

TICKING THE BOXES

MBL's reputation as a trusted manufacturer of quality products continues to grow following a series of outstanding reports from external Quality Assurance auditors.

Auditors say the standards of production systems at your Co-operative's three sites continue to rise, meeting or outstripping ever-rising industry standards.

Our Quality Assurance systems are "ticking the boxes" for auditors of industry bodies as well as international inspectors for overseas customers.

The Australian Renderers Association has praised the operations of our plants at Wingfield and Keith, re-issuing accreditation to export assorted meal and tallow to a growing list of countries.

Compared to the previous customer audits two years ago, the audits showed Keith's performance "score" had improved by 19% and Wingfield's had improved by 10%.

At the same time, separate audits by QA inspectors have also seen continually rising scorecards for our modern blending facility and warehouse at Athol Park.

The outstanding outcomes have delighted

MBL's high standards praised by Quality Assurance auditors

MBL management and staff who have embraced the challenge of rising standards under the guidance of QA and WHS Manager Michaela Rock.

"A lot of work has gone into raising our standards. It has very much been a team approach from the management down," Michaela says.

"Our staff complete on-site training and attend ARA workshops, gaining a good understand of QA and hygiene principles.

"The ARA and customer auditors were blown away by the major improvements at Keith and Wingfield.

"They were impressed not only with our systems but by the people who produce

our range of high quality products.

"QA standards are always rising, as they should be for product safety. We've had to move forward and raise the bar to meet both overall industry and customer-specific demand.

"If you don't meet standards, you simply can't supply products."

CEO Warren McLean says, "It's about doing everything we can to send out quality products to our end customers.

"We've improved our performance considerably; we're a modern organisation working at a high standard.

Continued page 9



'Auditors were blown away by major improvements at Keith and Wingfield'

- Michaela Rock

Pink Butcher looming

Planning for Pink Butcher is well under way, with less than two months to the October promotion.

The promotion raised almost \$36,000 last year for women and families affected by breast cancer.

AMIC's Paul Sandercock hopes some 100 to 120 SA butchers will take part this October.

He says several ideas to refresh the promotion are being planned by Breast Cancer Network Australia.

"These include the chance for people to donate online, and a butcher version of BCNA's Dine Pink restaurant promotion," he says.

An SA initiative suggested by butcher Rodney Sims as a way for butchers to connect with their local communities, Pink Butcher will spread to Victoria, Tasmania and Western Australia this year.

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NOTICE TO SUPPLIERS OF RENDERABLE MATERIAL

The Proteins division of your Co-operative is facing cost challenges on a number of fronts.

On 1st January 2017, we commenced a new electricity supply agreement, which is **double the price** of the previous contract for the electricity consumed, on top of very steep increases in supply charges up to 2013.

This latest increase has added \$750,000 to our costs and the reasons for electricity prices rising rapidly are:

- Closing down of cheap coal fired generation at Port Augusta in SA and Hazelwood in Victoria
- LNG gas exports from Gladstone in Qld are taking gas out of our system and shipping it to Japan at half the cost we can buy gas.
- A shortage of gas in the system, caused by those huge export volumes of gas via the LNG terminals in Qld, is causing prices to rise steeply. A lot of power is generated using gas fired turbines, which is pushing up the wholesale electricity price.
- Electricity generation moving to renewables too quickly, which are unreliable when there is no wind or if it is cloudy, causing retailers to build-in big margins to offset cost uncertainty in the wholesale electricity market.

MBL is also facing a 248% increase in our gas cost when the current supply contract runs out later this year.

We consume large volumes of gas at the Wingfield plant and this increase will add \$2.3 million to our costs, unless the Federal Government is successful in increasing the amount of gas available to Australian businesses.

These cost increases are factored into the cost arrangements for our new plant at Wingfield, however we are losing money on raw material picked up from some smaller suppliers - such as butcher shops - which is processed through the older high temperature plant.

The cost of operating our fleet of trucks continues to increase, while tallow prices have declined considerably in recent months after the United States removed the credit on bio-diesel which is not made from American tallow. Thankfully meal prices remain stable.

I urge all customers of MBL to contact your local member of Parliament, both Federal and State, and let them know the effect on your business of increased electricity, gas and other flow-on costs.

