



UECBV & YEMCo meeting in Switzerland 23-24 September 2011



REPORT A/ Friday, 23 September 2011 Visit Day

First, there was the early morning Cattle and pig slaughterhouse visit. The slaughterhouse of St. Gallen AG is a joint venture of the meat processing plants in eastern Switzerland, counting Ernst Sutter AG, Micarna SA, Gustav Spiess AG, Rudolf AG archipelago and the cooperative butcher St. Gallen and its surroundings.

They are famous for their optimal freshness and highest quality conditions applied to pig slaughter. St. Gallen slaughterhouse adapted its production to the recent findings relating to animal welfare as well as to internationally recognized standards for hygiene and traceability. They deal with around 80Kg pig carcasses. Everybody was impressed with the slaughterhouse efficiency at all levels: production performance (45 min transformation procedure); optimal hygiene measures; animal welfare (space, stunning methods) as well as the impressive technological equipment (traceability system).

After a tasteful butcher's breakfast offered by Micarna in Bazenhaid, few steps away from St. Gallen slaughterhouse, the participants were happy to have two very interesting presentations on both Micarna and Migros companies as well as on the Swiss meat market. The second visit took place between breakfast and lunch revealing the Micarna meat processing factory.

Meanwhile, our two talented speakers were:

Mr Albert Baumann – CEO- Micarna

He introduced the way in which MIGROS -Swiss biggest retailer company- was functioning. MIGROS won the 'Most Sustainable Retailer Worldwide' prize in 2009. They produce high-quality products at reasonable prices and have an active CSR department (support for culture and education).

Then he addressed Micarna's production mode and ambitions. This company is specialized in Swiss animals (cattle, pigs, poultry) and works with certified procedures at all stages. Micarna is committed to animal welfare (e.g. animals are reared in free spaces, not more than 2-hour transport to the slaughtering plants). The slaughtering and processing procedures are using developed technology tools, meticulous data and control systems, impressive hygiene measures as well as an ideal staff training and well-being (e.g. massage rooms designed for staff relaxation).

The company practises the "mono-slaughtering" process, which means slaughterhouses only for cattle, and only for pigs. For the poultry production, the company works mainly in co-operatives with agricultural productions. Environment remains a big concern and the company invests in the save energy and waste managements in order to produce a very high level quality product with correct labelling. The company is also building more and more processing plants to get in the specialized processing markets.

To see the presentation, please [click here](#) (slide 1-15)



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Mr Peter Hinder - Deputy CEO-Micarna : Swiss meat market

He provided the audience with an outlook on the Swiss meat market specificities, characterized by:

- 50% meat consumption outside the household and a pronounced taste for high ethical standards products (environment, social and animal welfare respect)
- Meat accounted for 24% of the household spending in 2010
- Consumers eat mainly pork
- Consumers are willing to pay high prices



To see the presentation, please [click here](#) (slide 16-29)

In the afternoon, the visit day continued and participants headed towards an innovative cattle farm in Gundetswil. His owner, Mr Kurt Herzog warmly welcomed everybody and after an enlightening visit made a presentation on the Swiss import system. Mr Kurt Herzog's cattle farm is a family business. It provides products directly to consumers and is specialized in cattle fattening (20-25 ha. for 300 animals). Their main challenges are related to feed and some very strict Swiss regulations which already discouraged a majority of cattle producers in the area. Nevertheless, Mr Herzog drew the participants' attention to his way of producing feed, cutting the maize 60cm above the bottom, leaving the rest of it on field to make it more fertile, it is a win-win situation: he produces more, with less waste and field quality improvement.

Mr Kurt Herzog - Cattle farm owner: Swiss import system

Mr Herzog's Swiss import system outlook taught us that imports into the EU zone represent a big challenge for them and to make the difference they want to promote their high ethical Swiss meat quality. In order to do so, they develop and implement several measures such as:

- Specific certification respecting a number of ethical conditions (animal welfare, environment, social, hygiene, traceability), very important for the Swiss meat promotion
- Specific fund to enable farmers to buy the necessary tools to castrate piglets
- Specific truck drivers programme, organized by veterinarians and Proviande

Proviande acts as the Swiss import regulator: they settle the import quota, they decide when to slaughter and on the quantities imported into Switzerland. Proviande meets every 3 to 4 weeks to regulate and decide on the import quotas, these meetings are very important for farmers and butchers. The purpose is to regulate imports in such a way to not disturb the internal Swiss market balance and protect its farmers and meat traders.

