August 2016
Tri Lamb AUS/NZ Tour

A presentation to ASI 2017 State Executive/Contact Meeting

By Ryan Mahoney, 2016/17 Tri Lamb Young Leader
AUS and NZ are the world leaders in lamb and wool production

• Innovation – DEXA, Ram Select, New Zealand Merino, Omega-3

• Marketing – Money they have it, we don’t. US lamb sales are up 6% a year over the last three years. All of that increase has been captured by imported lamb.

• Industry Support – Vaccines, handling equipment, shearing crews, Lamb Ex
The Evil Imported Lamb

• Does the US loose market share when imports increase?
• Why are exports important?
• How are we currently evaluating the status of US Exports to Canada, Mexico, and Caribbean?
Other?
International Beef Primal Cut Utilization

- 35% Chuck Rolls, Clods (Northern Asia, Mexico)
- Ribeye: >70% (Short Ribs, Short Plate, Northern Asia)
- Shortloin: 5-10% (Top Butt, Worldwide)
- Rib Finger, Skirt Hanging Tenders (Northern Asia)
- Goosenecks: 10-20% (Rounds, Mexico, Canada)
- 90% Rib Finger, Skirt Hanging Tenders (Northern Asia)

Note: when open, Russia was also a top market for rounds

Hong Kong, Taiwan, Korea, Japan, Netherlands
International Pork Primal Cut Utilization

Note: when open, Russia was also a top market for hams and picnics
U.S. Lamb and Variety Meat Imports

Source: Global Trade Atlas
2011-2015 Monthly Value in US dollars for 75-85# carcass

75-85# Price
Excerpts from Sheepmeat Council of Australia’s 2015-16 Annual Muster Report

• “The US is Australia’s highest value export market for lamb. …

• “As lamb is a niche product in the US, the major issue is competing for shelf space in supermarkets with other protein sources. SCA and MLA have developed a relationship with both the New Zealand and US industries (TriLamb Group) to work together to extend the attributes of lamb (healthy and nutritious) with some generic promotion.

• “It is estimated that around 70% of people in the US have never tried lamb. Domestic meat dominates shelves and menus (50% for lamb), so gaining attention and support as an imported product can be challenging. …

• “The other challenge confronting imported product is the view that ‘local’ equates to ‘more sustainable’ and there is a strong belief in ‘food miles’ in the US.

• “SCA reps…traveled to Mexico to meet with Mexican producers to sign a Memorandum of Understanding to recognize the common goal of building Sheepmeat production globally. Mexico currently represents a comparatively small volume of export market, however substantial increases could be achieved if a number of tariff and non-tariff barriers to trade could be improved…. The relatively small scale of local Mexican sheep meat production make imported product highly demanded and has seen consistent Australian lamb and mutton to Mexico. Mexico is also a major consumer of offals.
U.S. Lamb and Variety Meat Exports

Source: USDA/FAS
Conclusion:

• Stay engaged.
• Learn from their successes.
• Continue to encourage our American made premium.
• Fight for our own export markets.

“You’ll never beat someone who truly believes in what they do”

– Darryl MacKinzie, ANZCO Foods