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Alberta Lamb Producers – Media Monitoring

THE GLOBE AND MAIL 

<http://www.theglobeandmail.com/report-on-business/lamb-producers-seek-new-recruits/article1339147/>

Lamb Producers Seek New Recruits – Monday, October 26

Despite steady profits, domestic farmers supply less than half of Canada's lamb diet

To all those cattlemen and hog farmers who have bled money in past years, Canada's lamb growers have a proposition: Come join the shepherds.

Riding a demographic wave that has increased demand for their product and kept prices high, Canadian sheep producers have set out on a campaign to woo farmers into their fold.

At a time when pork producers reported a \$1-billion loss last year, and the Canadian cattle herd has shrunk to a size not seen since 1994, sheep farmers are actively working to make larger an industry so small it supplies less than half of Canada's lamb diet.

“There is plenty of current and future market for everyone,” said Margaret Cook, the executive director of the Alberta Lamb Producers, in a statement Monday. “There is greater risk in continuing to force retailers and consumers to buy import lamb than in having higher production levels of lamb from more local producers.”

Lamb producers are working up a campaign that includes direct mail, training brochures, advertising and government lobbying to help raise the profile of an industry that has quietly maintained healthy margins in recent years.

“It is probably the only livestock right now where there is profit,” said Norine Moore, a 25-year shepherd from Stavely, a small Alberta town 115 kilometres south of Calgary.

Canada's flock numbers 1.1 million, with the largest sheep numbers in Ontario and Quebec. Alberta is third, with about 100,000 ewes.

The industry was hit hard by the mad-cow or BSE scare, which swept sheep producers into its wake when the U.S. closed its border to imports of all Canadian ruminants. Though they are susceptible to similar diseases, sheep don't contract mad-cow disease. Nevertheless, the border closure dropped the price per pound to 40 cents from \$1.30. Some producers left the industry.

But prices quickly regained strength, and Canadian lamb, which sells at a premium to imports from New Zealand and Australia, now fetches about \$1.20 per pound. Prices have been stable for four years.

Judging by the size of the industry, however, few have noticed. According to Statistics Canada, lamb production has declined from 2005, and the industry has remained static in size over the past two years.

Some lamb farmers have also been reticent to urge others to join their ranks because, like all livestock, prices are cyclical and there is no guarantee the current strength will last. And while shepherds say sheep provide a faster payback than cattle, they are more labour-intensive and are as vulnerable to wolves, coyotes and bears as they were in biblical times. The Canadian Sheep Federation has publicized the fate of one shepherd who lost 150 sheep worth \$30,000 to predators.

Still, part of the reason Canadian sheep producers are working to grow their numbers is that they hope to sell to big grocers, who have guaranteed supply requirements they currently cannot meet.

And they point to Canada's import statistics to demonstrate the size of the opportunity. In 2008, Canada imported about 22 million tonnes of lamb. Its domestic production barely hit 15 million.

Add to that the appetite for lamb among new immigrants from countries where it is a meat staple, and farmers say there is abundant room for new producers to enter the market. One report suggested lamb demand will grow by over 40 per cent between 2003 and 2020.

"As the population continues to increase, the market is going to increase," Ms. Moore said. "I don't think in our lifetime we could ever flood the market, because we will just be replacing the imported meat that's coming in now."

Canadian lamb does, however, depend on fetching a premium price. New Zealand producers benefit from economies of scale and more temperate weather, which allows them to pasture-feed sheep year-round, minimizing their

feed costs. As a result, they can ship lamb to Canada for cheaper than domestic farmers can produce it. Canadian shepherds say their meat is better, and deserves a premium.

And, they say, they are beginning to see flickers of interest in their industry.

“There is definitely a change,” said John Haarman, who has 200 ewes near Lethbridge. “Two or three years ago, it was all grey-haired guys who had sheep. But now we're getting some new young blood in there.”

Edmonton Journal:

<http://www.edmontonjournal.com/life/Albertans+appetite+lamb+growing/2150587/story.html>

Ottawa Citizen:

<http://www.ottawacitizen.com/life/Campaign+urges+Alberta+farmers+switch+from+beef+lamb/2163379/story.html>

The Star Phoenix (Saskatoon):

<http://www.thestarphoenix.com/life/Campaign+urges+Alberta+farmers+switch+from+beef+lamb/2163379/story.html>

Kelowna.com:

<http://www.kelowna.com/2009/10/30/lamb-campaign-urges-alberta-farmers-to-make-the-switch-from-beef/>

Global News:

<http://news.globaltv.com/entertainment/Campaign+urges+Alberta+farmers+switch+from+beef+lamb/2163379/story.html>

Lamb an underdog where cow is king – Tuesday, October 27 2009

Demand for the lowly lamb is so far outstripping supply that Alberta Lamb Producers has launched a campaign to bring more farmers into the fold.