Some suppliers are receiving a pickup service but buying very little or no merchandise from the Co-operative, meaning the rest of our customers are subsidising a few.

Consequently, we must begin to charge for picking up butcher shop waste on the following basis:

Any supplier, who spends over \$4000 on merchandise over the previous 6 months, will receive one free pickup per week. An extra free pickup per week will be available for each extra \$600 per month spent on merchandise.

Effective from Monday 4th September, the pickup charge will be \$21.00 per stop, for any number of bins.

We cannot accept any bins which contain contamination such as plastics or any other material other than meat, bones and fat. Drivers will refuse to take these bins.

Delivery into the plant by suppliers is not available, unless prior arrangements have been made.

Warren McLean
CEO

Retail butchers have needed to adjust to changing meat buying patterns as price-conscious consumers eat more chicken and pork than ever.

As reported in the last MBL News, beef has fallen to number three in the meat sales stakes, with lamb a distance fourth.

Two Melbourne academics have now produced two graphs, based on a mix of historical and new data, showing meat sales and prices over the years.

Here is the shortened report by Elizabeth Taylor, of RMIT University, and Andrew Butt, of La Trobe University.

THE BIG PICTURE

Graphs reveal how meat consumption has evolved

Total meat consumption per capita has been stable since the 1960s at around 110kg per person a year, but the type of meat consumed has changed significantly.

Australians were once world champion beef eaters but now you're much more likely to find chicken than steak on our dinner tables.

Chicken and pork now far outstrip beef and lamb, according to historical data from research group Wong et al and recent data from the Australian Bureau of Agricultural and Resource Economics and Sciences (ABARES).

Whereas chicken was once a rare meal, eaten on special occasions, today the Australian

chicken industry produces around 600 million chickens a year, with most consumed domestically.

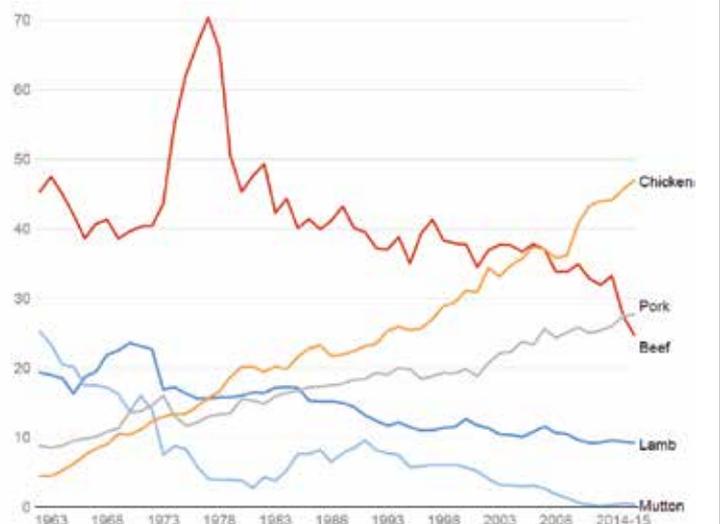
The per capita annual consumption of chicken meat increased ten-fold from 4.6kg per person in 1965 to 47kg in 2016, and is expected to be 49.2kg by 2020.

From the 1960s on, public health messages steered some people away from red meats.

There was also a rapid proliferation of fast food franchises selling chicken - notably the entry of Kentucky Fried Chicken in 1969.

Pork consumption was bolstered by strong marketing as "the other white meat" with claims it was "lighter and

AUSTRALIAN MEAT CONSUMPTION



Beef, lamb and mutton were once Australia's most commonly consumed meats. Now, chicken is way ahead, followed by pork.

The apparent spike in beef consumption in the late 1970s is linked to Australia's beef export trade crash.

AUSTRALIAN MEAT PRICES



This is an index, not a depiction of actual prices. It shows how meat prices have changed over time relative to what they cost in the third quarter of 1980.

healthier" than traditional red meats.

Since the 1980s, Australia's pork consumption has nearly tripled.

A major driver in the rise of chicken and pork has been price, linked to massive changes in production.

After adjusting for inflation, chicken per kilo costs less than a third of what it did in the early 1970s.

Over the five years to 2014-15, chicken meat was on average 50% cheaper than pork, 59% cheaper than lamb and 65% cheaper than beef.