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After an active and enriching day, participants were invited to a friendly welcoming drink at [Mr Walter Arnold's Trading farm](#).

In his speech, Mr Arnold provided the participants with a passionate approach to his widespread activity. He has a huge market experience in the dairy, cattle and pig meat trade, possessing his own logistics and fleet.

- Cattle: ongoing supply of breeding cattle and dairy cattle of all breeds, also designed for exports. The marketing of beef cattle is his core business; he buys and sells animals for slaughter of all categories at maximum daily rates. His transport logistics ensures optimal delivery or purchase of animals for slaughter. He supplies the label programmes Sano M, IP-Suisse, Coop CNP and Bio Suisse.
- Pork: trusted pork marketing is one of Mr Arnold's main goals. He supplies the labels programmes M-7, Coop Nautra plan and IP-Suisse. Besides this, he provides interested farmers with comprehensive advice on the pig sector.
- Milk trade: Arnold Products Ltd has grown in recent years and now buys more than 120 million kg milk and provides more than 1,300 satisfied milk suppliers.



While being amazed by such an integrated market activity, a majority of the participants happily continued their drinks and appetizers tasting, when another part were kindly recalled to duty and took the bus to the picturesque [Restaurant Mühle](#), where two meeting rooms were to host the two UECBV and YEMCo restricted board meetings.

Afterwards, the evening went on and all together they enjoyed a nice "raclette" at Mr Arnold's trade farm Barn.



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B/ Saturday, 24 September 2011 Conference Day



Before the public conference, UECBV members took the time during the UECBV internal AGM to salute and pay their respects to Mr Fernando Pascual's career and retirement.



Morning session

The morning session was chaired by **Mr Humbel**, Vice-president of the Swiss cattle traders' federation. He welcomed the participants and introduced the session main topic on the "livestock and meat traders daily business problems" and "what do the practical traders and industrials expect from UECBV".

High-level speakers coming from all horizons such as the Swiss, French, Austrian meat and cattle federations, YEMCo, Rabobank, Migros (retail chain), Pfizer and Cryovac came to address in a comprehensive way this important topic. Around 120 participants listened to and took part in this animated conference.



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The presentations and expectations were expressed by:

Beef industry/David Bloch - FNICGV (on behalf of **Dominique Langlois** – President)

Mr Bloch explained the French beef traders' concerns highlighting the main issues that they have to face today: supply, competitiveness, societal constraints and a growing anti-meat movement.

What are FNICGV's expectations from UECBV?

UECBV has an important role to play on a more and more flexible EU institutional field (Lisbon Treaty providing the European Parliament with new influential power) beside its already marked presence within the European Commission (EC) experts working groups. UECBV should pursue stronger representation of meat traders' interests, especially helping them:

- address social issues through social dialogues
- develop strong export policy by asking the EC to undermine the sanitary control barriers
- be more active in the research programmes launched by the EC
- handle in the best way the environmental and origin labelling
- address communication campaigns to stand up in front of anti-meat movements' attacks (e.g. target policy makers to advocate for the meat production sector image within the EU institutions)

To see the presentation, please [click here](#)

Pig meat industry/Heinz Osterloh - BVVE representative

Mr Osterloh provided the audience with an outlook on the German pig production. The actual situation shows: 300,000 farmers, 2.7 million pigs and a speedy growth. Beginning of 2011 an important increase occurred in pig slaughtering while exports were falling down.



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In Germany slaughterhouses are very effective, have modern facilities and sales techniques, but the negative side effect remains for retailers and traders as there is less competition and fewer perspectives.

What are BVVF's expectations from UECBV?

