



‘Organic Beef and Lamb Markets: Opportunities and bottlenecks’.

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OLMC

Supply and demand

Supply of stock to the market-

- Calving Spring/Autumn
- Lambing early /late
- Weather conditions
- Grazing system
- Forage and feed stocks
- Other farm enterprises



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Supply and demand

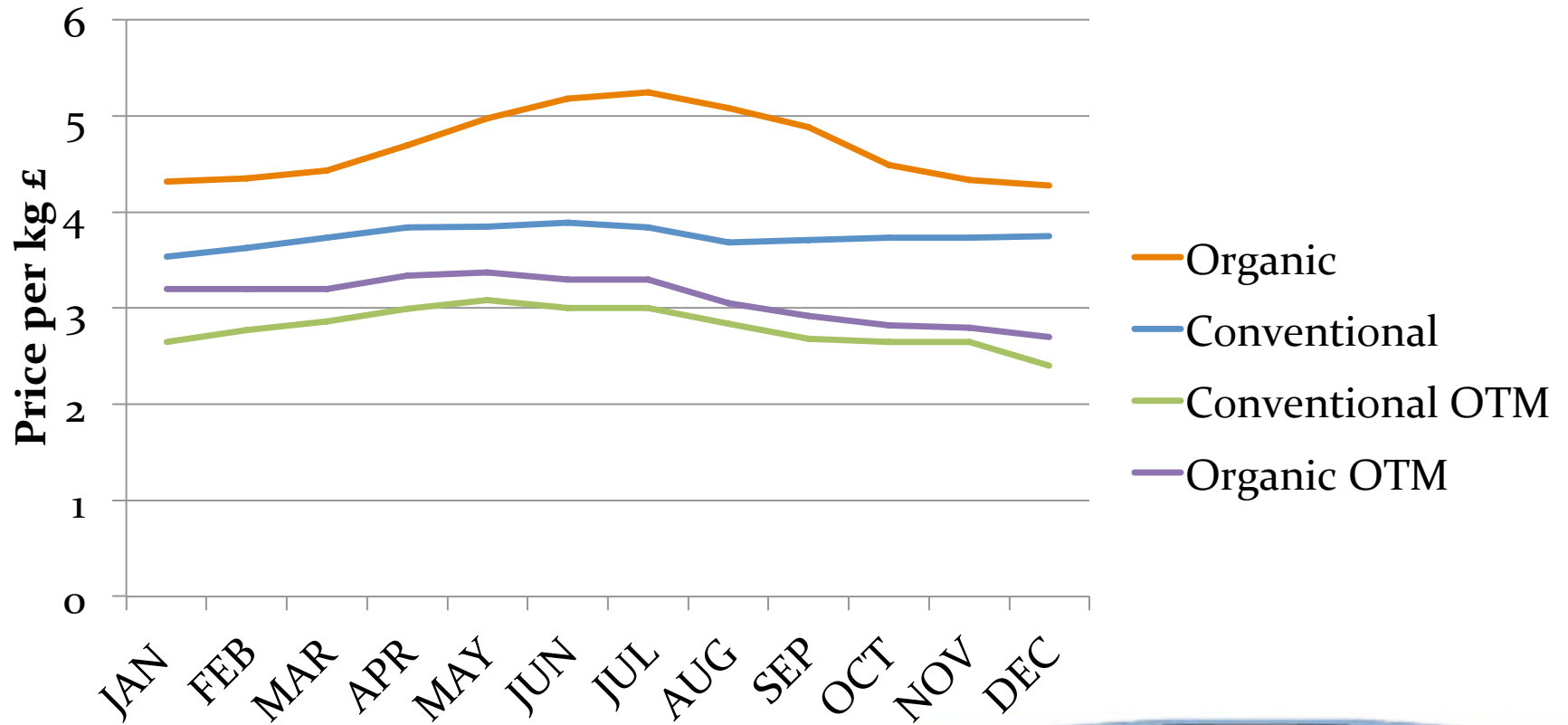
Demand by the consumer-

- Seasonality, Christmas / Easter / cold weather / BBQ weather!
- Promotion / advertising event / media exposure
- Accessibility- more shelf space / product in stock



