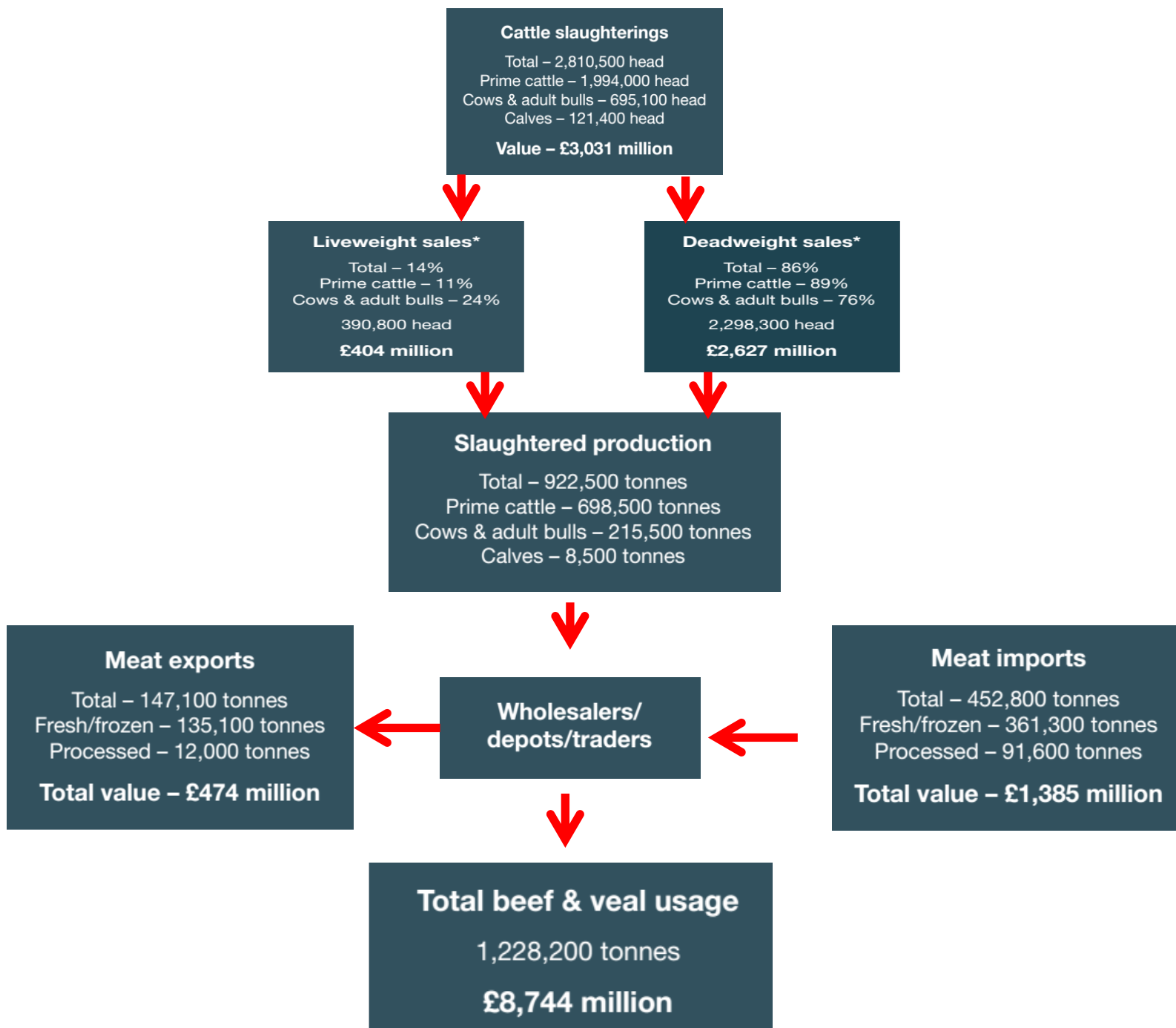


The Future of UK Beef

- Outline general production
- Markets
- Impact of Brexit
- What next?



UK Import Volumes

Source: IHS Maritime
& Trade, Global Trade
Atlas ®. HMRC

**YTD Apr 2019- Beef & Veal Imports Yr on Yr
% change**

**YTD Total Volume: DOWN 10% at 84,652
tonnes**

Country	Tonnes	% Change
Ireland	66,352	-3%
Netherlands	6,075	+1%
Poland	5,051	-10%
Germany	1,767	-44%
Italy	985	-46%
Belgium	778	-30%
Spain	756	-6%
Austria	336	-12%

**Volume of EU imports
DOWN 7% at 82,671
tonnes**

**Volume of Non-EU
imports DOWN 61% at
1,981 tonnes**

Country	Tonnes	% Change
Brazil	516	-46%
Australia	497	-8%
Uruguay	456	-51%
Argentina	146	-32%
New Zealand	141	-68%
Namibia	120	-80%
Botswana	45	-96%

UK Export Volumes

Source: IHS Maritime
& Trade, Global Trade
Atlas ®. HMRC

**YTD Apr 2019 - Beef & Veal Exports Yr on Yr
% chang**

YTD Total Volume: UP 9% at 42,079 tonnes

Country	Tonnes ▼	% Change
Ireland	12,715	-6%
Netherlands	9,421	+2%
Hong Kong	4,105	+48%
France	4,049	+37%
Italy	1,994	+24%
Belgium	1,107	-13%
Germany	1,044	-44%
Philippines	900	+504%