Some production challenges to tackle:

- The dioxin crisis (where contamination came from feed not meat) had an important impact on the pork trade. Today it becomes more difficult and expensive to produce pork (e.g. piglet prices went down, if you want to fatten them it will cost and the feed problem does not make it easier)
- Energy crops are taking over the feed production, politically it is a big mistake and UECBV should lobby in this direction
- Pig producers are tough and they can live without turning a profit for a while, although in Denmark and the Netherlands they will soon face a big problem especially on raw material supply down the production chain.
- Need UECBV strong support to voice their concerns on EU and national issues (e.g. animal transport)

To see the presentation, please [click here](#)

Cattle Trade/Albert Brühwiler, Schweizerischer Viehhändlerverband (SVV) - Assessor

Mr Brühwiler explained that livestock activity is important in Switzerland. The Swiss cattle dealers buy for around 2 billion Fr. worth products from farmers, which is about 22 % of the corresponding gross profit. The Swiss cattle traders have an 80% market share in the marketing of livestock products. The Swiss State plays a major role in regulating and protecting its livestock trade sector: innovative measure of traceability; finest technological data base related to cattle (from birth to slaughter) and all animals have to be tested to BVD; contributions to the disposal of animal by-products; promoting freedom of Animal Diseases (BVD, BT, etc) and strong regulation on the livestock production (HB-management, performance tests).



The Swiss cattle sector functions through a strong network between cattle traders in order to cover the whole Swiss territory.

What are the Swiss Cattle Traders Association's expectations from UECBV?

- Live animals are forgotten, UECBV could fight against administrative barriers to better help protect them on the animal welfare regulation.
- Try to organize common activities, there are strong links to be established in the animal welfare procedures, some cases have been submitted to the court. Put a particular focus on welfare activities which can improve the image of livestock business.
- Talk about transportation issues / take common actions to solve problems.
- Particular attention to be paid to training programmes

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Livestock exports and the international livestock trade situation/ Reinhold Bernhard, [Food & commerce Austria](#) - Managing Director

Mr Bernhard provided the audience with some interesting new trends on the international livestock export. He presented a market assessment of breeding cattle, saying that for 10 years, Food & Commerce deliveries have had a special focus on EU-Third Countries. Exports mainly increased to Austria and Russia, and start to mark their presence in Morocco and Japan. Now they are present almost everywhere in Europe. Also they are active in the USA. Export new trends go now to Argentina and Russia, as well as new exchanges with Italy and now Turkey. Some concrete suggestions:



- The price of breeding cattle due to a stagnating Turkish demand is decreasing. A good idea would be for Germany and the Netherlands to follow the Hungarian and Baltic countries' example and open the market to Turkey, in order to rebalance the situation.
- Milk needs stability from a political point of view, hence why trying to reduce the raw material price, lobby in that sense.

Mr Bernhard's look at the global market highlighted the economic and population growth in China and Turkey. This can cause a change in the milk quotas and goes hand in hand with the increase of animals in the EU, 2012 could be a turning point for farmers. It is important to bear these factors in mind to better orientate the production.

Finally he stressed the fact that policy regulation is essential and has to support the agricultural sector to adapt to evolving trends. The EU meat producers should acknowledge the fact that they have to work on their image. Communicating in a positive way on issues such as animal welfare and animal transport towards the decision-makers is very important. The public opinion is very often misled by organizations investing in an active lobbying against meat (e.g. Animal's angels) and manage to shape decision-makers' action by putting pressure thanks to media coverage, for example. This can be a core pillar in preserving the sector's activity dynamics, as profit margins are under pressure, because consumers do not want to pay more on their meat but they want welfare measures and respect towards animals to grow.

What are Food & Commerce's expectations from UECBV?

Work on media approach and communicate better on improving the image of the meat production sector. Put in place a communication fund to improve the image of the industry. Meat producers and live animals producers love their job and they have ethics and should communicate about them (e.g. in Austria 1 euro per ton of cereals advertising fund and they had managed to improve their communication very well).

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YEMCo's expectations/Jean-Luc Mériaux, UECBV Secretary General (on behalf of Eva Moser – YEMCo President)

Mr Mériaux addressed the meat production sector training problem. Meat traders, slaughterhouses and cutting plants require competent, professional workers who stay with the company and become experts. The problem is that the meat industry is not attractive enough for young graduates and managers due to several reasons: the business nature, lack of career prospects, and lack of professional training and network opportunities.



In order to make things evolve on this matter, it is important to help develop educational measures, networking activities and entrepreneurship action.

In this presentation the audience had the opportunity to discover the very good example of the Danish Meat Institute that is working in this direction.

What are YEMCo's expectations from UECBV?

