

AN INITIATIVE OF  
*Making More From Sheep*



## **The Right Lamb – Every Time**

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EVENT  
PARTNERS:

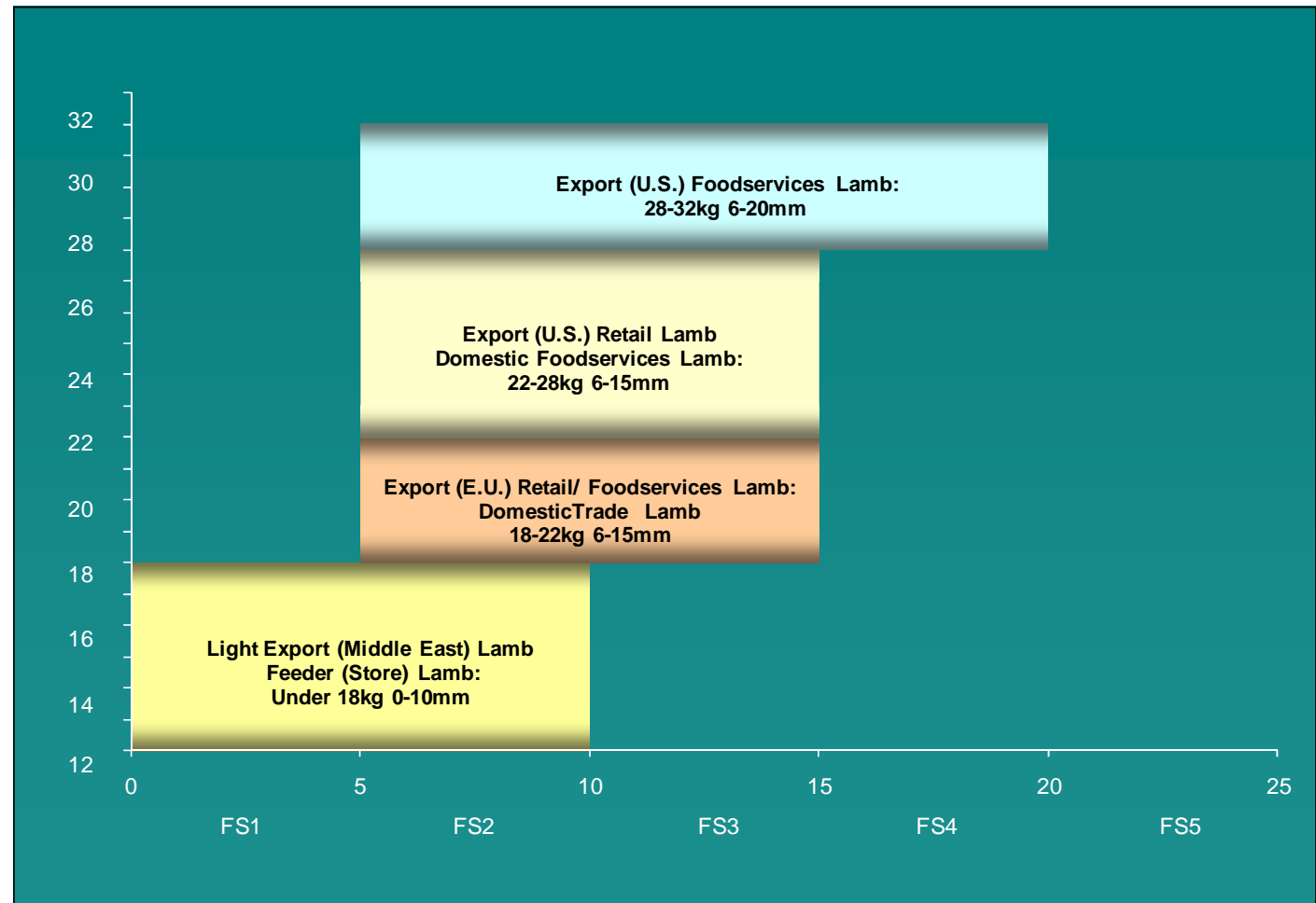


EVENT  
SUPPORTERS:



# The Right Lamb – Definition??

- Store lamb
- Trade wt
- Export wt
- Processor
- Consumer



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# The Right Lamb – Overview

- Grower confidence
- Current situation, and how did we get here?
- What's happening around the world?
- What to focus on?



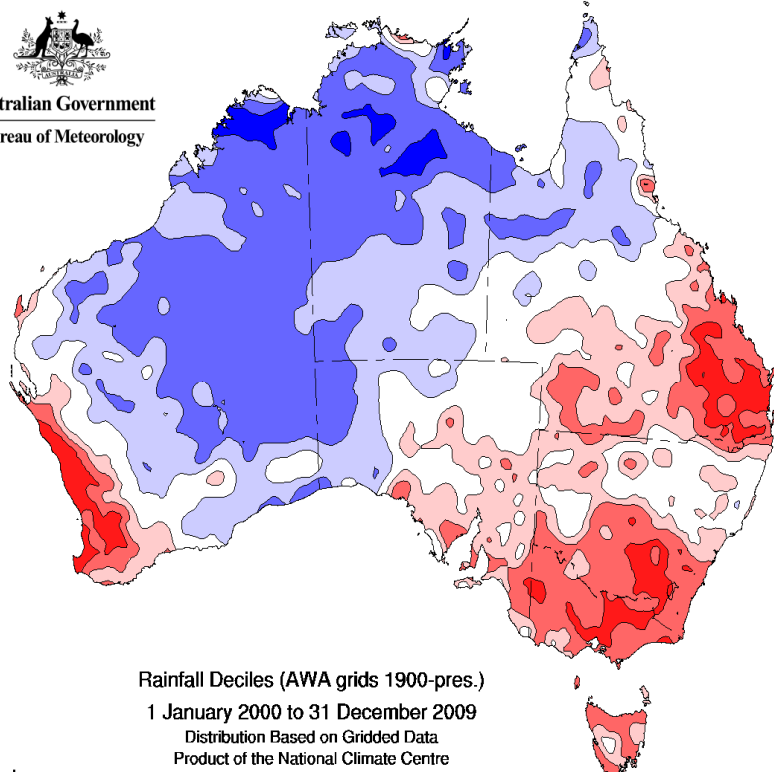
## Current situation

- WA drought - seasonal conditions improving
- Welcome season in east - rebuilding commenced
- A\$ at record levels against US\$
- National sheep flock at 100-year low
- Unprecedented lamb and sheep prices
- Both domestic and export demand maintaining pace



# After decade long drought, recovery in East

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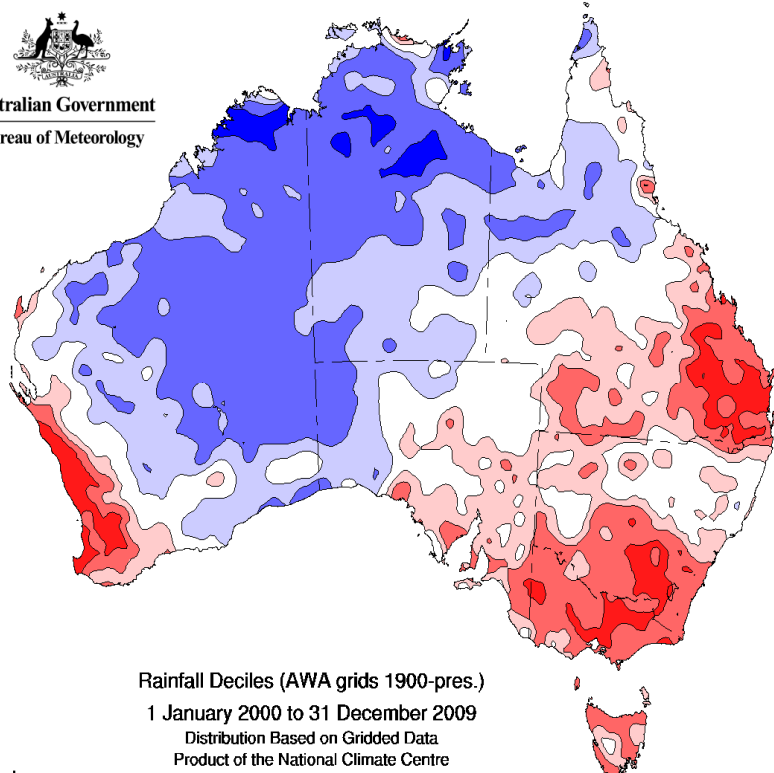
**The dry decade  
(2000-2009)**

Rainfall Deciles (AWA grids 1900-pres.)  
1 January 2000 to 31 December 2009  
Distribution Based on Gridded Data  
Product of the National Climate Centre



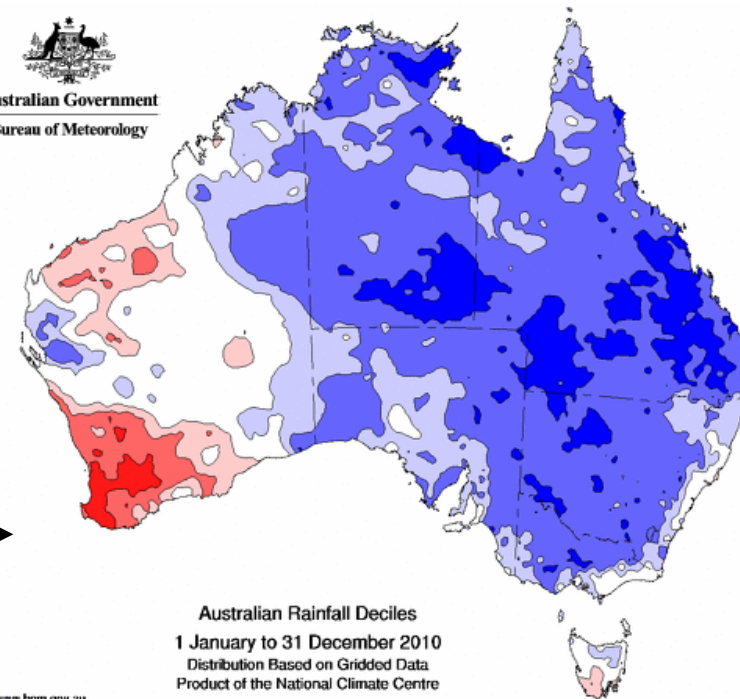
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Making More From Sheep