**Volume of EU exports
DOWN 1% at 33,769
tonnes**

**Volume of Non-EU
exports UP 77% at 8,160
tonnes**

Beef Cow Holdings by size in England

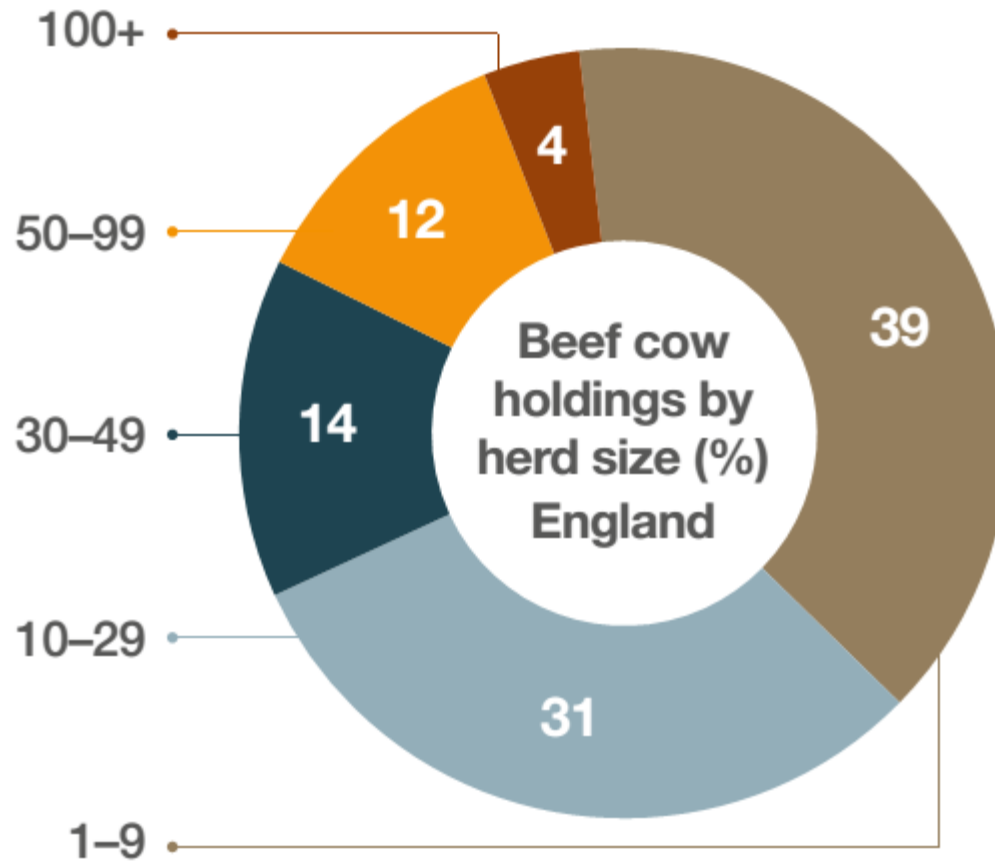
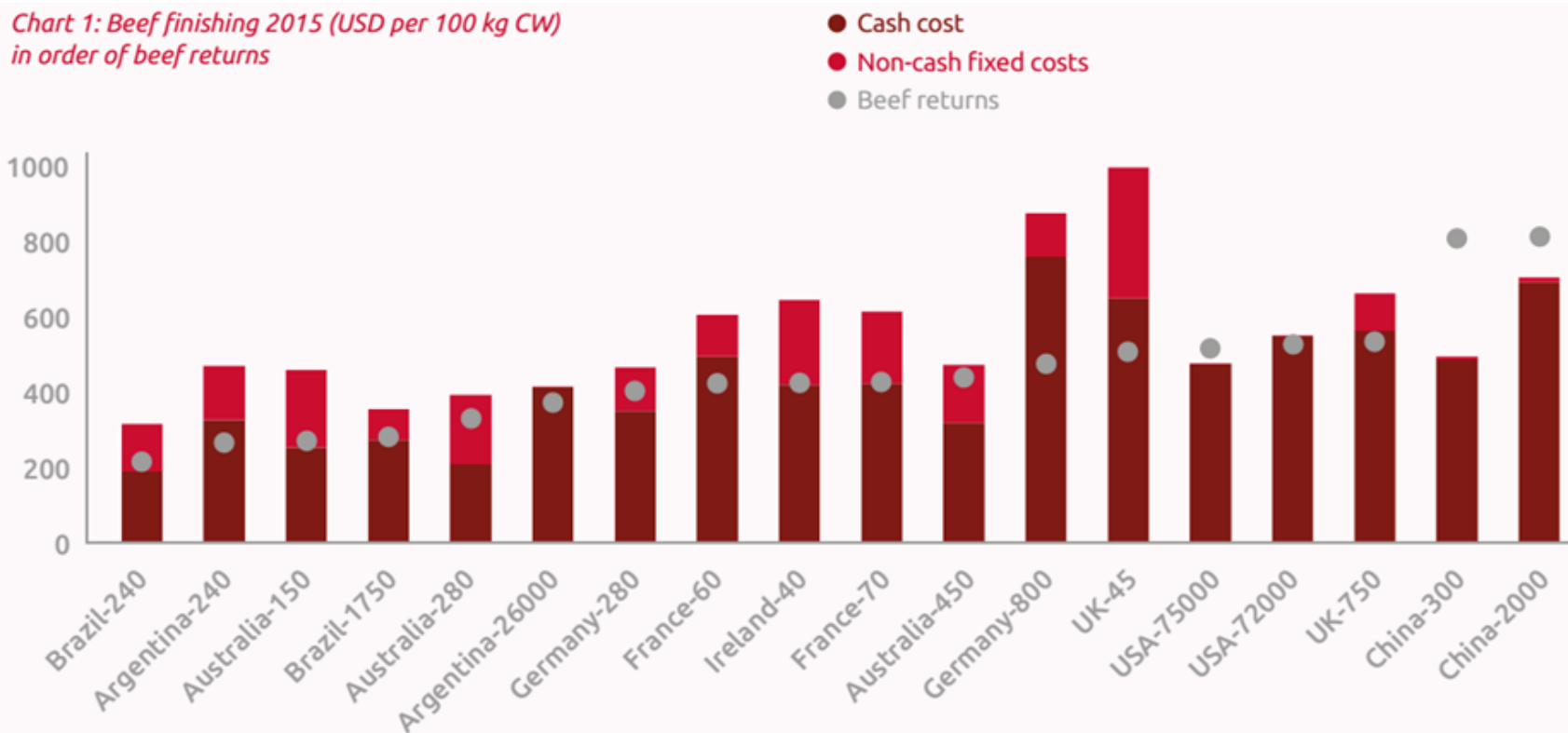
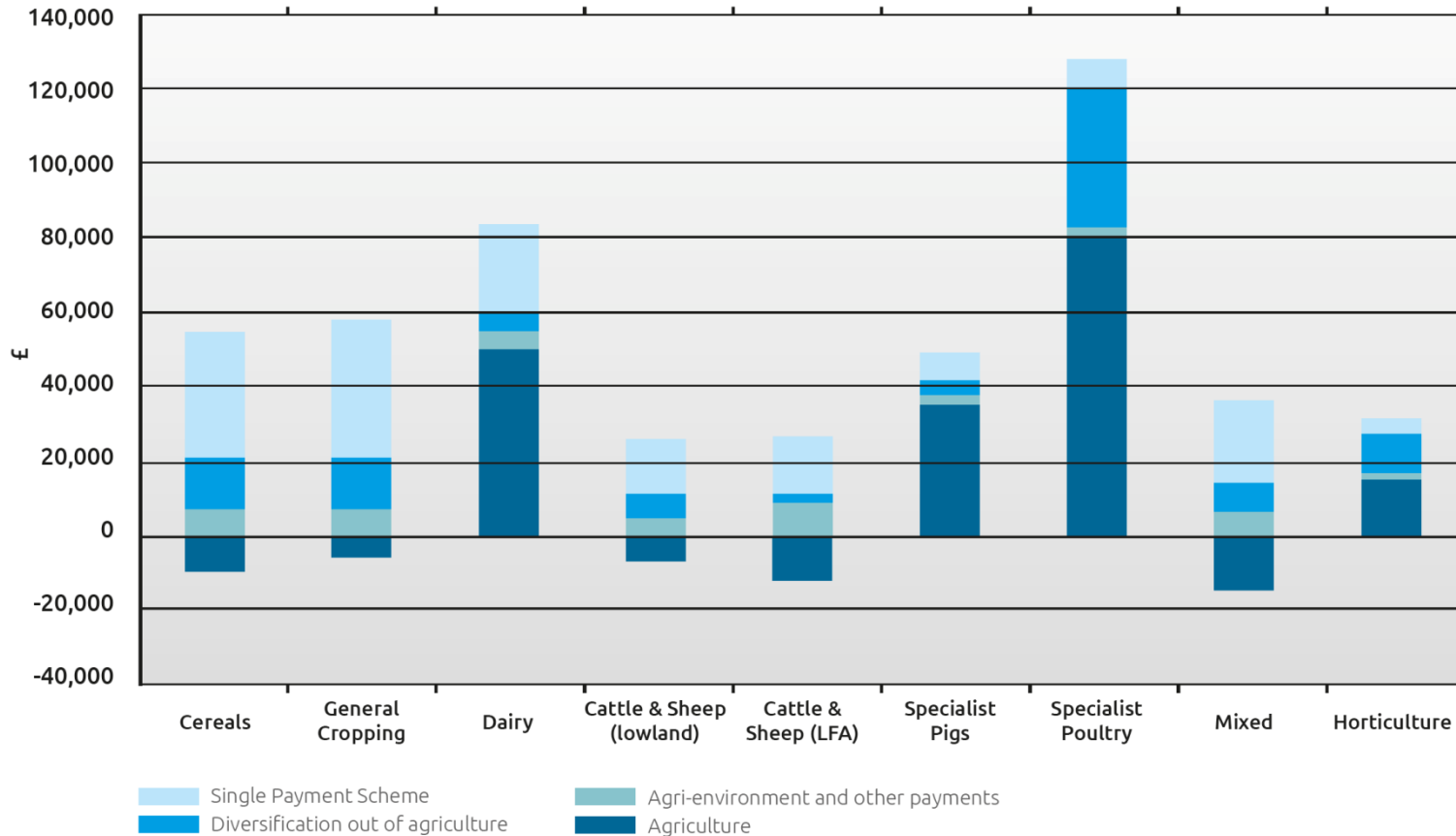


