

Natural beef gathers pace



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AT A GLANCE

- Tasmanian Natural brands making an impact in Qld market.
- Natural brands being repositioned as 'high quality'.
- Unique supply chain delivers marbling scores 2 and better.

USE of the marketing term 'natural' is gaining momentum across the Australian beef industry, and no better example of its impact can be found than in the progress being made in the Queensland market by two beef brands produced in Tasmania.

Recent consumer survey work conducted for Meat and Livestock Australia has found that the term, natural, when applied to products that can legitimately make such a claim, have a powerful resonance with consumers – in many cases as strong as claims such as 'organic'.

Up to now, however, most of these products have generally fitted into the everyday beef segment, rather than the premium end of the trade.

Sixth generation family-owned Tasmanian processor Greenhams produces two products in the natural category which go a long way towards changing that.

The first is an MSA-backed yearling product, 180-240kg dressed weight called Greenham Tasmania Natural Beef, and the second, a heavy export-type ox product, 340kg average carcass weight, called Cape Grim Natural. Both have legitimate claims to being classified among the highest quality pasturefed beef products in Australia.

In the case of the heavier Cape Grim beef, much of the natural fall goes to Korean supermarket group, Lotte Mart.

The exception is the cubes, strips, tenderloins and rumps, which are now offered into the quality end of the Australian domestic food service market.

Both the YG and heavy categories are finished on lush Tasmanian dairy-type pastures, with the heavier bodies producing carcass quality performance which is more closely aligned with 200-day grainfed-type animals.

Compliance rates in both programs are above 90 percent, with more falling out through company specifications like marbling than through MSA measurement.

The Greenham products are



distributed exclusively in Queensland through Platinum Prime, a company launched by former MSA operations manager, Andrew Gapes.

What sets them apart from most branded beef items carrying the natural tag currently in the market, is their sheer meat quality performance. This is exceptional beef, by any standards.

The heavy Cape Grim program represents about 300 bodies weekly. It is Angus-based, GMO feedstuffs-free, MSA boning group four and better, with a minimum requirement of marbling score two – almost unheard of in a grassfed program in Australia, but made possible because of the high-performance genetics in use, as well as the region's reliable, high-protein natural ryegrass/clover-type grass resource, supported by grass silage over winter.

The yearling program represents about 800 head weekly, MSA boning group six and better.

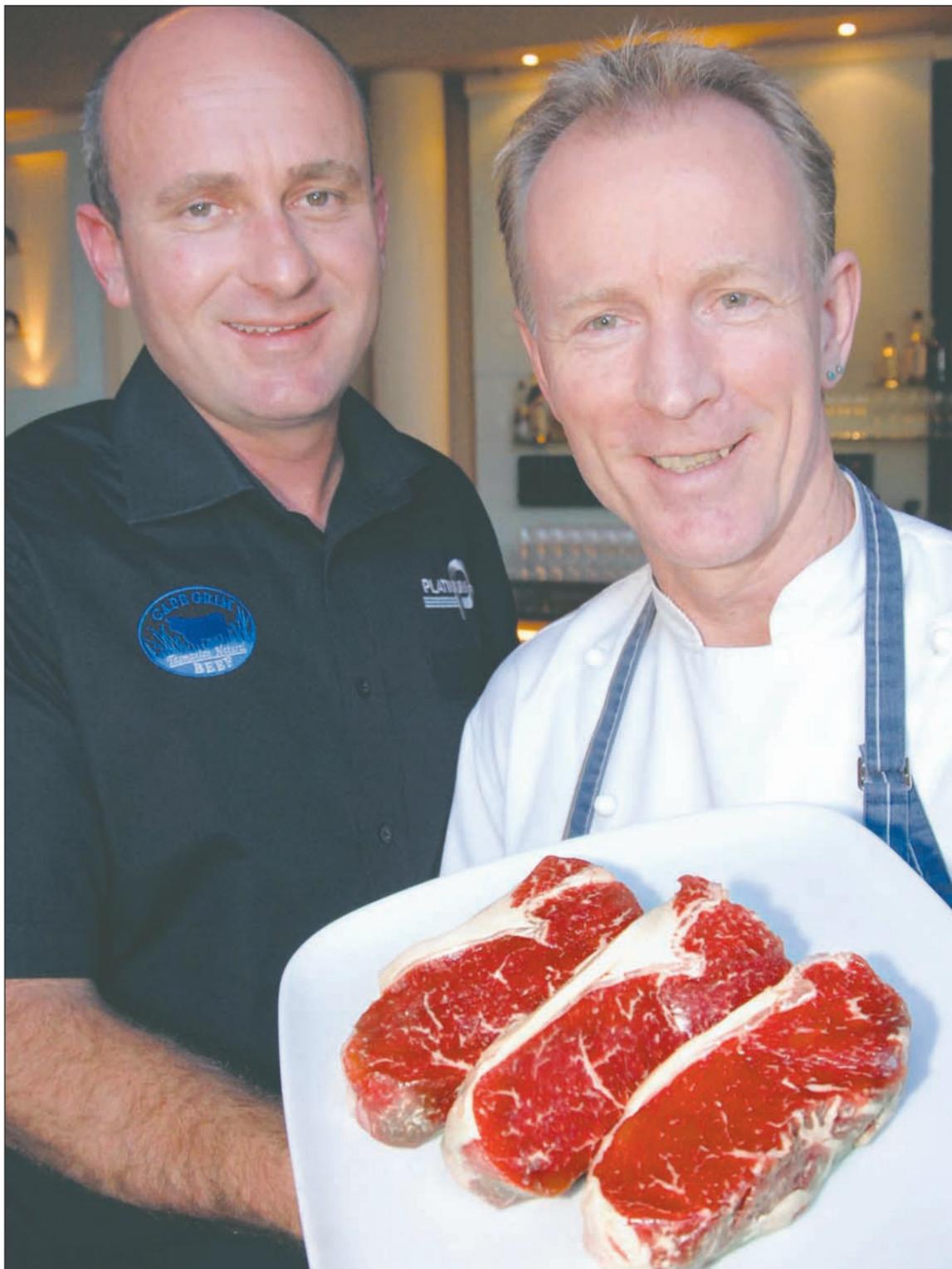
Cattle for both programs are mostly bred in the State's central/eastern area, moving to the north-west for finishing. Both programs also exploit Tasmania's State-wide ban on the use of HGP's.

