewing beef as well as burgers and grills sold through UK retailers and these declines will have also contributed to the overall decline in beef sales.

Volume sales of beef roasting joints and steak cuts have struggled during 2019 while volume sales of mince and beef marinades have increased.

While there has been an overall decline in beef sales there were some positive indicators in the Kantar retail data for the 52 weeks ending 29 December 2019. There were increases in the volume sales of mince (+2.1 per cent) when compared to 2018 levels and has continued to perform well since it is viewed by consumers as one of the cheapest and most versatile of all cuts. Healthy mince (up to 5% fat) is now the largest share of the market, accounting for almost half of all spend in the sector according to the latest data from Kantar.

There has also been a 3.9 per cent increase in the volume sales of beef

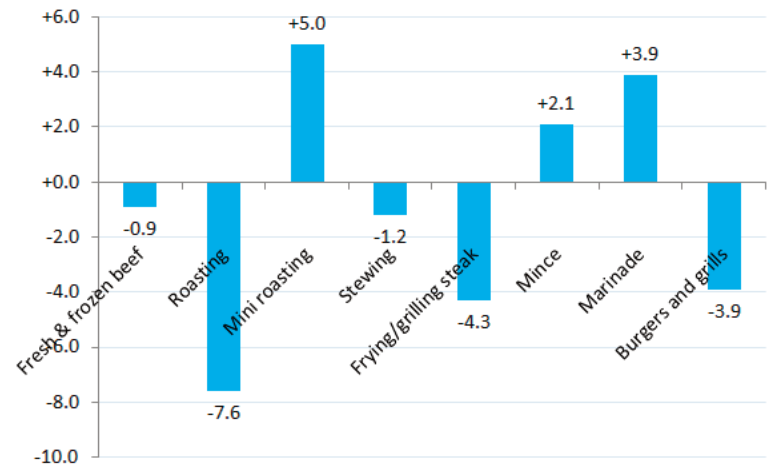
marinades during 2019. Beef marinades accounts for beef which has been packaged in a flavouring, rub or sauce and has continued to perform well as it appeals to consumers who are looking to be experimental but also save time and effort.

UK beef sales have undoubtedly been impacted by the shift in some consumer habits towards lifestyle choices like vegetarianism, veganism and in particular flexitarianism (where

someone still eats meat but just does so less often).

However it is important to note the well financed and vocal vegan lobby and activist groups, while perceived to be effective are having a limited impact on the overall consumer base with the latest Kantar data indicating that 86 per cent of households purchased beef during 2019, only back marginally from 87 per cent in 2018.

Figure 1: Changes in UK retail beef sales during the 52 weeks ending 29 December 2019 from the corresponding period in 2018. Source: Kantar



RESPONSIBLE USE OF ANTIMICROBIALS ON
BEEF AND SHEEP FARMS

FQAS TRAINING COURSES



TO ENROL AND FOR FURTHER INFORMATION
SEARCH ONLINE - 'CAFRE BEEF AND SHEEP'



Dates and registrations of courses are listed online
SIMPLY - Click ENROL and complete register

FQAS MART CLINICS FEBRUARY 2020

L MC's Farm Liaison Officer, Terry White, runs Farm Quality Assurance Scheme (FQAS) mart clinics at a range of Livestock Marts across Northern Ireland. Terry is present to assist members of FQAS with non-conformances, general scheme queries and any issues prior to or following an inspection.



The Liaison Service is in place to assist farmers and to ensure that as many producers as possible can continue to benefit from being a member of the scheme. Producers can use the service for any general enquiries in relation to FQAS membership, to help prepare for an inspection and also to help resolve any non-conformances identified during a farm inspection.

Any farmers who wish to join the scheme can also do so through their local FQAS mart clinic. Terry will be available at the livestock marts listed in **Table 1** below.

For further information call the FQAS Helpline on (028) 9263 3024.