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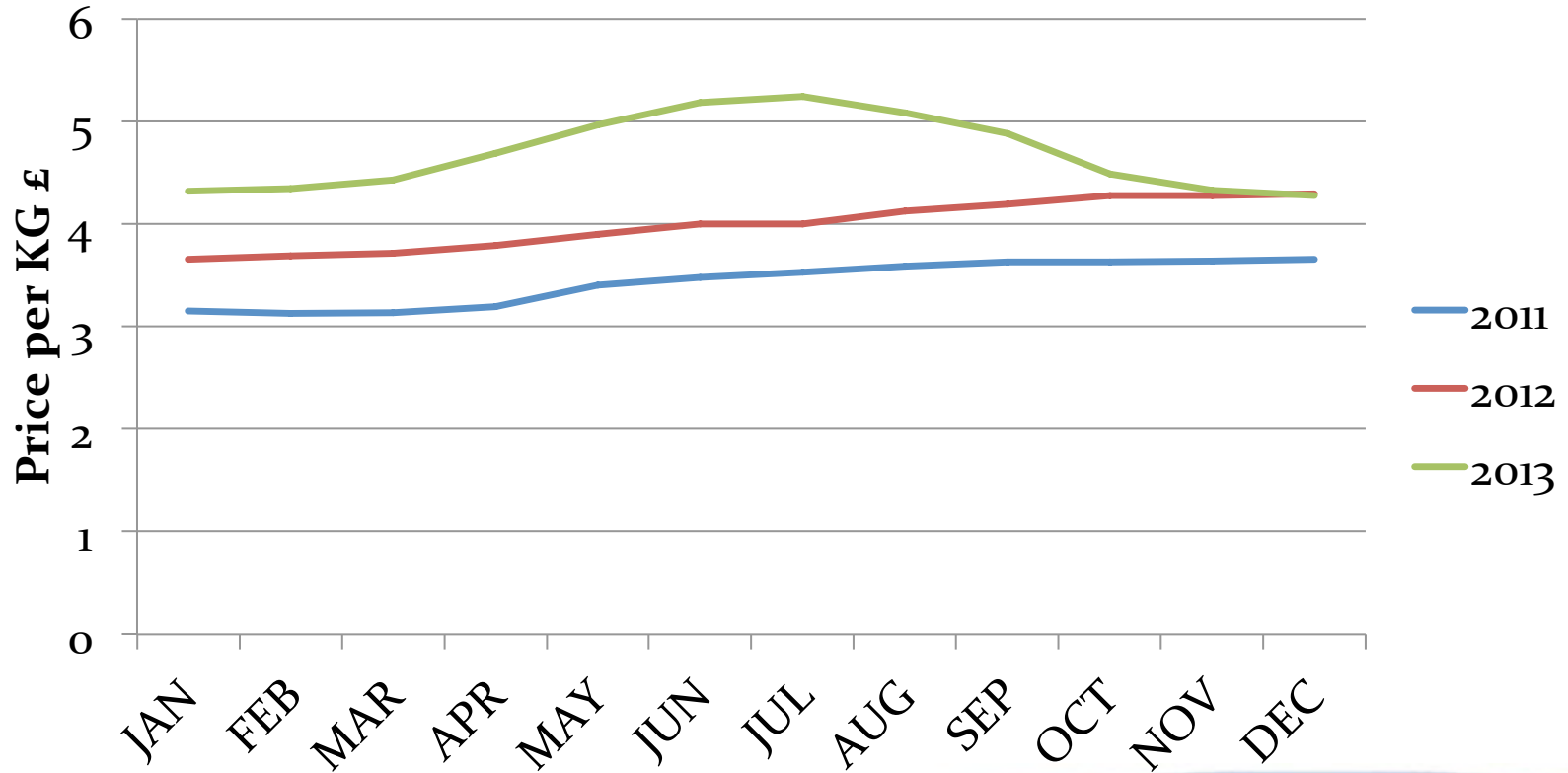
Cattle Market Prices