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## The dry decade (2000-2009)



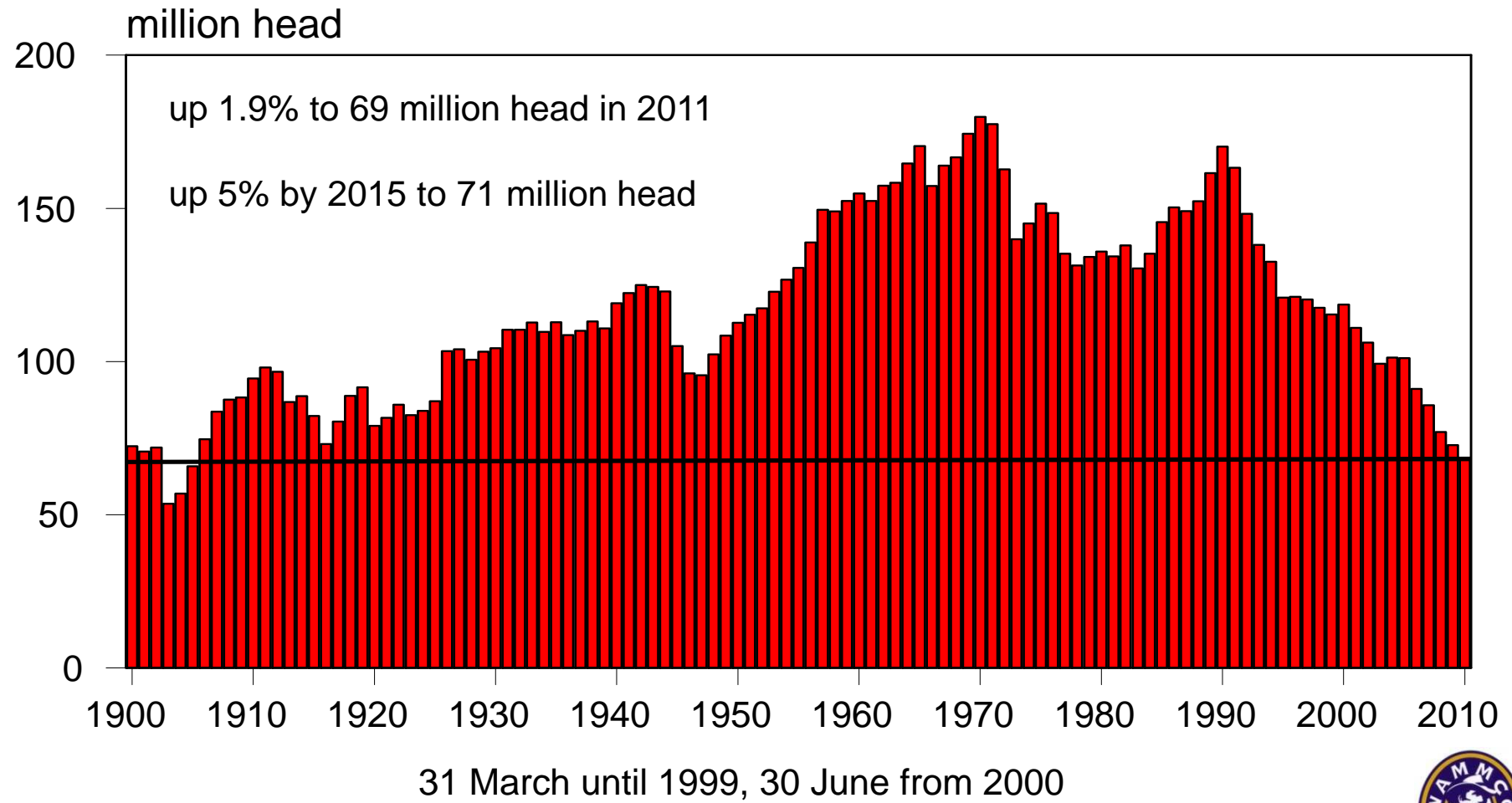
Australian Rainfall Deciles  
1 January to 31 December 2010  
Distribution Based on Gridded Data  
Product of the National Climate Centre