Table 1: FQAS Mart Clinics for February 2020

Mart	Day	Date
Omagh	Monday (Day)	03/02/2020
Saintfield	Wednesday (Day)	05/02/2020
Markethill	Tuesday (Day)	11/02/2020
Kilrea	Wednesday (Day)	19/02/2020
Enniskillen	Thursday (Day)	20/02/2020
Ballymena	Friday (Day)	21/02/2020

FQAS Helpline

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the FQAS helpline:
Tel: 028 9263 3024

Answerphone Service

Factory Quotes & Mart Results
Updated 5pm Daily
Tel: 028 9263 3011

Text Service

Free weekly price quotes sent to your mobile phone
Email - bulletin@lmcsi.com
Tel: 028 9263 3000

WEEKLY BEEF & LAMB MARKETS

CATTLE TRADE

NI FACTORY BASE QUOTES FOR CATTLE

(P/KG DW)	This Week 27/01/20	Next Week 03/02/20
Prime		
U-3	324 - 334p	324 - 336p
R-3	318 - 328p	318 - 330p
O+3	312 - 322p	312 - 324p
P+3	264 - 276p	264 - 278p
	Including bonus where applicable	
Cows		
O+3 & better	240 - 250p	240 - 252p
Steakers	140 - 170p	140 - 170p
Blues	120 - 130p	120 - 130p

Cow quotes vary depending on weight and grade.
Pricing policies vary from plant to plant. Producers are advised to check pricing policies before presenting cattle for slaughter.

Deadweight Cattle Trade

Base quotes from the major plants this week for U-3 grade prime cattle ranged from 324-334p/kg with the majority of plants quoting 332-334p/kg for steers and heifers. Quotes for O+3 grading cows ranged from 240-252p/kg across the plants this week. Similar quotes are expected for all types of cattle early next week.

Prime cattle throughput in NI last week totalled 7,087 head, a similar throughput to the previous week. This is back 174 head from the 7,261 prime cattle killed in NI plants in the corresponding week in 2019. Cow throughput in NI last week declined by 118 head to 2,063 head when compared to the previous week and 58 cows below the 2,121 cows killed in local plants in the same week in 2019.

Cattle imports from ROI for direct slaughter last week consisted of 238 prime cattle and 111 cows while a further 15 prime cattle and 90 cows were imported from GB. Exports to ROI for direct slaughter last week included nine prime cattle and 37 cows while no cattle were exported from NI to GB for direct slaughter.

The deadweight prime cattle trade in NI generally remained steady last week for the majority of grades. The average steer price in NI last week was 332.6p/kg up by 0.4p/kg from the previous week, while the R3 steer price increased by a penny to 341.3p/kg. The average NI heifer price remained steady last week at 335.3p/kg with the R3 heifer price also holding steady at 341.1p/kg when compared to the previous week. There was an improvement in the young bull trade in NI last week with the average young bull price up by 4.7p/kg to 315.5p/kg while the R3 young bull price increased marginally to 326.9p/kg. The average NI cow price last week improved by 3.8p/kg to 237.5p/kg while the O3 cow price was up by 2.9p/kg to 257.2p/kg from the previous week.

The average steer price in GB last week increased by 1.5p/kg to 332.8p/kg while the average R3 steer price was up by a penny to 340.4p/kg. The R3 steer price was back in Midlands and Wales (-0.7p/kg) and Northern England (-0.5p/kg) with increases reported in both Scotland (+3.2p/kg) and Southern England (2.6p/kg). The average heifer price in GB last week reported a half a penny decrease to 332.6p/kg with the R3 heifer price back by 0.4p/kg to 339.3p/kg from the previous week. The R3 heifer price was marginally back in Scotland with declines also reported in Northern England (-1p/kg) and the Midlands (-1.8p/kg). Meanwhile an increase of 2.7p/kg was reported in Southern England to 334.7p/kg. The cow trade improved in GB last week with the O3 cow price increasing by 2.7p/kg to 248.5p/kg.

Reported prices for prime cattle in ROI last week increased in euro terms when compared to the previous week, however a weakening in the euro has resulted in the prices decreasing in sterling terms. The R3 steer price was back by 0.6p/kg to 308.7p/kg while the R3 heifer price was back by 1.7p/kg to 313.7p/kg. In ROI last week the O3 cow price decreased slightly to 239.9p/kg.