Chart 1: Beef finishing 2015 (USD per 100 kg CW)
in order of beef returns



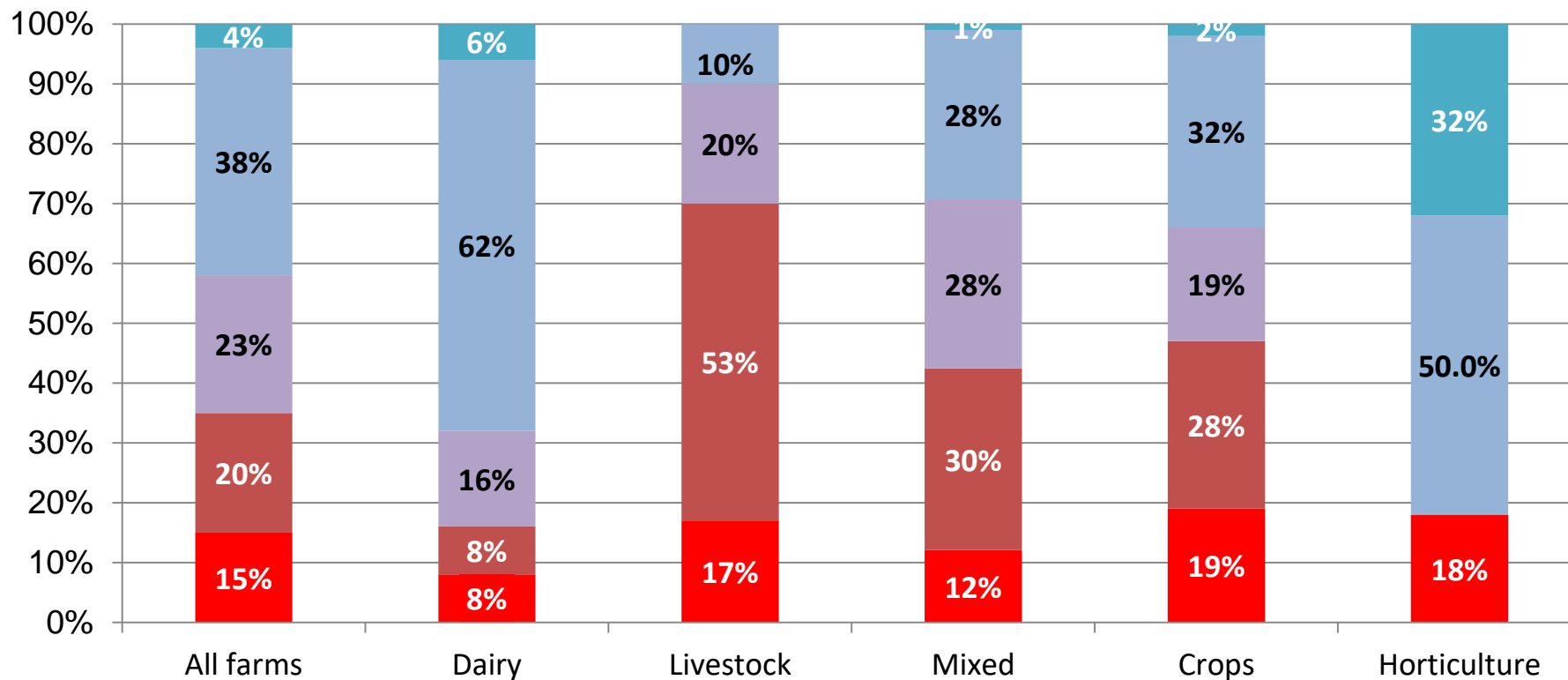
Farm Incomes – importance of support payments