## Recovery in 2010

<http://www.bom.gov.au>



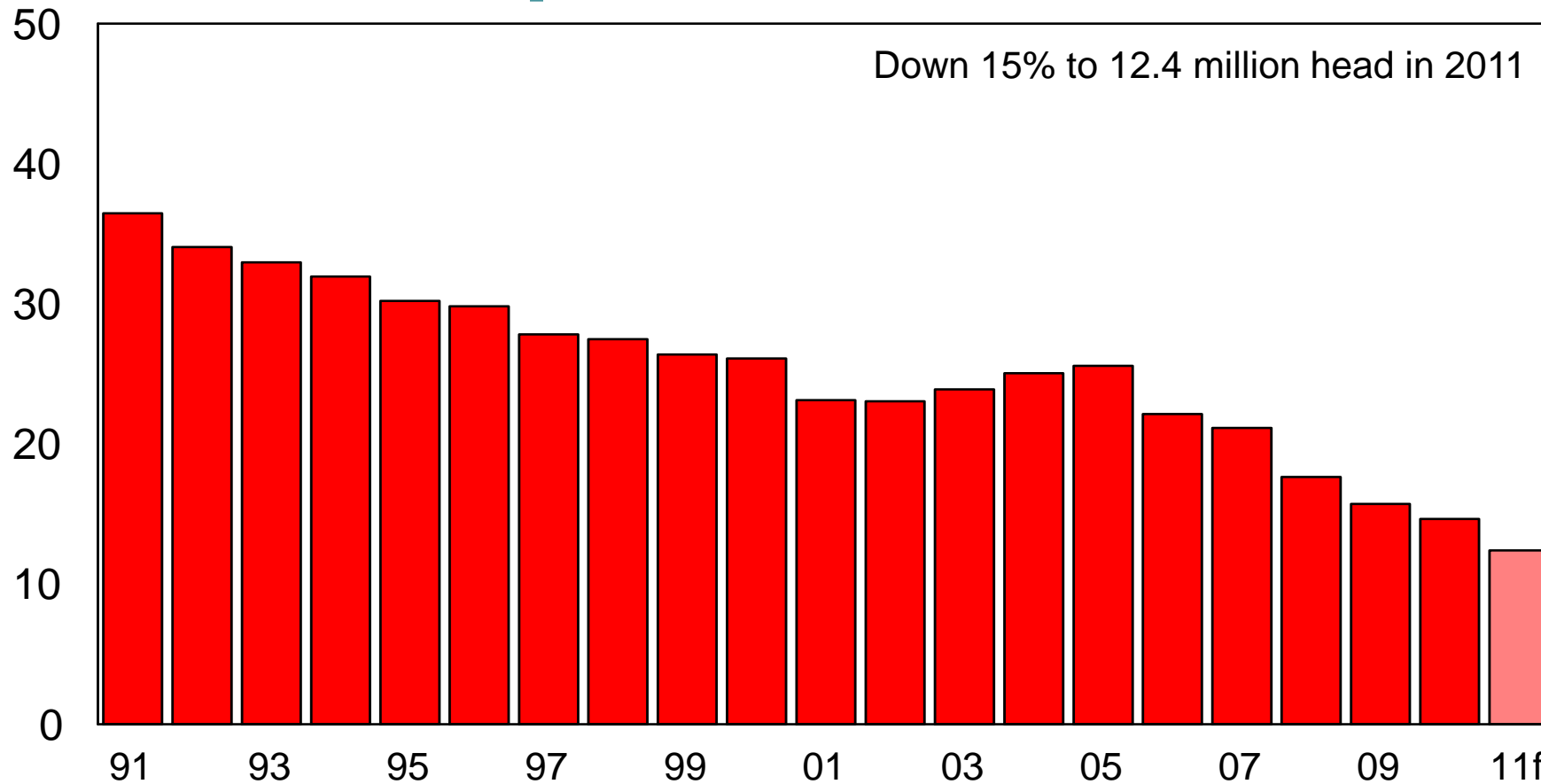
# The national sheep flock



Source: ABS



# The WA sheep flock



31 March until 1999, 30 June from 2000

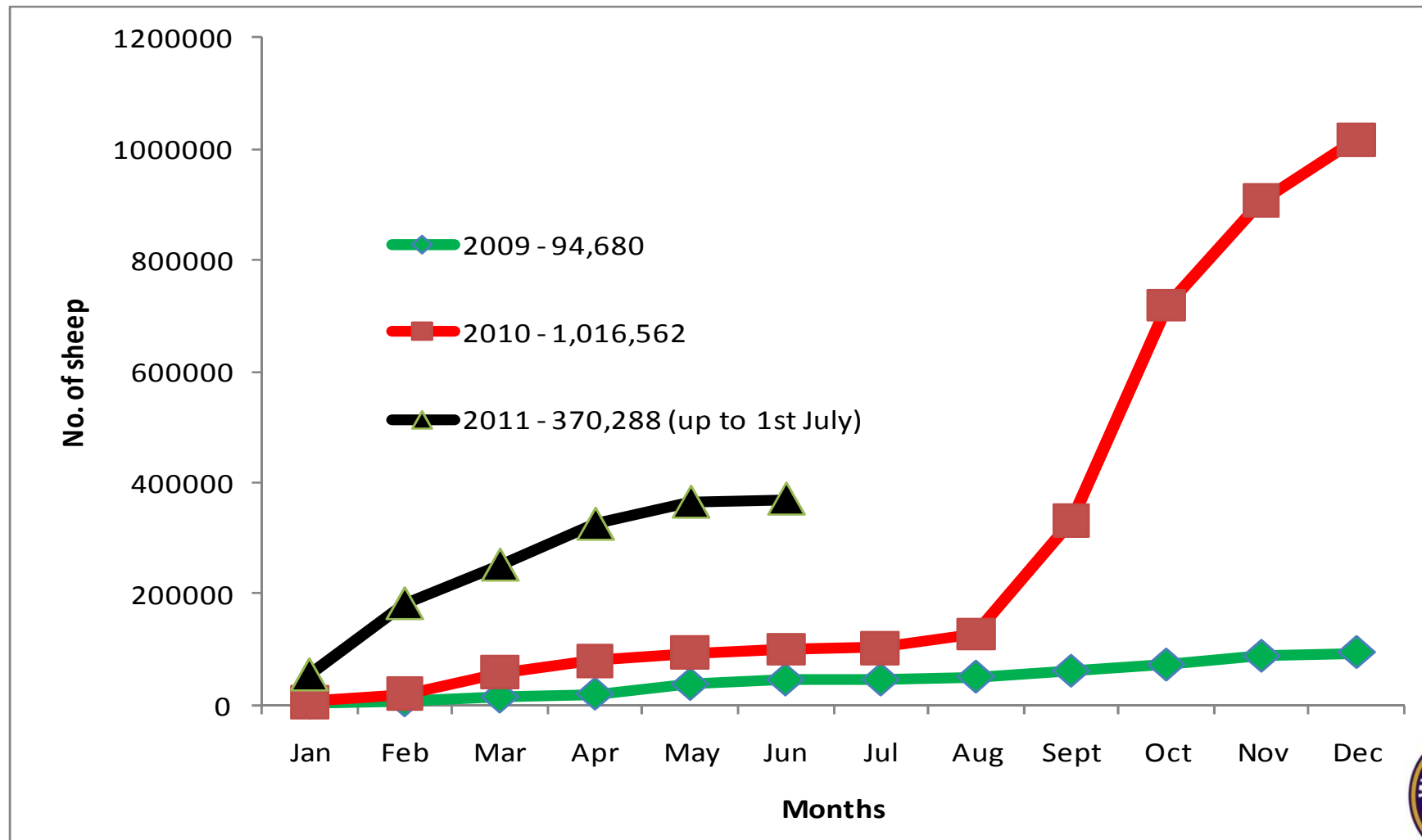
Source: ABS, MLA forecasts

f = forecast



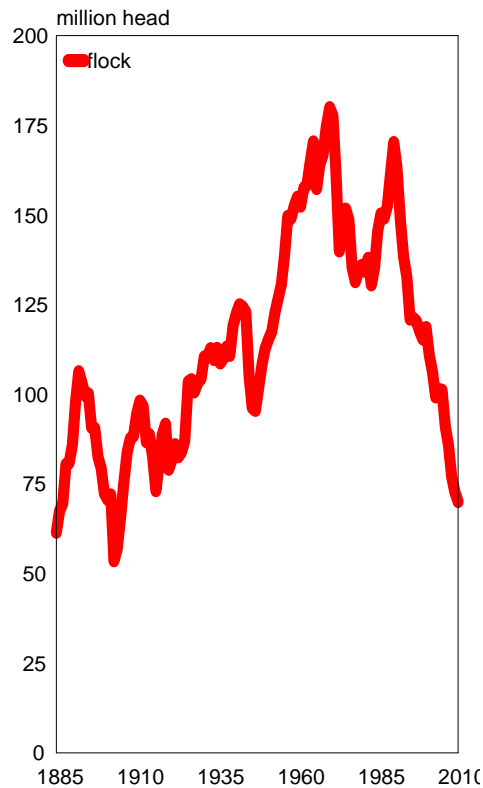


# Interstate transfer

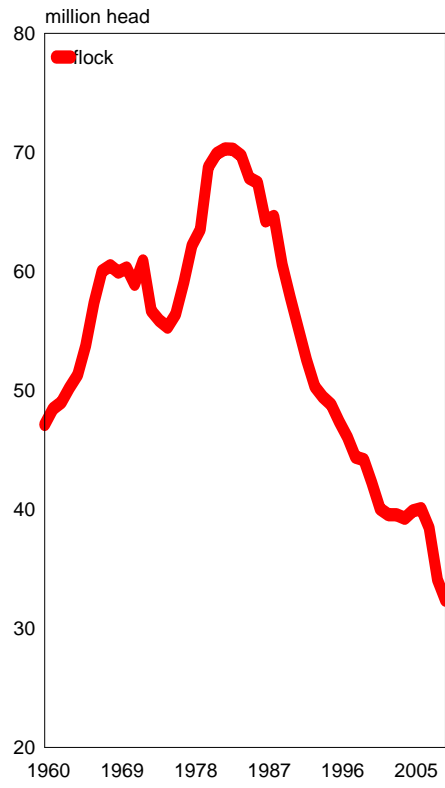


# World flocks in decline

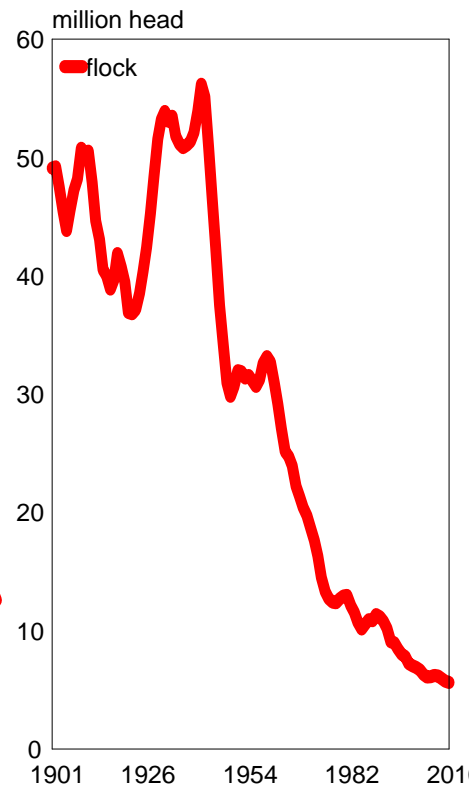
## Australia



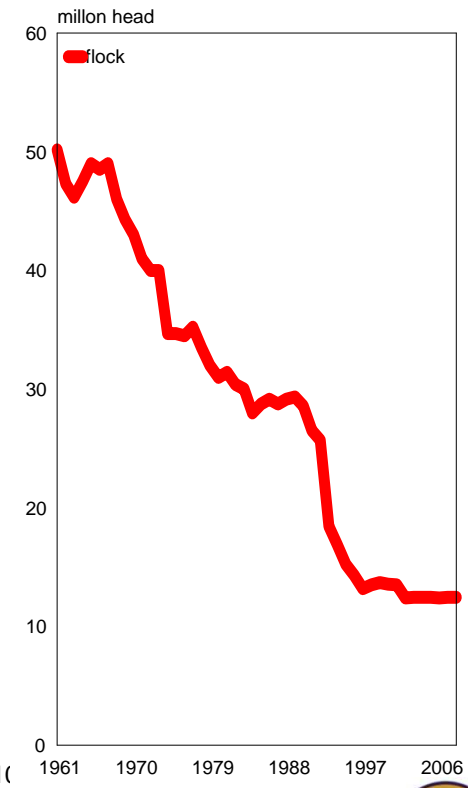
