



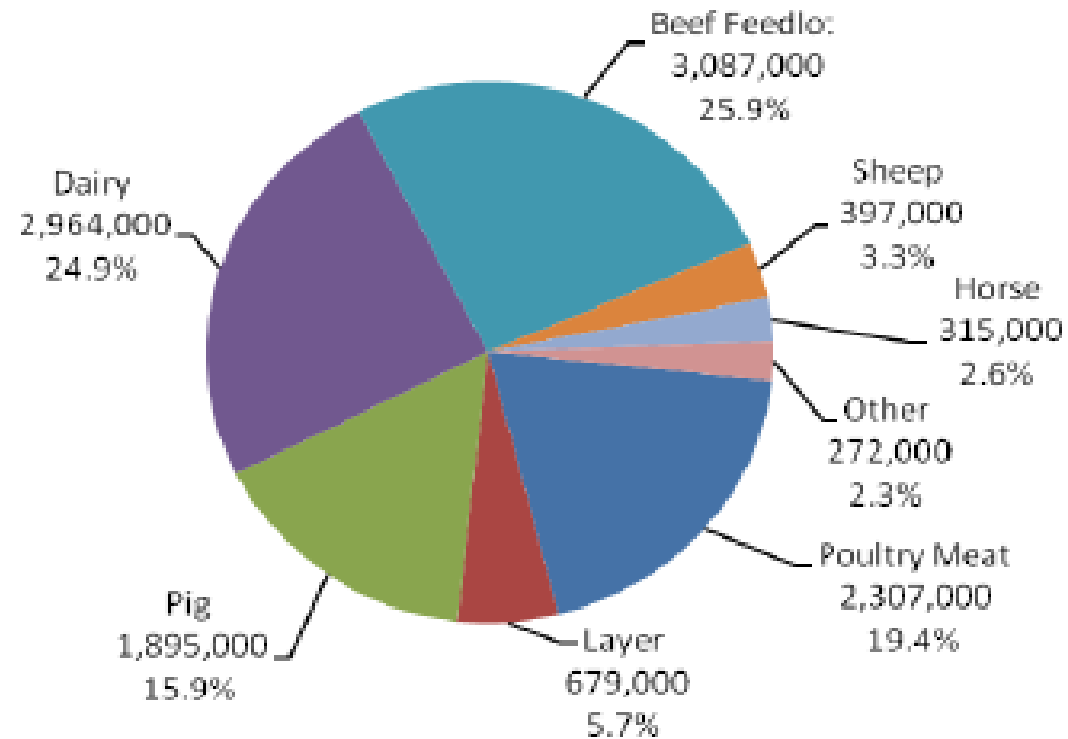
THE CHANGING SUPPLY CHAIN LANDSCAPE FOR AUSTRALIA'S FOOD/FEED INDUSTRIES – A STOCKFEED PERSPECTIVE