Sources of income by farm type – 2014/15



Source: Defra, Farm Business Survey

Industry structure: if all support removed

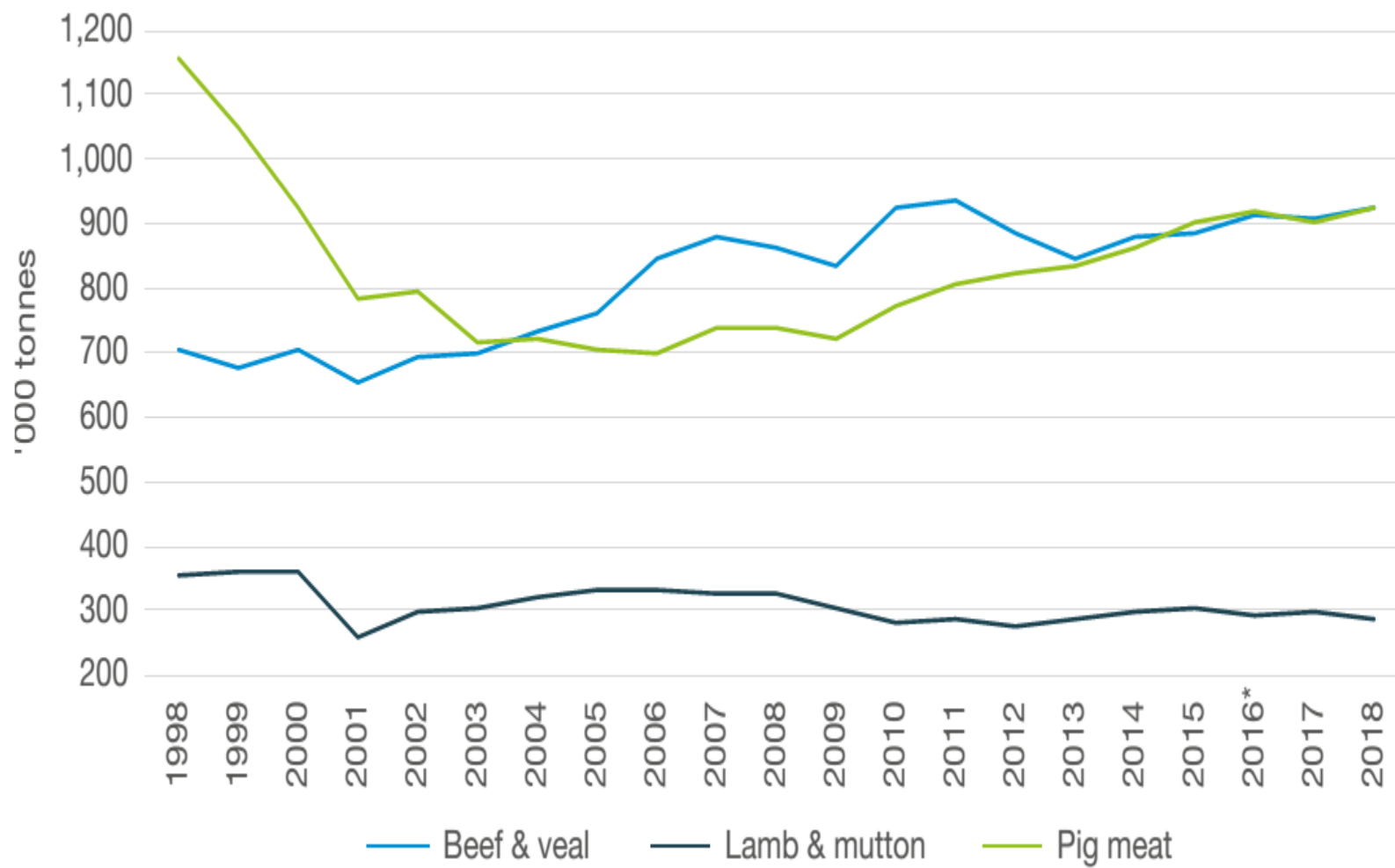


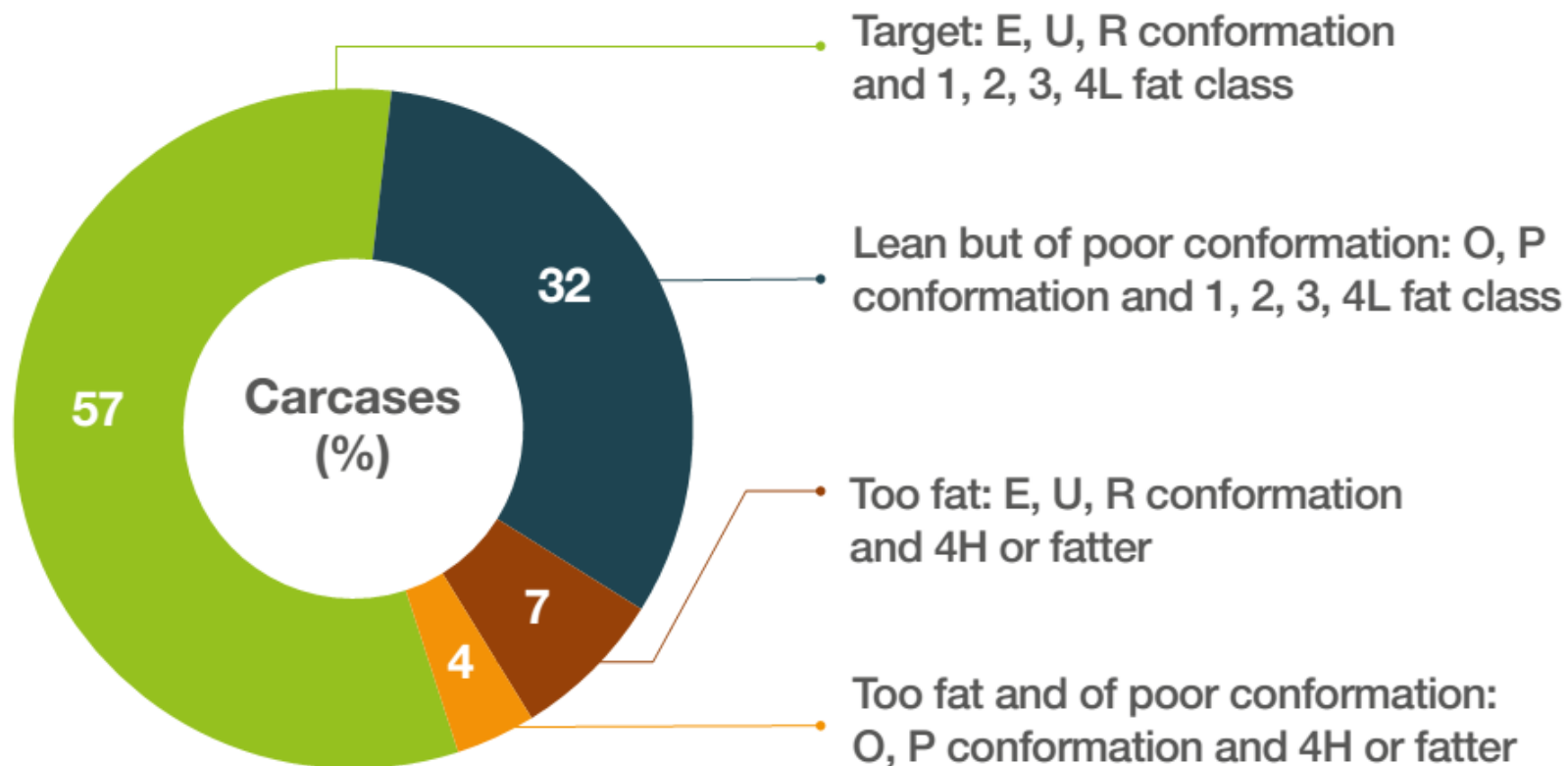
- Income still above opportunity costs - farms with good prospects
- Income still positive - farms with good prospects
- Income still positive but insufficient to invest+modernise
- Farms able to survive but likely to suffer financial distress
- Farms unable to survive

