

## French Veal Industry the Focus of 6<sup>th</sup> International Veal Symposium

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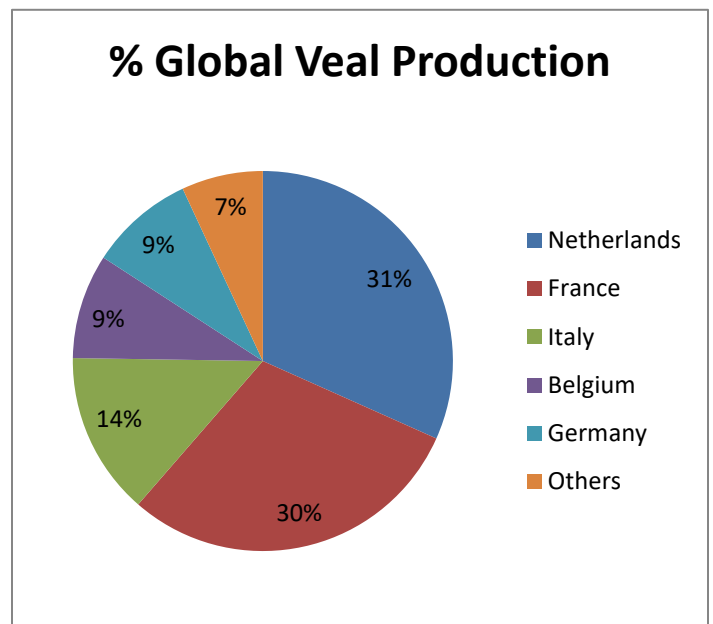
The 6<sup>th</sup> International Veal Symposium was held in La Baule, France April 24-26, 2017 and the theme for the conference was “Re-Veal Your Mind”. Organizers of this symposium were from the French livestock organization Interbev. Interbev works collectively for the beef, veal, sheep, goat and horse sectors on behalf of the farmers and the value chain.

Once every five years, the international veal industry gathers to discuss the industry, share information and discuss the challenges and opportunities for the industry in the years ahead. The last conference was held in May 2011 in Nordwijk, Netherlands.

With over 450 producers and industry partners in attendance, the organizers challenged everyone to think outside of the box of the traditional veal industry in order to “re-veal your mind” to new opportunities for the future growth of the veal sector. With a new format, French organizers brought forth over 40 speakers and panelists as part of the conference program in addition to barn and retail store tours.

Structurally, both Europe and North America have seen declines in veal production. The steepest declines have been in Italy and the US. However, researchers note that while veal slaughter may have decreased in the past 5 years, veal carcass size has increased.

France is the second largest producer of veal in the world, second only to the Netherlands, with 1,320,000 calves processed in 2016. This represents approximately 30% of all cattle processed (beef and veal) in France. There are an estimated 6,000 veal farmers in France and 2,900 produce over 50 veal calves per year. Veal is mainly produced in the Western part of France and in particular the Brittany region.

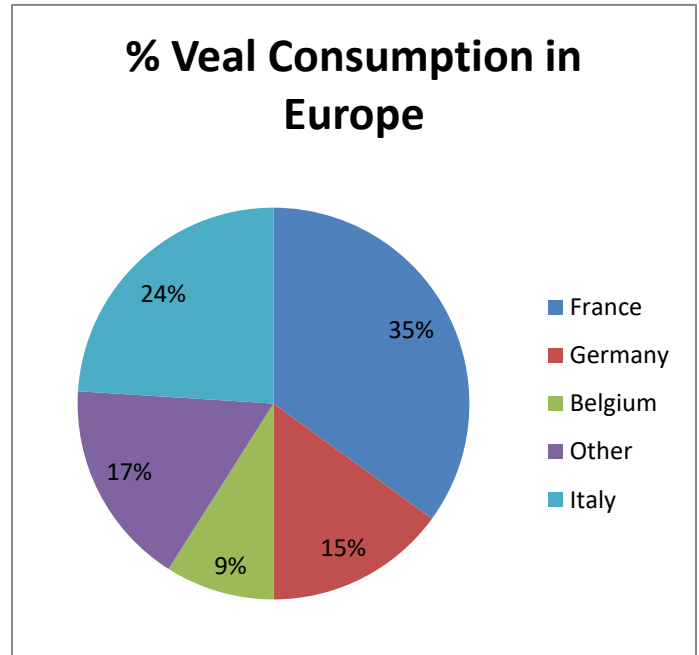


Unlike other veal producing countries, France’s veal sector is segmented between milk-fed veal that is produced as part of an “integrator contract” in dedicated facilities (similar to what is seen in North America) or “suckling or whole milk-fed veal” raised as part of dairy operations and produced as part of branded programs. Interbev has calculated farm gate sales of veal reach almost 1 billion Euros annually and retail value of veal sales to consumers at approximately \$3 billion Euros annually.