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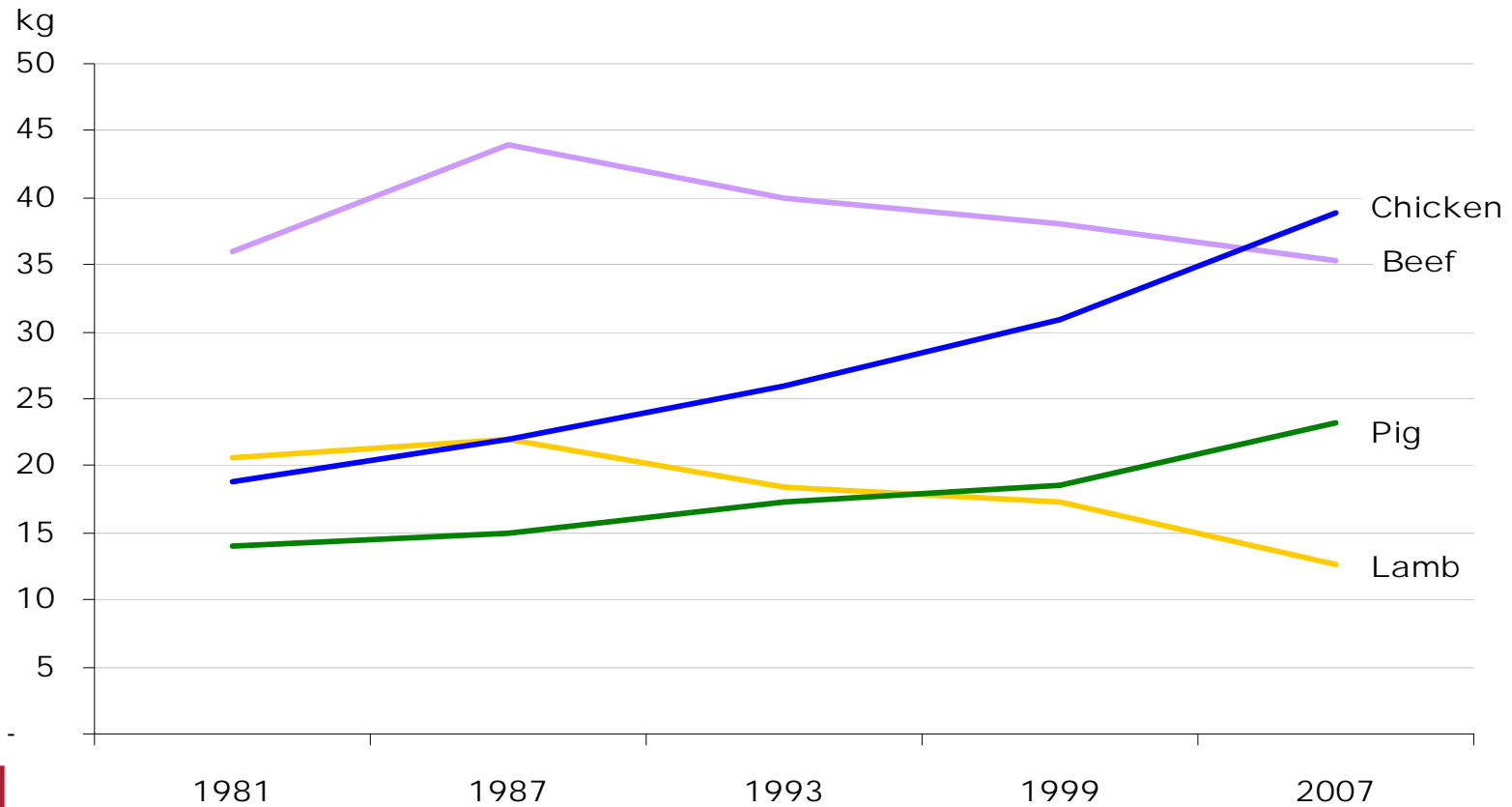
Australian Feed Usage