Improved news for beef

National retail prices for beef have fallen this year due to easing export demand but remain historically high.

Retail beef prices fell slightly in the first quarter of this year for the first time since 2013, according to the Australian Bureau of Statistics.

MLA, owned by beef and lamb producers, pounced on the stats, predicting a slight turnaround in declining per capital consumption of beef.

It says the domestic beef market now accounts for 30% of national beef production, after being 25% for five years.

A succession plan is playing out at Windsor Meats

Sam really buys into the Zammit ‘culture’

Sam Burt began working as a “general hand” at flourishing Windsor Meats, Malvern, simply to pay his way through university, having no designs on a career in butchery.

But he enjoyed the work and the atmosphere so much that, after completing his university degree, he scrapped plans to be an architect to take up an apprenticeship with Lou and Lynne Zammit.

Once he qualified as a butcher, Sam became Lou’s co-manager. Then he bought 10% of the business as Lou and Lynne edged towards retirement, and this later grew to 30%.

Sam’s stake is about to expand to 60% as he and his wife Sophie finalise the sale of their house to free up the necessary funds, shifting into rental accommodation.

Sophie, with a retail background, aims to work in the shop once sons Oscar, 3, and Harry, 16 months, are older - continuing the shop’s traditional “family feel” that was so successfully for Lou and Lynne.

At 29, Sam (pictured, right) is busy on all fronts as he continues to forge ahead, fine tuning a successful business and enjoying family life.

“My accountant tells me that I will look back at these years as being the best of my life,” he says.

“I’m always learning and I have a great team here. Lou comes in to work when it’s busy such as at Easter and Christmas, or when I need some leave.



“He’s a great mentor. It’s a good arrangement for Lou who isn’t committed (to fulltime work) and I appreciate having him to fall back on.”

Lou, together with Lynne who retired four years ago, worked hard over 25 years to build Windsor Meats from a rundown shop into a model butchery with a huge reputation for quality and service.

Personal service was their catchcry. Lynne once told MBL News, “We’ve always told staff to treat customers like family because you’ll spend more time here than with your own family.

“Butchery is such a personal thing - you get to know the life story of just about all your regulars.”

The Zammit’s rapport with loyal customers sometimes extended to cooking and delivering meals to those who had just had babies or were sick.

Sam and staff are ensuring the continuation of the Zammit tradition of quality and service, saying it’s a culture that generates strong customer loyalty.

“We’re maintaining the culture. All the butchers here did their apprenticeships here with Lou; it’s a good place to work,” Sam says.

“Lynne and Lou set the bar so high for customer service – if we can go close, we’ll be doing very well.”

After leaving school in 2005, Sam



Lynne and Lou Zammit in 2011.

worked as a casual server and general hand at Windsor Meats for almost four years while studying architecture at university.

"I went to a private school where it was all about going on to university - there was not really any emphasis on doing anything else like a trade," he says.

"So I got into architecture and got through the first year but I didn't really like it. I stuck at it and gave the second year a crack but I still didn't enjoy it as much as I would have thought.

"I worked for one day a week, for six months, at an architectural firm but I felt no better. Still, I decided to complete university and I graduated with my Bachelor of Architecture.

"Lou knew how I felt and asked me what I was going to do now..."

Sam had some serious thinking to do. It didn't take him long to decide to become a butcher.

"In the architect's office, I reached a point where I really didn't like being there. I had never felt like this in Lou's shop," he says.

"I realised that I wanted to work in an enjoyable place with a good group of people who knew what they were doing and enjoyed what they did.

"Windsor Meats had this culture - it was the right place for me..."

So Sam took up Lou's offer of a butchery apprenticeship, starting in 2009.

"Towards the end of my apprenticeship, Lou saw potential in me and we agreed that as soon as my apprenticeship ended, I'd become his co-manager for two years," Sam says.

Lou, wanting to ease his workload, trusted Sam to maintain the shop's standards and later invited him to buy into the business.

Sam says, "We've increased our social



Sam with large photographic displays which help set shop's appealing tone.



Sam with most of the crew of Windsor Meats where service is paramount.

media presence, putting our brand out there and building on the reputation Lou and Lynne established."

The eastern suburbs shop has a reputation for meat at both ends of the scale - for high quality beef and for mince with zucchini.