Supplies currently meet only about half the demand from stores and restaurants, who are forced to use more imported meat, says Margaret Cook, ALP executive director.

While the supply shortage and higher prices have made the lamb industry the most profitable livestock sector for now, the ALP sees the future in attracting newcomers and encouraging the about 1,800 existing producers to enlarge their flocks, Cook says.

"There's so much opportunity in the market now, and we haven't been taking advantage of it as an industry.

"Many other livestock producers are reevaluating their operations right now, so we need to ensure that they are aware of the opportunities in the sheep industry."

It's time lamb producers got out of the shadow of the huge beef industry, and stepped up to seize the moment, Cook says. "We want to build on our successes, make our producers' businesses stronger and see more Alberta lamb on consumers plates."

The campaign is based on a two-year market survey that gauged what was needed to grow the industry, and what consumers were looking for.

It includes brochures, direct mail, advertising and an industry video that support existing producer training materials.

They are also making government and stakeholders aware the industry is working hard to meet market demand, Cook says.

Baby boomers with a lifelong taste for lamb and immigrants from countries where lamb is the meat of choice are feeding the demand, says ALP chair Norine Moore, who runs a 300-ewe breeding stock operation at Stavely, south of Calgary.

The grain-fed Alberta operations can't compete on price with powerhouse New Zealand, which has more sheep than people, Moore says.

Kiwi sheep are raised on less expensive pasture, and other factors such as currency exchange rates and processing efficiencies allow producers to ship to Canada and still sell cheaper than local lamb.

Pasture-raised lamb has a stronger taste, while blind taste tests have shown consumers prefer the milder flavour of grain-fed animals, Moore says. "We compete on the basis of quality, and more people are choosing to buy local and support our agriculture industry.

"Lamb prices are higher right now, so the return is there for anyone getting into

the industry or enlarging their flock."

Hog producers, many of whom have culled their herds because of depressed prices, could consider switching to sheep, Moore says.

A Guelph University study, released in July, said lack of supply and ineffective management of the chain are holding back the Canadian industry.

Persuading an industry focused on the productivity of individual businesses to shift from making decisions based on cost and volume to those based on working together to increase value for consumers remains a challenge, it said.

Moore agrees Canadian producers can take a lead from New Zealand's successful co-operative approach.

"We should work together more, and not look at other producers as competitors."

LAMB FACTS

- Alberta's sheep and lamb flock numbered 177,000 in July, 16.7 per cent of the Canadian stock, and less than a tenth of the province's cattle numbers.
- A 2006 study found Canadian lamb is higher in protein and lower in fat and calories than lamb from New Zealand and the United States.
- New Zealand is the world's largest lamb exporter, shipping 750 million pounds a year, 10 times more than its closest competitor.
- Lamb is meat from sheep less than one year old; mutton is from sheep more than a year old.
- There is evidence that sheep were domesticated by 8900 BC in Iraq and Romania. Some of the oldest traditional recipes from Greece date back several thousand years.

Calgary Herald

<http://www.calgaryherald.com/news/calgary/flock+block/2166351/story.html>

A new flock on the block – Saturday October 31, 2009

With stable prices and ready markets, sheep farming is gaining converts in cattle country

Alan Breakey has seen plenty in the 17 years he's been raising sheep at his Bragg Creek ranch.

He's dealt with grizzly bears and cougars, but some of the more unusual experiences of late have arrived in the form of phone calls.

"We've had a couple of calls from cattle guys saying that they want to get into sheep, essentially as a diversification," said Breakey.

Although the callers were cautious, in that they wanted to start off with a fairly small flock and see how it goes, they're sniffing around because the price of lamb has held steady for the past three years, unlike cattle and hog prices, which continue to flounder.

Breakey, who raises a free-range flock of 100 Suffolk and North Country Cheviot sheep on his quarter-section, is getting a lot more calls from acreage owners, as well.

These people are looking to acquire lambs in the spring and keep them around over the summer, mostly to cut the grass, and market them in the fall with an eye to getting a good return on them.

"The recognition that the price of lamb has been pretty good here has been pretty widespread," Breakey said.

Add in the calls he gets from people interested in the 100-mile diet and looking to buy locally raised animals, and the market potential for Alberta lamb, traditionally the poor cousin to cattle and hogs, suddenly takes on a whole new light.