Figure 23. Feed use by livestock industry – 2007

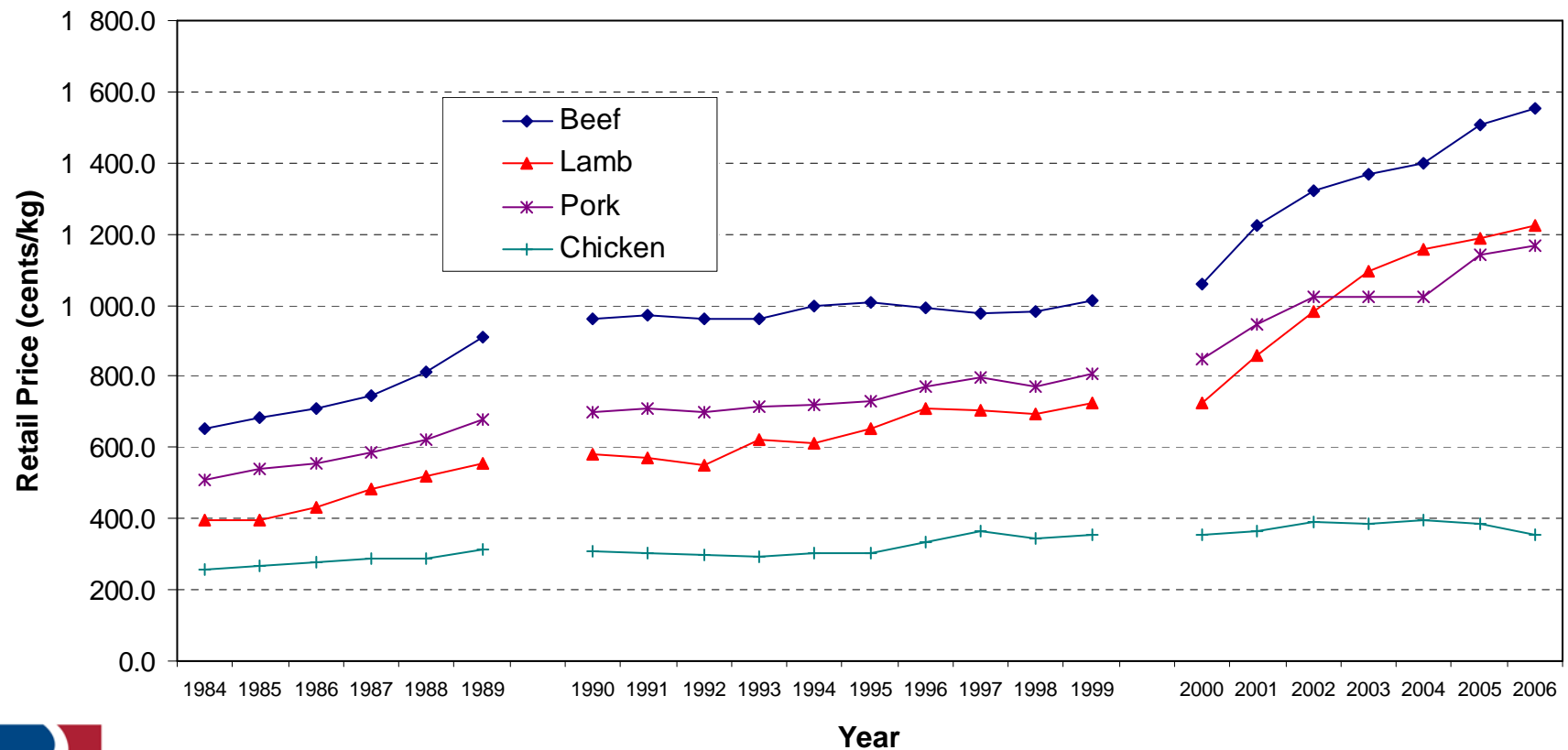


Source: JCS Solutions

Domestic Trends (Annual Consumption per capita)