As a total percentage of bovine slaughter, the French veal industry represents 27% while the global leader in production, the Netherlands, 65% of total bovine slaughter is from the veal sector. Italy’s veal

sector represents 17%. Averaged over all of the European Union, veal slaughter accounts for 17% of total bovine slaughter.

France leads in veal consumption on a per capita basis at 3.5kg/per person annually. Veal is very much part of the French culture, their cooking heritage as well as availability in both retail and on restaurant menus. France accounts for 35% of total European veal consumption by volume. Comparatively, in Canada annual per capita consumption is only 0.87kg/person, however, Quebec alone consumes 3.0kg/person. The US only accounts for 0.14kg/person. In Europe, while the Netherlands is the global leader in veal production, they are not large consumers of veal products. Italy comes in at second with 2.5kg/per person annually, followed by Germany at 1.2kg/person.



In France, the veal sector is concerned about the ageing infrastructure of the veal barns and the decline in younger farmers getting into the industry. While companies like the Van Drie Group, Denkvit and Serval are very involved as integrators, the sector is investing in research to look at barn design, efficiencies, welfare, environment that will attract the next generation of farmers. In Denmark, the government has implemented a Value Added Tax (VAT) to all food products to help pay for animal welfare improvements and programs since it is considered a common good for all people.

During the veal farm tours, organizers highlighted that veal barns typically will have a room dedicated to Hosltein-Freisan calves and another room dedicated to a Normande-Holstein cross. The Normande breed of cattle is a dual purpose cattle breed but very efficient so much so that veal farmers will “slow” down the Normande crosses so that all the veal calves in the barn can be shipped at the same time. Organizers were very clear that the French veal sector is exclusively milk-fed veal (while other European countries have rosé production as well). As mandated, producers are required to provide solid feed but unexpectedly, the milk-fed calves are provided free choice whole grain corn and supplement mixture. On Denkvit integrated farms, calves were also fed a pellet made from corn mash and whey protein concentrate that has reduced the cost of feeding milk to their calves

A significant part of the veal chain in France is represented by leather tanneries and manufacturers. France is the third largest exporter of luxury leather goods in the world yet their supply of quality useable calf hides has dramatically decreased over the past 25 years. Representatives of the leather sector spoke about the damage to the hides from parasites, ringworm, manure tags and clipping flaws. It is believed that vaccination programs need to be more vigilant to prevent the parasites so that damage to the hide will be limited (or eliminated). With the transition to group housing, the incidence of

hide damage has increased dramatically and speakers also felt that manure was harder to remove as it is “stickier” than it has been before.

The other significant part of the French veal value chain is the tripe or “offal” meats derived from veal carcasses. Tripe (the term used to refer to all offal) is considered a delicacy in France and very much part of the cookery history and culture. November is considered national “Tripe Month” in France and significant resources are spent promoting recipes using tripe and typically there is a 5% increase in sales during this time. While it is a very specialized market, it is very common to find a wide selection of offal at grocery stores and butcher shops.

The symposium also provided the opportunity for the Veal Farmers of Ontario to connect with other producer groups in Europe as well as colleagues from the American Veal Association and the Canadian Veal Association.

### **French Veal at Retail Case Study: Hyper U Markets (separate column)**

On a tour of the French retailer Hyper U (one of the largest supermarket retailers in France), it was clear that veal sales are an important part of the meat department. With an astounding 11% of the meat counter dedicated to veal (compared to approximately 3% in Ontario), veal sales are driven in both the traditional custom butchered counter and the self-service sections.

Hyper U has moved to a whole carcass ordering system in their stores as they believe the veal is a better quality for the customer. Staff are all trained butchers and all veal is cut, trimmed and butchered in-store. The Hyper U veal is displayed in blue trays as they feel this displays the colour of the meat better to the consumer.

While there is no difference in price between the traditional counter and the self-service display, the turnover, and therefore volume, is higher in the self-service counter thanks in large part to promotions, sales features and point of sale materials. With the goal of 100% customer satisfaction, Hyper U has found that they sell more veal with trained butchers and whole carcass ordering system and have seen a 30% increase in sales from 2015 to 2016.

French consumers have demanded that their veal be of French origin and there are retail branded programs to certify that the veal has been fed and raised in France. Also available to French consumers are a number of branded value added products under the “Tendriade” brand name (and bright green trays). Approximately 40% of French veal is sold through retail; 30% at foodservice/institutional and remaining 30% sold through traditional butcher shops.