After the hit of soaring prices, Sam says beef sales are back on track with sirloin at \$39kg, scotch at \$48kg and fillet at \$63kg when MBL News visited.

"Beef has come back a little; people have got used to the higher prices although price has never been a major issue here; it's a really good area at the top end of the demographics," he says.

But the shop's single biggest seller is mince with zucchini. Lynne developed it years ago for meatballs as a way to "con" kids into eating a vegetable.

Zucchini mince is now also used for the shop's meatloaf and sausage rolls.

"It's by far our single biggest seller. It's a fantastic, versatile product. We'd sell 30kg-40kg of it daily," Sam says.

Since Lynne retired, Sam says Karen Niehus, who has worked at the shop for 23 years, has stepped up to "virtually be the face of Windsor Meats."

As for the butchers, Sam says, "There are better butchers here than me, giving me the scope to devote to customer relations and new products.

"Convenience is the key today. People are just so time poor, they are looking more and more to convenient pan or oven ready products or cooked meals."

Sam's menu, when MBL News visited, included veal chop casserole, lamb osso bucco, peanut satay chicken casserole, beef stroganoff and African lamb casserole.

"We're helping to make customers' meal times easier," he says.



CAPPO'S LONG JOURNEY

Pioneering seafood family keeps evolving

Spanning almost 100 years, the Cappo family's evolving seafood business has come a long way – in all ways except geographically.

Cappo Seafood's latest venture is a new \$500,000 shop to double its footprint at Adelaide Central Market, only a stone's throw from where it all began.

In 1920, Italian migrant Carlo Cappo pitched a small tent on the site of what is now the Adelaide Hilton to introduce seafood retailing to the city.

It was a far cry from the family's new store which covers 128 square metres, making it Adelaide's largest seafood shop.

"We're only just down the road from where our grandfather began but there have been lots of twists and turns in the journey," says Matt Cappo.

Matt and his brother Damian are the third generation to run Cappo's, taking over from their father Morry who was a popular seafood identity for decades.

Their grandfather Carlo was one of six Italian brothers to pioneer seafood processing in Port Pirie in 1919 before he shifted to Adelaide a year later.

Cappo's has a long history of buying assorted merchandise and machinery from MBL, and is now an MBL Member after membership was broadened to include the seafood industry in 2010.

Damian runs the overall business from a base at Parkside where there is a factory and shop, while Matt's main focus is the new Central Market shop.

Cappo's moved out of its previous shop on Grote St last December after operating there since 1995 in increasingly cramped conditions.

The new purpose-built store is



Now **this** is a fish... Matt Cappo says SA's prized snapper always impress shoppers.



in the market busier centre area. It's the largest store at the market.

The site was the former home of Lien Heng Asian Grocery which left in 2012 after a trading dispute with Adelaide City Council.

"It has proved a good move – we should have done it years ago," Matt says.

"We were offered this site nine or 10 years ago but it needed money spend on it, including new floors, and we declined. In hindsight, we should have done it.

"Shoppers tend to stay in the middle of the market and we're now well positioned, after previ-

ously being little away from the main action.

"We've kept our old customers from around the corner and we're seeing new clientele. Business is good."

The new premises more than doubles Cappo's stocking and display capacity, and staff has doubled to 10.

"We're able to do more here

with a new filleter, offering more products and more variety."

The large L-shape counter has a well-lit display, and customers can see through to a glass-walled processing area dominated by a bandsaw supplied by MBL.

"People like to see us at work cutting and making cutlets, helping to



Matt cuts cutlets with a bandsaw, supplied by MBL, in glassed-walled processing room seen by shoppers.

reinforce the fact that we sell the freshest seafood," Matt says.

Matt has been in the family business since leaving school, enjoying the retail life mainly at Central Market.

"I started here in 1987 and I learnt from the ground up, with Dad teaching me how to hold a fish and cut it," he says.

He enjoys the constant hubbub of Adelaide's multicultural heartland, with people of every race, colour and creed converging to food shop.

"I feel at home here. My grandfather started in a tent at the site of the Adelaide Hilton in 1920 and built a little two-storey house over here near the bus station," Matt says.

"The market has become very multicultural, a real melting pot, but the place still has that 'old' feel to it.

"It also has appeal to tourists, from around Australia and some from overseas, to help the numbers keep coming through."