- Create a European MBA for the meat industry
- Improve the networking: Send your future leaders to YEMCo conferences – every time! UECBV members need to ensure that this is done accross Europe.
- Foster entrepreneurship in the meat industry: UECBV should investigate how we can use the ERASMUS FOR YOUNG ENTREPRENEURS in the meat industry
- Upgrade YEMCo/UECBV to a key coordinator for education and training (central information on training helpdesk, central training database)

To see the presentation, please [click here](#)

Afternoon session

The afternoon session was chaired by **Mr Laurent Spanghero**, UECBV - President.



He welcomed the participants and introduced the session topic on "What is the influence of open borders on livestock, meat traders and industrials?"

The discussions started with:

Swiss animal production: multifunctional and competitive?

Jacques Chavaz, Swiss federal office for agriculture - Deputy Director

Mr Chavaz presented the Swiss livestock market. The main production is beef thanks to the pastures. The country is nearly self-sufficient but it still imports around 100,000 t. a year (poultry, beef, pork and lamb meat). Switzerland encourages the short distribution channels, fair information to the consumers. sustainability and animal welfare.



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The most important challenges are:

- the international trade negotiations and
- the commercial tourism (Swiss people buying food in neighbouring countries) at the expense of domestic production

To see the presentation, please [click here](#)

Challenges of the meat industry from the Pfizer point of view

Alberto Alvarez, [Pfizer Animal health](#) - Food Chain Manager South

Mr Alvarez focused on the need to improve the food production due to the world demand increase (population growth, changing diet habits in countries such as Brazil and China).

The EU countries face a production cost increase due to the high feed prices and also because of the civil society expectations on environment and animal welfare protection. For example, individual stalls for pregnant sows will be banned from 2013 onwards.

These challenges shall be taken up more thanks to a chain approach than to individual actions.

To see the presentation, please [click here](#)

World and EU meat industry on threshold of change

Albert Vernooij, [Rabobank International](#) - Analyst

Mr Vernooij foresaw a further drop of the EU beef and pork production in 2012.

His analysis on the world meat production came out as promising and in his presentation he underlined the global meat developments, the EU meat production evolution and the implication for the EU meat industry.

To see the presentation, please [click here](#)

The Sustainable Package - How to make your product the Hero

Luc Sauban, [Cryovac Sealedair](#) – European Marketing Manager

Mr Sauban advised the meat industry on the means to make the meat product a hero. He described the driving factors regarding the packaging on the retail and consumer sides: convenience, safety, sustainability and waste management are the most important ones.

Cryovac is meeting the retail trade and the consumers' expectations thanks to a very specific packaging such as Cryovac Mirabella or Cryovac Darfresh.

To see the presentation, please [click here](#)



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Revolution towards ready to eat meals

Gerry Finley, [Oscar Mayer](#)

Mr Finley concluded that the ready to eat meal sector is forecasted to grow by 21% between 2015 and 2020 despite the tough year that 2011 is announced to be. Life-style trends and demographic changes will underpin the demand.

The first development driver is the convenience. Beef and poultry meat are the most concerned meats, lamb as well but for a smaller segment, whereas pork does not appear to be suitable for convenience.

The other drivers of the growth are health and innovation.

To see the presentation, please [click here](#)

Role of meat in the Swiss supermarket

Bernhard Kammer, [Migros](#) - Head of development and sustainable sourcing for freshness and food

Mr Kammer explained that the grounds of MIGROS strategy in the food sector are:

- Sustainability
- Freshness
- Price/quality ratio
- Proximity, local food/ food linked to the region is a key confidence factor for consumers
- Animal welfare



To see the presentation, please [click here](#)

President **Laurent Spanghero** [UECBV](#), in his conclusive speech underlined the high quality and interest of the conference presentations which provided many information and tools for the trading and industrial companies to get prepared for and better face the future.

He announced the availability of the speakers' presentations in short run. He thanked the sponsors and interpreters and expressed his hope to welcome the same audience, if possible even larger, at the next [AGM](#) in June 2012 in Paris.

Networking evening

UECBV members and friends of YEMCo allowed their contacts and professional exchanges to grow during a social evening participating in the Swiss Folklore night in the Thurgauerhof Hotel. Afterwards, the Gala dinner was a great way to spend an evening in Weinfelden and to close this very active and enriching AGM weekend.

AGM Photo Gallery, [here](#)

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