AHDB's Horizon series

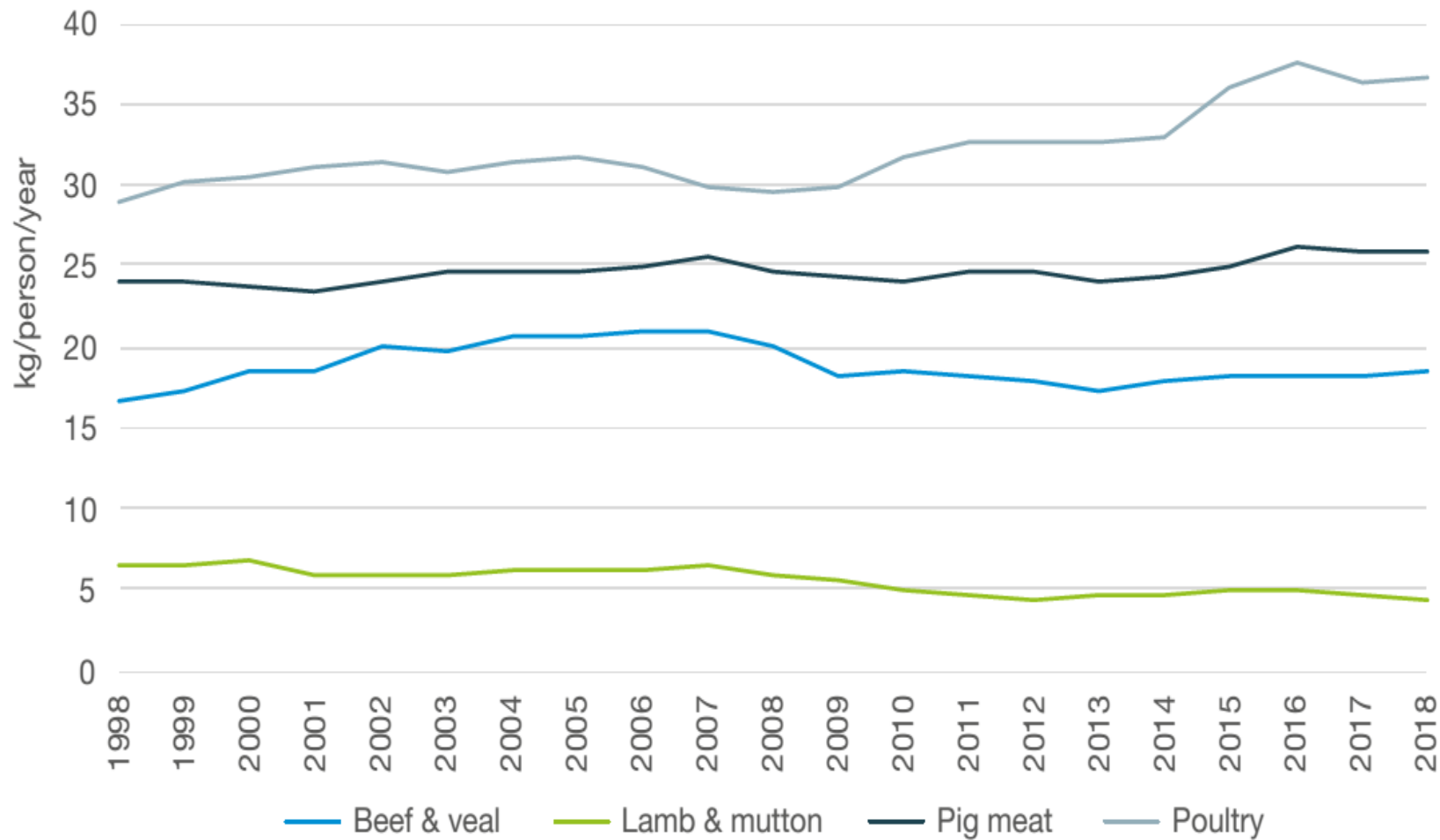


<https://ahdb.org.uk/brexit/default.aspx>



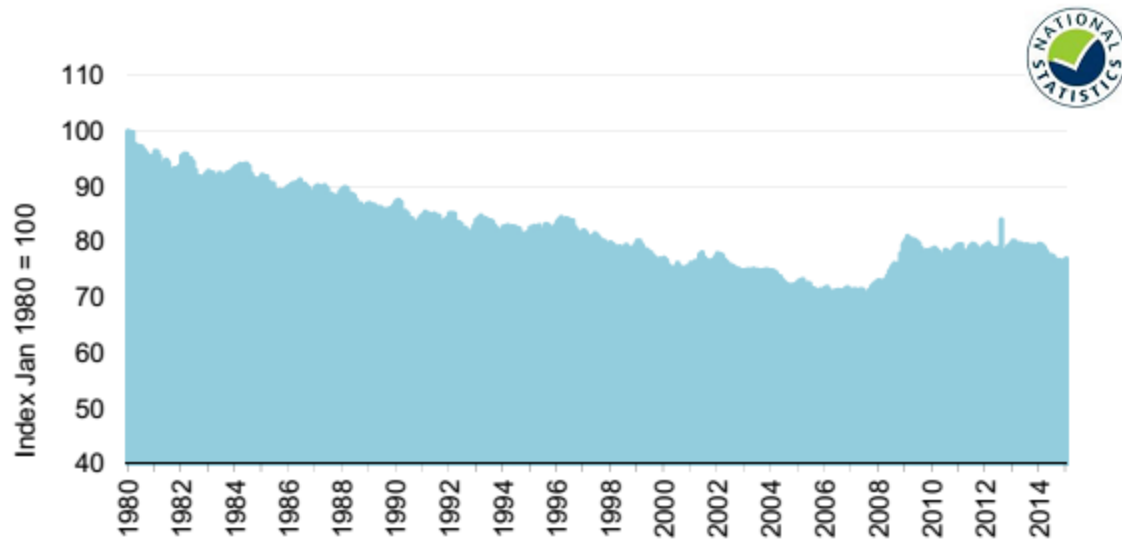


Trends in UK retail consumption



Chapter 2: Prices & Expenditure

2.1: UK trend in food prices in real terms, January 1980 to January 2015¹

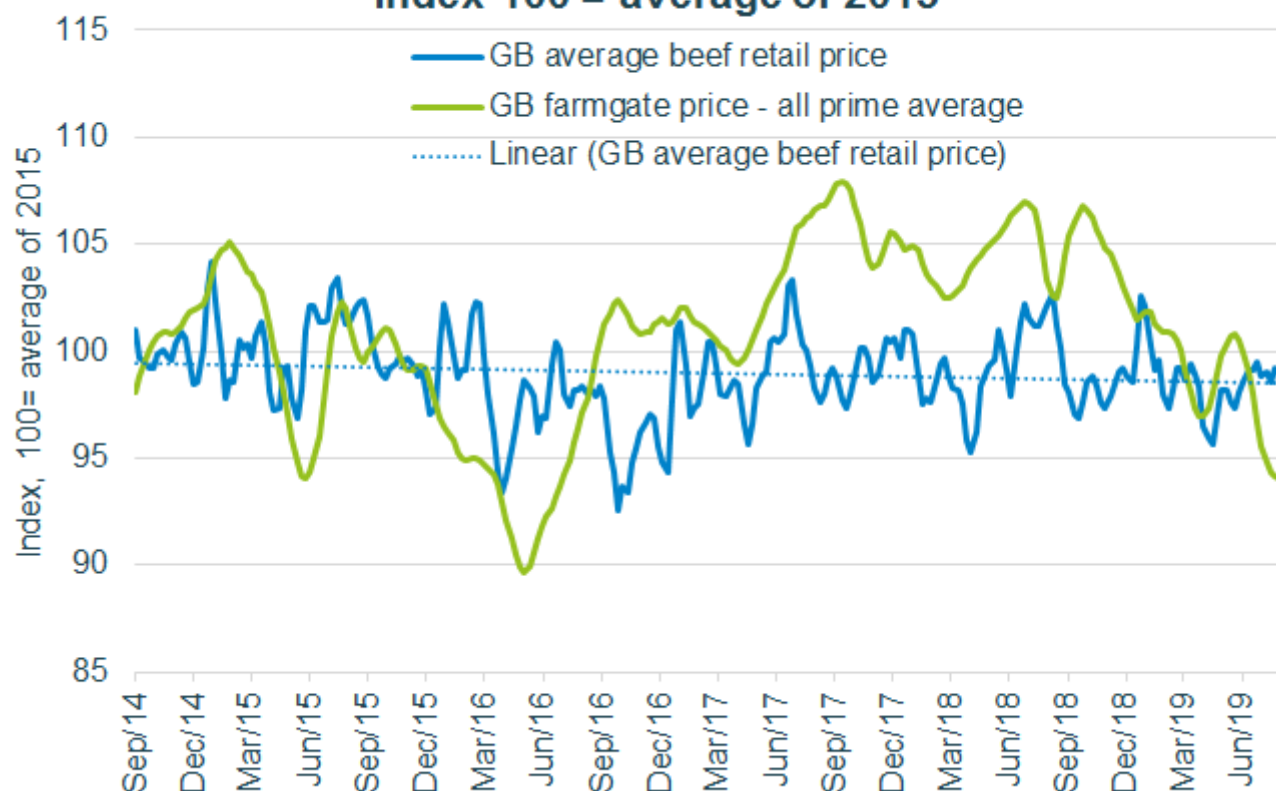


Source: Consumer Price Indices (ONS).

