

BETTER RETURNS



Marketing prime lamb for Better Returns

Who are the customers?

- The consumer – the person who eats the meat
- The retailer – supermarkets, retail and food service outlets
- The meat processor – the cattle buyer at a livestock market or abattoir

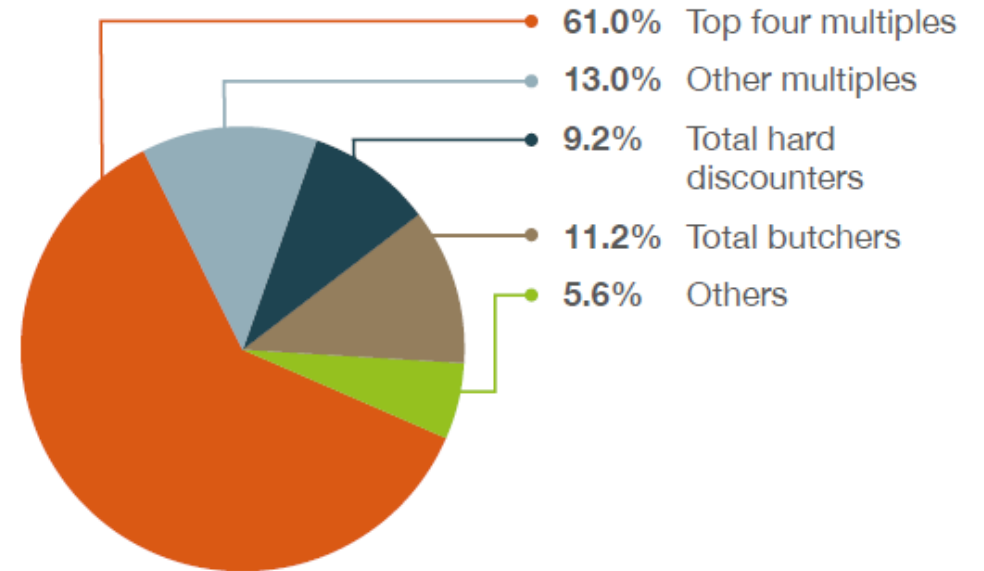


Figure 1. English prime lamb – Retail volume share 2017 (% tonnes)

Source: Kantar Worldpanel

Typical specifications

40% of prime lamb fails to meet ideal target market specifications

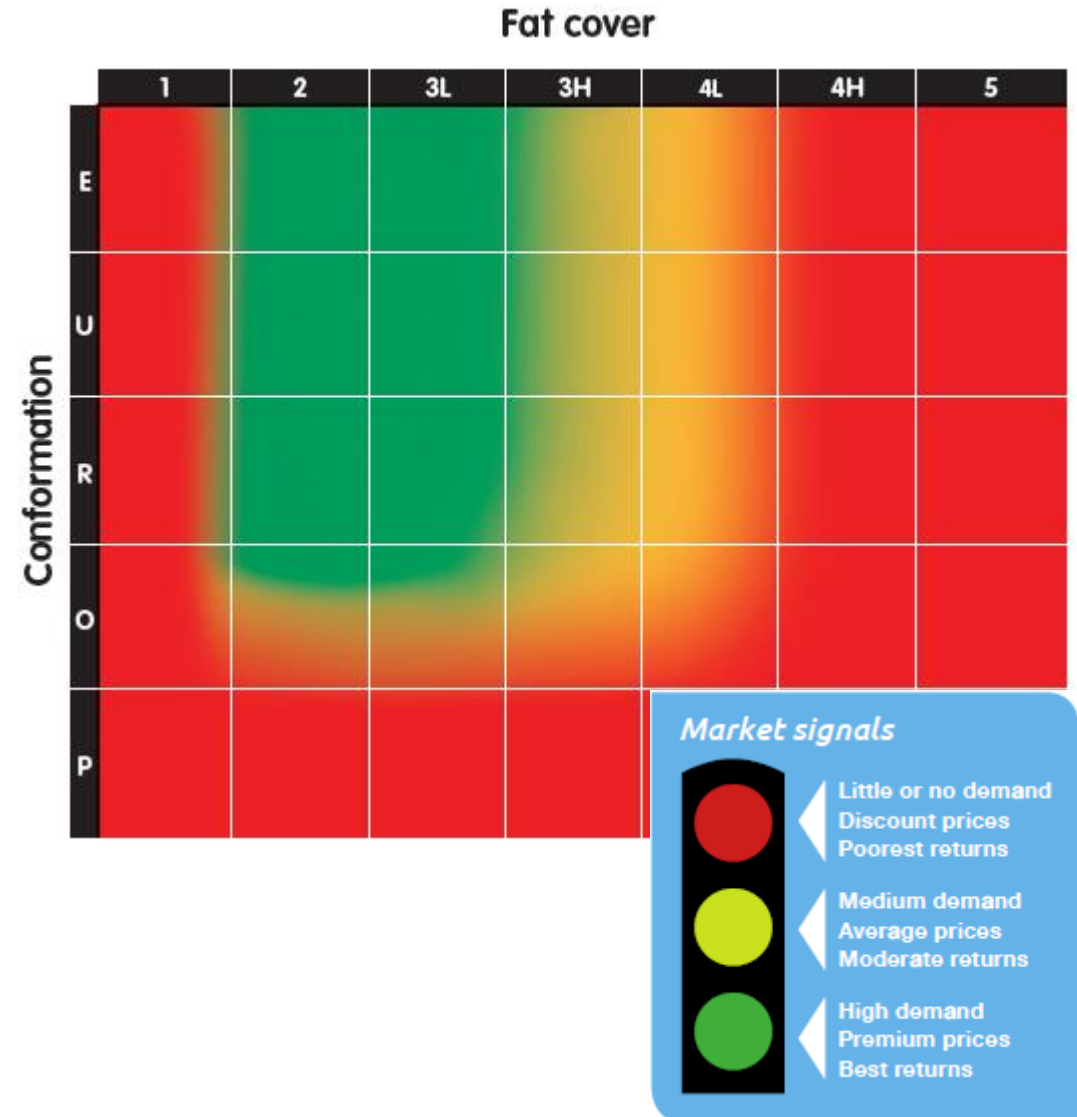
- Producers should identify markets for lambs that they can produce consistently and at a profit
- Avoid producing lambs and then trying to find a market. Find a market first