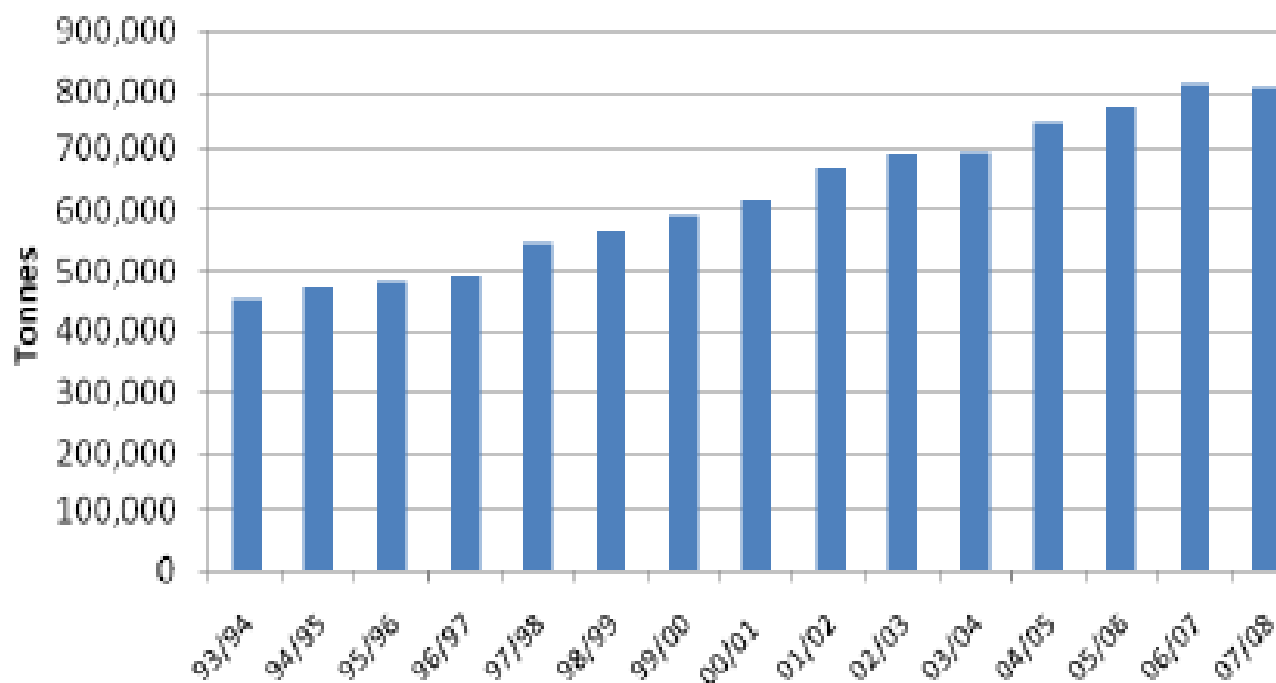


Retail Price of Australian Meat



Chicken Meat Production

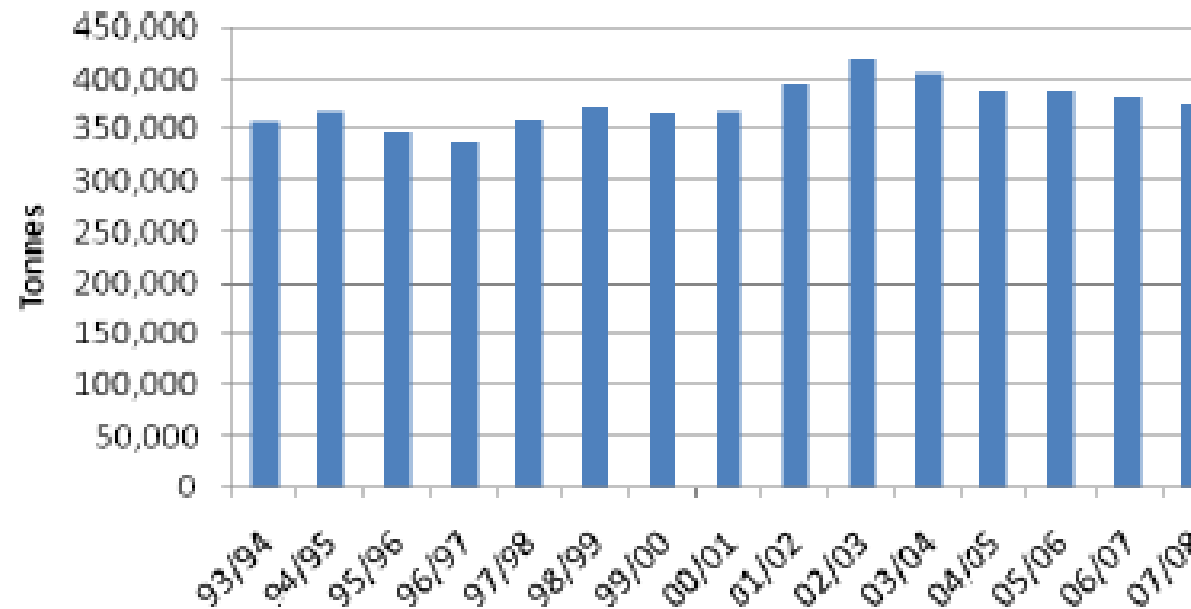
Figure 26. Australian Chicken Meat Production – tonnes/annum