- Food prices rose 18% in real terms between 2007 and their peak in August 2012, following a long period in which they had fallen. Gradual price reductions since early 2013 to January 2015 have reduced that real terms increase to 7.7% compared to 2007.

GB retail prices vs farmgate prices, three week rolling average

Index 100 = average of 2015



Source: AHDB, Kantar

What next?

- Will there be government support?
- Will we gain market access?
- Will we have more imports?
- Will the major retailers be nice to us?
- Who will help us?
- It's not fair!
- Lets blame everyone but ourselves!

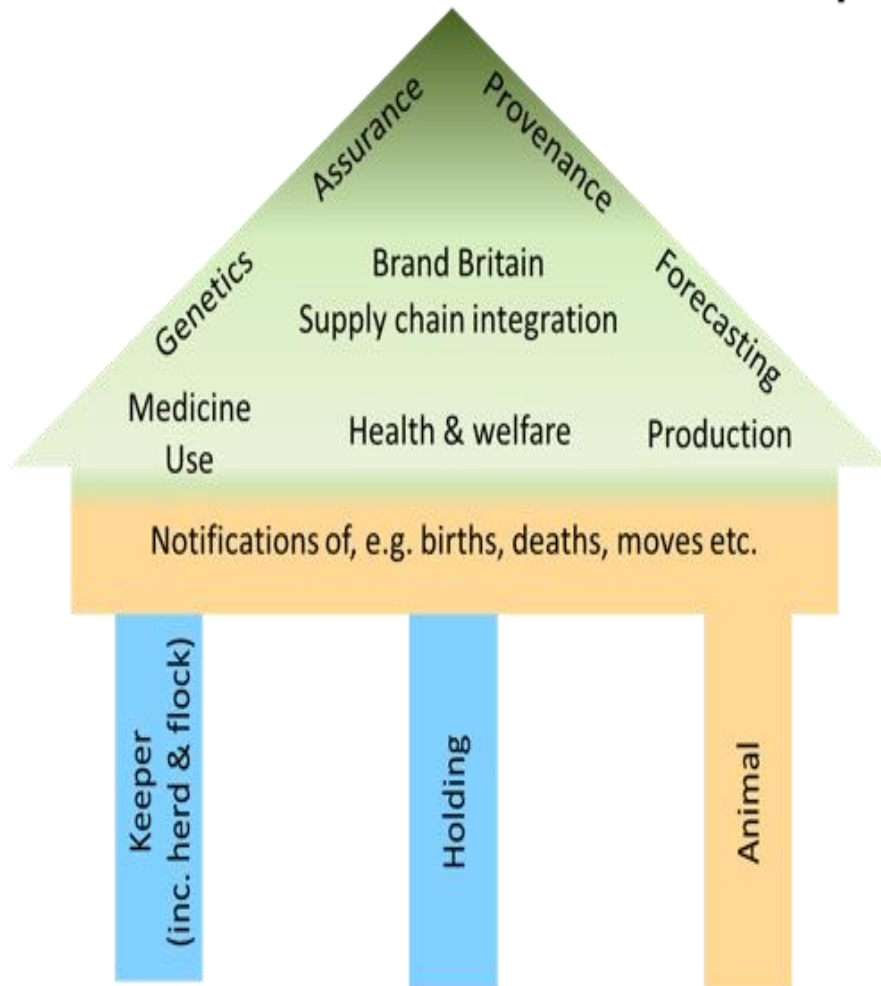
The need to focus on what we can do rather than guessing what others may do.

- Not give our money to other people-rent-machinery invest for productivity (fuel /labour)rather than tax reasons.
- Invest in genetics-docility-calving ease(🐄 cattle)- feed efficiency-growth- Benchmark
- Animal health- BVD etc
- Use data for buying decisions –LiP genetics and health
- Form genuine partnerships to grow(from arable to supply chain)
- Grow more grass- through management rather than fertiliser-soil health-rotational grasing
- Walk the walk- reputation- climate change –AMR- welfare-eating quality
- No one wants to help people who will not change

LIP and Additional Services

Basis of the Collaboration

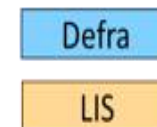
LIS to be a statutory traceability service that acts as a foundation for further development



Non-statutory value add, paid for by either or both industry or government, tbd.

