

# final report

Project code: B.LSM.0048  
Prepared by: Russell Pattinson  
Miracle Dog Pty Ltd  
Date published: January 2013

PUBLISHED BY  
Meat & Livestock Australia Limited  
Locked Bag 991  
NORTH SYDNEY NSW 2059

## **Lamb Supply Chain and Animal Information R,D&E Plan Workshop Notes**

Meat & Livestock Australia acknowledges the matching funds provided by the Australian Government to support the research and development detailed in this publication.

This publication is published by Meat & Livestock Australia Limited ABN 39 081 678 364 (MLA). Care is taken to ensure the accuracy of the information contained in this publication. However MLA cannot accept responsibility for the accuracy or completeness of the information or opinions contained in the publication. You should make your own enquiries before making decisions concerning your interests. Reproduction in whole or in part of this publication is prohibited without prior written consent of MLA.

**Workshop Notes**  
**Lamb Supply Chain and Animal Information R,D&E Workshop**  
**4 December, 2012, Stamford Hotel, Sydney Airport**

**Attendees:**

Richard Apps (MLA), Peter Bailey (Vic DPI), Ashley White (NSW DPI), Josh Whelan (MLA), Jo Quigley (MLA), Warren Straw (Vic DPI), David Hopkins (NSW DPI), Bruce Hancock (SARDI), Kimbal Curtis (DAFWA), Brian Field (TIA), Ben Hebert (SARDI), Ian Johnsson (Sheep CRC)

**Facilitator**

Russell Pattinson (Miracle Dog)

**Apologies:**

Alex Ball (MLA), Dave Jordan (Q DAFF), Michelle Edge (AMPC), Graham Gardner (Murdoch Uni / Sheep CRC), Simon Maddocks (SARDI)

**1. Basis of the workshop and scope**

During 2012, a consortium led by SED Consulting developed an RD&E plan for "Lamb Supply Chain and Animal Information" (LSC&AI) for the RMCiC. The RMCiC approved this Plan in November, 2012.

Using this plan as the basis, it was agreed that the purpose of the workshop was to:

- Identify what work is currently being undertaken in this space, or what work is planned in the near future (including the related work within MLA's LDL team and that potentially proposed by a Sheep CRC rebid).
- To develop a priority list of projects based on the RD&E plan.
- To allow potential investors to share ideas and consider collaboration.
- To identify whether there are any areas within the RD&E plan that are not covered by current or future work and whether such gaps should be addressed.
- To develop a very clear road map on how to carry forward the Lamb Supply Chain and Animal Information RD&E plan, including program management, communication and governance.

**2. Current projects**

Prior to the workshop, current and proposed future projects were compiled into an RD&E matrix. A copy of the matrix is appended to these notes.

Various agencies provided an overview of their interest in the area of lamb supply chain efficiency and the role of animal identification. A brief summary of their interest is listed.

**Victorian DPI**

- See as high priority
- Focussing on simple deliverable projects with an emphasis 'on-farm' (improving lamb carcasses to meet specifications; reproduction, feedback from processor to farmer on animal health)

- Also wishing to analyse the value proposition / measure the benefits; and improving the integration of information systems and data standards

#### **NSW DPI**

- See as high priority
- Focus is in the processing sector and improving carcase tracking and feedback – specifications and animal health
- Not aligned to any one measurement technology
- Emphasised that the critical factor in getting processor engagement lies in 'sending the right people'
- Current data collected along the chain is not integrated so that it is usable or valued

#### **Sheep CRC**

- Are developing an extension bid to build on gains made by the existing CRC
- LSC&AI likely to be a key part of that extension bid
- Potential areas - Online measurements and predicted phenotypes that can predict carcase value - MSA II and MSA III for lamb; reducing non-compliance; VBM in supply chains with linkage to LMY & EQ
- The key to success will be engagement / support from RDC's (including AMPC) and processors / industry (including retailers)

#### **Livestock Data Link**

- Has been developing the lamb / sheep area over last 2 years with a focus on carcase performance
- Have been piloting with a small number of processors and are now seeking more.
- Noted that producers are not convinced by fat class
- Also trialling electronic NVD (MLA will set standards)