The Cappo brothers say their Central Market and Parkside shops offer variations in their



'The six Cappo brothers were pioneers of the South Australian seafood processing industry' - Damian Cappo



This old shot of the Cappo crew holds pride of place in family archives but, despite concerted efforts, few details have so far emerged about the photo.

ranges to cater for different demographics.

"Our Parkside range has a more Mediterranean style, with more cutlets and fillets, while we sell more whole fish at the market," Damian says.

Matt says, "Asians like whole fish such as leatherjackets to fry and baby barramundi to steam."

Along with Central Market butcher Tony O'Connell, who has run O'Connell's Meats for more than 40 years, Matt often gets unusual requests to test his knowledge and flexibility.

"The language barrier can be a problem so people often use their smart phones to show us photos of what they want," Matt says.

"We sell most things from the fish, except the gut and scales. Heads and bones are used for soup."

But no matter their background, customers need to understand that weather conditions dictate the supply - and price - of wild seafood.

"Unlike chicken and meat, wild seafood is weather dependent so the supply can change from day to day, week to week," Matt says.

"Garfish, for example, might be \$25kg one day but \$45kg a week later. At other times, you simply can't get fresh garfish..."

"By contrast, Atlantic salmon is farmed and the price is more constant, giving supermarkets the confidence to advertise prices in their catalogues which are prepared weeks ahead."

Matt can be seen at Adelaide fish market at sunrise to buy the freshest fish off the boats. Processing starts by 6am, with fresh fish in the shops a few hours later.

Cappo's large range features both fresh and frozen seafood, some of which is sourced from interstate and overseas.

Damian is trying to piece

Continued page 8

CAPPO'S LONG JOURNEY

From page 7

together the full history of the family business, saying there are some “blanks” that need filling, including the dates and details of some classic old photos, some of which we have used with this story.

He knows that the Cappo family were early Italian migrants, with the original business being a partnership of six brothers founded in 1919 at Port Pirie.

“They were pioneers of the South Australian seafood processing industry, but we don’t know if they were fishermen in Italy,” Damian says.

“The brothers scattered from Port Pirie with a few going to New York and some to Melbourne. My grandfather, Carlo, came to Adelaide.”

In 1953, Carlo’s son Morry entered the business which, Damian says, “was in a bit of a mess.”

“We had freezers at Light Square and Dad basically dumped everything and started again,” he says.

“We were the first in SA to import South African hake and we sold so much, the distributor, Craig Mostyn, gave Dad a truck for deliveries.

“Dad took the business to higher levels, including expanding the retail side and opening a factory at Parkside for wholesale.

“We were a major supplier to hotels and restaurants, and supplied Coles supermarkets across SA and the Northern Territory from the early 1970s.

“We became a founding shareholder of the National Australian Food Service Distribution Association (NAFDA), ensuring our pricing was competitive in the marketplace.

“We bought a factory at Whyalla to buy direct from local fishermen. The volumes of fish we were processing were significant.”

In 2014, the family sold the wholesale side of the business to concentrate on retail at Central Market and Parkside.

Damian says the family will need to decide on the future of their large Parkside site at the city end of Glen Osmond Rd.

“We won’t be here forever. It’s a site of 4,000 square metres but we’re only utilising 3,000 square metres,” he says.

“The family will need to make decisions. I advocate relocating and opening a larger shop – maybe serving fish and chips.”



This amazing old photo shows Cappo's founder Carlo Cappo and unknown associates with a Murray cod.



TICKING THE BOXES

“Michaela has helped lift our game in a number of areas. We’ve had good progress since she started here four years ago with a brief to refresh and update all our QA and WHS systems.”

Two assistants now work with Michaela – Adam Macro, based at Athol Park, and Roger Ingerson at Keith.

MBL has more than 100 staff spread over our three sites, making it a considerable task to train the workforce in QA and WHS matters.

Complying with QA and WHS protocols and practices has become increasingly important in the running of businesses big and small.

Warren says, “While Michaela is at the forefront, our improvements have been made possible by teamwork and the co-operation of staff.

“Our staff have embraced training and the drive to produce quality products every day, not just when an audit is coming up.”

MBL conducts its own regular internal audits and there are external accreditation audits, including site visits, of all three MBL sites.

