

# Slow growing market in France & Tips to improve ranging

Claude Toudic; June 14<sup>th</sup>; 2018

# HUBBARD PREMIUM

*the natural choice!*

Den Europæiske Landbrugsfond for Udvikling af Landdistrikterne:  
Danmark og Europa investerer i landdistrikterne



Miljø- og Fødevareministeriet  
Landbrugsstyrelsen



Den Europæiske Landbrugsfond  
for Udvikling af Landdistrikterne

LDP 2020



STØTTET AF

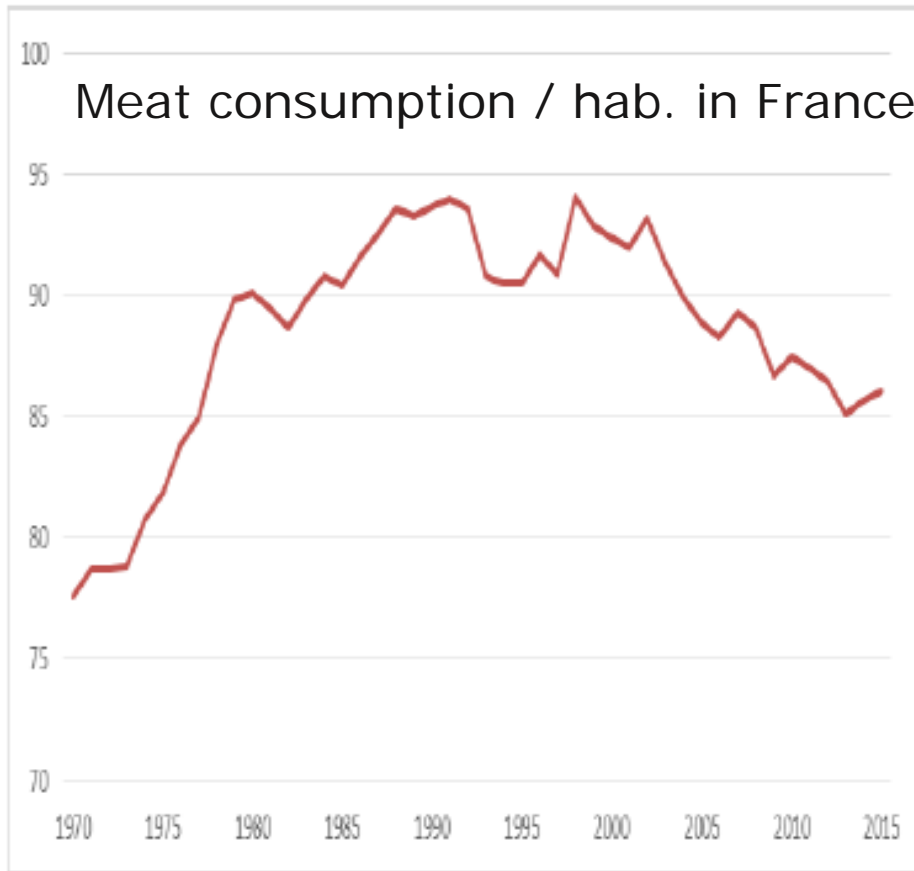
fjerkræafgiftsfonden

Se EU-Kommissionen, Den Europæiske Landbrugsfond for Udvikling af Landdistrikterne