## New Zealand



## US



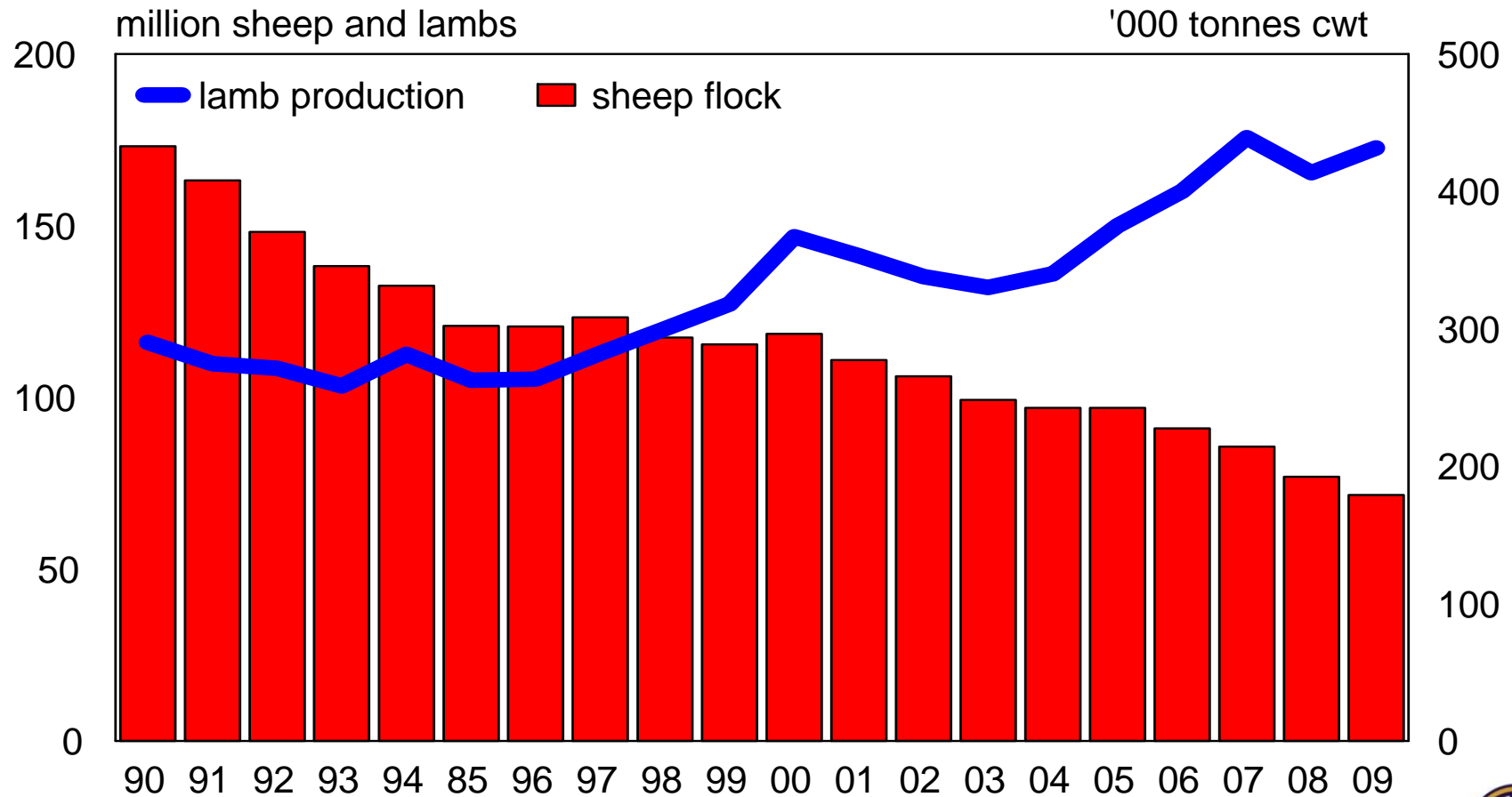
## Argentina



Source: ABS, USDA, FAO, Statistics NZ



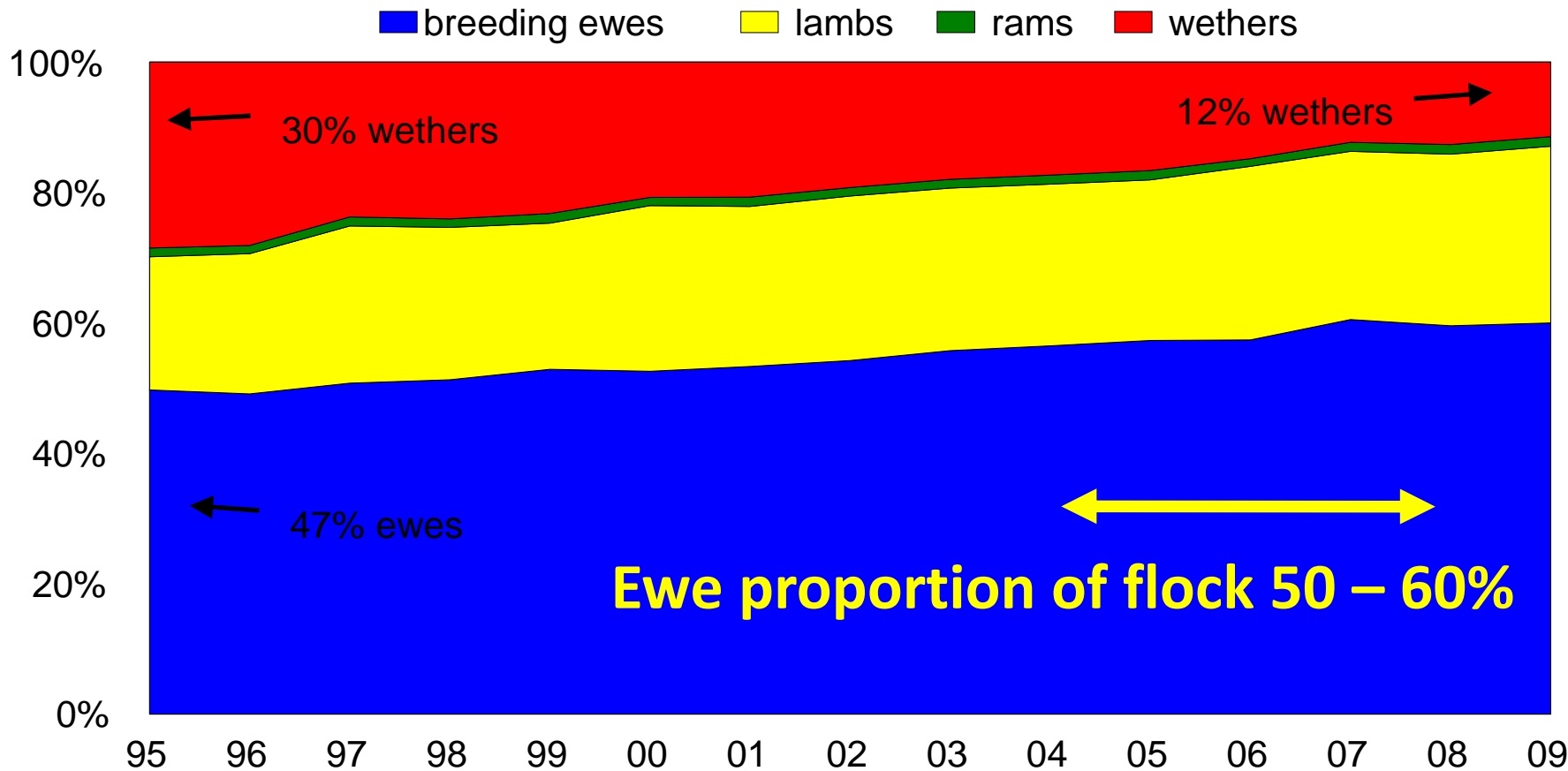
# Aust. sheep flock and lamb production



Source: ABS



# Change in Australian flock structure

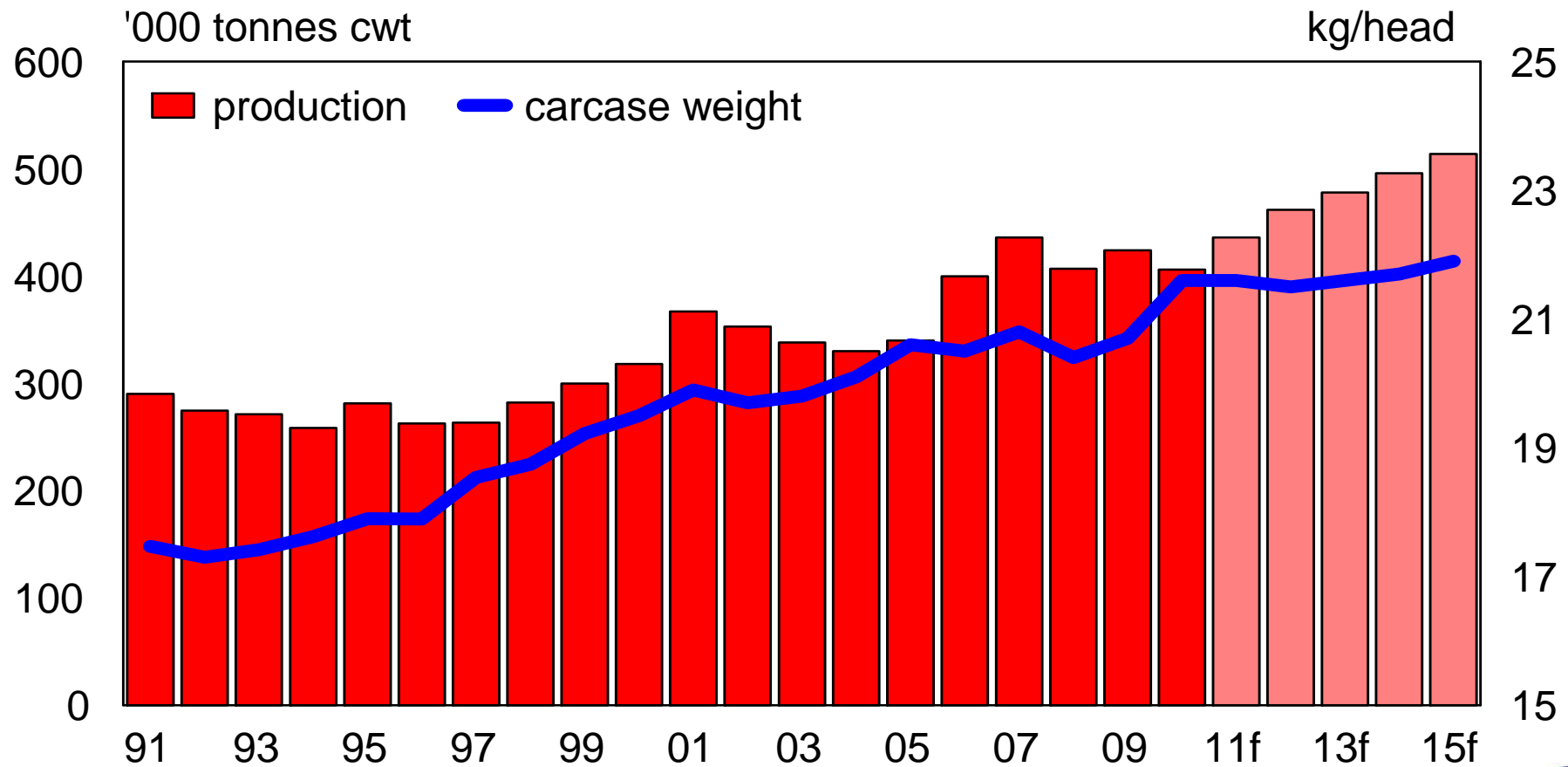


Source: ABARE, ABS, MLA

Ewe & lamb proportion of the flock to continue rising



# Lamb production



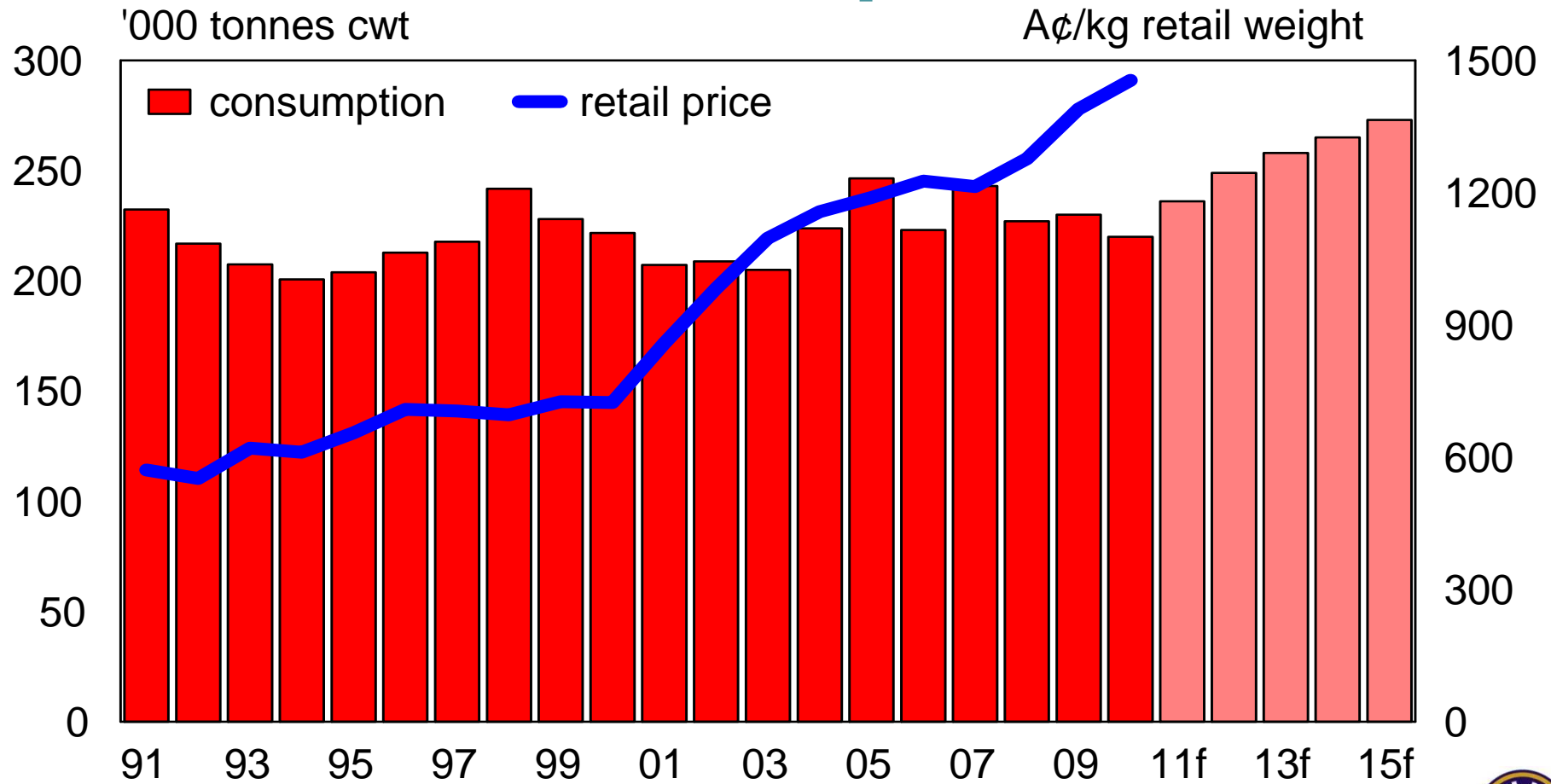
Source: ABS, MLA forecasts

Carcass weights firm = 21.6kg in 2011

f = forecast



# Domestic lamb consumption

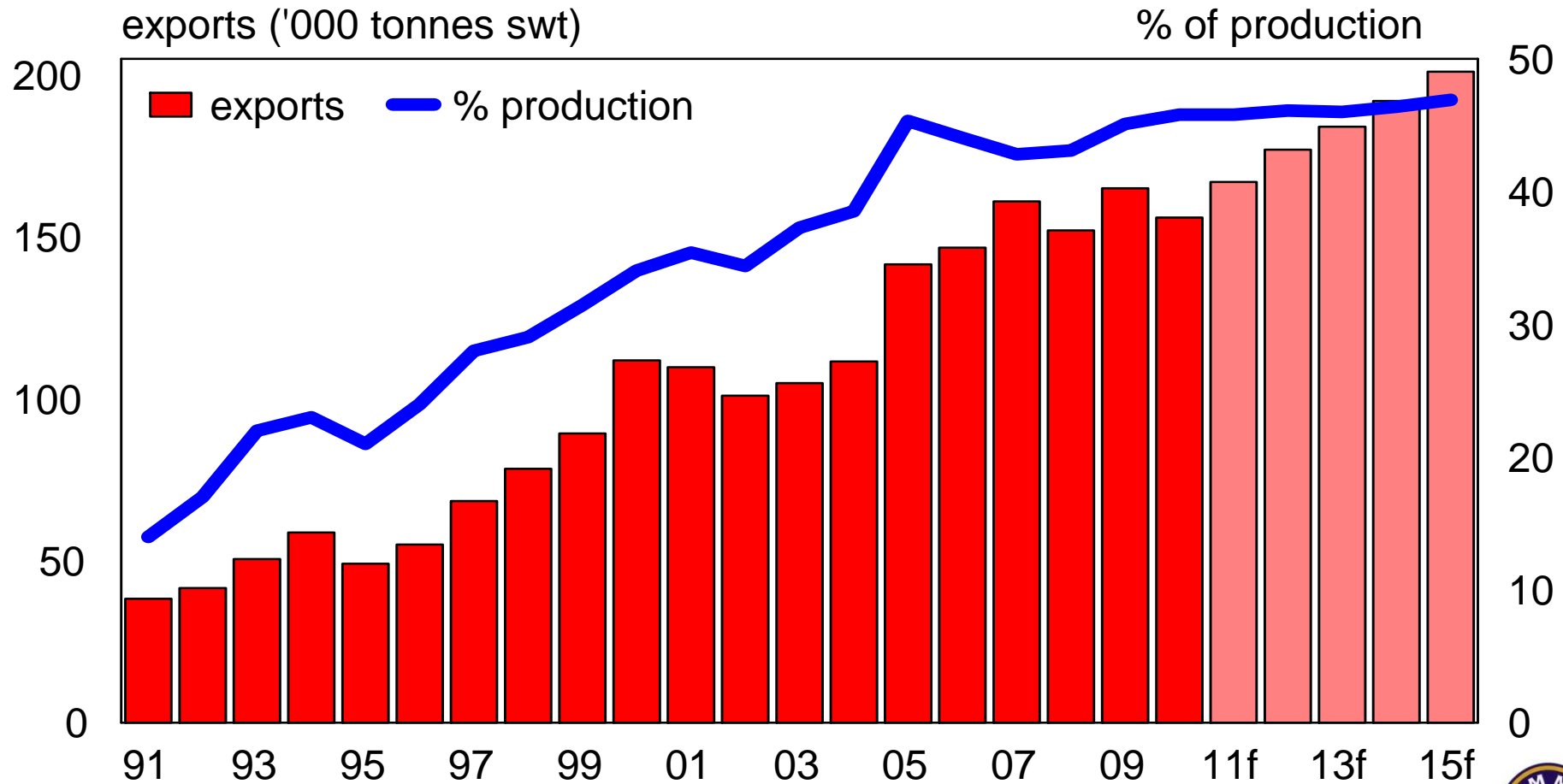