As well, there are regular customer audits and site inspections of the Wingfield and Keith plants.

“We have audits every couple of months. Customers visit from overseas, such as pet food manufacturers from North America,” Michaela says.

“We’re at the high end of product manufacturing and the audits by end users are quite detailed, taking a couple of days.

‘We’ve improved our performance considerably; we’re a modern organisation working at a high standard’
– Warren McLean

“They pick apart everything in your QA system, from procedures to documentation and records.

“Auditors are shown MBL’s core principles - our quality assurance policies and procedures, and how far they extend.

“We show what we do and how we do it.

“It’s certainly not about auditors just coming in for a chat over a cup of tea and then walking through the premises - they go through everything.

“Most auditors want to go through the last 12 months of our internal audits, whatever the length of them.

“They like hard copies, so I get them all ready and spread them all out on tables.”

Michaela’s manuals are often 500 pages thick, with multiple manuals on hand for each audit.

“I’m always lugging around a whole lot of documents and folders,” she says.

As they inspect premises, auditors are introduced to, and may interview, staff.

“They may pick out a particular cleaning procedure and will want to see it in operation so they can be satisfied staff fully know the procedure,” Michaela says.

“Like any good business, we should be constantly lifting the bar.”

MBL’s rejuvenated Keith plant has been praised by the Australian Renderers Association for continuing to substantially lift its overall standards.

The customer auditors’ scorecard saw a 19% improvement in Keith’s performance since the last audit two years ago. Wingfield’s improvement was 10%.

The ARA also renewed accreditation for both plant’s various by-products and tallow to be exported to markets throughout the world.

Keith’s improvement has been dramatic. The plant was in a “fragile” condition when purchased by MBL in 2011, requiring a series of major overhauls to bring it up to standard.

MBL is presently investing \$1 million expanding poultry processing at Keith to increase production of feather meal and blood meal.

In its latest audit report, ARA stated, “This site now has the necessary highly robust systems and management team in place.”

ARA auditors rated Keith as one of Australia’s most complex rendering plants because of the large variety of products produced there.

Keith’s huge improvement



Ready to go... assorted by-products in the bulk storage extension at Keith.

“This was a very complex audit that required a variety of listings to be reviewed for a wide range of products,” the ARA report stated.

“The outcome was again excellent. A large number of changes to the plant, its management structure and operating systems have occurred over the last two years to significantly improve this plant and the way it operates.

“Well done to all staff for continuing to improve the overall standard of general hygiene.”

The ARA report stated that Keith’s documentation systems and HACCP plan were “to a high standard.”

MBL’s transformed Wingfield site received similar positive feedback from its last ARA audit.

South-East butcher Jeff Pinkerton enjoyed a trip to a major food industry expo in Sydney as winner of a successful promotion run by MBL and Devro.

"It's terrific – I'm over the moon," says Jeff, 54, a fifth generation butcher at Pinkerton's Butchery which has operated at Kingston for a remarkable 134 years.

Jeff (pictured right) attended the Foodpro expo at Sydney's Darling Harbour after winning return airfare and accommodation in a promotion which drew some 800 entries.

Butchers received a ticket in the random draw for the Sydney trip for each caddy of Size 23 Devro collagen casing bought from MBL.

This is the only Australian made collagen of its type, with the rest made overseas.

A prize of two caddies of Devro casings was won by Nice N Fresh Poultry Supplies.

Jeff snags Sydney trip

In a side competition for MBL reps, Jade Webster generated the most sales of Size 23 Devro during the promotional period.

"The promotion generated a lot of interest among butchers and attracted 800 entries, which was pleasing," says MBL Operations Manager Bexley Carman.

Speaking before leaving for Sydney with wife Kate, Jeff said attending Foodpro would be beneficial.

"I usually don't get the time or the opportunity to go to food events so I'll be making the most of it," he said.

"I'm interested in learning more about using modern smokeboxes, and I want to look into ingredients as well as the range of Devro products."



More than 360 exhibitors showed the latest in food and beverage processing, handling, packaging and ingredients.

Longhorn vision rewarded

Richard Gunner was delighted but hardly surprised when an English Longhorn cross won the best grass-fed section of the recent World Steak Challenge in London.