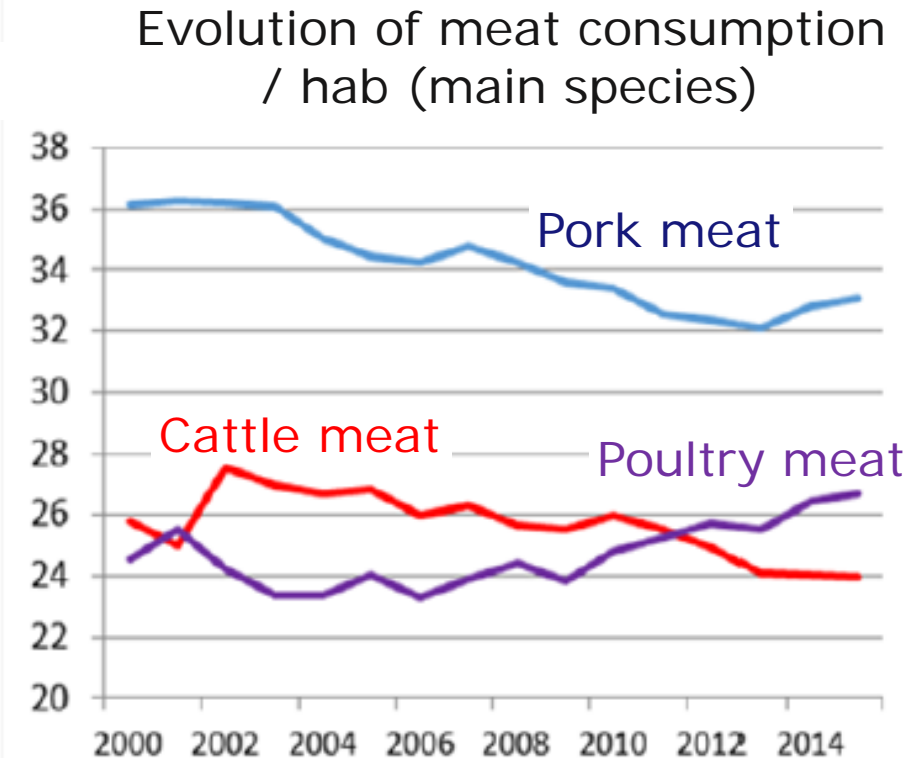
# PART 1

## French Slow Growing Broiler Market

# Decreasing meat consumption trend



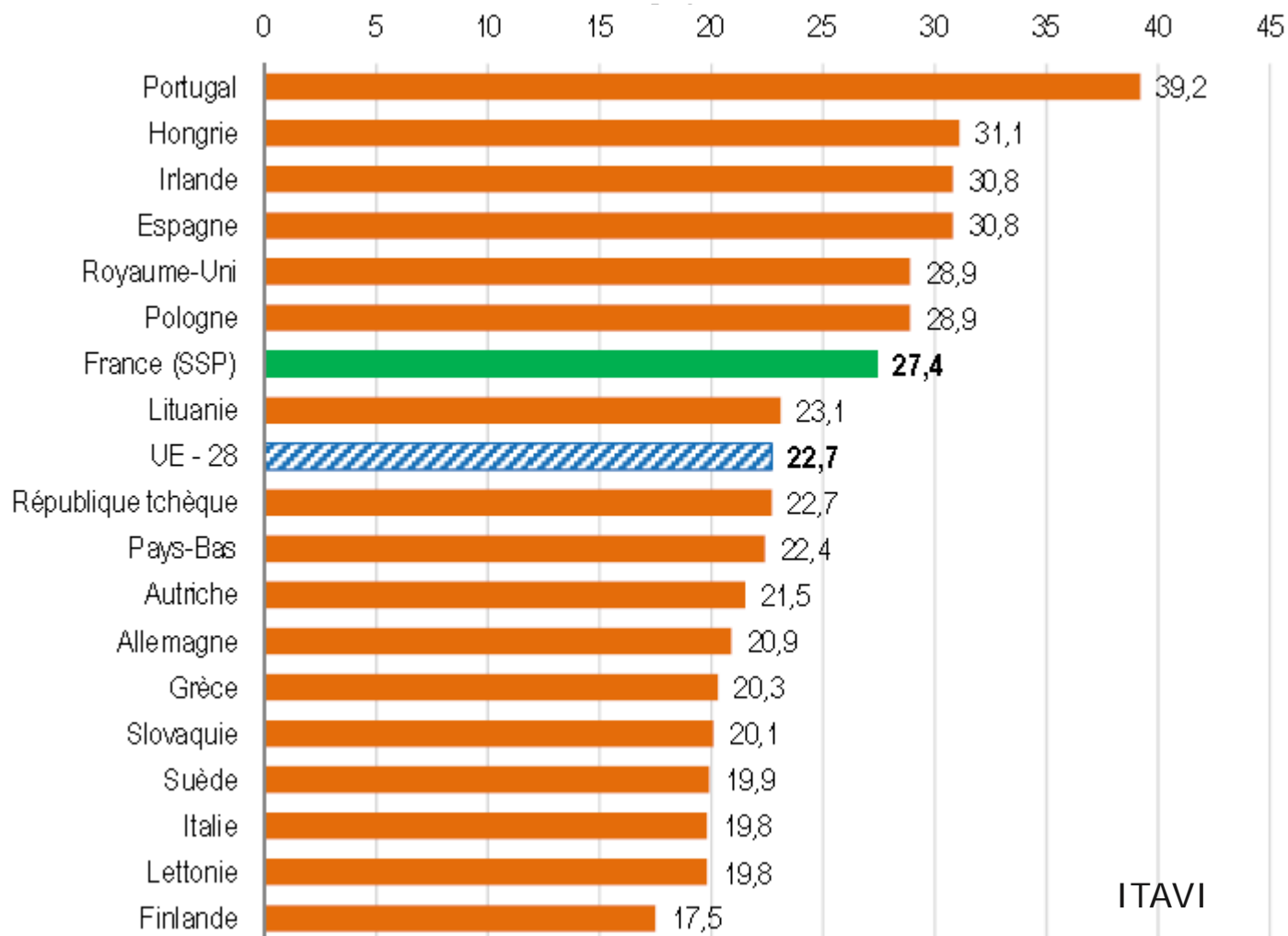
*Itavi d'après Agreste*



- ❑ Price, taste, nutrition, easy to prepare, tender, no religious ban
- ❑ Segmented poultry market: species and quality signs