LAST WEEK'S DEADWEIGHT CATTLE PRICES (UK / ROI)

	W/E 25/01/20	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	341.1	317.0	352.2	342.0	342.5	340.4	344.4
	R3	341.3	308.7	353.5	337.3	336.4	334.8	340.4
	R4	341.5	309.7	352.7	344.6	335.8	333.2	342.8
	O3	329.4	295.1	337.3	315.9	313.7	311.6	319.6
	AVG	332.6	-	349.9	331.4	326.5	322.9	332.8
Heifers	U3	344.6	323.5	355.8	345.9	349.2	339.9	348.2
	R3	341.1	313.7	349.6	335.5	337.0	334.7	339.3
	R4	338.5	314.2	350.4	341.5	338.4	332.6	341.4
	O3	332.2	300.7	335.6	317.5	308.0	315.5	318.8
	AVG	335.3	-	348.3	331.3	326.0	323.9	332.6
Young Bulls	U3	332.9	297.1	338.8	326.7	331.9	334.0	332.0
	R3	326.9	287.8	335.9	322.8	326.3	328.2	327.1
	O3	313.0	275.0	305.3	296.3	305.0	300.4	301.4
	AVG	315.5	-	322.0	303.3	315.2	302.0	312.0
Prime Cattle Price Reported	6,016	-	5,905	6,886	7,811	4,955	25,557	
Cows	O3	257.2	239.9	245.0	249.4	250.8	246.0	248.5
	O4	259.4	240.6	249.6	247.5	251.1	242.2	248.0
	P2	221.9	218.5	207.8	205.7	204.3	203.8	204.8
	P3	238.6	230.9	218.0	218.9	225.1	219.1	222.1
	AVG	237.5	-	242.2	231.2	222.6	221.2	226.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=84.71p Stg
(ii) Shading indicates a lower price than the previous week.
(iii) AVG is the average of all grades in the category, not just those listed

REPORTED NI CATTLE PRICES - P/KG

W/E 25/01/20	Steers	Heifers	Young Bulls
U3	340.4	344.4	332.4
R3	336.4	338.7	327.4
O+3	327.6	329.9	321.0

*Prices exclude AA, HER and Organic cattle

REPORTED COW PRICES NI - P/KG

W/E 25/01/20	Weight Bands			
	<220kg	220-250kg	250-280kg	>280kg
P1	151.8	167.6	177.2	191.0
P2	178.3	195.1	221.2	231.0
P3	192.5	216.5	234.2	241.1
O3	-	238.5	253.0	257.7
O4	-	-	246.2	259.8
R3	-	-	-	279.4

LATEST LIVEWEIGHT CATTLE MART PRICES NI

W/E 25/01/20	1st QUALITY			2nd QUALITY		
	From	To	Avg	From	To	Avg
Finished Cattle (p/kg)						
Steers	205	222	211	170	204	190
Friesians	149	165	159	133	147	140
Heifers	201	204	203	170	199	185
Beef Cows	142	177	155	115	141	128
Dairy Cows	107	138	117	70	106	90
Store Cattle (p/kg)						
Bullocks up to 400kg	225	264	235	190	224	210
Bullocks 400kg - 500kg	210	245	220	180	209	195
Bullocks over 500kg	200	213	205	165	199	180
Heifers up to 450kg	220	267	235	170	219	190
Heifers over 450kg	200	214	207	165	199	185
Dropped Calves (£/head)						
Continental Bulls	300	400	350	200	295	250
Continental Heifers	250	365	300	140	245	200
Friesian Bulls	185	300	210	115	175	130
Holstein Bulls	70	120	95	35	65	50

SHEEP TRADE

NI SHEEP BASE QUOTES

(P/Kg DW)	This Week 27/01/20	Next Week 03/02/20
Hoggets up to 22kgs	440-445p	430-445p

REPORTED SHEEP PRICES

(P/KG)	W/E 11/01/20	W/E 18/01/20	W/E 25/01/20
NI L/W Hoggets	393.0	400.1	415.5
NI D/W Hoggets	413.3	420.7	431.2
GB D/W Hoggets	450.3	454.7	463.4
ROI D/W	428.6	429.4	439.1

Deadweight Sheep Trade

Quotes from the plants for R3 grading hoggets continued to firm ending this week ranging from 440-445p/kg up to 22kg however quotes are expected to be back in some plants early next week. There has been a decline in the throughput of hoggets with 8,086 killed locally last week. This was back 244 head from the 8,330 hoggets killed the previous week though up by 2,663 head when compared to the 5,423 hoggets killed in the same week in 2019. Exports to ROI for direct slaughter last week totalled 7,069 hoggets, a decrease of 549 hoggets from the previous week. The average deadweight hogget price in NI last week was 431.2p/kg, up 10.5p/kg. In the same week in 2019 the deadweight hogget price was 434p/kg. The ROI deadweight hogget price was up by the equivalent of 9.7p/kg to 439.1p/kg last week.