Source: ABS, ABARE, MLA forecasts

f = forecast



# Strong export growth

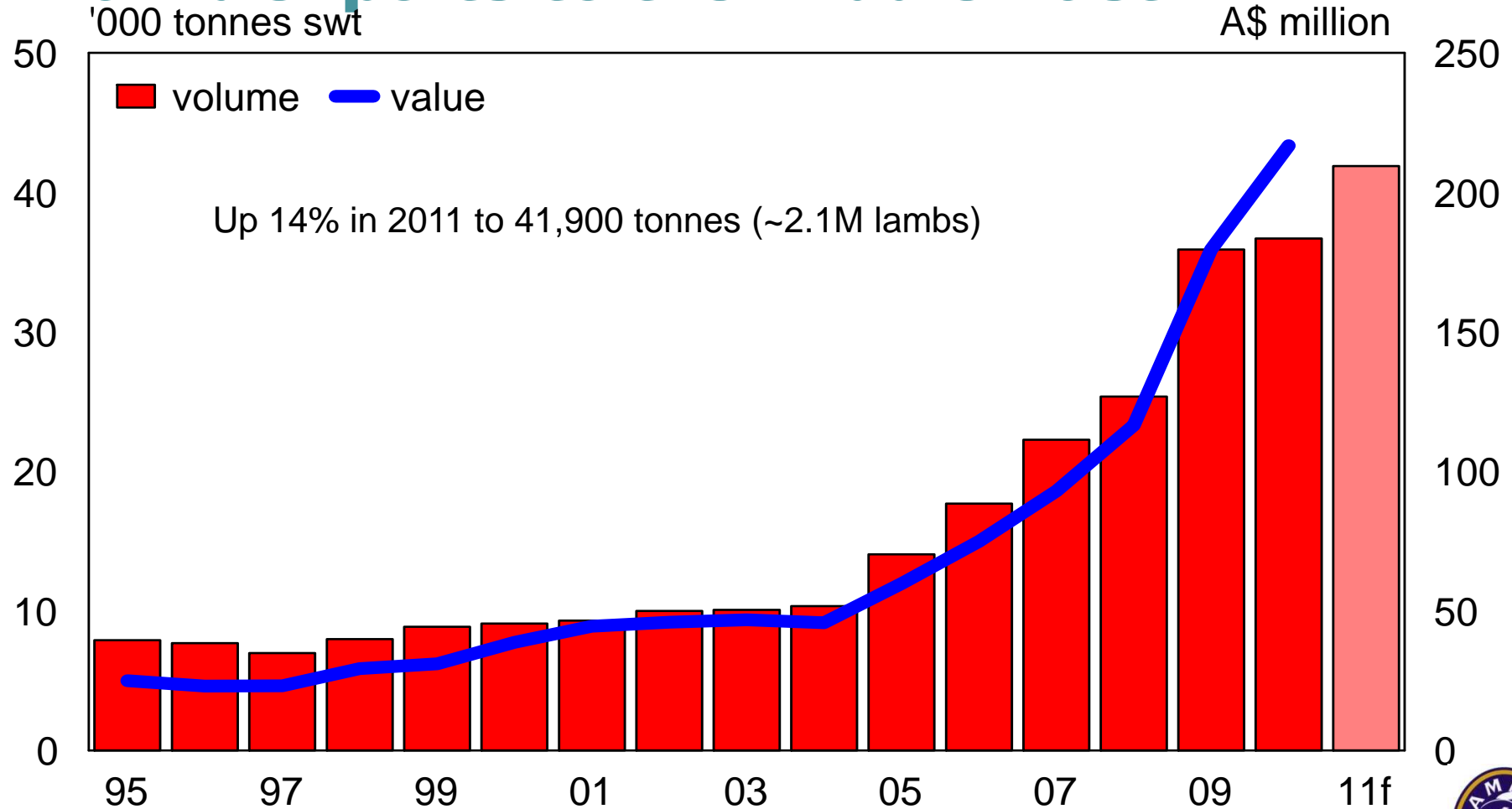


Source: DAFF volumes, ABS values, MLA forecasts

f = forecast



# Lamb exports to the Middle East



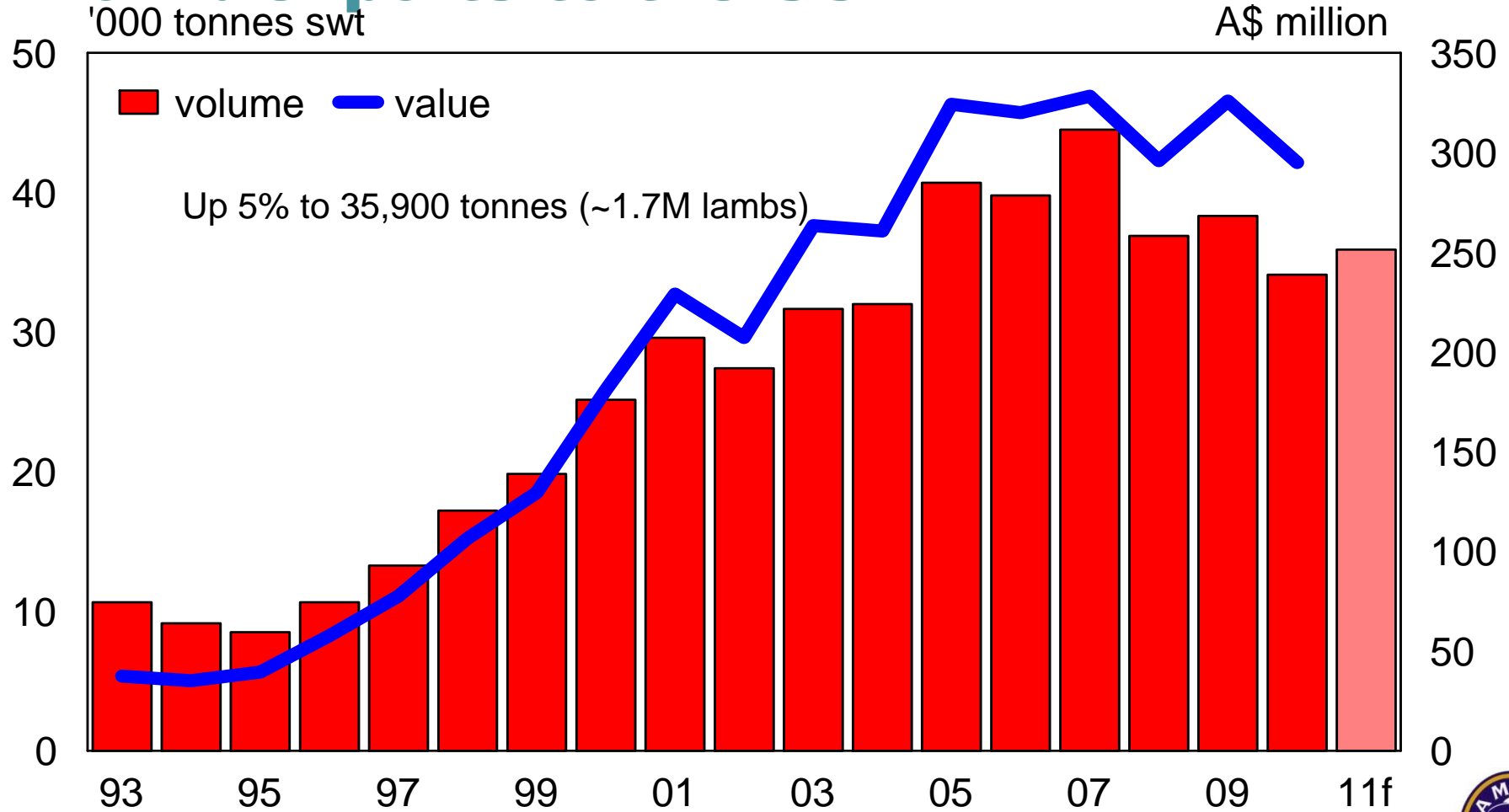
Source: DAFF volumes, ABS values, MLA forecasts

f = forecast





# Lamb exports to the USA



Source: DAFF volumes, ABS values, MLA forecasts

f = forecast



## What's needed – grow & cut the waste

- More lambs - production improvement more lamb kg/ha
- Deliver what the customer wants – hit specifications
- Demand & understand processor feedback
- Reduce defects
- Genetic improvement – growth, muscling, lean meat yield



# Grid specifications

## RECOGNISED XB LAMB

Weight Range (Kg)	Fat Scores at GR Site			
	1	2 & 3	4	5
up to 10 kg	NCV	NCV	NCV	NCV
10.1 to 12 kg	0.50	0.60	0.55	0.30
12.1 to 14 kg	1.50	2.20	2.00	1.50
14.1 to 16 kg	3.00	3.50	3.50	3.15
16.1 to 18 kg	3.00	5.20	5.20	4.65
18.1 to 20 kg	3.00	5.90	5.90	5.30
20.1 to 32 kg	3.00	6.00	6.00	5.40
over 32 kg	3.00	5.00	5.00	4.50