# A bit more poultry consumption than the rest of the EU

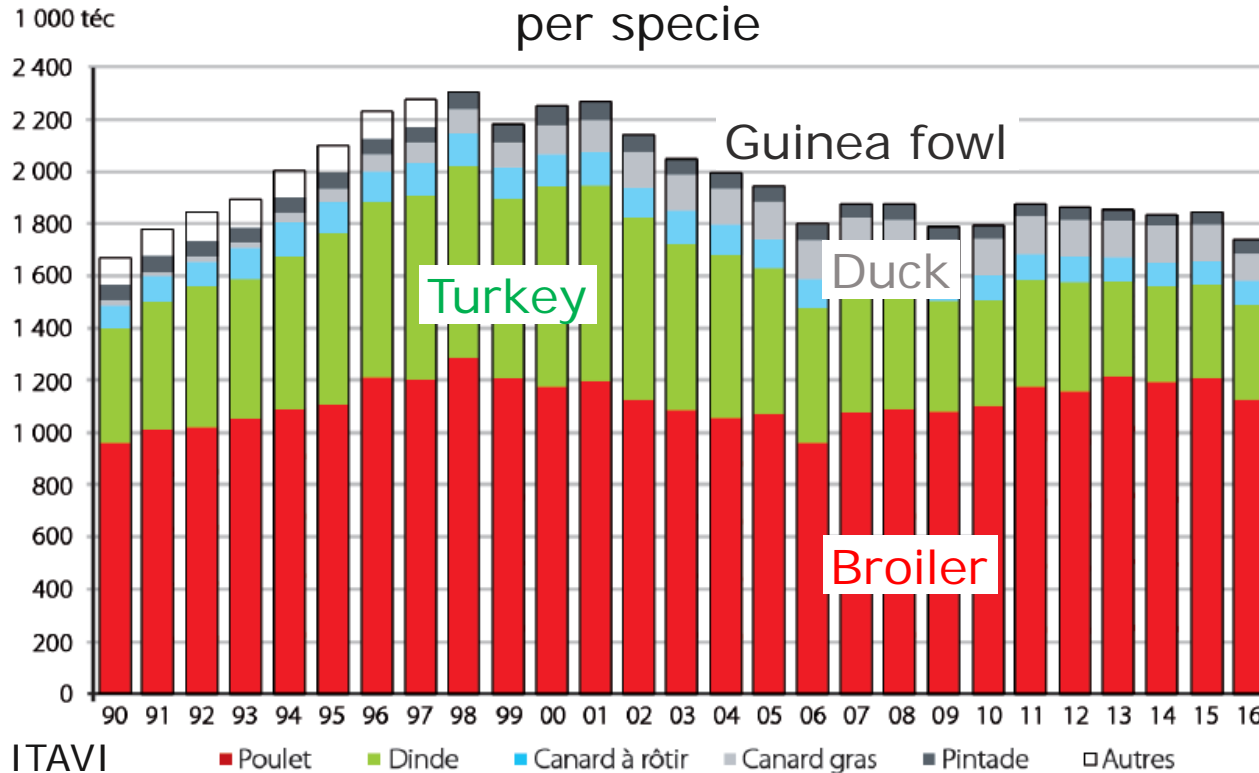
Kg poultry / habitant in 2016



ITAVI

# Broiler gaining market shares over other poultry species

Evolution of poultry production per specie



- Poultry production is almost stable for last 10 years after a 8 years decline.
- Growing import for catering and further processing (NL, BE, DE, BR, TH)

Broiler production is growing again since 2006

# The catering and industry market is relying on imports

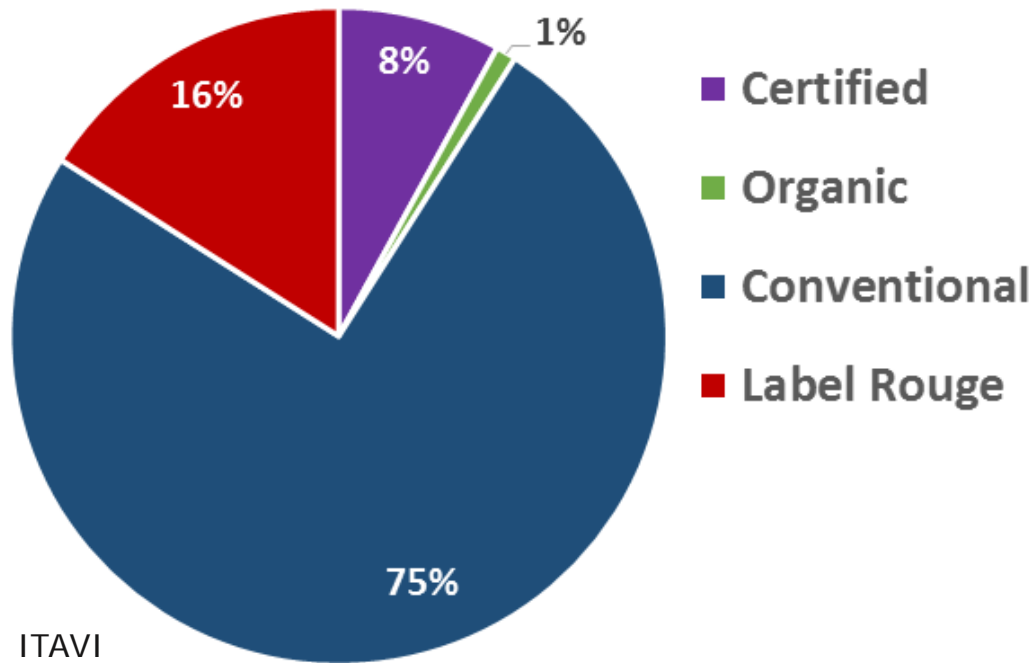
Broiler domestic market and import rate (without preparations)

Tons Fresh broiler meat in Tons	Total market	<i>Of which Conventional</i>	Import	% import over Total	% import over Conventional
Retail	510 000	355 000	45 000	9%	13%
Catering	135 000	93 000	81 000	60%	87%
Industry	210 000	201 000	136 000	65%	68%
TOTAL	855 000	649 000	262 000	31%	40%

- ❑ Catering and industry needs are widely met by imports of Conventional broilers.
- ❑ Label Rouge, Certified and Organic are distributed through retail channel.