Margaret Cook, executive director of Alberta Lamb Producers, said the organization recently got an inquiry for lamb meat for Mexico.

"The export market is just totally not on our radar right now, but you know what, that's what the opportunity is," she said.

The value of Alberta's lamb industry was \$42 million in 2008, but the association says there's plenty of room to grow.

Alberta only meets 45 to 50 per cent of current market demand provincially--the numbers are roughly the same on a national basis--so the association is calling on livestock producers from the hard-hit cattle and hog sectors to raise sheep instead.

They also want to convince Alberta's 1,850 purebred and meat sheep farmers to beef up production to meet burgeoning domestic market demand.

Imported lamb meat, largely from New Zealand, is what now fills the gap and the association thinks domestic production should displace that. Moreover, the consistent and robust price producers receive for their lamb isn't in danger of destabilizing from an oversupply of animals anytime soon.

Cook noted domestic demand is projected to rise by 40 per cent between 2003 and 2020, due partly to demographics, immigrants and lamb meat becoming more mainstream.

Shannon Richardson has raised sheep near Airdrie for 15 years. In that time, producers have done a good job in responding to growing market demand for things like halal kills and producing smaller animals to meet the carcass size preferred by ethnic markets, while also supplying the regular market with the larger animal required there, she said.

"We're now being able to start to meet some of that. We can't even come close to meeting the full demand," Richardson said.

Producers have also moved to meet market demand for a consistent supply 12 months of the year by using sheep that can breed multi-season.

"Instead of it just being basically the two crops, either the winter and your spring crop, now they are actually lambing 12 months of the year," she said.

One of the benefits of raising sheep touted by the association is that because they are a smaller animal, they are easy for women and older children to raise. Indeed Richardson, who has downsized her flock to 23 from 120 head, has always maintained sheep as a side income to her husband's off-farm work.

Producers wanting to make their living off of sheep entirely will need to look at much larger flocks.

According to Alberta Lamb Producers, the magic number required to make a living, with no off-farm income, is usually over 500 head, although it depends on management systems and individual circumstances.

Producer Martin Kaiser agreed it depends on several factors, but suggested an operation needs at least 1,500 ewes to make a living in sheep, as it's a slim margin business. He has 2,000 ewes and 4,000 sheep on his farm near Wetaskiwin, a number that works for him.

Still, sheep make the most sense of all livestock from a pencil and ledger point of view, especially when compared to cattle.

Sheep do require more labour than beef cattle, but the return is better.

For example, six ewes will consume roughly as much feed as one cow. Those six ewes will raise 12 lambs, and those 12 lambs require a lot more labour than one calf, he said.

"But then those 12 lambs will also net you more than one calf, and that's really where the difference comes in," Kaiser said.

Lately, Kaiser said he's advising large-scale hog farmers who are considering making the switch to sheep.

Most are hesitant because they fear making the switch at the wrong time, even as their net worth continues to plummet in dismal market conditions.

"The fear is: 'The day I sell is the day it's going to go the other way'--like when you sell stocks," Kaiser said.

The other hesitancy is rooted in the differences in how the animals are managed and making barns designed for hogs work for sheep.

"The turnover is slower, too," he said.

The big thing for Canadian farmers is becoming more competitive by getting operating costs in line with New Zealand's sheep industry.

Canada's short growing season means Alberta farmers can't produce sheep right now as cheaply as they can in New Zealand, which has the benefit of year-round grazing, whereas livestock producers here face unpredictable winter feed costs.

Kaiser said in his view, the long-term competitive threat isn't from New Zealand and Australia, as ewe herds there are declining. He believes South America will be the epicentre for sheep 20 or 30 years from now, as that's where a lot of the kiwi business is moving.

Randy Smith, livestock procurement manager for Sunterra Meats in Innisfail, said many larger pork producers are looking to utilize their barns and are definitely thinking about moving to sheep.

The problem is that with the drought in Alberta this year, large numbers of sheep

were sold off and a large percentage of breeding stock went to Ontario.

The dwindling numbers make it hard for people to find replacements to put in the barns in the quantities needed to make the economics work, he said.

But it could be worth the effort.

"It really is a good return for your investment right now," Smith said.

Calgaryherald.com

New flock on the block – Saturday October 31, 2009

<http://www.youtube.com/user/CalgaryHeralddotcom#p/u/3/2q4v61AnpOU>

WESTERN EDITION
CountryGuide

<http://www.country-guide.ca/West/issues/ISArticle.asp?aid=1000345757&PC=FBC&issue=10262009>

Grainews

<http://www.grainews.ca/issues/ISArticle.asp?aid=1000345757&PC=FBC&issue=10262009>

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Alberta Farmer
express



Alta. lamb industry presses for increased production – Monday, October 26 2009

Alberta Lamb Producers has mounted a new campaign to increase lamb production in the province, aimed at filling a greater share of domestic demand with domestic supply.