Prices from OLMC basket price

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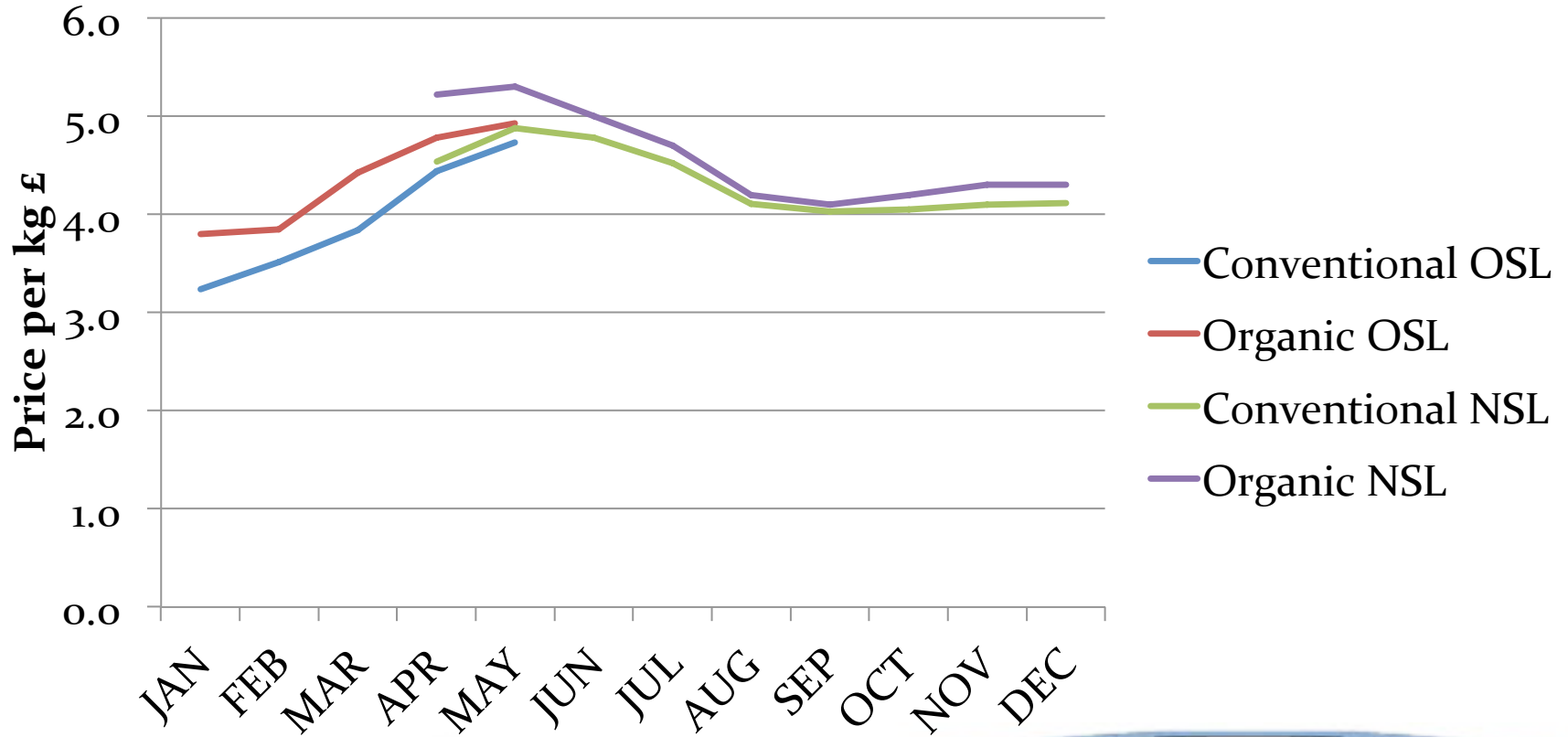
Organic Cattle prices YOY