# 25% of Slow growing

Distribution of Broiler Chickens  
slaughtered in France in 2015



- Label Rouge is the reference for quality signs.
- Certified started more recently (1993). Still growing.
- Organic reached 1% (1<sup>st</sup> country in volume in the EU)

# The 3 main quality « Labels » produced in France

HUBBARD PREMIUM  
*the natural choice*

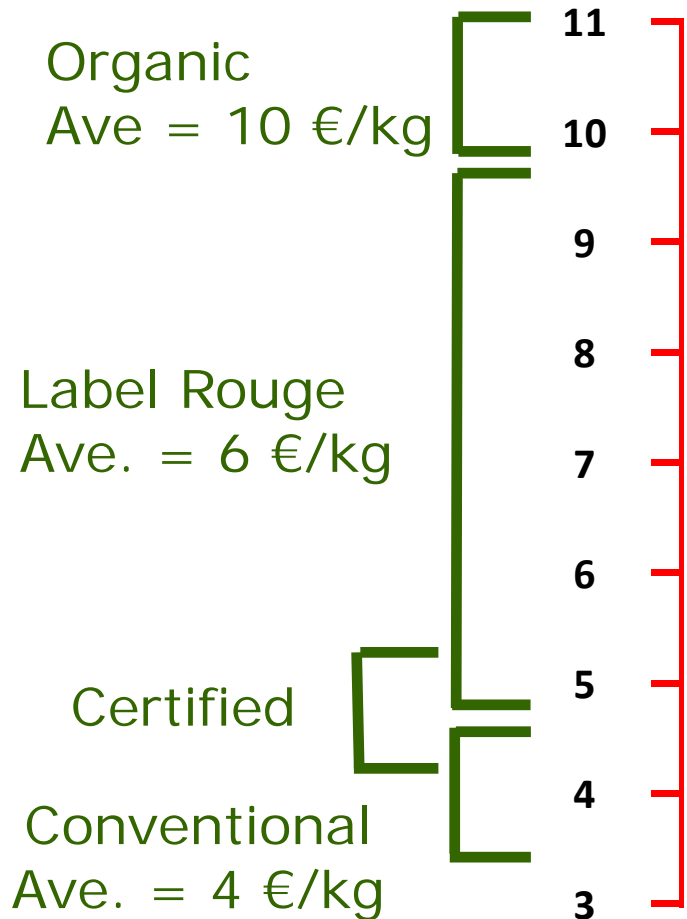
Designation	Certified	Label Rouge	Organic
Volume	80 000 T / year	160 000 T / year	10 000 T / year
Breed	Slow growing female * STD or INT male	Slow growing female * slow growing male	Slow growing female * slow growing male
Stocking density	< 18 birds / m <sup>2</sup>	< 11 birds / m <sup>2</sup>	< 10 birds / sqm
Max kg / m <sup>2</sup>	42 kg/m <sup>2</sup>	25 kg	25 kg
Max Farm size	No limit	1 600 m <sup>2</sup>	1 600 m <sup>2</sup>
Max barn size	No limit	400 m <sup>2</sup>	480 m <sup>2</sup>
Max pen size	No limit	1 100 birds	2 000 birds
Min Age	56 days	81 days	81 days
Light	E-U regulation	Natural light	Natural light
Outdoor	No	2 m <sup>2</sup> / bird from 6 weeks	4 m <sup>2</sup> / bird from 6 weeks
Feed	Vegetal and mineral No growth promoter	Vegetal and mineral No growth promoter AB allowed > 75% cereals	Vegetal and mineral > 95% organic origin No coccidiostatic No growth promoter No synthetic AA



