

WAGYU ROADSHOW 2018

Brian Angus
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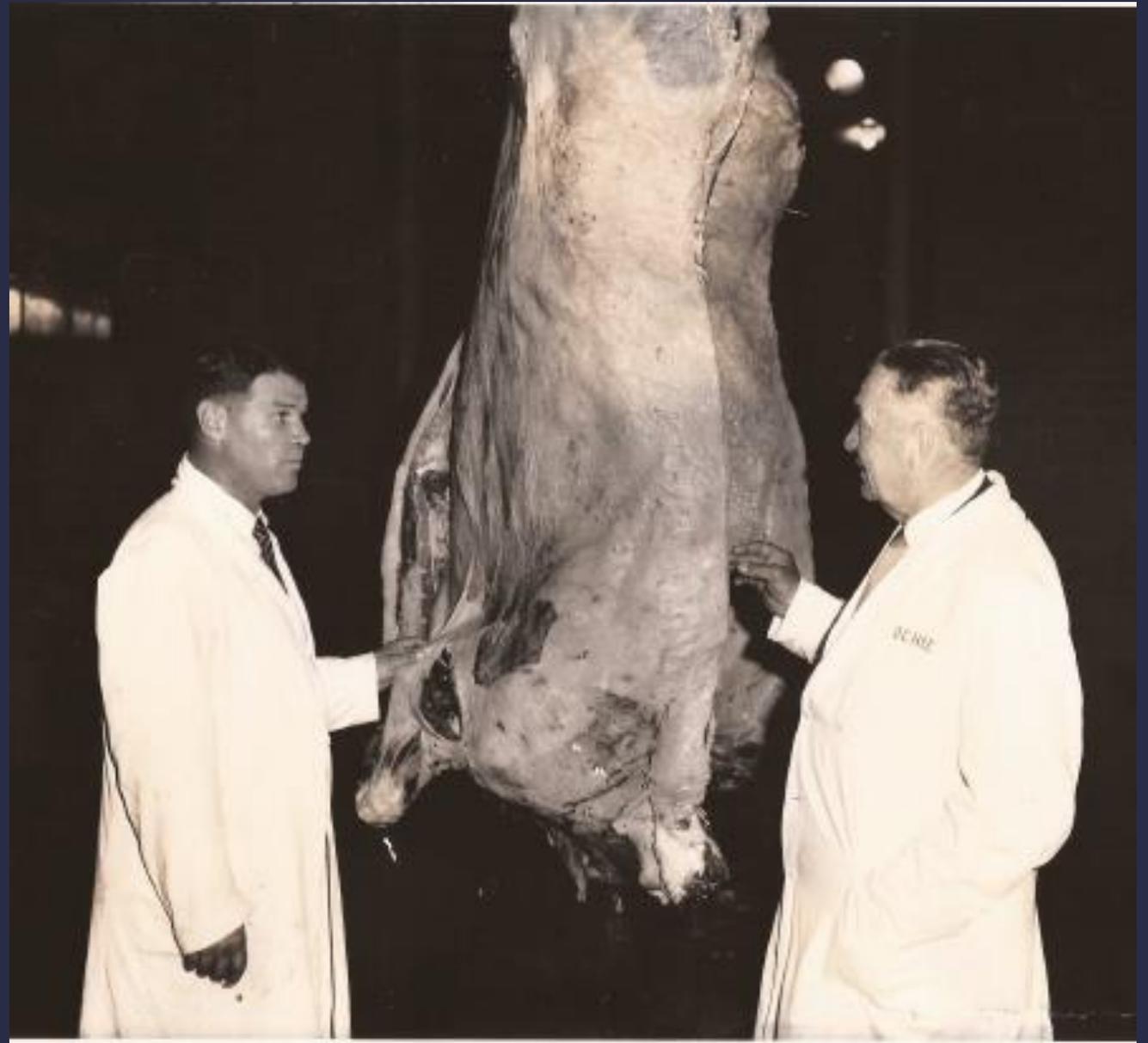


TENDER TASTY BEEF

“If we as cattle farmers want to increase the market share of beef in South Africa and export our product, we will have to improve the quality of our beef!”



