

Malcolm Steven

Banham Poultry

Identifying Market Opportunities

- Malcolm Steven
- Absolute Business Consultancy Ltd
- Efficiency and Profit Improvement in Agriculture and the Food Industry

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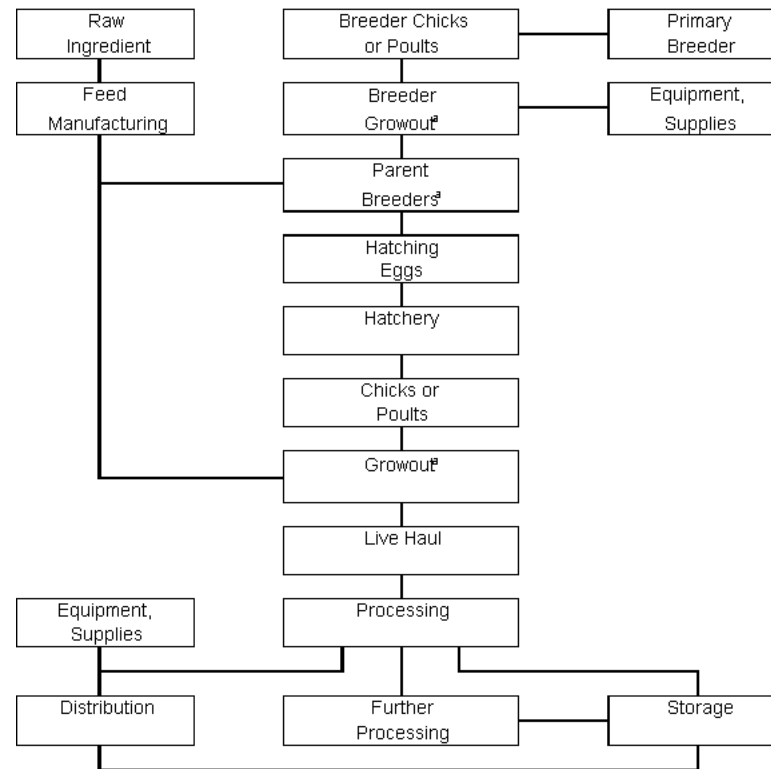






