

Strategic insights for profit maximization in the pork industry

The production of entire male pigs in the EU is increasing as more slaughterhouses open to receive them. Pig producers have long sought solutions to avoid castrating piglets. From a climate perspective, this approach offers the advantage that male pigs have better feed utilization than castrated males. However, it is not entirely risk-free, as some of these pigs develop an unpleasant odour known as boar taint. This can result in customer complaints and a decrease in the value of the carcass. In addition, several issues need to be addressed, including animal handling, the slaughter procedure, sorting of carcasses, and changes in carcass composition that can affect yields and the slaughterhouse economy.

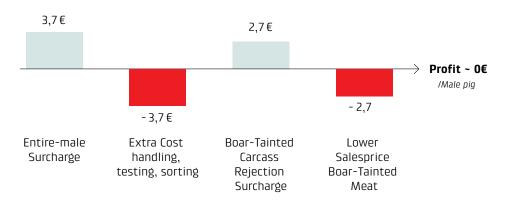


Where is the money?

ENTIRE MALE PIG PRODUCER



SLAUGHTERHOUSE



Example from a slaughterhouse with a 5% rejection rate of boar-tainted carcasses. Compared to production and processing of castrated males.

If not too many entire males are sorted out due to boar taint at the slaughterhouse, there is a good overall economy in the production of entire male pigs compared to castrated males. However, it is the pig producers who earn the money, and the costs primarily fall on the slaughterhouse in the form of extra work, expenses for testing for boar taint, and lower sales prices for boar tainted meat. Therefore, it is extremely important that the payment structure from the slaughterhouse to the producer is balanced so that the economy of the slaughterhouse at least breaks even.

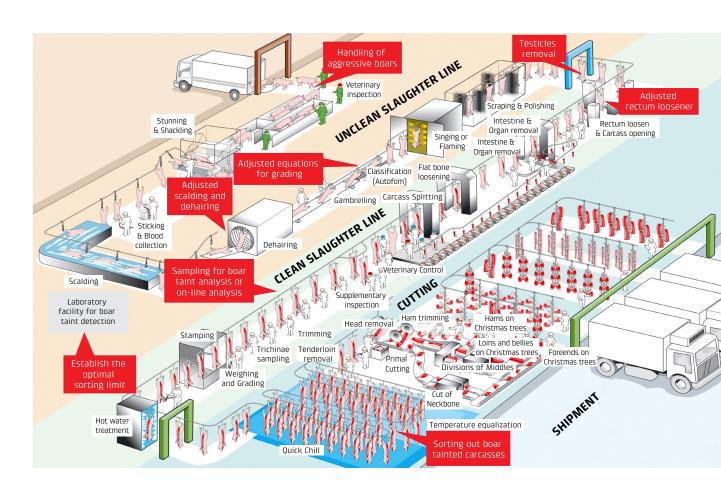
What needs to be addressed at a slaughterhouse?

If you have only slaughtered female and castrated male pigs until now, there are several things you need to change and adjust in the production. Some of them are quite straightforward and only require adjustments and training of operators, while others are more complicated and require expert knowledge and investments.

A parallel problem also arises if you produce processed meat products and use boartainted meat as a raw material for this. If this is the case, there are several strategies that can be used to lower the risk for consumers getting boar-tainted products.

SHOULD YOU TEST CARCASSES FOR BOAR TAINT?

Some slaughterhouses have with success and for many years slaughtered entire males without testing for boar taint. This provides the obvious advantage that there is no need to invest in equipment and possible laboratory capacity to test carcasses for boar taint, and the associated running costs are also saved. The disadvantage is also obvious as the risk of boar-tainted meat reaching customers is present. We can help you identify the advantages and disadvantages of both omitting testing for boar taint and the options available for detecting and segregating boar-tainted carcasses.



OUR APPROACH TO MAKE YOU READY TO SLAUGHTER ENTIRE MALE PIGS.

We will employ a systematic approach to assist you from the initial consideration of beginning to slaughter entire male pigs, all the way through until you have implemented all necessary changes and your production is running smoothly. A typical project consists of three phases as described below.

PHASE 1: PRODUCTION ANALYSIS

- · Rough estimation of economic potential and costs based on key figures:
 - A description of the necessary preparations for the slaughterhouse to begin the slaughtering of entire males, along with a rough estimation of the economic implications. This deliverable will serve as the foundation for the company's decision to proceed with more detailed estimations and planning.

PHASE 2: IMPLEMENTATION PROPOSAL

- Develop a detailed cost-optimized implementation proposal specific to the company:
 - Describe the logistics, traceability, and equipment needed for sampling, sample analysis, and sorting.
 - Develop a strategy for the use of tainted meat.
 - Describe needed changes on the slaughter line and animal handling.
 - Establish a plan for adjusting the grading equation for calculating LMP.
 - Conduct a comprehensive financial analysis, covering both CAPEX and OPEX for all the aforementioned aspects.

PHASE 3: IMPLEMENTATION AND STARTUP

- · Assist in implementation and startup:
 - Develop a plan for implementing the solutions suggested.
- Assist in the implementation of the plans, training, adjustment of analysis and processes, and startup of processing entire males.

DMRI — Food innovation for the future





