

WHAT IS THE ECONOMIC FORECAST FOR POULTRY MEAT IN 2005?

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Poultry production is expected to increase by 3.2 percent this year, pushing the output of total meat in the U.S. to 74,178 million pounds, said David Amey in the April 1995 issue of Meat Processing. The increase has been largely attained by the largest companies. During 1994, the five largest broiler companies produced 44.4 percent while the five largest turkey companies produced 48 percent of the total respective broiler or turkey meat in the U.S. Both percentages are up from five years ago. This means that the trend for merging of smaller companies with larger ones is continuing.

Broilers

In a recent Meat Processing arti-

cle, an economic forecast for meat production for the next decade was reported by Dr. Gordon C. Rausser, dean of the College of Natural Resources and R. G. Sproul, distinguished professor in the Department of Agricultural and Resource Economics at the University of California, Berkeley. They noted the tremendous success of broiler production in the 1980s because of the comparative price to consumers for high-protein broiler meat, the production efficiencies and genetic improvements of broilers, and the tightly integrated system of production from hatching eggs through sales to retail stores or foodservices. However, they thought that chicken's price advantage would narrow relative to red meats because of the increase of value-added poultry products that will be produced in the future. The market share of broilers is predicted to somewhat stabilize shortly after the year 2000, with total broiler production expected to increase by one percent per year for the next decade.

Turkeys
Per capita turkey consumption in the U.S. is small in comparison to broilers, beef, and pork (19 vs. 74, 68, and 54 pounds, respectively). However, the neutral taste of turkey meat, the consistency of the product, and the relative price makes it ideal for the further processed markets of the next decade. Rausser predicts that market share for turkey meat will be up and could dramatically increase if product acceptability by consumers for value-added products is enhanced. Another factor that will help determine the success of the turkey industry in the next decade is the fiscal stability of the Mexican and Middle-European export markets.

Beef
After falling 10 pounds in per capita consumption during the 1990s, demand for beef has stabilized. Since neither the price of beef is expected to appreciably change, nor is the marketing of value-added beef products, its market share may continue to decline from current levels. Rausser stated that the growing meat market, especially in the area of value-added products, will leave the beef industry behind unless tremendous changes in the cost structure, product consistency, and marketing of value-added products occurs.

Pork
Tremendous progress has been made by pork producers in deve-

loping a genetically lean and consistent product. The use of brand name products has allowed pork to maintain per capita consumption in the U.S. in spite of the decreases in "the other" red meat. Continued efforts in brand marketing, the genetic advances in lean, efficient pork, and the move to produce more value-added pork products will result in a slight increase in the meat market share by the year 2000 for pork.

Fish

The last meat commodity reported on was fish. The per capita consumption of fish has grown only marginally and will not continue to increase in the next decade. The major problems with this industry are lack of a sustainable supply, the comparative price of aquaculture production versus the price for open-water fish, and the difficulty in marketing fish-farm raised products. Because of these problems, fish is not thought

to be able to take market share away from the other meat commodities like once believed.

International Markets

Since we live in a world economy, the supply and production of other countries will have a greater effect on our meat industries. The following table lists the consumption, production, and C-P (consumption minus production) in million metric pounds of ready to cook meat for world production areas.

This table shows the potential for exportation of meat supplies into Central and South American, European and Eastern European markets. Rausser believes that the significant entrance into these markets will depend on globalization of financial markets, the emergence of large worldwide trading blocks, off-shore sources

(Turn to Page D5)

Country	Consumption	Production	C-P
North America	13,512	14,058	546
Central/South America	3,983	4,323	(340)
European	6,723	7,089	(366)
Western Europe	226	165	61
Eastern Europe	1,543	1,605	(62)
Soviet Union	2,700	2,480	220
Middle East	1,163	883	280
Africa	789	775	14
Asia	9,431	8,964	467
Oceania	519	522	(3)
Total	40,589	40,864	(275)

^bSource: USDA, "Dairy, Livestock and Poultry: World Poultry Situation," Washington, DC; Foreign Agricultural Service, Circular Series FL&P 1-93, January 1993.

Producer Poll July 26

LEESPORT (Berks Co.)—The U.S. Department of Agriculture has scheduled a soybean producer poll to be held on July 26, 1995 from 8 a.m. to 4:30 p.m. at the Berks County Consolidated Farm Service Agency (CFSA).

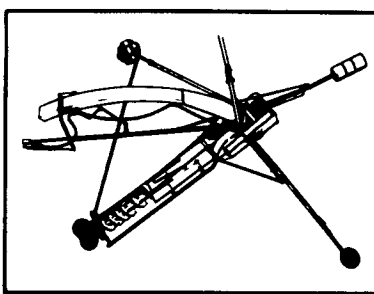
Registration and polling will take place at the office in the ag center on the same day, except for absentee registration and polling.

Richard Troutman, acting chairman of the Berks County CFSA, said absentee ballots are available upon written request from June 19 thru July 14 at the county CFSA office. Absentee requests must be postmarked or received in the county office by July 14.

The poll is being conducted to determine if another referendum should be held on the continuance of payments of refunds under the Soybean Promotion and Research Order.

Any person, who during the period September 1, 1991 thru June 1, 1995, has been engaged in the growing of soybeans in the United States and who owns or shares the ownership and risk of loss of the soybeans, is entitled to request a refund referendum. Persons wanting more information on the poll or having questions, please call the CFSA Office at (610) 478-7158.

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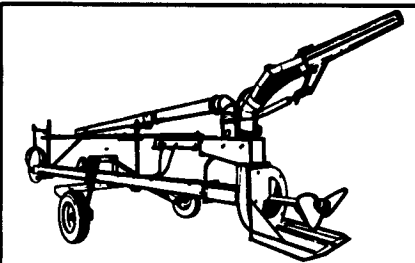
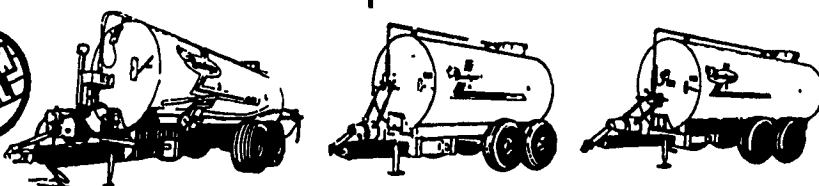
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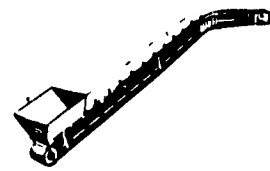
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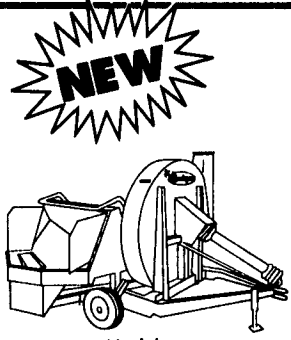
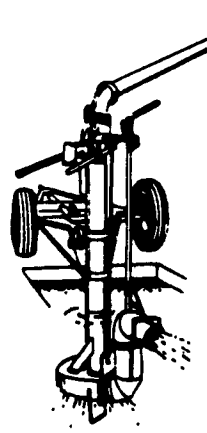


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