Modern Poultry Integration

Figure 1.
Flow Chart of a Typical Integrated Broiler or Turkey Operation



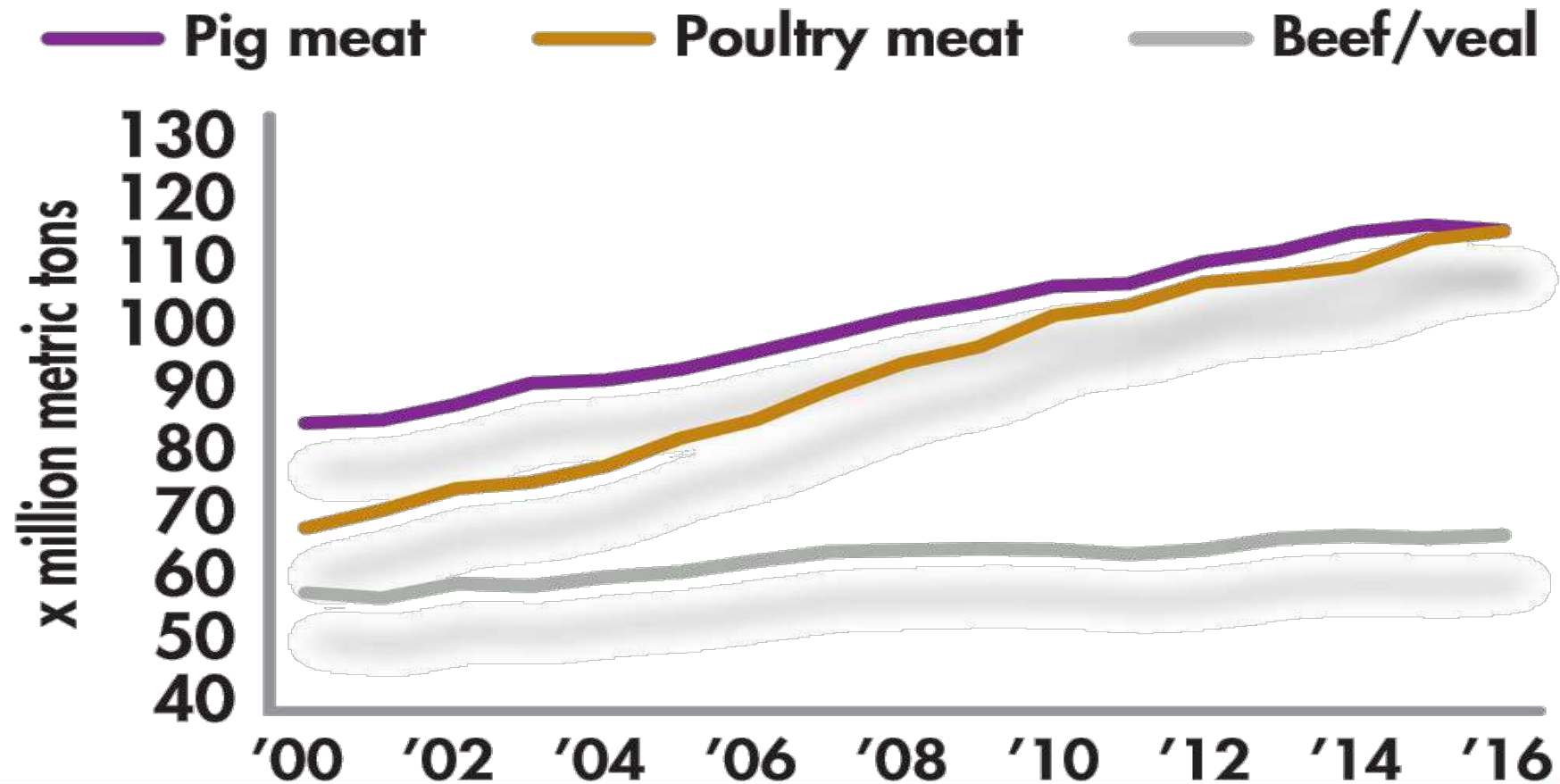