This week's marts

The marts have reported a firm trade this week with a steady demand for good quality hoggets. In Kilrea this week 370 hoggets sold from 380-431p/kg compared to 330 hoggets last Monday selling from 383-429p/kg. In Rathfriland this week 530 hoggets sold from 395-443p/kg (avg 409p/kg) compared to 600 hoggets last week selling from 405-470p/kg (avg 417p/kg). On Wednesday in Enniskillen 753 hoggets sold from 375-438p/kg compared to 802 hoggets last week selling from 382-444p/kg. In Markethill this week a similar trade to last week was reported with 1,020 hoggets selling from 400-455p/kg. Top reported prices for cull ewes ranged from £93-£164.

LATEST SHEEP MARTS (P/KG LW)

From: 24/01/20		Hoggets			
To: 30/01/20		No	From	To	Avg
Friday	Newtownstewart	220	365	460	-
Saturday	Swatragh	950	395	443	-
	Omagh	738	417	463	-
Monday	Massereene	836	410	453	-
	Kilrea	370	380	431	-
Tuesday	Saintfield	550	400	440	-
	Rathfriland	530	395	443	409
Wednesday	Ballymena	1760	390	460	410
	Enniskillen	753	375	438	-
	Armoy	346	394	445	-
	Markethill	1020	400	455	-

Information supplied by LMC / DAERA/ AHDB/ DAFM

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LMC HOSTS VISIT BY AGRI JOURNALISTS

The Livestock and Meat Commission (LMC) recently hosted a visit to its headquarters' building on the outskirts of Lisburn for members of the Guild of Agricultural Journalists of Ireland (Northern Section). A wide range of subjects were discussed.

New Food Marketing Body

Commission CEO Ian Stevenson confirmed that a fresh debate had been kick started regarding the need for an overarching approach to food marketing in Northern Ireland. This was in the wake of the Assembly and Executive reforming at Stormont.

The LMC can continue to play an important role in this context. I believe that fresh money will be made available to further promote food produced in Northern Ireland. But it's all about getting best value for the money invested by industry and government.

Ian Stevenson CEO

Ian Stevenson explained that the red meat sector contributes £1.2 billion to the local economy on an annual basis. This works out at around 25 per cent of the total sales generated by all of Northern Ireland's food processors.

The Commission representative reflected on the success generated by Bord Bia's Origin Green campaign in the Republic of Ireland. He commented: "Replicating this work, in the context of Northern Ireland, is an aspiration that has tremendous merit. But above all else locally produced food has a tremendously positive story to tell. And it must be told in the most effective manner, here at home, in the rest of the UK and further afield."

LMC Chairman Gerard McGivern stressed the need for the red meat industry to be represented at the very heart of whatever future food marketing

arrangements are put in place for Northern Ireland.

Red meat consumption

Ian Stevenson referenced the pressure that had been put on red meat consumption levels in the UK over the past 12 months. He said: "UK consumers are choosing to eat meat less often.

Consumption levels were stagnant for most of last year. This was an important factor in driving down supply chain returns for much of this period. "Lamb consumption levels are particularly price sensitive with consumer demand dropping significantly if retail prices increase by any extent.

"However, we know that 92% of local consumers eat red meat on a regular basis. But they also want to know that it is produced in a sustainable manner and that it can contribute to a healthy diet. LMC works closely with retailers to communicate a direct message to consumers, particularly during Beef Week and Love Lamb Week."

We are also fully aware of the raised public profile that has been given to veganism and non meat alternatives in the diet over recent times. Our job is to communicate a balanced message, where red meat is concerned. But it is also a fact that many forms of vegan diet are not nutritionally balanced and in some cases can be very unhealthy.

Ian Stevenson CEO

Gerard McGivern said that a new narrative must be created regarding the lifestyles followed by people in the 21st century, adding: "As part of this our red meat sector must communicate a balanced message to UK consumers, one that reflects the strong commitment of Northern Ireland's livestock farmers to produce beef and

Image 1: Chief Executive Ian Stevenson outlining LMC's current and future plans to actively support the NI red meat industry.



lamb of the highest quality in a sustainable manner."