# France: Chicken price range into supermarkets (2016)

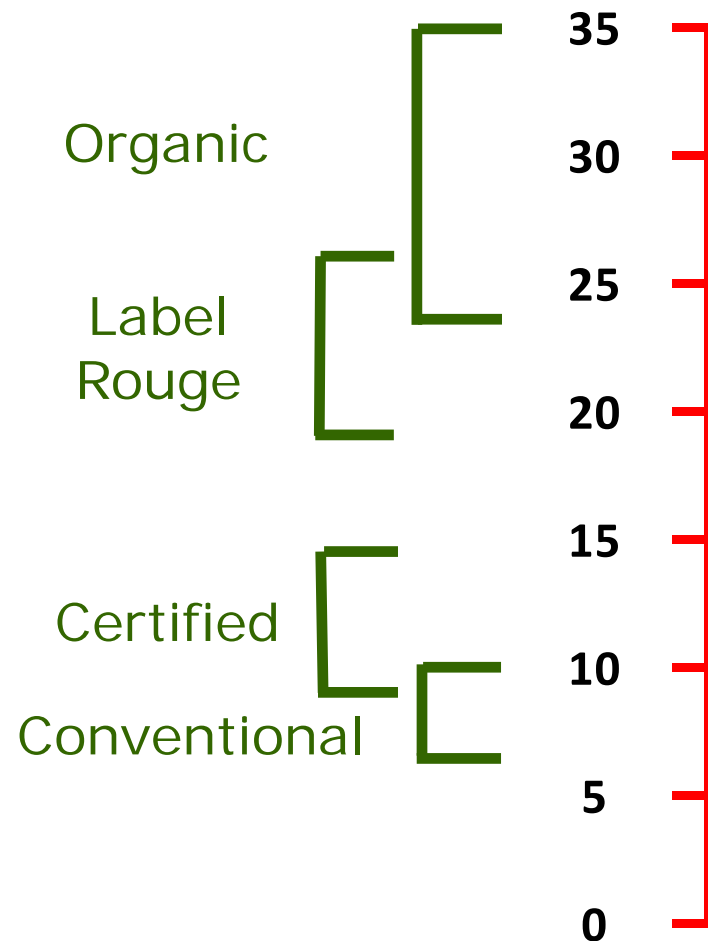
## Whole carcasses

Price in €/kg



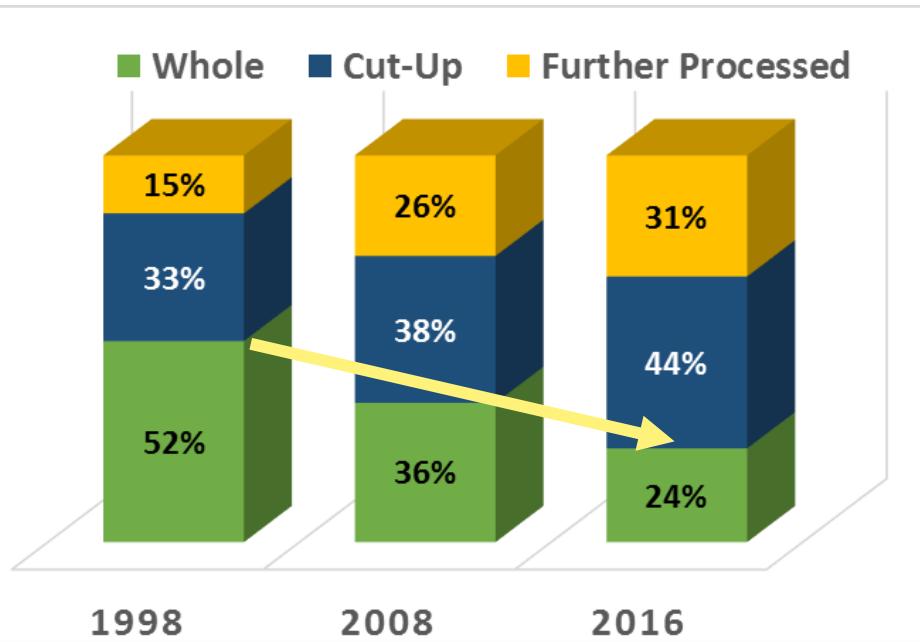
## Breast fillets

Price in €/kg

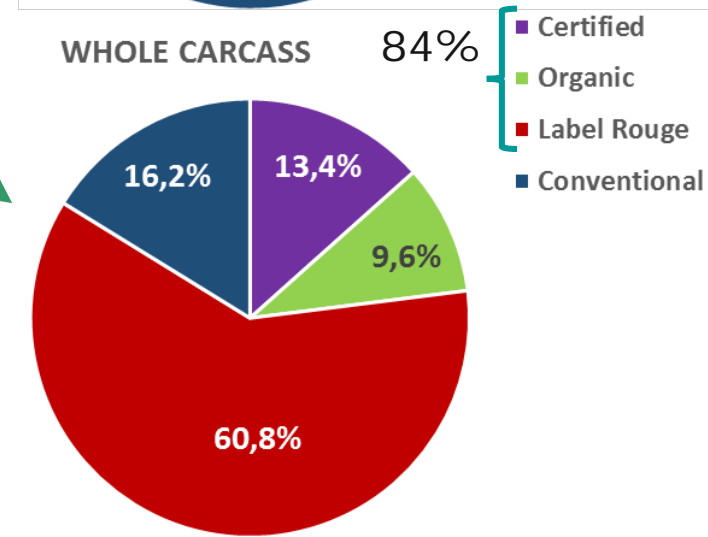
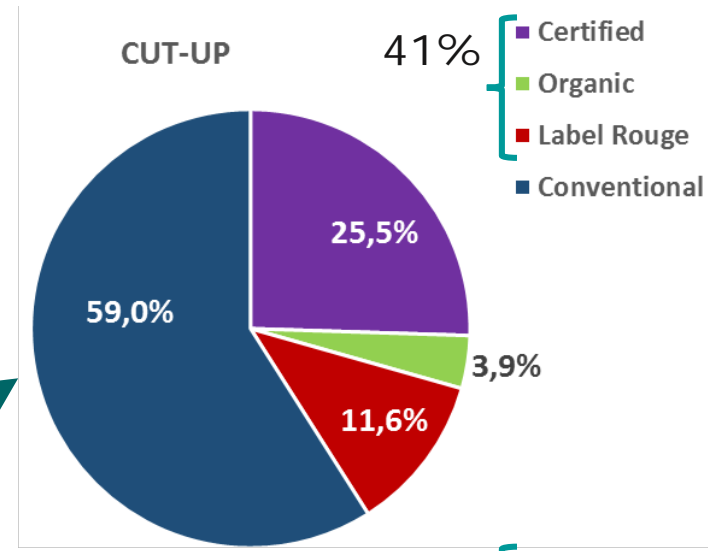