Mr. L. Angus Snr
With 42 carcasses
for export to the
Smithfield market,
UK, 1965.



History

- ▶ Megan is the 4th generation at Woodview
- ▶ Farmed with my Grandfather and Father for 21 years
- ▶ Had a mixed farming business, reduced cropping because of the risk of drought and to ensure sustainability for the future.
- ▶ Started with an Angus Stud in 1964.
- ▶ Angus Board for 21 years and served as President for two terms.
- ▶ Served 2 terms on the board of SA Studbook.
- ▶ Started and ran the Certified Angus Beef programme for the Angus society for 12 years.
- ▶ Imported wagyu genetics into South Africa in 1999.
- ▶ In 1999 we did a Biological Impact study for Wagyu Cattle through ARC in Pretoria with the help of Dr Scholtz.
- ▶ 40 years of experience in the Stud cattle industry. We own cattle in Australia and USA and we have an extensive network of breeders overseas. Toolbox.



Woodview Wagyu in South Africa

- ▶ 1999 Woodview imported first embryo's from the USA.
- ▶ Started the herd in 1999.
- ▶ Society formed in 2013
- ▶ We presently have over 100 members.
- ▶ At Woodview we are also a vertically integrated business with;
 - ▶ Feedlotting
 - ▶ De-boning facility
 - ▶ Distribution
 - ▶ Market branded beef
 - ▶ Woodview is in partnership with the Van Reenen family from Sparta (Angus/Wagyu)



Market Summary

3 SEGMENTS IN THE SOUTH AFRICAN BEEF MARKET:

1. **Protein market** - this customer is looking for protein to put food on the table, they are very price sensitive and not as product sensitive.
2. **Feedlot beef market** – feedlot beef sold in the retail market.
3. **Premium beef brands** – these brands target LSM 8 -10 clients, overseas visitors and supply export markets. ***This market is not as price sensitive and is more brand conscious.***

The Future of Wagyu beef – specializing in premium beef, supplied under a recognized brand.



Our Wagyu target market

This market is not as price sensitive, but more brand loyal.

- ▶ Chefs (restaurants)– need our product to differentiate themselves from the competition. (feedlot beef). Chefs are the Rock stars.
- ▶ (LSM 8-10)Retailers where our market shops.
- ▶ Export markets
- ▶ The more disposable income - The more willing to spend on quality.
- ▶ Our consumers are health conscious and can afford to buy healthy food.
- ▶ Our clients , want to know what they are eating, where the beef comes from, what the cattle have been fed , and are the animals treated and slaughtered humanly.
- ▶ Our clients are exposed to more information (internet access) and therefore are more knowledgeable about the product. They ask questions and expect the best!

Our Stud cattle target market.

With our Angus cattle we are competing with all the beef breeds for market share.

With Wagyu we have no competition, as no other breeds can compete.

- ▶ Stud breeders
- ▶ Business investors
- ▶ Game breeders

NB. Commercial cattle farmers who want a higher price for their calves, must improve the carcass quality.



The Classification system in SA at present

At the moment beef is sold as a commodity in SA.

What does a restaurant/ retailer have to offer to differentiate itself from its competition?

- Problem** → All beef is generic.
- The beef industry is governed by a classification system that is pigeon holing beef.
 - Little scope to differentiate beef products without a marbling based grading system.
- To compete in the export market we need to grade the same as the rest of the world.

- Opportunity** There is a market for branded marbled beef, to supply a growing niche market.
- Marbled beef offers a superior product!
 - To supply domestic and Export markets.
- To increase the market share of beef sold in the country, by improving eating quality.