#### **Collaborative Innovation Program (within MLA)**

- Partnering processors by providing resources to build capacity in processor staff
- Seeks to improve efficiency and reduce costs
- Noted that AMPC are about to appoint first supply chain officer (provides an opportunity for LSC&AI as will have resources in plant)

#### **SARDI**

- Collaborator
- Focus is on health surveillance (and more recently on grass seed)
- Have been active in previous projects with a focus on consumer needs

#### **DAFWA**

- Collaborator
- Wish to collaborate on projects (especially in programs involving a WA processor)

#### **TIA**

- Collaborator
- Focus has been on animal health issues
- Opportunities exist as have a research facility next door to an abattoir and a food safety centre in Hobart

### 3. Opportunities and Threats

#### Opportunities

- The time is right to progress LSC&AI
  - Build on the considerable work done to date
  - An RD&E plan to move forward is available
  - Processing (and production) margins are tight – efficiencies needed
  - Commercial sectors looking at efficiencies but also risk management
- Resources are available for LSC&AI - collaboration across RDC's, agencies and commercial players (some are keen to progress this area) would enhance projects
- Should not consider that a 'one size fits all' approach is needed or even desirable
- While technologies will be enhanced over time, there are sufficient available now to progress
- . LDL is moving from mob to individual basis
- Data (NLIS, health, spec, dentition, breed etc) is already collected at abattoirs but not integrated so it is readily available for use. "Data into Information"
- The concept is for data at all stages to be integrated within a supply chain and converted into information to enable better decision making in terms of selling / buying, quality and price.

#### Threats

- Getting engagement with AMPC and processors
- Confidence in some measurement technologies (e.g. fat)
- Agencies have less resources available (increasingly so)
- Willingness to share information (especially commercial sectors who understandably want to protect their investment and IP)

### 4. Gaps in LMS&AI Knowledge

- What is the simple 'value proposition' / benefits to individual operators along the pipeline
- There is no common language (incl. standards and protocols)
- The 'labour versus capital' philosophy (invest in more staff or capital equipment)
- Availability of 'real time' scanning / measurement
- The industry does not have an inventory management system (supply / availability)
- Must not underestimate 'social' impediments (why change?)

### 5. Projects, Priorities and Collaboration

Following discussion, the following outcomes arose regarding project priorities and collaborative investment (Note: the points below should be read in conjunction with the appended matrix). It should be noted that while MLA (and AMPC) will examine LSC&AI as a potential investment area, other agencies / collaborators can invest in any area.

As noted in section 2, the Sheep CRC are intending to submit a proposal for an extension; a key element of which is likely to be continuation of the work on supply chains and measurement. If the Sheep CRC is successful, some project areas listed below may become higher priority or significantly more resources contributed to them. If the Sheep CRC extension bid is not successful, the implementation of this plan will still proceed.

Project	Outcome	Responsibility
1.1 Develop technology for real-time assessment of meat quality attributes and meat yield in the live animal	<p>May be a component of Sheep CRC extension</p> <p>Vic DPI has a concept project which may be progressed</p>	Sheep CRC
1.2 Develop and/or demonstrate better technologies for in-abattoir measurement of sheep meat and carcasses based on specification, meat yield and meat quality attributes, especially the linkages between NLIS and carcass tags	<p>Priority area</p> <p>Many technologies already exist and there already exists a current project</p> <p>Key platform of Sheep CRC extension, dependant on MLA and AMPC (new grading tools)</p> <p>NSW DPI has interest in this area as does Vic DPI who have projects planned with processors / retailers.</p> <p>Will likely become a much higher priority if Sheep CRC extension is successful</p>	<p>Sheep CRC</p> <p>NSW DPI</p> <p>Vic DPI</p>
1.3 Develop expert systems that integrate information to assist producers to interpret and utilise data collected on farm and via processors as a result of projects 1.1 and 1.2	<p>High priority area</p> <p>NSW DPI will lead and develop full project proposal (March 13) in conjunction with other potential partners. Seek proof of concept in staged project</p> <p>LDL has an existing framework and wishes to collaborate on current and future projects (although some partners may not wish to use LDL)</p> <p>Vic DPI also have projects planned with processors / retailers.</p> <p>Will link with future CRC supply chain officers</p> <p>Significant investment needed</p>	<p>NSW DPI to lead</p> <p>Vic DPI</p> <p>LDL</p> <p>WA, SA and Tas expressed interest</p>
1.4 Develop systems to collect animal health data and interpret and transfer this data to producers and animal health / biosecurity agencies	<p>High priority area</p> <p>Vic DPI will lead to develop a 3 year project (March 13) in conjunction with LDL and AHA. 3 phases proposed</p> <ul style="list-style-type: none"> <li>• Proof of concept</li> <li>• Data capture and control</li> <li>• Information / implications to farmers</li> </ul> <p>Project will feed into data standards</p>	<p>Vic DPI to lead</p> <p>LDL</p> <p>Animal Health Australia</p> <p>SA (PIRSA) and NSW</p>