While people tend to associate areas like Tasmania with light yearling-type beef production, there is in fact a segment of specialist bullock finishers in the State's north-west who drive the Cape Grim program.

Rather than send those cattle across as weaners to Victorian feedlots, Greenhams has sent price signals to those producers to encourage them to grow out those heavy steers, for placement into specialised natural high-marbled export programs into Japan and Korea.

"By any standards, these are quite freakish cattle – for their carcass weight, there is really nothing else in Australia that comes close to their MSA ossification performance, apart from extreme 300-day grain programs like that seen at Rangers Valley," he said.

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Restaurant Two's David Pugh and Platinum Prime's Andrew Gapes with a sample of the Cape Grim Natural product which has had a big impact within the upper end of the food service market.

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Price-wise, Platinum Prime has endeavoured to maintain greater consistency in price at wholesale level over the past 12 months. Since March, that has meant prices 'right up there' compared with any other MSA product on the market – grainfed or otherwise.

Typically, tenderloins, cubes and strips are at least \$3/kg above the market for conventional yearling grainfed MSA. The Cape Grim product is priced only a little below 300-day grainfed, but obviously produced at a far more competitive production cost.

Unlike the circumstances behind many other MSA products, Platinum Prime has not had to drop its Cape Grim/Greenham Natural cube roll price through the winter period, and currently has product on back-order.

In comparison, some other MSA products have gone from \$19/kg to \$13/kg since January.

"Up to now, in the Queensland market particularly, it has been a case of consumers not really associating grassfed product with quality," Mr Gapes said.

"The long years of drought in this region have contributed to that, as has the heavy reliance in the local MSA supply systems up to now on grain feeding. It was the only way to get any real consistency of quality," he said.

"But what we are now finding is that there is a clear market demand for a high-performance pasturefed product, even at the top end of the hotel and restaurant trade. Both brands have had a significant impact since they were launched in Queensland a year ago. There are currently around 1100 cartons of both brands being shipped into the Queensland market weekly." Distribution goes as far north as

Townsville and Cairns, but is concentrated in the State's South East corner, with the yearling product going to better-end butchers and retailers, and the Cape Grim into quality restaurants.

"Among the butchers who have got behind the brand, there are several aspects that they have focused on with customers. The word Tasmania is associated with clean-and-green, and quality, and the other points are pasture-fed and HGP-free," Mr Gapes said.

"Another aspect is carcass weight and subsequent portion size. With the yearling Greenham Natural product, it is such that a cube roll is seen as a sensible size for family use, and for butchers cutting it for their window, it presents extremely well."

Another positive is that the Greenham product is all MSA five-day release as three and four-star. There is no prolonged ageing process required in order to achieve MSA requirements, as there is in some newer MSA brands.

"In the heavier Cape Grim beef, not only is it more heavily marbled, but its pasturefed background gives it a stronger, beefier flavour, which provides a strong point of difference on many restaurant menus," Mr Gapes said.

"To a large extent, the Queensland market has not previously seen such a young, heavily marbled, pasturefed, full-flavoured product as this previously. It is almost a new market category."

One of Brisbane's best-known chefs, David Pugh, has featured Cape Grim Natural on his Restaurant Two menu for the past six months, with excellent customer feedback.

"There is definitely scope for a natural-type product in the quality



The high eating quality of the Cape Grim product is evident in these tenderloins, prepared at Restaurant Two.

restaurant market, particularly one which offers flavour as well as tenderness. This product delivers all that," Mr Pugh said.

Mr Gapes admitted that among some customers, it had been a task to get the distinction understood between an MSA product like Cape Grim, and

One of the focuses with butcher clients has been to try to give them confidence to market the brand as their point of difference.

some of the newer emerging MSA brands from older cattle.

"Some struggle to make the distinction in price between one MSA product and another. But it comes back to brand development and marketing. The secret is to get them to understand they are receiving a premium four-star product that justifies a higher price."

"However, we would like to see MLA continue to press towards making distinctions between three and four-star products within the MSA program, rather than simply labelling everything simply 'MSA'."

"One of our focuses with butcher clients has been to try to give them the confidence to market the brand as their point of difference. Often that means running it alongside a lower-priced MSA product at the same time, and it works particularly well, giving the customer a second option."

One successful Brisbane retail outlet, Farmer Joe's, a market-style outlet at Kedron, has seen overall beef retail turnover grow by up to 30pc since adding Greenham Natural as a second MSA beef brand at Christmas time.

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Lot 1



Lot 4







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