# The Slow Growing challenge

## Segmentation of household purchases



2016

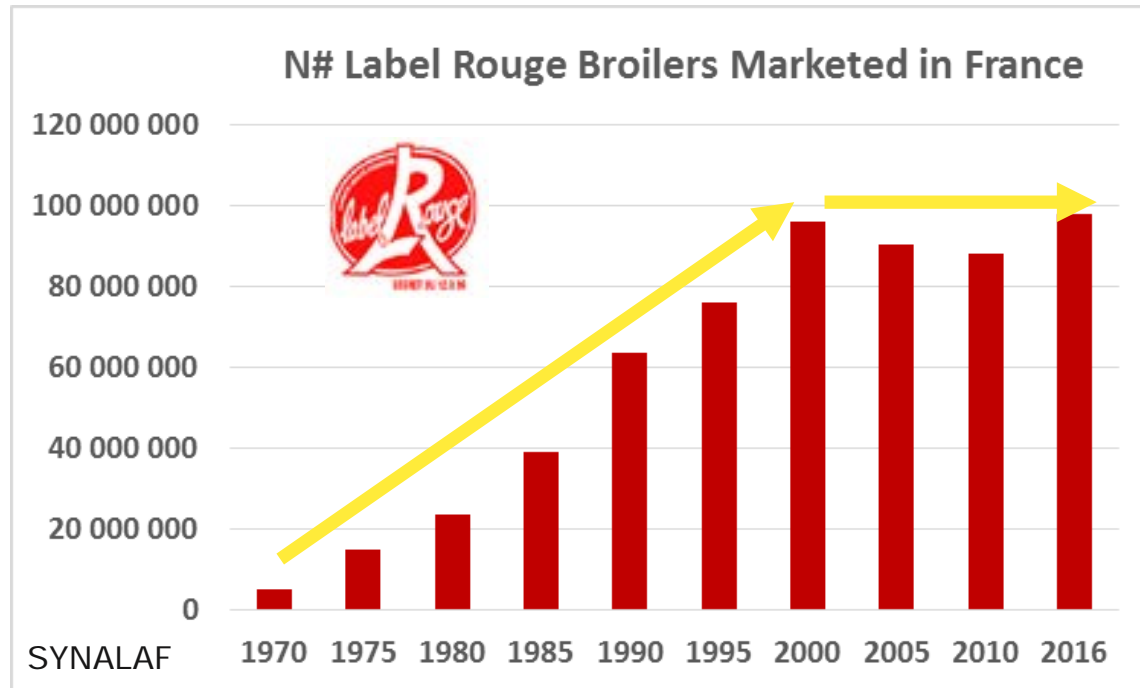


Increasing the welfare attribute perceived value of cut-up .

KANTAR WORLDPANEL



# Label Rouge: typically french

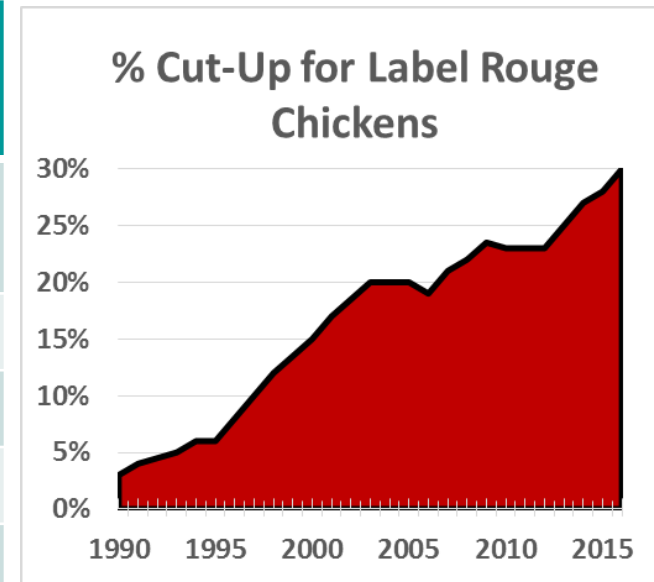


- ❑ 82% sold in supermarkets
- ❑ 5% of the production is exported



# Consumers' wishes for Label Rouge

What are your expectations for Label Rouge?	For Dressed carcasses	For Cut-Up
Free range production system respecting animal welfare	84%	68%
Specific taste and texture	74%	65%
Cereal based feed	69%	57%
Geographical origin	44%	33%
A minimum age	38%	28%



synalaf

**86%** would buy more Cut-Up if price was lower

# Label Rouge production map

HUBBARD PREMIUM  
*the natural choice!*

SYNALAF stakeholders



- ❑ Mainly produced in the West and South West of France.
- ❑ Farms cannot be distant more than 100 km from the processing plant.
- ❑ Production and Compliance control are independent



# The 3 main phenotypes



**White skin**  
**40%**



**Yellow skin &  
Naked neck**  
**51%**



**Black**  
**Feathers &  
Naked neck**  
**9%**



# CERTIFIED

HUBBARD PREMIUM  
*the natural choice!*

CY x JA57



- Indoor system
- Slow growing female
- 56 days



**Hubbard JA757**



# The Certified principles

## Tell the quality, tell the truth

- ❑ Started in 1990. Updated in 2007 « *Arrêté du 21 décembre 2007 fixant les exigences et recommandations en matière de certification de conformité de viande de volailles* »
- ❑ Give the guarantee that the characteristics written in the production standards and validated by the Agriculture Minister are met.
- ❑ The product should meet qualitative standards that are significant, measurable, objective, traceable and higher than regular standards
- ❑ Internal quality control scheme double checked by external accredited body
- ❑ Cover production, processing and further processing characteristics or/and packaging. Labelled as such