The win was further proof that Richard was on the right track eight years ago when he began the long journey to build Australia's only herd of English Longhorns.

Now, English Longhorn steaks under his Willock Park brand are popular at his Feast Fine Foods shops and are sold to some of Australia's leading restaurants.

In 2009, Richard was looking for a steak that was "next level" in flavour after he saw Angus beef losing some status when it began appearing in hamburgers at McDonald's and other fast food joints.

He opted for English Longhorns after chefs Heston Blumenthal and Jock Zonfrillo hailed it as the "best tasting beef in the world."

Richard says, "English Longhorns are all about taste, there's no messing around."

"It's an absolute must for anyone who loves a good steak."

The breed came to Australia in colonial times, possibly with the First Fleet, Richard says.

But it was bred out as graziers looked for cattle that were more fertile, faster growing and didn't have the problems associated with longer horns.



Richard Gunner dry ages his finest beef in a dry-aging room with Himalayan salt.

Even in England, the breed nearly disappeared, with only 50 head in existence after World War II, but numbers there have now grown to the point where it is no longer classified as rare.

Richard found importing a breed of cattle into Australia was no mean feat.

With biosecurity restrictions, copious red tape and the vagaries of dealing with animals, the first embryos were finally successfully imported in 2011.

This followed years of development, relationship building and a dogged focus on the end goal.

Richard has been growing his English Longhorn herd at his Meningie property and dry ages the prized meat in his custom-built Himalayan salt room at his Mt Barker factory.

The salt bricks draw moisture from the beef and intensify its flavour - the same process as used for the winning steak at the World Steak Challenge.

"It's the type of eating experience that can really spark the beginning of your own personal journey into the different breeds, cuts and qualities of beef," Richard says.

"It's a twee thing to say but it's the beefiness that makes it special."

"It's savoury and full flavoured without being like wagyu where there is a lot of fat. It has full-on beef flavour without being tough."

Richard says despite the look of their horns, English Longhorns are good natured.

"They are the easiest breed of cattle to be around and work with," he says.

Asia's growing taste for Macro kangaroo

Japanese diners are developing an appetite for kangaroo, helping to drive demand for Macro Meats' products across Asia.

Australia's largest kangaroo meat distributor has seen a 400% increase in sales to Japan in the past year, sending about 50 tonnes there every month.

Macro, which is expanding its Athol Park plant, is also enjoying strong growth in Hong Kong where it sends about 25 tonnes of kangaroo meat each month.

Other Asian markets include Singapore, Vietnam and South Korea, and founder Ray Borda has had firm eyes on China for years.

"The good thing about Hong Kong and Japan is they are both trendsetters in Asia," says Ray, a strong supporter of MBL.

"We are looking to capitalise on our strong recent gains in Asia by developing a processing plant someplace in the region."

As previously reported in MBL News, Ray is also looking to establish a processing plant in Europe, which remains Macro's biggest export market.

Export rules require meat to be shipped from Australia in whole pieces, making it less appealing to the cook-at-home market.

Macro wants its own value adding plants in Europe and Asia to produce diverse smaller products, from meatballs and burgers to shabu-shabu and stir fry strips.

"That's how people start to buy kangaroo. They progress from there and that's where you will



accelerate demand," Ray says.

Ray commercialised production of kangaroo in the late 1980s. Macro now processes about 10,000 tonnes of the lean red meat a year for human consumption in more than 30 countries.

Macro has staff working overseas meeting with chefs and distributors and showcasing kangaroo dishes at AusTrade functions.

Ray says it's important to start with high-end restaurants to begin building demand when entering a new market before broadening out to retail so that consumers can prepare it in their homes.

"You've got to pick countries looking for premium products, not those looking to just buy on price," he says.

"Four or five years ago, kangaroo was seen as a cheap protein.

"Now it is a protein that is seen as equivalent to beef but with some added benefits such as high protein, low fat, high iron and omega-3.

"Kangaroo is also more exclusive and Asia likes exclusivity – you can get beef from 50 countries around the world but kangaroo is unique to Australia."

Macro Meats sells about 75% of its products in Australia.

New figures show that the value of kangaroo meat in Australia has increased by 90% but Ray is eyeing Asia's enormous markets.

Ray says having an Asian processing plant would allow for expert preparation of ready to cook products that would take demand to the next level.