WOODVIEW WAGYU CLASSES

Our beef is classed into three categories BLUE, GOLD and SILVER based on the marbling score achieved – only the best will do when it comes to Woodview Wagyu.



Our BLUE Label

Our BLUE label product is our top of the range product. The Blue label Woodview Wagyu has a **marbling score* of no less than 7** on the lower range and up to 9 and “off the charts” on the upper scale.

With our BLUE label product, you can expect meat that is has a high amount of fine web-like intramuscular fat, so much so that it is quite white. Treat yourself, this is beef in a class of its own!

**AUS meat marbling chart*

Our GOLD Label

Our GOLD label product has a **marbling score*** ranging from 4-6. This product has a fairly high amount of fine intramuscular fat translating into that melt in the mouth Wagyu buttery texture. Well worth it!

**AUS meat marbling chart*



Our SILVER Label

Our SILVER label product has a **marbling score*** below 4. This product has some fine intramuscular fat, the perfect treat for the person who wishes to try Wagyu but prefers to ease into the marbling scene. We very seldom have Woodview cattle that class in this range as most of our Woodview Wagyu has a marbling score of 6 and above.

Why FAT is the hero?

- ▶ An increase in the fat percentage of a carcass is accompanied by decrease of saturated fats and an increase in MUFA which are high in oleic acid. This has a direct effect on the palatability and healthiness of beef.
- ▶ The higher the oleic acid in the carcass the softer the fat = tender beef.
- ▶ Japanese Black cattle are exceptionally high in oleic acid (Sturdivant et al.,1992; May et al., 1993; Chung et.al., 2006b)
- ▶ Wagyu cattle have the lowest fat melting point of all cattle breeds – this makes them unique.
- ▶ The lower the melting point of fats and oils the healthier they are for you, e.g. Olive oil.

Facts about fat:

- ▶ Fat gives flavour
- ▶ Fat from highly bred Wagyu cattle becomes liquid at room temperature (25°C)
- ▶ Wagyu Beef is high in Monounsaturated (MUFA) fats these are the GOOD fats.
- ▶ And is lower in the Saturated fats, these are the BAD fats.



The Big Beef Company.

We at Woodview are proud to be partners in a joint venture with the Van Reenen family of Sparta. Together we breed and purchase Wagyu and Angus calves and fed cattle from producers.

We have a buy back programme that offers 3 options for purchasing cattle from producers.

1. We purchase weaner calves over the scale at a mutually agreed premium price.
2. We purchase weaner calves at a mutually agreed price with a back payment (agterskot) after the animal has been fed, slaughtered and the carcass has been objectively graded.
3. We pay a producer a premium on slaughtered fed cattle according to an objective measurement of the carcass according to marbling score.



Woodview was the first to introduce...

1. Wagyu cattle into South Africa
2. Introduced marbling based grading system to SA consumers.
3. Introduced new cuts from Wagyu carcasses.
4. Wagyu online beef sales.
5. Wagyu beef exports
6. First to identify hereditary conditions in the Woodview herd.
7. First to identify the growth hormone EXON 5 and SCD in herd.
8. First real-time online Wagyu auction

Now Woodview brings you....



Optical Carcass Analytics (“OCA”)

OCA is camera-based Japanese technology, which offers objective carcass data analysis for beef producers.

- At present more than 200 carcasses have been photographed by Big Beef.
- This product offers the most accurate price stratification available in the world...
- *Producers receive an objective analysis on their carcasses.*
 1. Objective carcass pricing for suppliers. More Rands per Marbling score.
 2. Fat percentage (marbling)
 3. Fineness of marbling
 4. Rib eye area
 5. Slaughter percentage
 6. Fat colour
 7. Meat colour



Cow-Calf Buy Back Programme

If you would like to get paid for what your animals are worth...
and receive objective carcass data from your animals.....

Please speak to Megan or I about our Big Beef Buy Back Programme.

Thank you for attending the Road Show.... and enjoy your Lunch!