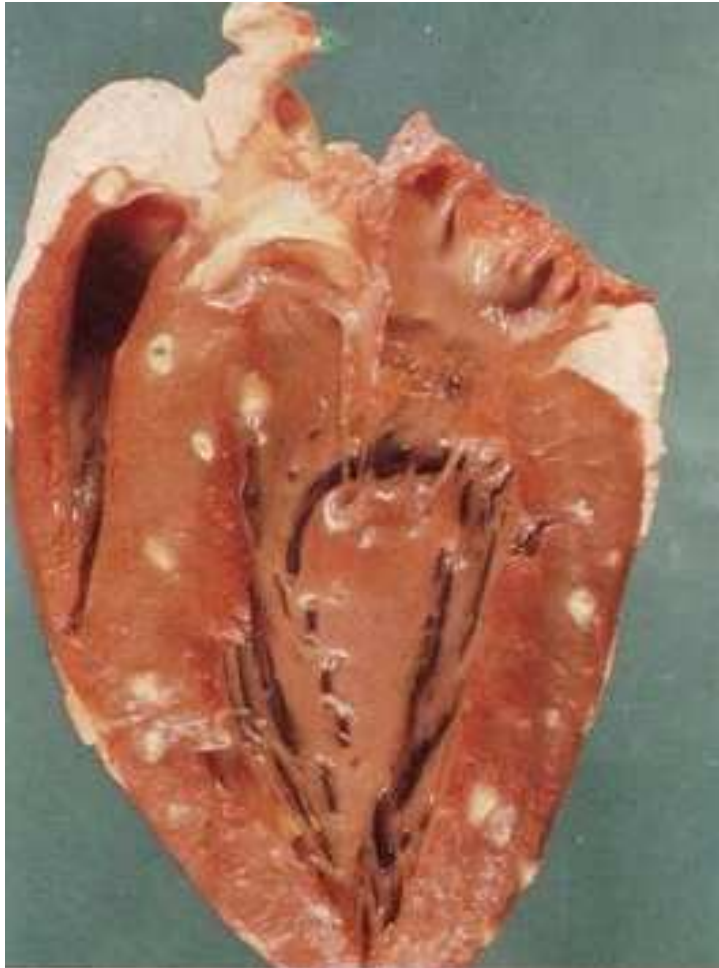
# Reduce defects



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# Reduce defects

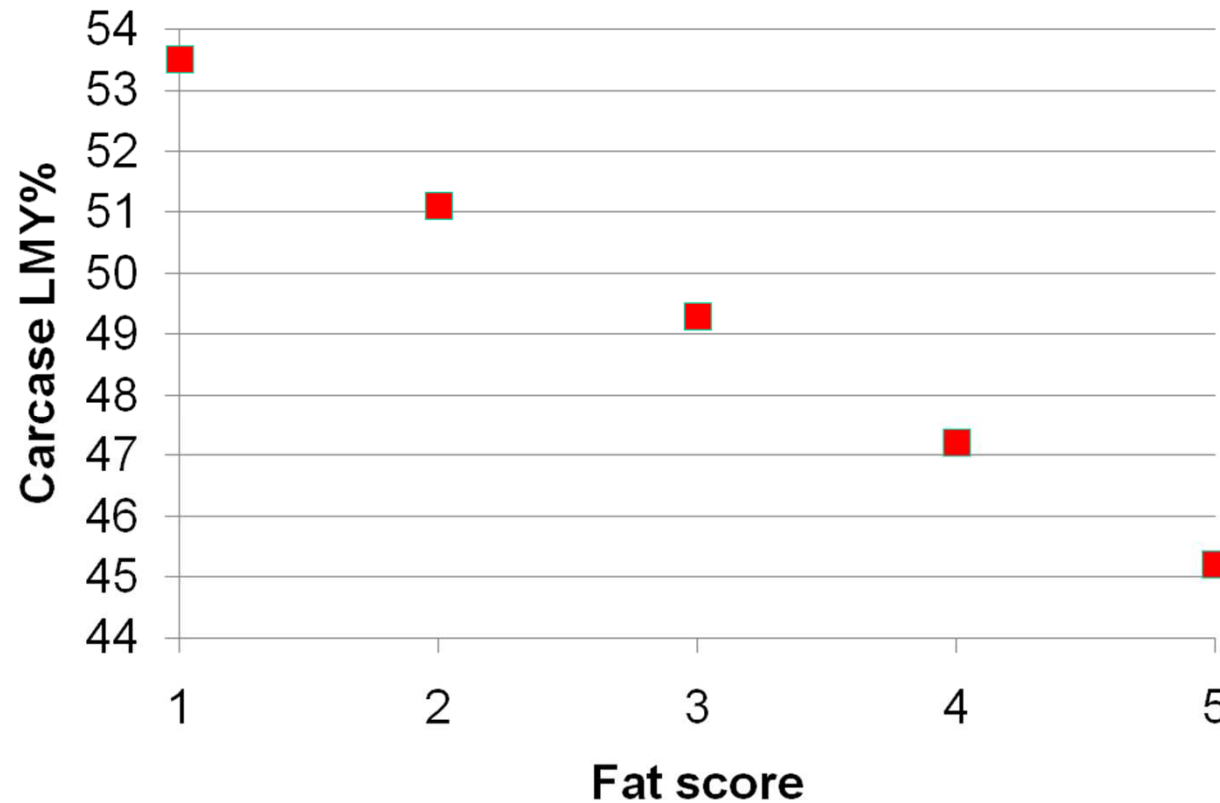


## Lean meat yield

- Consumers don't want to buy fat and bone
- Increase LMY by decreasing fat and bone or increasing muscularity
- WAMMCO only plant in Australia to pay premium based on carcass LMY



# LMY – Carcasse comp results



Ave 2% drop in LMY for every increase in FS





# Lean meat yield

	Fat score 2	
Carcase Wt	23.0	
\$/kg	\$6.00	
\$/lamb	\$138	
LMY	51.1%	
Lean tissue	11.75kg	
Outcome		
True value/kg	\$6.00	

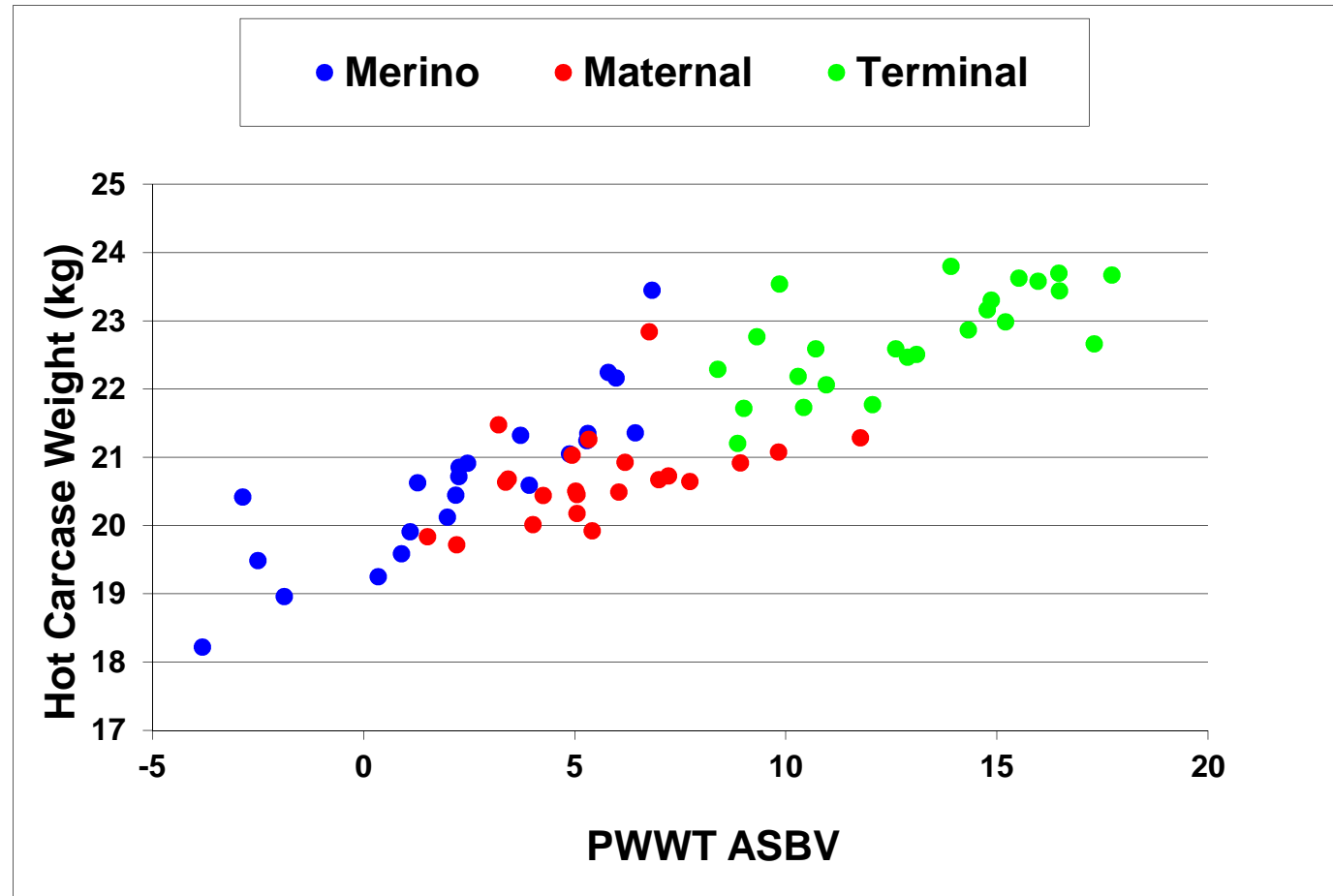


# Lean meat yield

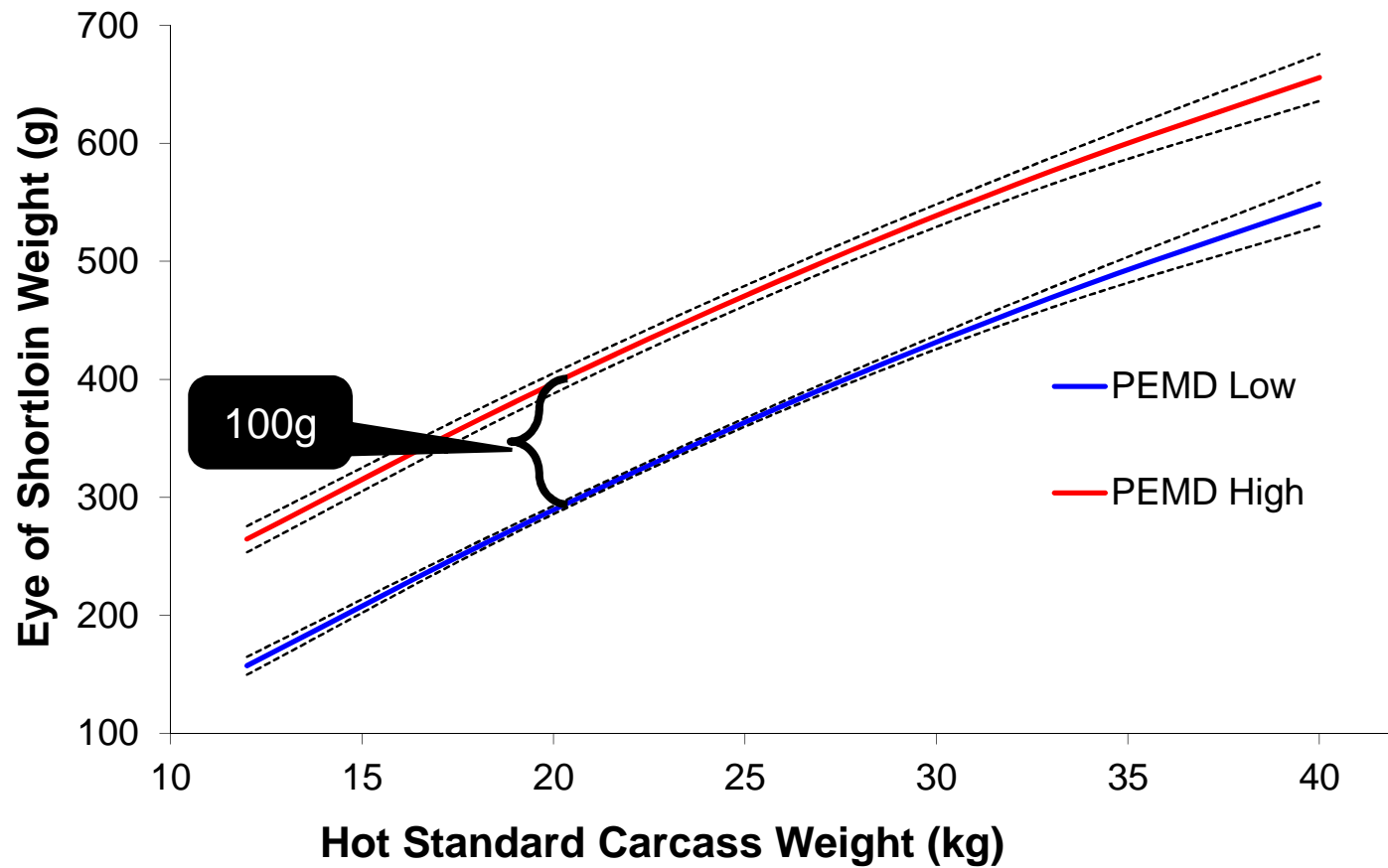
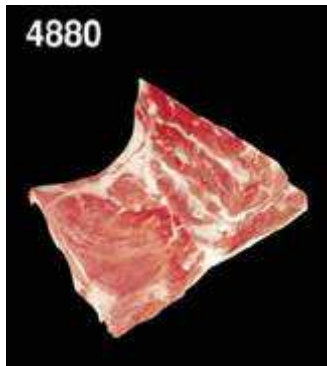
	Fat score 2	Fat score 4
Carcase Wt	23.0	23.0
\$/kg	\$6.00	\$6.00
\$/lamb	\$138	\$138
LMY	51.1%	47.2%
Lean tissue	11.75kg	10.85kg
Outcome		900g wastage (Fat & bone)
True value/kg	\$6.00	\$5.76