He says it would likely also help advance Macro's market access application to export kangaroo meat into China, which has been a 12-year process.

"We're probably six months away from finding a location," he says.

"It's a difficult thing because you have to look at their business laws around taxation, labour, foreign investment and it's a big commitment."

WINNING LAMB AD BOOSTS SALES

MLA's last spring lamb TV advertisement has now won a major advertising industry award.

It was named TV Ad of the Year at the Mumbrella Awards – the third year in a row that MLA's annual lamb ads have won the accolade.

The latest You Never Lamb Alone ad promoted lamb's "central role in celebrating the face of modern Australia regardless of race, religion, gender, sexual orientation, age or ability."

MLA says the ad attracted 6.1 million views across multiple channels and was shared more than 41,000 times.

During the campaign, lamb enjoyed a 5.3% value share increase compared with the previous four week period.

As well, MLA says it led to 48% of consumers agreeing they were now "more likely to eat lamb."



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– Ray Borda

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MBL joins fight against bank tax

MBL has backed Business SA's campaign against the State Government's proposed bank tax, saying the tax can only harm businesses.

ment, the tax was opposed by 34 businesses and organisations representing a wide cross section of "just about every industry."

Institute, Primary Producers SA, the Australian Hotels Association, the Australian Retailers Association, Ahrens, Coopers Brewery, and Guardian Insurance.

"a cynical cash grab" which sends the message that SA is "not open for business at a time when we need more jobs."

The MBL logo - and that of 33 diverse other businesses - was used in Business SA's fullpage newspaper advertisements opposing the highly controversial tax.

They included MBL, the Property Council, the Real Estate

They declared the proposed tax

The tax was announced without warning in a "completely arbitrary grab for profits."

Should the tax become law, banks are expected to pass on the cost to customers, damaging businesses, deterring investment and harming jobs growth.



Warren McLean says hastily thought-up taxes are never a good idea.

The spectre of the tax prompted Bank SA to shelve 150 new jobs planned for SA, with Business SA saying a tax on investment is a tax on jobs.

South Australia needs to be more competitive, not less.
The proposed bank tax risks the commercial reputation and investment appeal of our great state.
That means damage to jobs growth and damage to our future prosperity.
We collectively call on the Weatherill Government to urgently reconsider its position before any more damage is done.

"There was no consultation, which is always a worry," he says.

MBL CEO Warren McLean says, "Increased funding costs are simply not good for business.

Warren says if the tax is implemented and passed on by the banks, any effect on MBL would be too much.

"Our industry needs the ongoing support of the banking system otherwise our future prosperity is put at risk."



"We already pay more than our fair share in taxes and charges," he says.

The tax, which was announced without warning, would net \$370 million for the SA Government over four years, but it may not pass Parliament.

These businesses also share our concern.



These include payroll tax \$419,532; land tax \$183,772; emergency services levy \$19,920; water \$292,000; effluent charges \$217,842; and council rates \$89,135.

It would be charged at a rate of 0.03 per cent of the profits of the five major banks - ANZ, Commonwealth, NAB, Westpac and Macquarie Group.

As well, SA's energy mess will see MBL pay an extra \$814,000 for electricity and an extra \$380,000 for gas a year.

In the Business SA advertise-

Warren says, "The State doesn't have an income problem, it has a spending problem.

"And if this State Government wants the banks to change their ways or charges, it should do it by working with them, not attacking them."

South Australian bacon producers again stood out at the Australian Bacon Awards, winning one category and coming a close second in the other.

SA brings home the bacon

Franz Knoll, of Barossa Fine Foods, won the national title for the best short cut bacon, while Rob McInnes, of Kanmantoo Bacon and Quality Meats, was runner-up in the full rasher section.

skill and devotion to detail.

Judges described Franz's winning short cut bacon as "being a perfect prosciutto style with nice colour and aroma, and great flavour."

cured and tasting as good as it looks."

Earlier in the SA competition, BFF won the short cut category, with Kanmantoo second and Schulz Butchers, of Angaston, third.

Franz and Rob have won a string of bacon awards over the years, testimony to their

Rob's winning full rasher was described as "having a beautiful appearance, perfectly

Kanmantoo took out the full rasher category from Leabrook Quality Meats and Mathie's Meat Shoppe, Clare.