Prices from OLMC basket price

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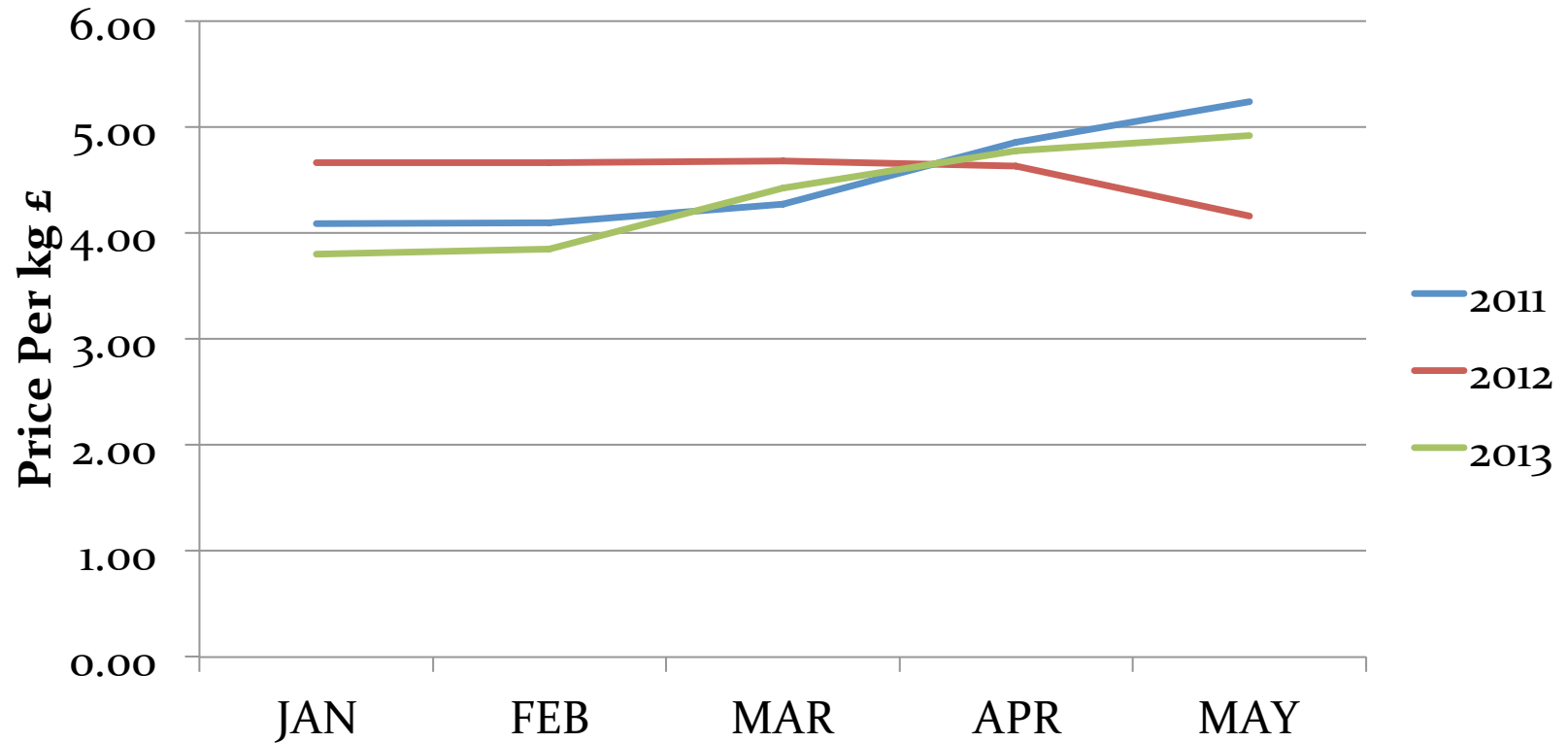
Lamb Market Prices