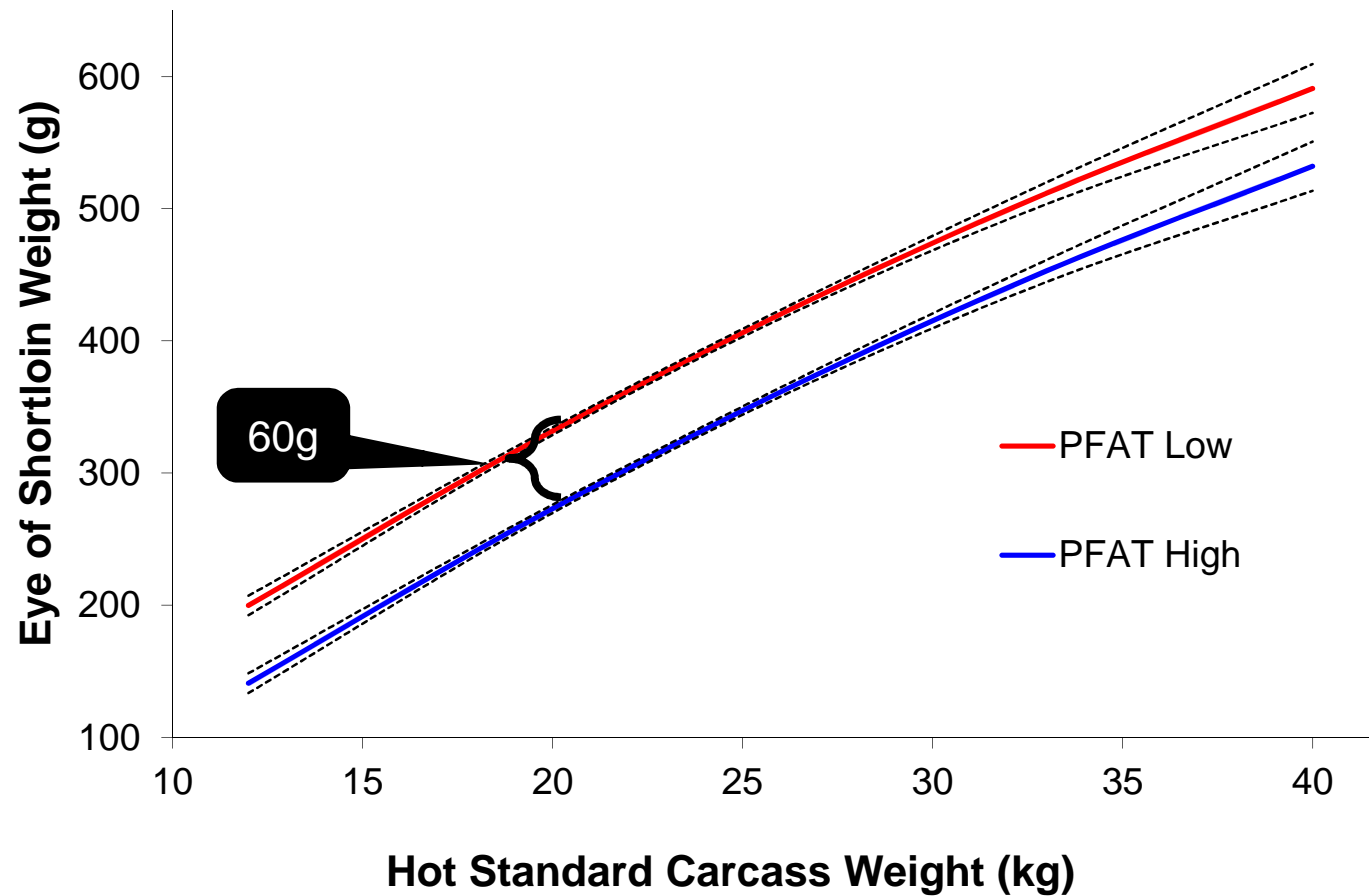
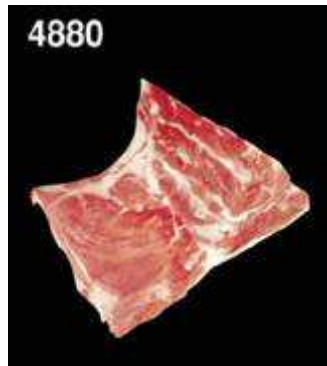
# The power of Growth PWWT



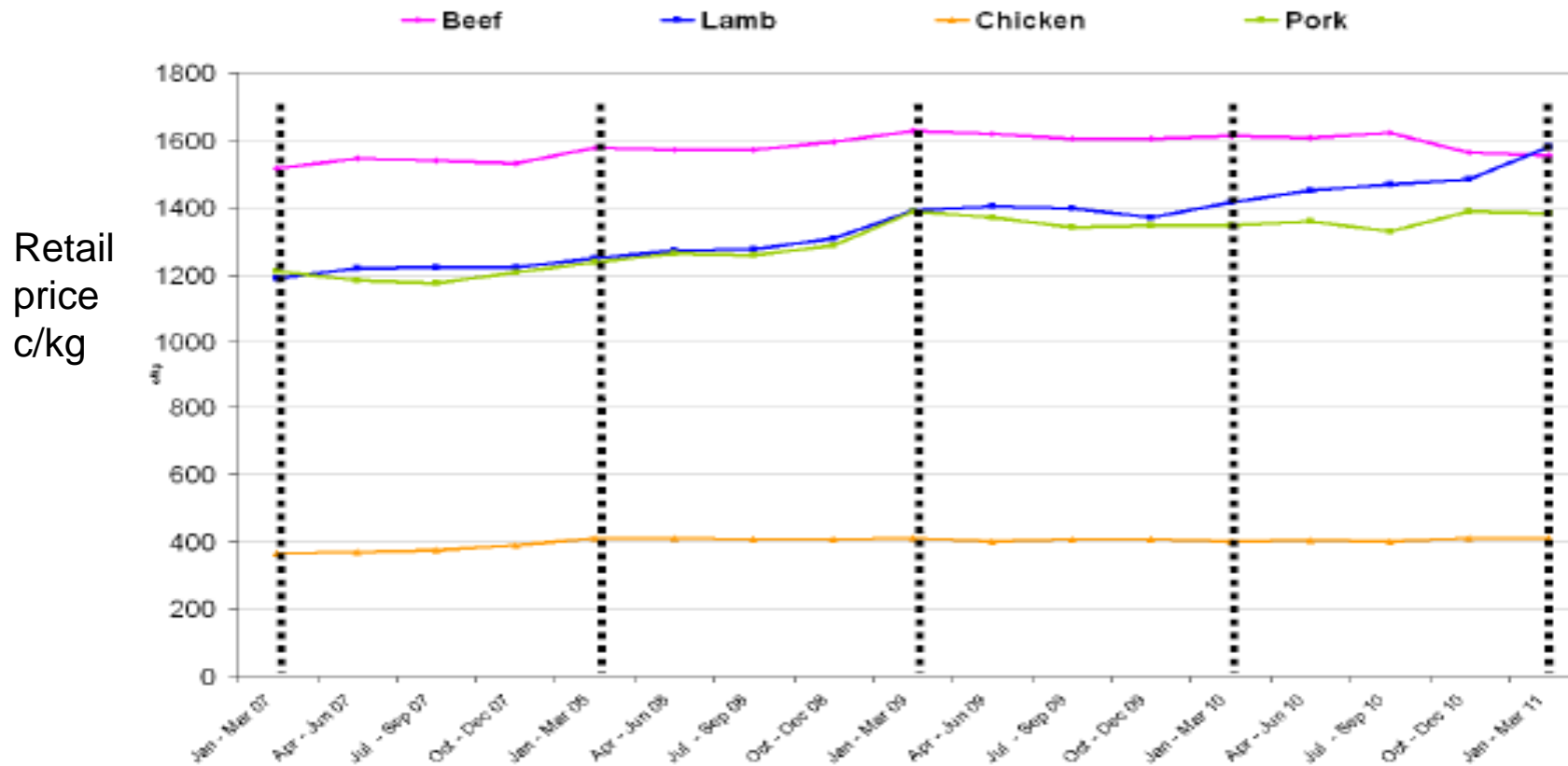
# PEMD - Eye of shortloin weight



# PFAT - Eye of shortloin weight



# Competing retail protein prices



If we get it wrong they will eat chook!



## Take home messages

- Lamb & sheepmeat \$ to remain traditionally buoyant
- Need more lambs – plant efficiency & market demand
- Attention to detail required even given high prices
- Focus on improving genetics – growth / muscle ++
- Provide consumers with the best eating experience