Table 1. Typical target requirements for different markets

Main market	Carcase weight (kg)	Classification	
		Conformation	Fat
Supermarket	16–21	E, U, R	2, 3L, possibly 3H
Butchers	16–25	E, U, R	2, 3L, 3H
Exports	9–21	E, U, R	2, 3L

Lamb carcass classification

- The EUROP grid is used for classification of conformation and a numeric assessment for fatness (classes 1-5)
- Confirmation is determined by visual assessment of shape
- Fatness is determined by visual assessment of external fat cover
- There are seven fat classes subdivided into L (leaner) and H (fatter)



Markets and exports

- Export markets for English lamb have increased over past few years
- In 2016 – 33% of lamb produced in the UK was exported
- Important to remain aware of currency fluctuations which may soak up any benefit to the farmer

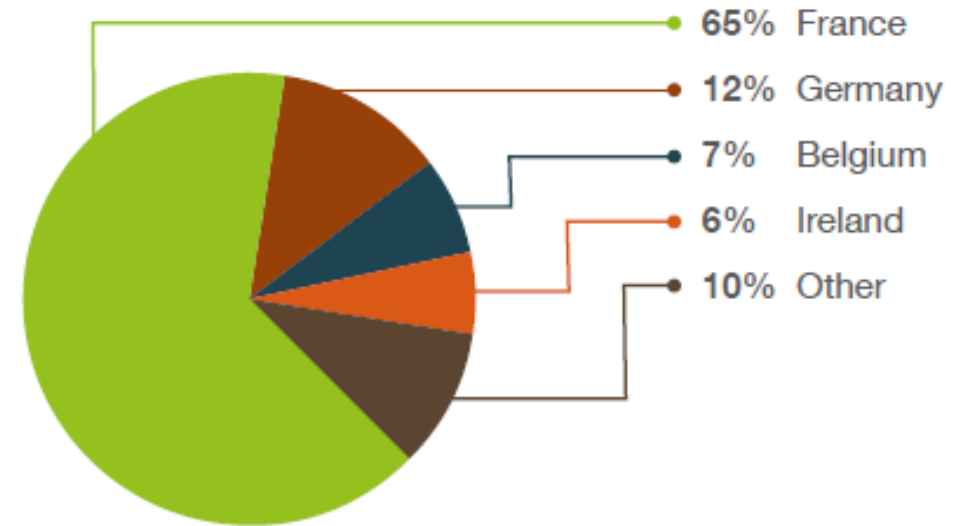


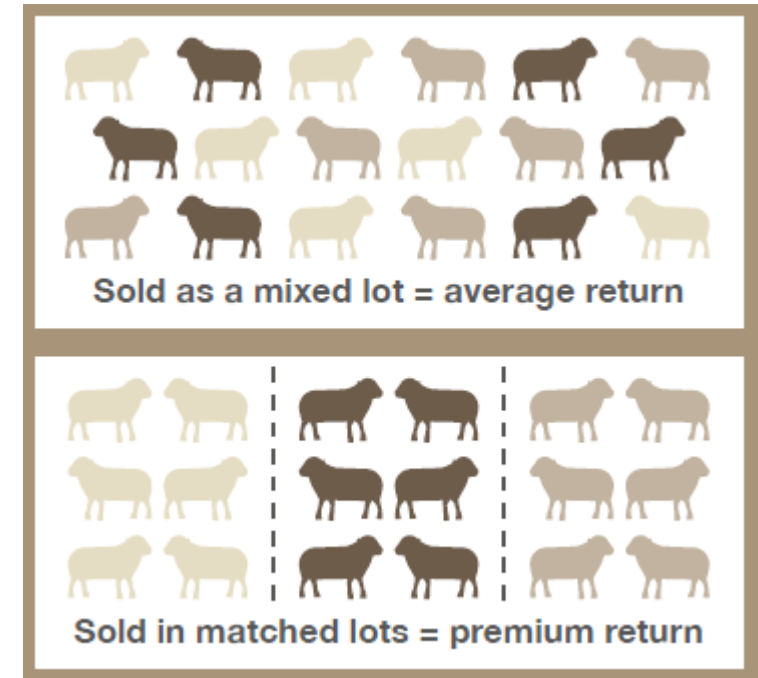
Figure 3. Lamb exports (fresh/frozen) by percentage share (2016)