Source: ABS

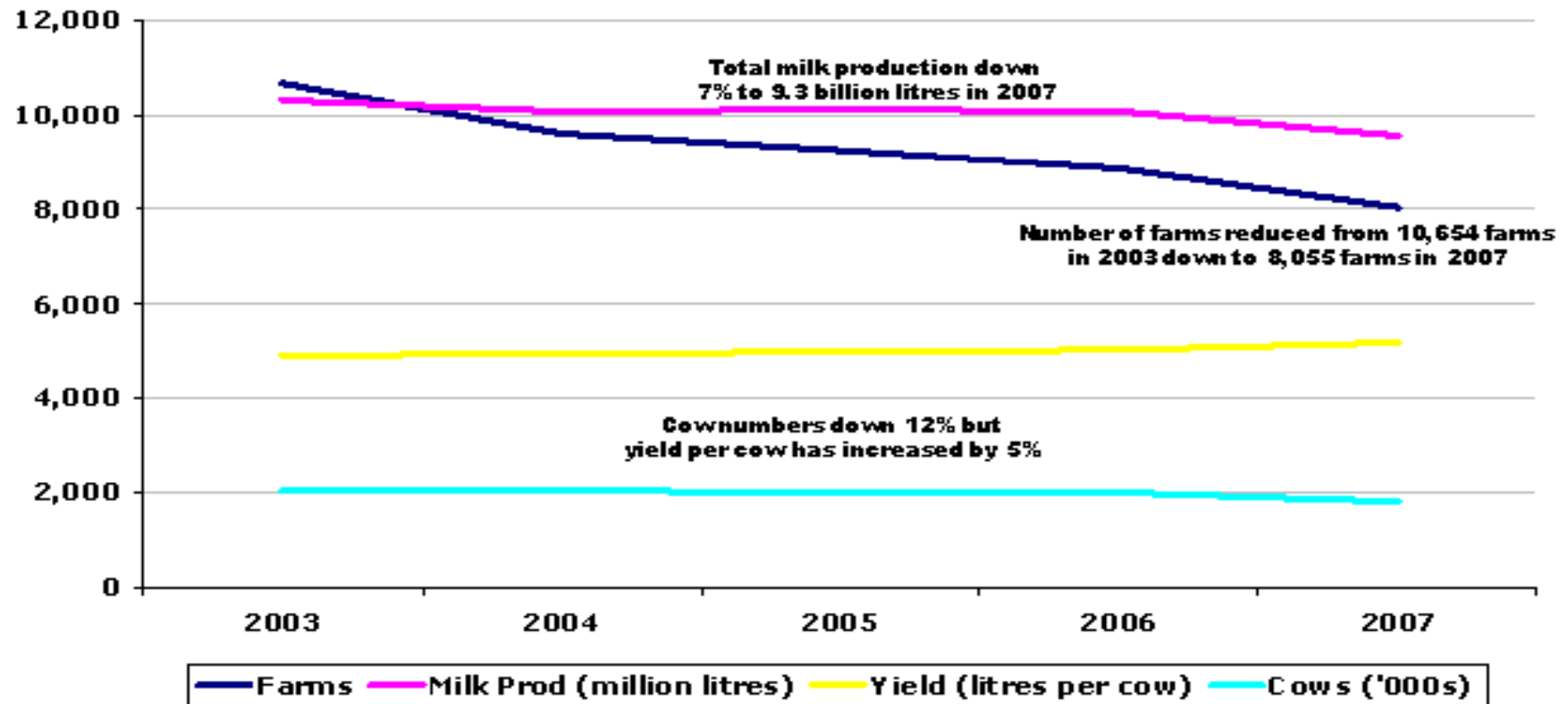
Pig Meat Production

Figure 27. Pig meat production tonnes per annum



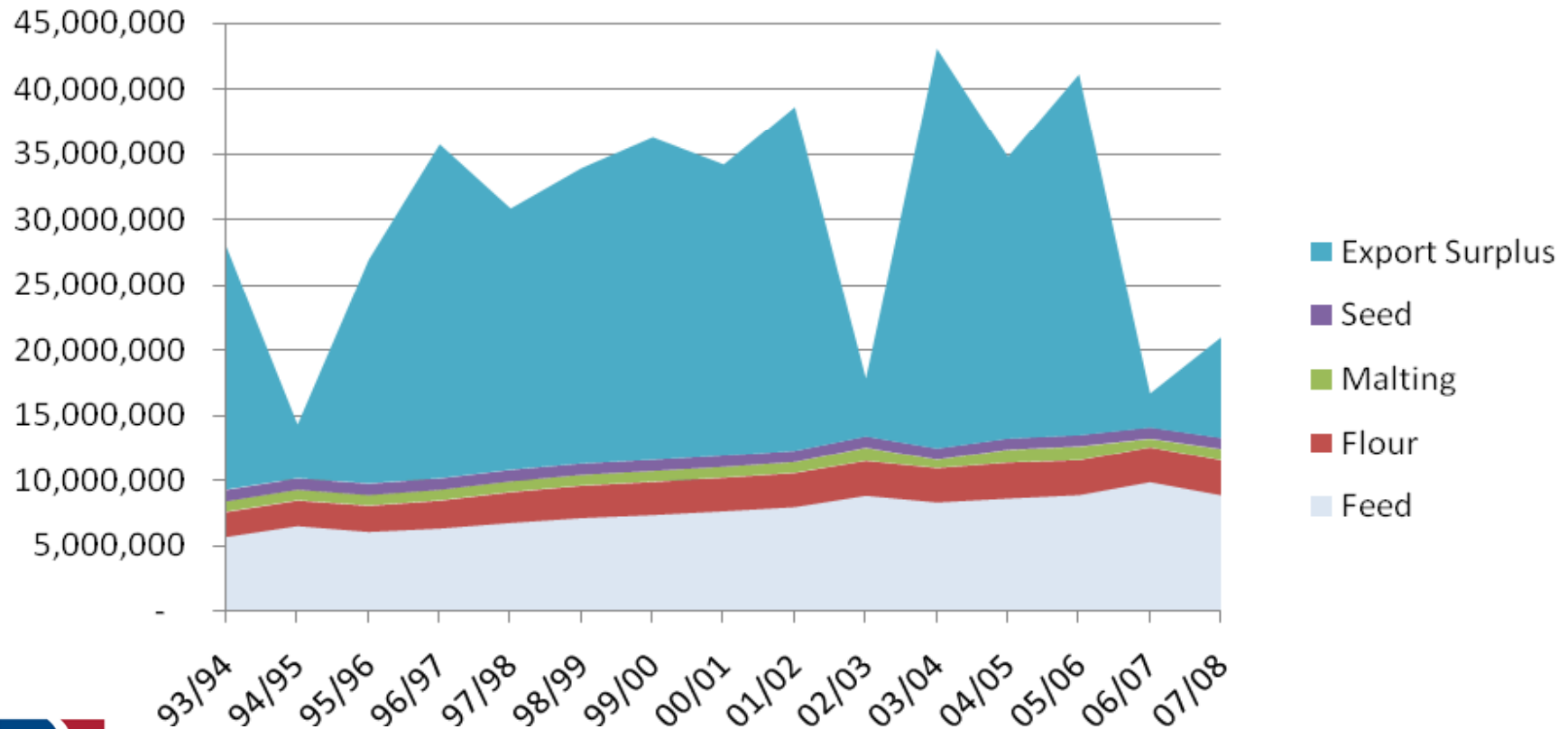
Source: ABS

Dairy – Key Industry Data



Grain Use by Sector

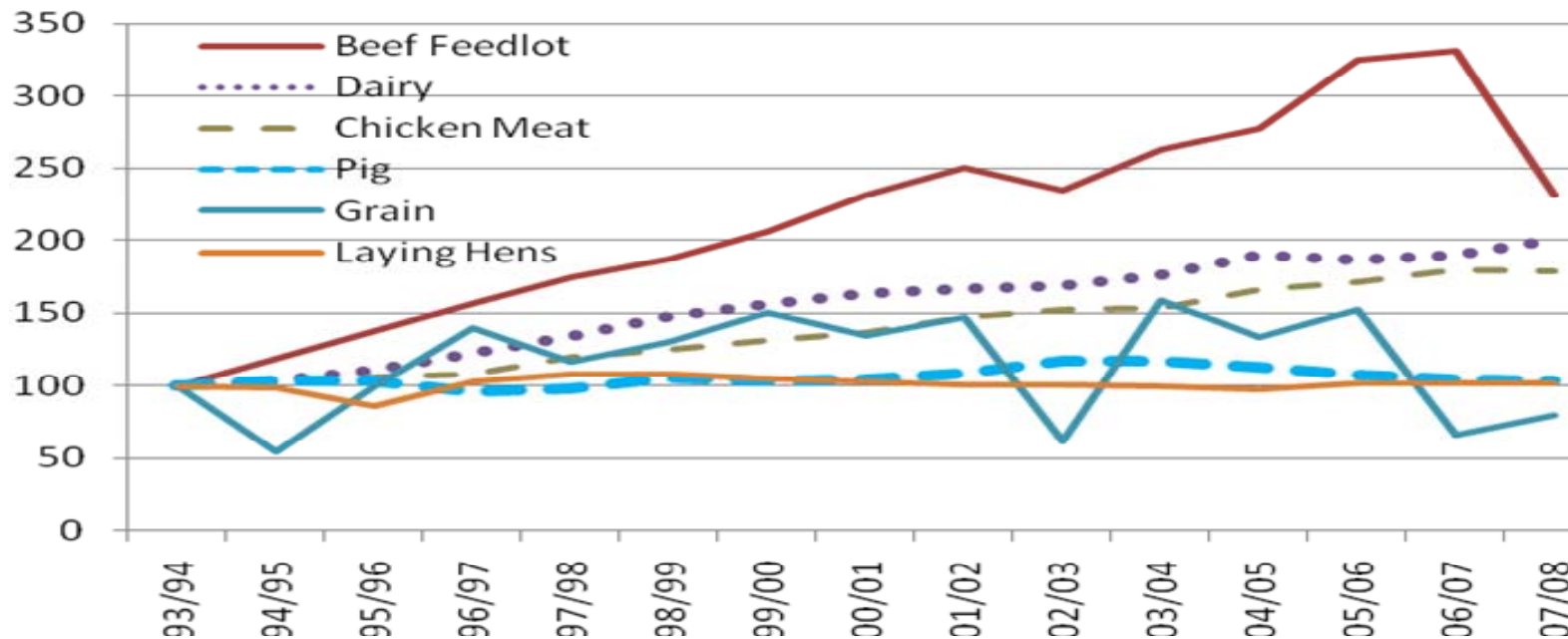
Grain use by sector 1993/94 - 2007/08 – tonnes



Source: "Benefit to Australia Grain Growers in the Feed Grain Market 2008"

Domestic Feed Grain Consumption

Domestic Feed Grain Consumption – Industry growth, indexed from 1993/94



Source: "Benefit to Australia Grain Growers in the Feed Grain Market 2008"

Improvements in Broiler Performance

Year	Weight	Age	FCR	Mortality
1925	1.0 kg	16 Weeks	4.7	18%
1945	1.41 kg	12 Weeks	4.0	10%