Status of the World Poultry Industry

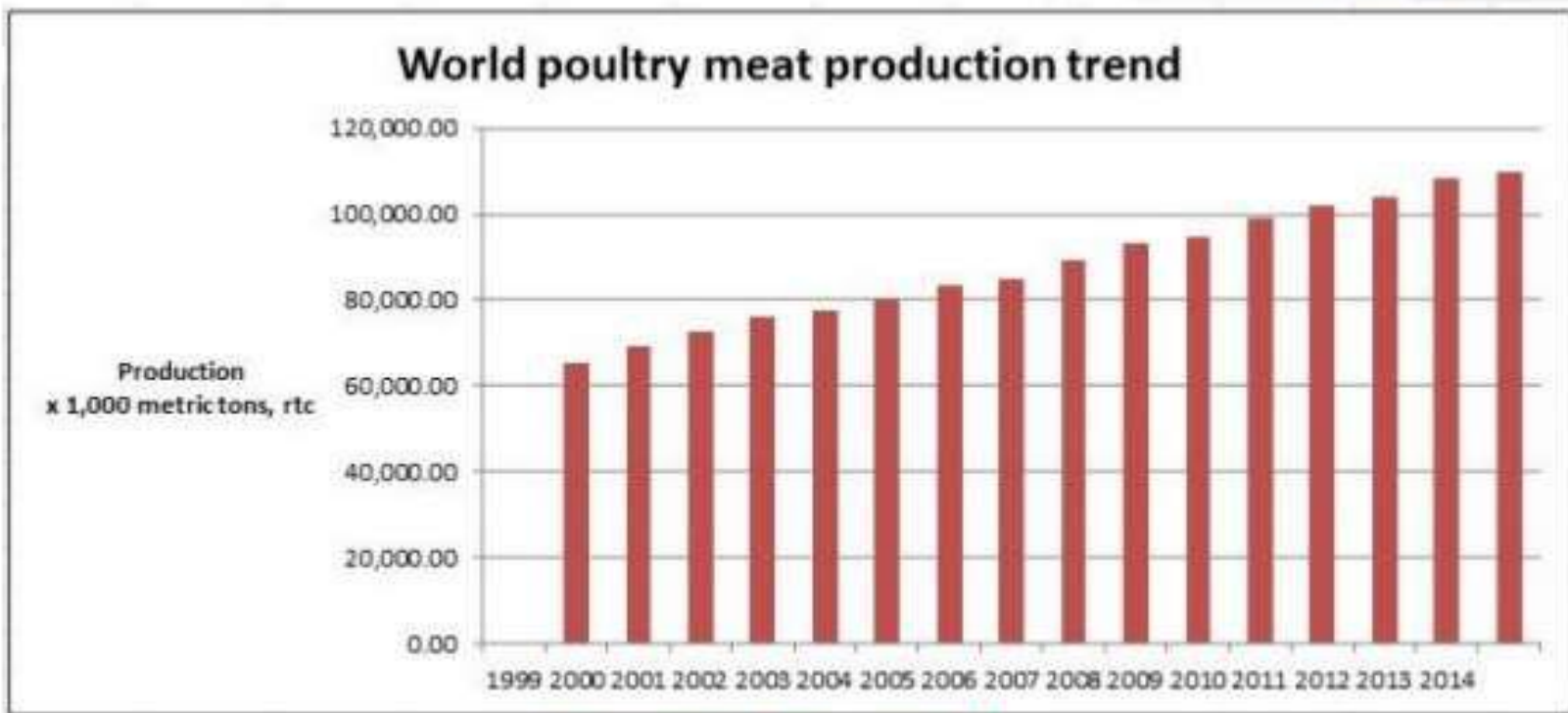
Development of global meat and hen egg production between 1970 and 2005 (data in 1000 t)