Source: IHS Maritime & Trade – Global Trade

Maximising financial returns

Sorting lambs pays

- Even lots of lambs can attract a price premium of £3 per lamb as opposed to selling mixed lots



Handle with care

- Bruising and abscesses lead to wasteful trimming and carcass rejection
- Don't grab wool, don't overcrowd sheep, use clean needles and inject correctly

Maximising financial returns



Present clean animals

- Dirty fleeces can contaminate carcasses
- Ensure animals are clean

Understanding how each abattoir works

- Abattoirs vary in payment systems – research to avoid out-of-spec and weight penalties

Example pricing grid for an abattoir, with premiums and penalties shown in pence per kg.

	1	2	3	3H	4L	4H	5
E	B	+15	+15	B	-25	-45	-80
U	B	+8	+8	B	-25	-45	-80
R	-5	B	B	-5	-25	-45	-80
O	-20	-5	-5	-15	-30	-55	-80
P	-70/-100	-70/-100	-70/-100	-70/-100	-70/-100	-70/-100	-70/-100

B = Base price

Maximising financial returns



Hot weight rebates

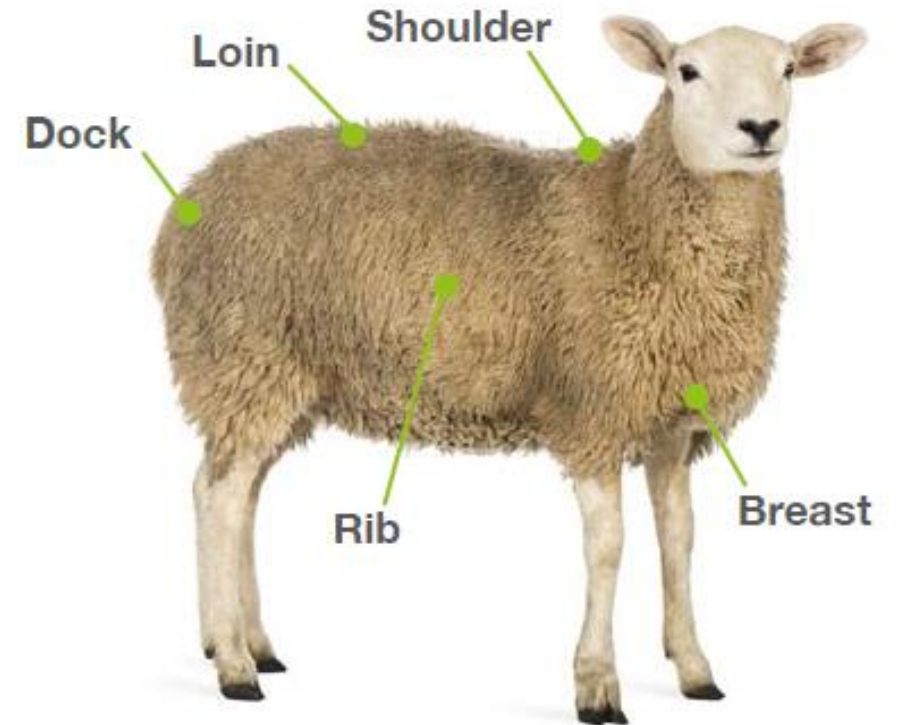
- Hot weight is usually reduced by 2% to establish cold carcass weight – which the producer is paid for
- Enquire as to the hot weight rebate used at the abattoir as it can vary

Dressing specification

- These vary between abattoirs so make sure you enquire
- Payable weight can vary significantly depending on dressing spec

Selecting animals to market

- Handling the live animal is essential for selection
- Feel for conformation at the loin and shoulder
- Feel for fat at the dock, loin, ribs and shoulder
- Conformation is limited by genetics



Selecting animals to market



- **Good conformation** – lambs have very good muscle development creating a convex profile appearing and feeling full at the shoulder, loin and legs
- **Poor conformation** – lambs have a relatively straight, or at some points hollow appearance. Often bony and angular and the spinous and transverse processes on the loin are easily felt
- **Ideal fatness** – a thin layer of fat should be felt when the skin either side of the dock is pinched. The ends of the transverse processes on the loin and the ribs should be slightly rounded by fat, felt with light pressure

Selecting animals to market

- **Killing out percentage (KO%)**

KO% is the carcass weight as a percentage of liveweight.

Factors affecting KO% are breed, whether the gut is full or empty, if the fleece is dry, seasonal variation, gender, feeding system and whether any of the carcass is condemned (bruising, dirty etc.).

- **Meat yield**

Meat yield is the total saleable meat from a carcass.

Better conformation leads to a greater meat yield. The fatter the carcass, the less meat is available.