Prices from OLMC basket price

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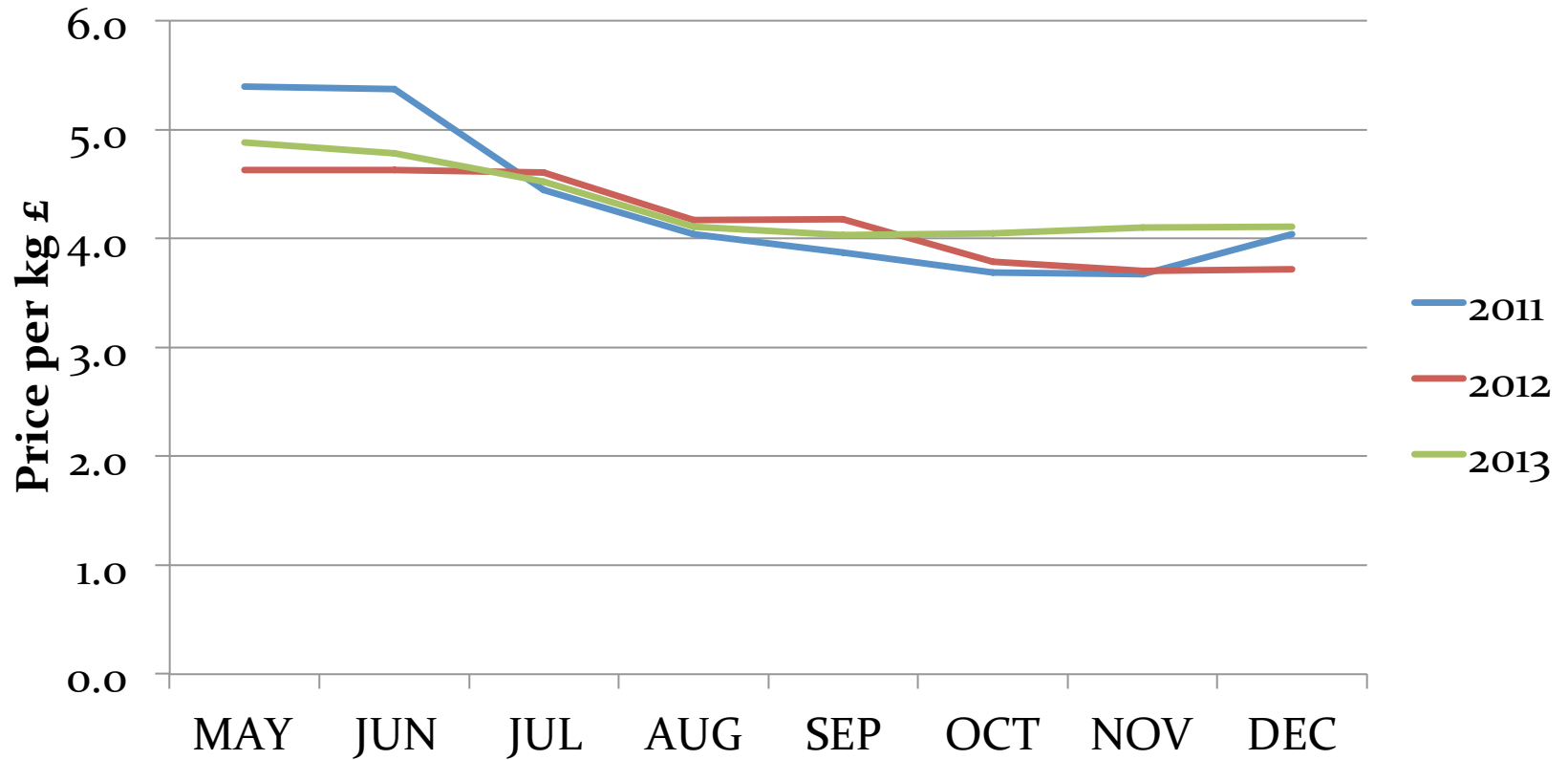
Organic OSL Price YOY



Prices from OLMC basket price

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Organic NSL Price YOY



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Challenges over the last 12 months - Cattle

- Matching supply and demand from June
- Seasonal mayhem, too cold / too dry/ too wet/ little early grass / abundance of autumn grass
- Major disruption to usual finishing patterns
- Stock challenged / health / growth rates
- High feed costs
- Flat consumer demand- NO Christmas trade



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Challenges over the last 12 months - Sheep

- Early to mid season matching supply to demand
- The weather rollercoaster!
- Later and longer finishing period
- Feed costs
- Average consumer demand
- NZ imported product



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Looking forward - Cattle

- Started slowly- poor demand for all red meat – Organic and Conventional
- Colder weather can boost sales of prime and OTM beef
- Economic recovery will fuel greater spend on better provenance foodstuffs
- Shorter supplies of cattle going forward, backlogs reduced, potential price recovery



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Looking forward- Sheep

- A steady start to the year, supply and demand in tandem
- Colder weather could well improve demand
- Higher total numbers killed than past years at the end of 2013- *You can only kill them once !*
- NZ reported to be struggling to meet import tonnage requirements
- Good tuppung conditions likely high numbers born



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Opportunities- Cattle

- Identify what the market wants
- Produce cattle that will meet all market requirements, opens up all possible markets
- Try to slaughter prime cattle under 30 months of age
- Emerging growth in catering and food services who increasingly demand organic
- Export of organic beef in infancy increased interest from the continent and further afield
- Potential for retailer to utilise carcass better- traditional cuts etc



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Opportunities- Sheep

- Understanding the market requirement for lamb, weights and grades.
- Catering and food services likely to require increased volumes on recent growth form
- Retailer potential to sell more of the carcass organically by promo alternative cuts
- Export of organic lamb is gathering interest, whole carcass utilisation and currency determining factors



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Avoiding bottlenecks

- Plan your breeding
- Ensure you have enough forage / food
- Determine a realistic sale period
- Understand market requirements, weight etc
- Work closely with your marketing group / agent to ascertain projected sale window
- Don't leave marketing your stock to chance!



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Thank You



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