Year	Beef and veal	Pig meat	Poultry meat	Hen eggs
1970	38,349	35,799	15,101	19,538
1975	43,724	41,674	18,684	22,232
1980	45,551	52,683	25,965	26,215
1985	49,285	59,973	31,206	30,764
1990	53,363	69,873	41,041	35,232
1995	54,207	80,091	54,771	42,857
2000	56,951	90,095	69,191	51,690
2005	60,437	102,523	81,014	59,233
Increase (%)	57.6	186.4	436.5	203.2

Comparison of world meat production trends 2000-2016

Production x million metric tons carcass weight equivalent

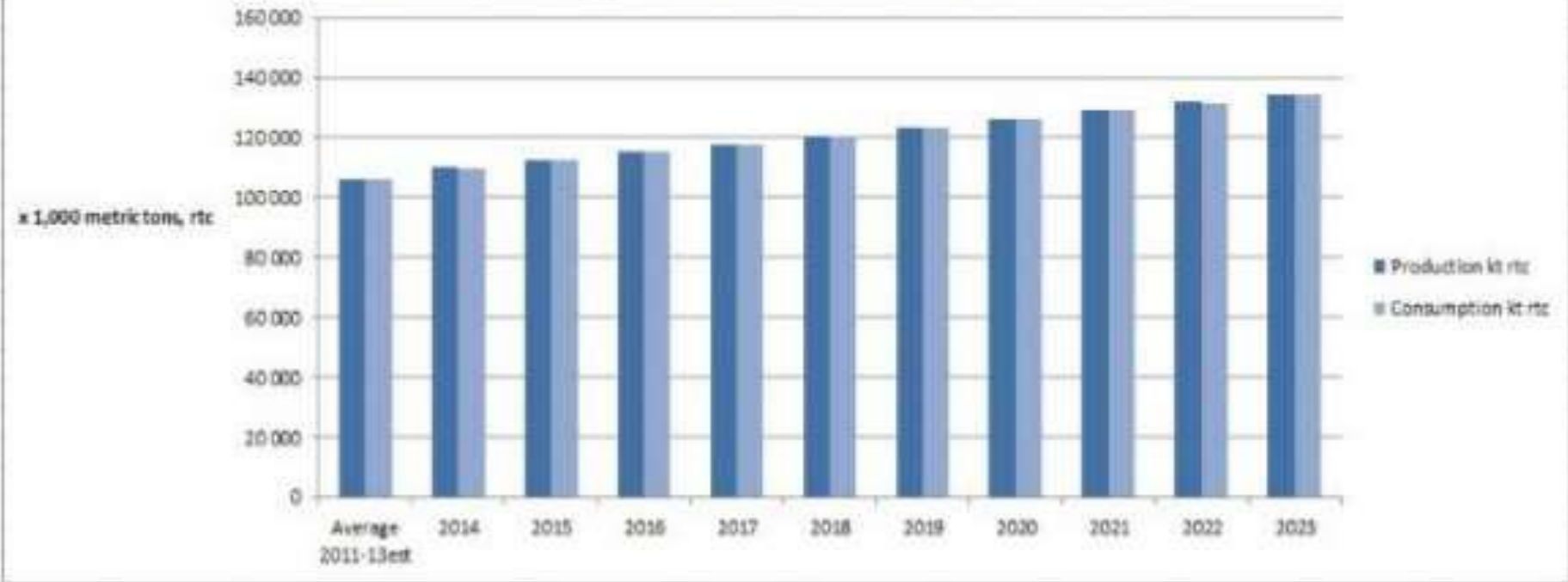




<http://bit.ly/1aJVPIA>