1965	1.59 kg	9 weeks	2.4	6%
1985	1.90 kg	7 weeks	2.0	5%
2005	2.40 kg	6 weeks	1.7	4%

Changing Grains Landscape

- Deregulation of the grains industry
- Response from growers, consumers, exporters, storage providers
- Development of the Australian Biofuel/ethanol industry
- Growth in on farm and private Storages
- New innovations: CLEAR

Raw Material Quality

- Weedseeds
- Mould – Mycotoxins
- Salmonella
- GMO
- Size and weight of grain

Traceability

- Farm QA
- Grain storage and handling Code of Practice
- Transport Code of Practice
- FeedSafe QA accredited suppliers
- Vendor Declarations
- Salmonella presence in protein meals
- Accreditation of all protein/fats/oils operators
- Alert system for rejected ingredients

Restricted Animal Material - RAM

- Legislation prevents feeding of RAM (Rendered Animal Material) to ruminant animals in Australia
- Zero tolerance strategy adopted by Ridley
- Mill Segregation
- Government intervention and feed industry compliance remains problematic

Conclusion

- Domestic Feed market growing and requires consistent supply of ingredients
- Eastern Australia focussed
- Quality Important – Customers will demand further step change improvements
- Supply Chain will need to continue to develop to service this reliable market sector
- Closer relationships with grain producers as a result will continue to develop

A Stockfeed Perspective

QUESTIONS?