The campaign, rolled out last week at the Alberta Sheep Symposium at Leduc, is aimed not only at bringing new producers into the industry, but also at enticing existing producers to expand their businesses and help meet consumer demand, ALP executive director Margaret Cook said in a release Monday.

"Existing producers need to understand that having new producers enter the industry is not competition," Cook said. "There is plenty of current and future market for everyone."

There's greater risk, she said, "in continuing to force retailers and consumers to buy (imported) lamb than in having higher production levels of lamb from more local producers."

While lamb remains the "most profitable" of Alberta's livestock industries, current lamb supplies meet only about half of the demand, ALP said. Stores and restaurants are thus forced to look outside Canada for product.

ALP over the past two years has conducted market research to gauge what was needed to grow the industry, and what the market was looking for in terms of end product, as well as a producer survey to determine their needs, the organization said Monday.

The new campaign is part of ALP's resulting business plan. The campaign's three themes, ALP said, will be "pride, recruitment and expansion."

The campaign is to include materials such as brochures, direct mail, advertising and an industry video, on top of existing training materials.

"The campaign will also be extended to government and stakeholders to make them aware that the lamb industry is gearing up to the challenge of meeting market demand," ALP said.

Hursh Consulting

This text is a transcript from Kevin Hursh's commentary heard on the following radio stations:

Swift Current (CKSW), Shaunavon (CJSN) Moose Jaw (CHAB), Estevan (CJSL), Weyburn (CFSL), Rosetown/Kindersley (1330/1210), North Battleford (CJNB) and Melfort (CK750)

Why not sheep? Tuesday, October 27 2009

For a number of years, sheep production has been profitable. For a number of years, cow-calf producers and hog producers have faced difficult times. Cattle and hog numbers have been dropping. You'd think sheep numbers would be increasing, but there has been no significant expansion. Alberta Lamb Producers has launched a campaign to increase lamb production in that province. With many other livestock producers re-evaluating their operations, Alberta Lamb Producers wants everyone to be aware of opportunities with sheep. Unfortunately, very few cattle and hog producers are likely to make the switch. Lamb production doesn't have the windfall profits that elk and bison enjoyed when the breeding stock market was hot. There's money to be made in sheep for efficient producers, but it isn't a get-rich-quick kind of enterprise. There's also the worry that past performance may not be indicative of future returns. While there's never any guarantee, the lamb market is different than the other sectors. Hogs and cattle are heavily reliant on exports. With lamb, Canada doesn't produce enough to meet the domestic demand. Stores and restaurants are forced to look outside the country for their product. There should be room for the Canadian sheep industry to grow and still remain profitable. I'm Kevin Hursh.



http://www.fcc-fac.ca/newsletters/en/express/articles/20091030_e.asp#story_7

Expansion promotes Canadian lamb – October 30, 2009

Alberta lamb producers want to get the good news out.

Lamb production is currently the most profitable livestock industry in the province. But production levels are only meeting about 50 per cent of the demand, forcing grocery stores and restaurants to import the shortfall.

The production deficit means there are good opportunities for existing producers to expand their operations or for new producers to consider entering the industry, says Margaret Cook, Alberta Lamb Producers (ALP) executive director. She notes demand has been forecasted to increase 40 per cent between 2004 and 2020.

As many cattle and hog producers are currently re-evaluating their futures, Cook believes it is a good time to tell them about the opportunities in the sheep industry. With that in mind, ALP launched an expansion campaign aimed at promoting industry growth across Alberta.

Cook stresses established producers should not view new producers as a threat, since there are plenty of opportunities for everyone. She says there is more risk in forcing consumers to buy imported lamb than in increasing local production levels.

“Many consumers want to buy local, but they can’t always do it,” she says.

The campaign, launched this week at the Alberta Sheep Symposium in Leduc, will extend over the next year.

It will include brochures, direct mail, advertising in the farm press and an industry video to support existing training material. Cook says ALP will also be attending major agriculture shows this winter and spring.

She's confident there will be strong interest from disillusioned cattle and hog producers, noting there were eight to 10 cattle producers at the symposium looking for information on converting their operations.

Alberta is the first to roll out its campaign, and Saskatchewan producers are looking at a similar promotion. Cook says production shortfalls are not limited to Alberta but are occurring across the country. For more information, check www.ablamb.ca.