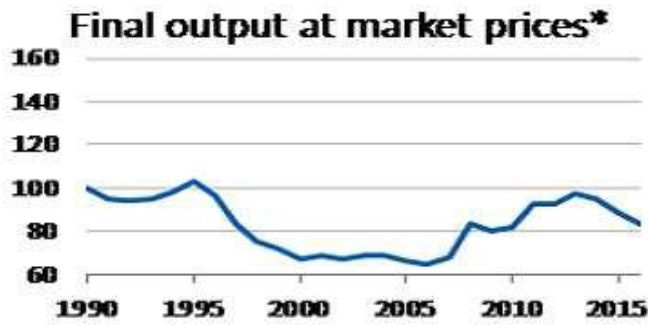
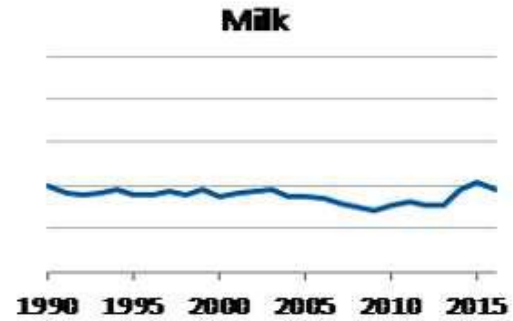
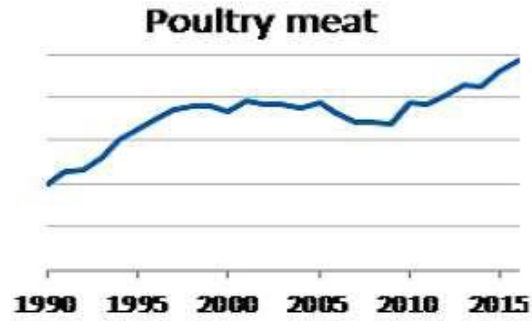
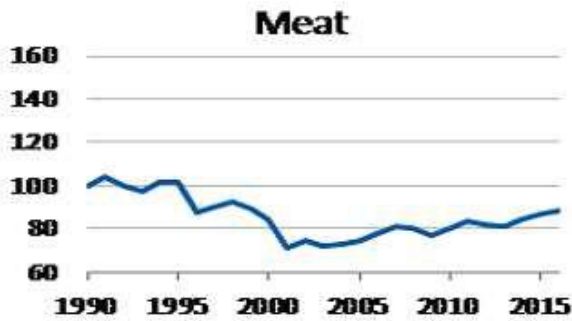
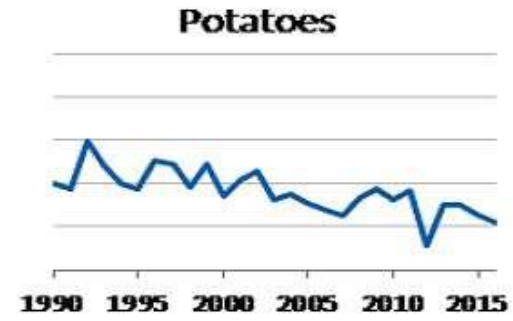
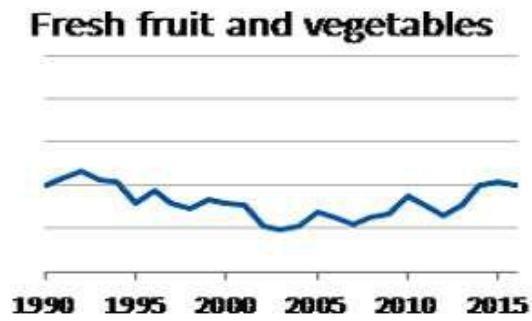
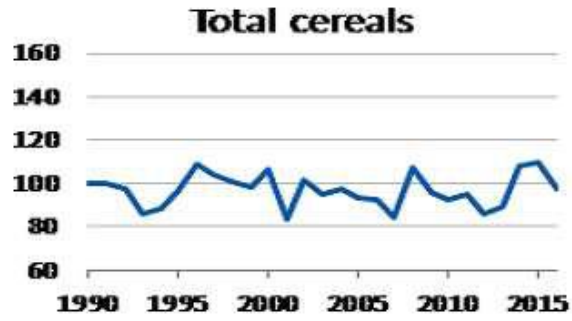
An increase of 1.6 percent over 2013 will result in nearly 108.7 million metric tons of poultry meat being produced worldwide in 2014, according to the latest projections by the Food and Agriculture Organization of the United Nations (FAO).