But according, to Ian Stevenson it's not all bad news. He commented: "Consumption of red meat is set to increase dramatically across most of South East Asia. This trend has been fuelled by the growing prosperity levels now apparent across the region.

"Beef from Northern Ireland will soon be heading for China. Opportunities for local processors to supply this and other markets in South East Asia will allow them to secure better overall prices for the carcasses they are working with."

LMC wants public bodies in Northern Ireland to procure more locally produced beef and lamb. It is felt that the new Stormont Executive can help in this regard. Gerard explained "We see no reason why the various public departments operating in Northern Ireland cannot specify the supply of farm quality assured beef and lamb only when it comes to the setting of the relevant food procurement contracts. Lamb fares particularly badly when it comes to local public sector procurement practises".

Schools

The Commission's Industry Development Manager Colin Smith confirmed that working with schools is a critically important part of the LMC's ongoing campaign to communicate the dietary benefits of red meat. He said: "LMC has been working with home economics teachers for the past 20 years. In 2019 we hosted a total of 350 school demos.

"The Commission is widely recognised as a body that is totally independent and impartial when it comes to giving dietary advice on red meat. We also hold workshops for teachers, thereby allowing them to improve their own skills when it comes to handling, cutting

and cooking red meat. He added: "We are looking at the possibility of hosting cookery demonstrations in primary schools and third level colleges."

Colin also highlighted the benefits of LMC's Meat4Schools initiative. The pilot scheme is being run in the form of a competition in which one school from each of the six counties and Belfast has the chance to win £100 worth of Northern Ireland Farm Quality Assured (NIFQA) beef and lamb for use in class. The beef and lamb is supplied by ABP Food Group. He said: "One of the big pluses identified from the Meat4 Schools scheme is the fact that it is allowing many children to taste lamb for the first time."

Where advertising is concerned, Colin confirmed that the current Flavour Your Life campaign will come to an end this year however plans are in place to launch a new campaign in May 2020.

Again, we will be targeting all media outlets in 2020 and we also intend to work closely with other UK levy bodies to ensure that through collaboration our levy funds can be used to promote red meat across the UK.

Colin Smith LMC

Farm Quality Assurance

One of the key services provided by the LMC is its coordination of the Northern Ireland Beef and Lamb Farm Quality Assurance Scheme (NIBL FQAS). On-farm accreditation services continue to be provided by Northern Ireland Food Chain Certification (NIFCC) on behalf of the Commission.

According to Colin Smith NIBL FQAS has 12,126 members. He continued: "A total of 436 applications were received to join the scheme last year. A significant number of these were dairy farmers, who were seeking to secure both Red Tractor assurance for their

milk businesses and NIBL FQAS accreditation for their livestock enterprises. Current fee income is approximately £1.2m. However, there is very little fat in the system, as it takes almost all of this money to run the scheme."

A number of changes to NIBL FQAS come into effect on 03 February 2020. These include the need for farmers to undertake mandatory training on the responsible use of antimicrobials. Colin Smith commented: "Approximately 2,000 dairy farmers attended a training programme, hosted by AHWNI prior to the New Year. A further 1,000 producer attended a similar course hosted by AI Services.



"Beyond 03 February 2020 it will only be necessary for those farmers who have not already secured the required certification to confirm that they have applied to participate in an accredited course. But they must be in possession of the required certificate by the time of their subsequent inspections."

Conclusions

Courtesy of his summing-up Ian Stevenson highlighted a number of priorities, which Northern Ireland's red meat industry must address during the period ahead. He said:

"The coming months should be regarded as a valuable preparatory period, which stakeholders can use to gear up for a world beyond Brexit. Ensuring that we retain an adequate number of suckler cows is crucially important as is Northern Ireland's continuing ownership of its beef and lamb farm quality assurance scheme.

"Opportunities will be there to be availed of. But threats will also present themselves. A case in point is the UK government's seeming intention to ban the export of live animals. Such a decision could decimate the current cross-border trade in sheep on this island.

"LMC is well placed to play its part as the red meat industry prepares to have its say in the development of a new food marketing body for Northern Ireland. The beef and sheep industries are on the cusp of major change. However, LMC is ready to fully support both sectors going forward."

Image 2: (L to R) Seamus McMenamin, Gerard McGivern, Richard Halleron, Ian Stevenson and Colin Smith at LMC's engagement with NI's Agri Journalists event.



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