# “Certified” label

HUBBARD PREMIUM  
*the natural choice!*



Name of the product

Brand

Logo

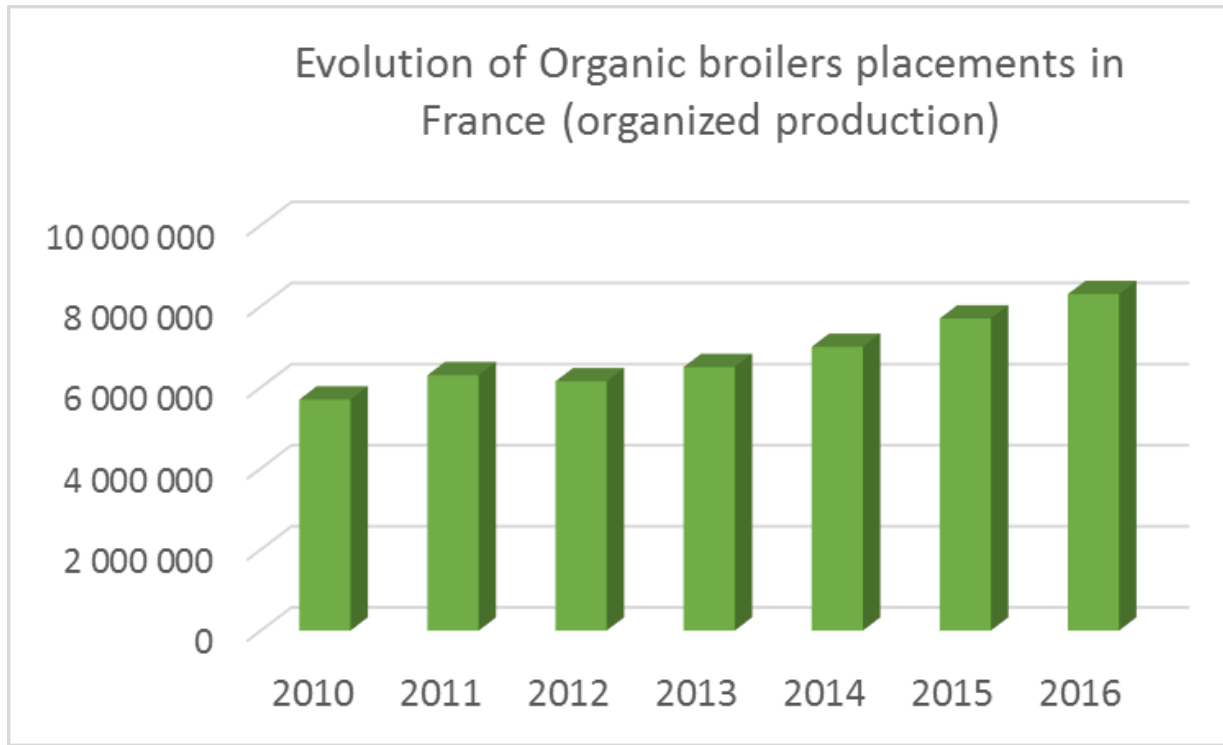
Marketing characteristics

Certified by .....



Certified broiler meat is mainly distributed through distributors brands (white brand)

# ORGANIC



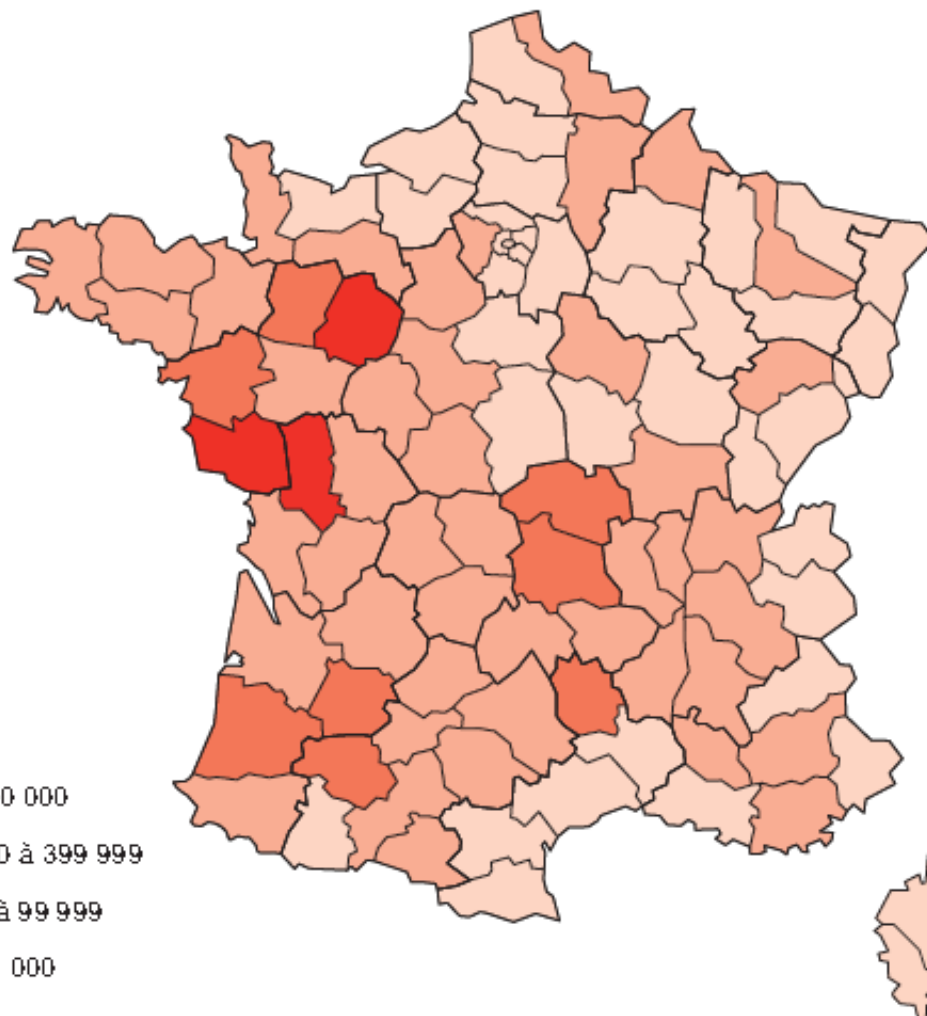
- ❑ When including all production channels, the placements are more than 10 millions / year