World poultry production and consumption forecasts



<http://bit.ly/1CpQXOI>

Driven largely by demand preferences, poultry will become the largest meat sector over the next decade. Global poultry production is forecast to reach 134.51 million metric tons by 2023; the most growth during this time will come from the major producing countries of China, U.S., Brazil and Russia.

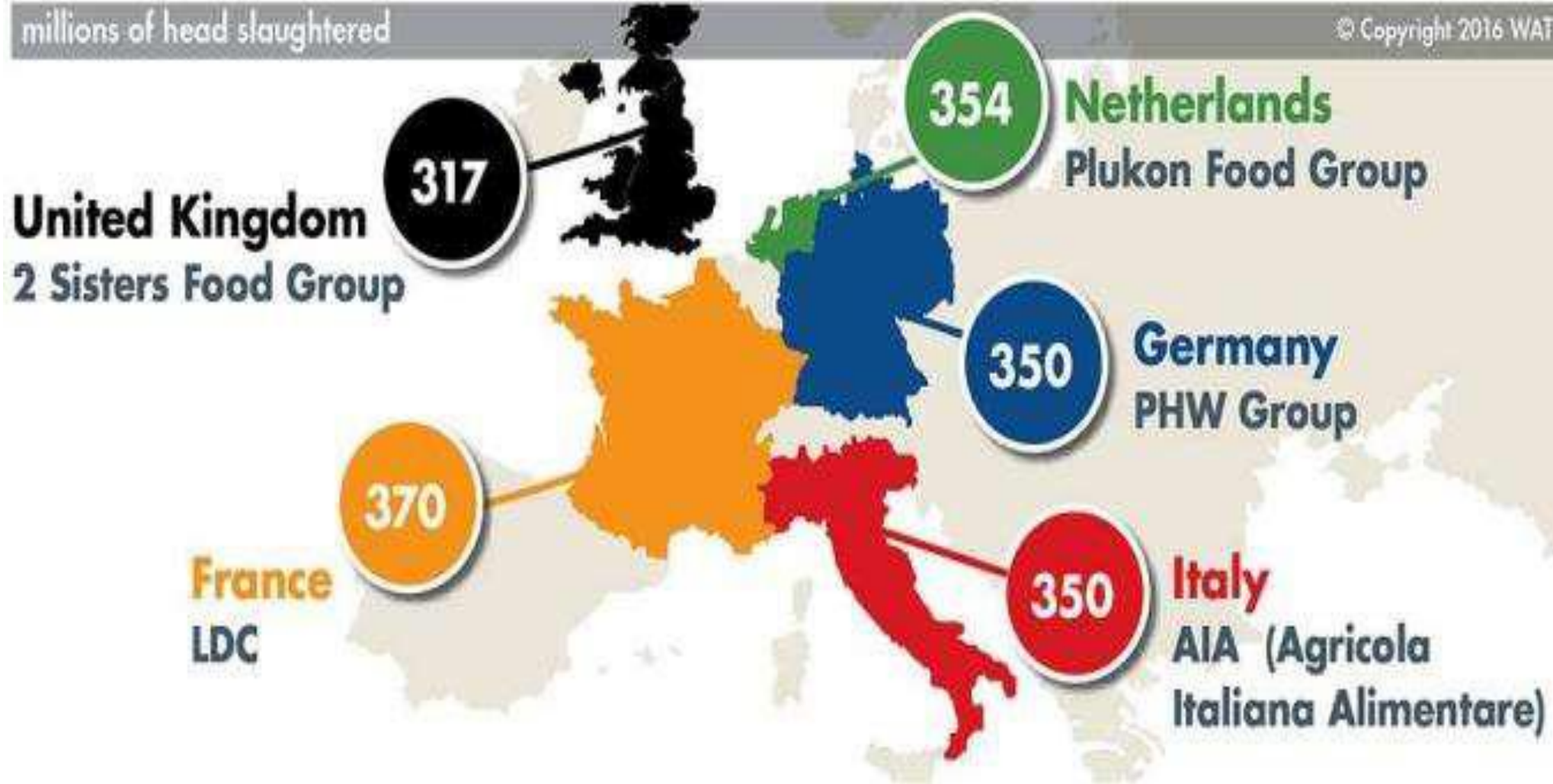


* gross output less transactions within the industry

Europe's five largest poultry producers

millions of head slaughtered

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Brazil

JBS S.A.
Brazil, Mexico, U.S.

BRF
Brazil

3,380

1,664

United States

Tyson Foods

U.S., Brazil,
China, Mexico

2,310

Thailand

CP Group

Thailand, China,
Indonesia, Malaysia,
Myanmar, Turkey

939

BANHAM POULTRY LTD

Introduction

Company History

- Banham Poultry Limited is a family owned and run business.
- Formed in 1959, the company is now run by 3rd generation of family.
- Board members:
- Majority share holder and Chairman Michael M Foulger,
- MD – Sarah Foulger,
- Logistic and Supply Chain Director – Michael B Foulger
- CEO – Martyn Bromley

Company History

- Largest employers in Mid Norfolk with over 1000 staff.
- Expected turnover to be £130 million for financial year ending March 2018.
- Currently producing 950k birds per week increasing to 1 million in January 2018 and 1.4 million by September 2018.
- Two main retail customers and also supplying fresh whole birds and portions into whole sale market.
- Started supplying added value whole birds in a 'cook in a bag' option in August 2015. We are now looking to start injected portions

Site Development Update – Areas of Development

**BANHAM POULTRY LTD
BUSINESS DEVELOPMENT SO FAR**



November 2015
Station Road Process site with approved planning extension



June 2017
Services upgrade



July 2017
Installation of Safechill system



March 2018
In-line chill phase 1 installed - 15% capacity increase



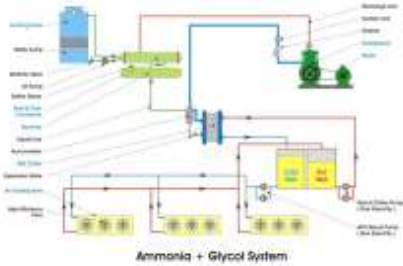
August 2018
Installation of gas stunning enhancing welfare and dignified exit



May 2016
Commissioning of portioning facility with Robot Grader



July 2017
New box freezer on-line



December 2017
Completion of refrigeration upgrade



June 2018
Installation new effluent treatment plant

Brexit: Challenges and Opportunities

- We don't eat a balanced carcass –we need to export
- Feed Raw Materials – we need to import
- We are highly regulated – food safety and animal welfare
- UK consumers have strong opinions
- All protein does well when the economy is strong
- Chicken does well in recession
- UK is a fresh chicken market
- UK is a long way from USA, Brazil and Thailand



Raising Happy Chickens