	NSW and SA interest	
2.1 Analyse the lamb value chain and points for value-add and intervention; quantify benefits of tracking animals from farm to processing to retail at each point in the chain	<p>Priority area</p> <p>Vic DPI will lead. Project in scope</p> <p>Project may initially develop a model</p> <p>SA (BH) certainly interested</p>	<p>Vic DPI</p> <p>SA</p>
2.2 Investigate social, commercial and financial opportunities and barriers to information collection, sharing and use throughout the value chain	<p>While there was considerable interest in this area, and considered to be a priority area that should be progressed, no lead agency was identified</p>	<p>Develop an EOI</p>
2.3 Develop and extend national standards for information exchange along the pipeline – language, formats	<p>Priority area</p> <p>Vic DPI to lead</p> <p>Agreed that care is needed to not allow ‘scope creep’ in this project. Don’t want to create the ‘industry database’. Other forums also exist</p> <p>Has linkage with 3.1</p> <p>Need someone to facilitate to bring industry together to discuss protocols and standards. Beneficial were MLA to initially help coordinate / resource for 2 years then industry takes over</p> <p>Obvious linkage with LDL, NLIS and SG</p>	<p>Vic DPI prepared to lead this project</p>
2.4 Develop technology(ies) to allow processors / consumers to establish the ‘provenance’ (origin, at property or individual animal level) and credence of sheep meat products	<p>Seen as low priority at this stage</p> <p>Await outcomes of above work</p>	<p>NA</p>
3.1 Establish a forum for the exchange of information and improved communication between participants in the value chain	<p>Vic DPI to lead. Other agencies will also commit</p> <p>Must be industry owned</p> <p>LSCG linkage but separate</p>	<p>Vic DPI</p>
3.2 Design, implement, demonstrate and evaluate a number of integrated information systems; quantify costs and benefits of these	<p>High priority project</p> <p>Vic DPI will lead and collaborate with other interested agencies. Vic DPI already have projects / investment in this area</p>	<p>Vic DPI to lead</p> <p>Tas, SA, WA, NSW</p>

	Tas and SA have an interest. NSW perhaps later on. WA also a possibility	
3.3 Develop and implement a national extension / education program on lamb value chain, linked to 3.2 but also including stand-alone modules (e.g. through Making More from Sheep)	Needed ... but later on Need information from above projects first	NA
3.4 Examine role of IAI in enhancing industry logistics	NLIS and LDL involvement Development of electronic NVD noted Keep in mind ...but may be best addressed later on	NA

## 6. LSC&AI Governance / Administration

Key discussion points included:

- Any governance structure needs to have a linkage (sub-committee) to the LSCG
- To have a role, you need to be a key player with a considerable investment in the area
- Confidentiality issues acknowledged
- Probably need no more than 5 or 6 participants
- Likely participants – MLA Sheep, MLA LDL, Vic DPI, NSW DPI, Producer, Processor (or AMPC)
- Needs a Terms of Reference developed by the Convenor

**Actions:**

1. **PB to act as Convenor** (Note: Terms of Reference have been prepared by PB)
2. **Noted that LSCG next meeting is 11 and 12 February, in Adelaide – LSC&AI will meet around that meeting**

## 7. Other Business

- As a LSC&AI group has been developed, no further meetings of this workshop are required
- It is vitally important that the LSC&AI group liaise with interested parties in attendance at the workshop
- The critical role of AMPC was discussed – MLA will approach.