- ❑ 79% sold in supermarkets
- ❑ 14% sold in Organic shops

# Organic production map

HUBBARD PREMIUM  
*the natural choice!*

Distribution of organic broiler chickens production



Heads

- Plus de 400 000
- De 100 000 à 399 999
- De 1 000 à 99 999
- Moins de 1 000

- ❑ Most of the Organic broilers are raised in the same type of house than Label Rouge (LR) chickens
- ❑ Same breeds and hatcheries than LR
- ❑ 81 days
- ❑ Access to range after 42 days in order to be able to label them with "fermier" mention.
- ❑ Link to land through manure

# Technical performances

HUBBARD PREMIUM  
*the natural choice!*

Data	Certified	Label Rouge	Organic
Stocking density	19,8	11,0	10,0
Age (days)	58,1	85,5	89,4
Mortality %	2,85	3,05	4,39
LW (g)	2 130	2 283	2 449
ADG (g / d)	36,7	26,7	27,4
FCR	2,19	2,98	3,09
Condemnation %	0,42	0,45	0,39
Kg / m <sup>2</sup> / cycle	40,2	24,4	23,4
Nb cycles / year	4,5	3,3	3,2
Kg / m <sup>2</sup> / year	180	80	76

Survey made by the "Chambres d'Agriculture du Grand Ouest" based on growers' accountings on a voluntary basis.

Representative of each system

Source: Chambres d'Agriculture du Grand Ouest

# Production cost

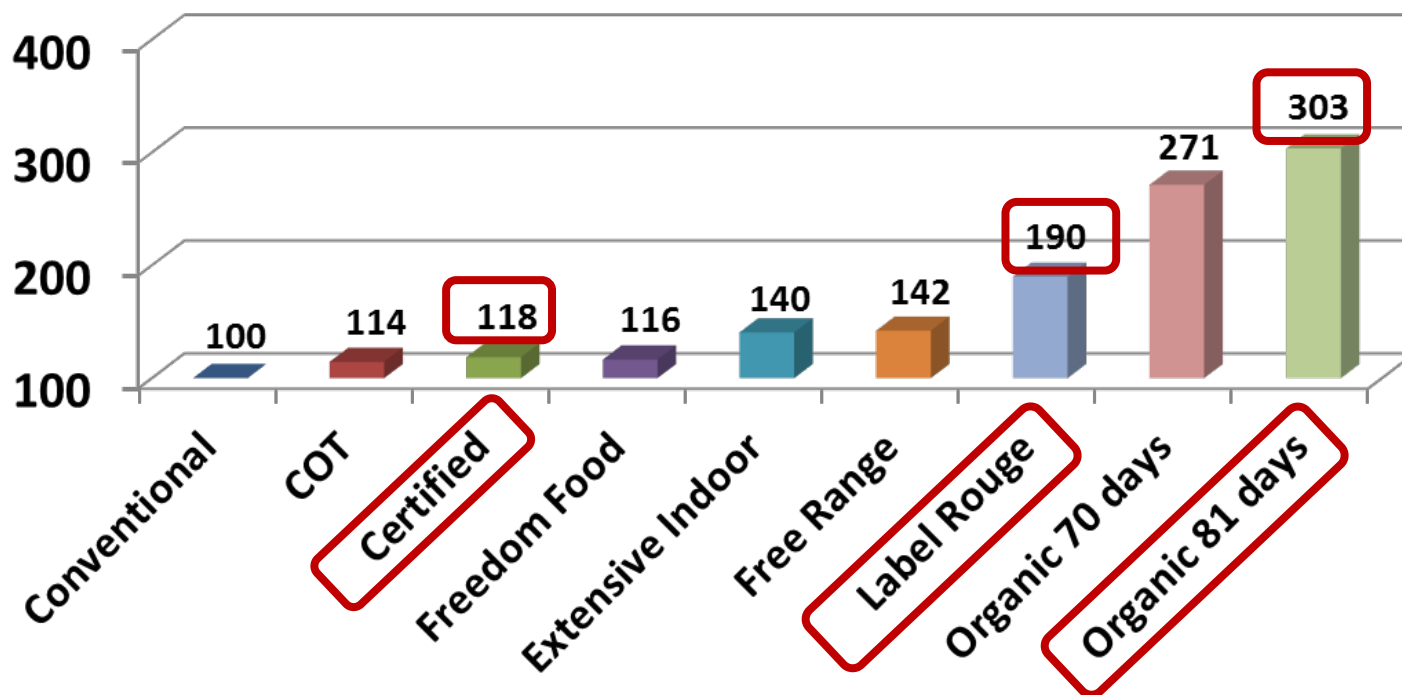
- Slower growth = less cycles per year
- Higher feed costs

- Lower density per m<sup>2</sup>
- enrichment (grain, bales of straw...)
- Additional investments (Windows, winter garden)

**Breed  
Effect**

**Concept  
Effect**

Estimated Live Cost at farm gate Base 100 Conventional



# The Hubbard Premium Range

HUBBARD PREMIUM  
*the natural choice!*

## HUBBARD PREMIUM

### Males - slow growth



### Males - differentiated growth



### Premium females



**17 marketed Premium males**

**Slow growth (mainly LR):**

5 main males for a total of 7 lines involved + experimental lines.

**Intermediate growth:**

3 main males for a total of 10 marketed males and 9 lines involved + experimental lines.

**6 marketed Premium females**  
for 9 lines involved + experimental lines

**Total: more than 30 different lines specific to Premium range**