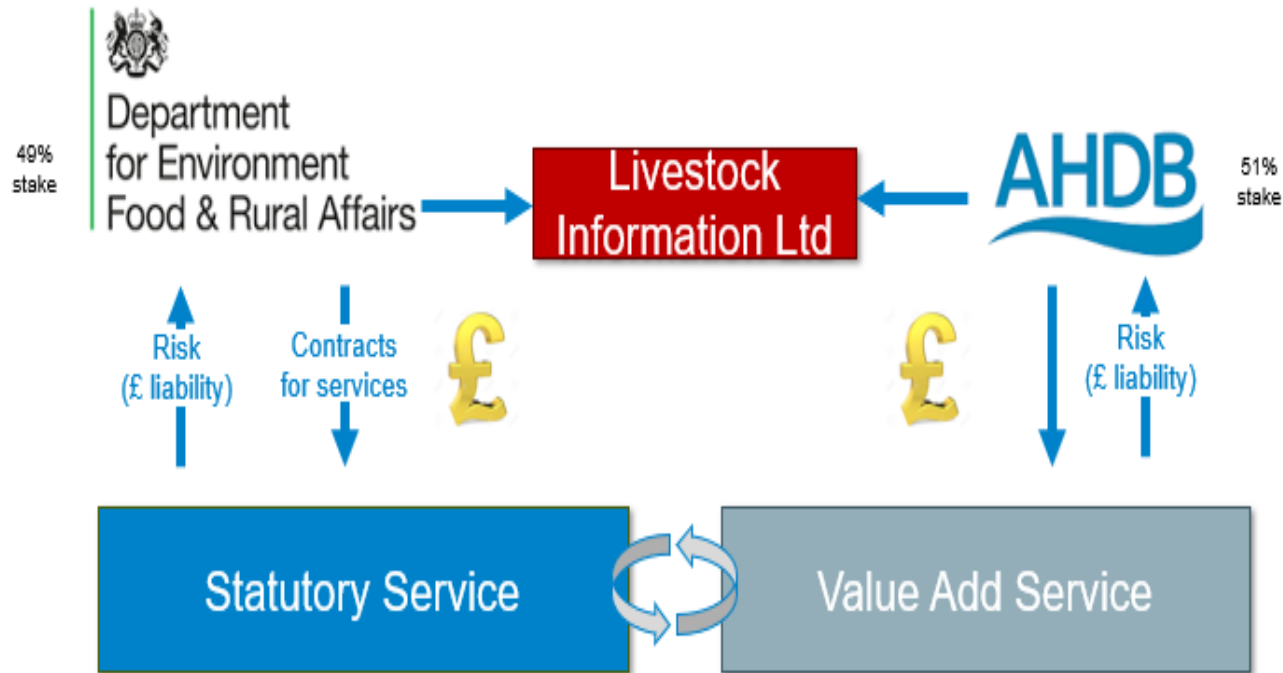


Statutory foundation paid for by government.



Delivering added value products and services

- Delivering the long-term vision for transformative change rests on the success of a collaborative, partnership between Government and Industry



- Customer/Supplier relationship important for clarity and accountability

LI Ltd
established

eMB cattle and sheep

Knowledge Based Trading - KBT

Cattle KPI dashboard

Key

Supply chain data flow

Capacity building - cattle genetics

Capacity building - industry insight

Programme
transitions into
full Service

eMB discovery

eMB Alpha

eMB Beta

KBT pre-discovery

KBT discovery

KBT BVD Alpha

KBT BVD Beta

FCI/CCIR pre-discovery

Expansion of required fields

Cattle KPI discovery

Cattle KPI Alpha

Cattle KPI Beta

'Insight' discovery

Alpha of data extraction

Data reporting

Medicine use

Health status (past &
present, individual & herd)

New phenotypic data

Accessible farm data

Accessible industry data

Q1

Q2

Q3

Q4

Financial Yr

31 Mar 20

Q1

Q2

Q3

Q4

31 Mar 21

Q1

Q2

Q3

Q4

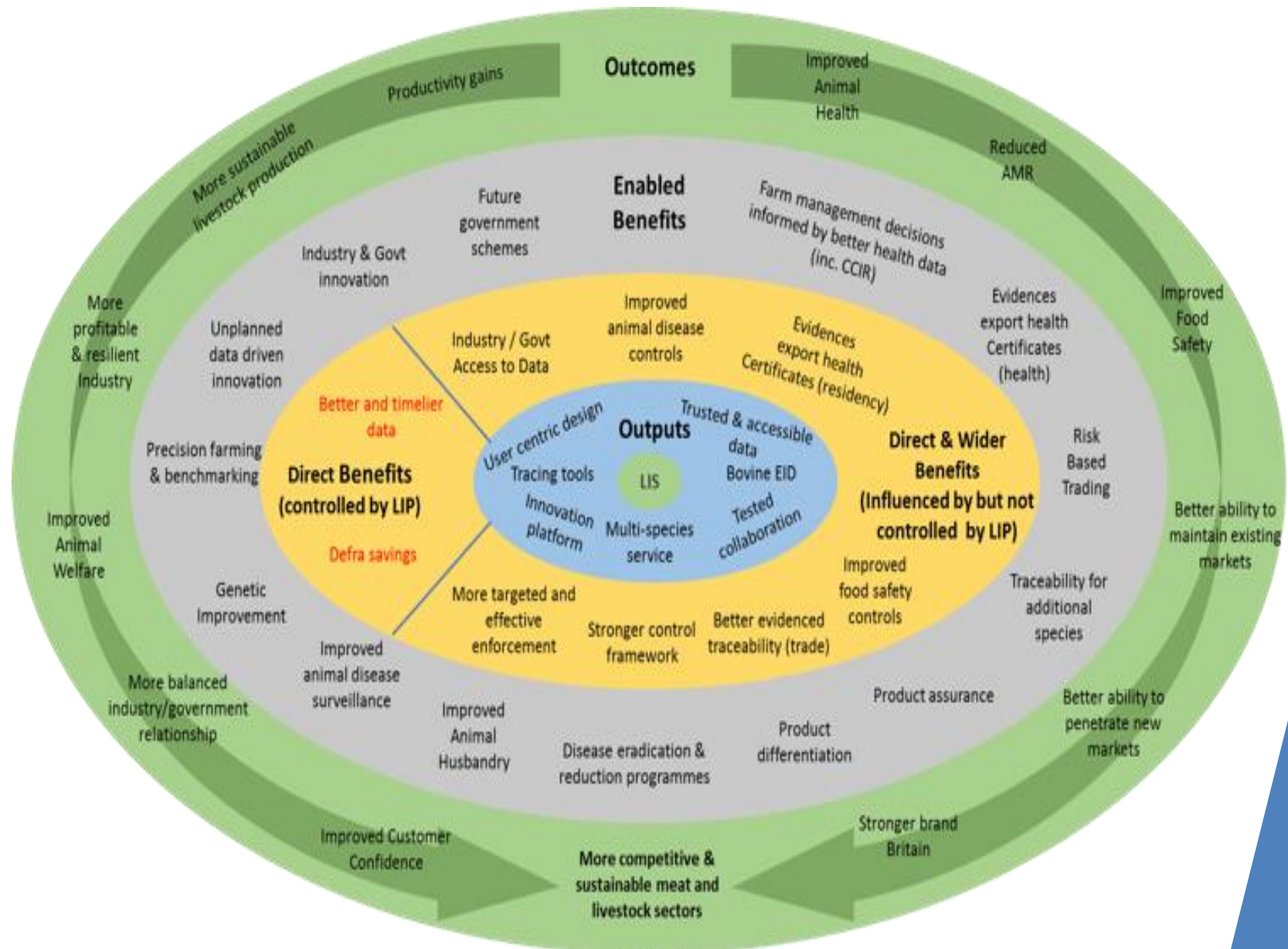
31 Mar 22

Q1

Q2

30 Sept 22

The Economic Case



You will never reach your
destination if you stop and
throw stones at every
dog that barks.

Winston S. Churchill

