

News

Novogen to offer alternative in global layer industry

By Daniel Winters

NOVOGEN, A NEW ENTRY FROM THE GRIMAUD GROUP, offers the global layer industry an alternative capable of competing in the international market, which is currently dominated by just two principal layer genetics companies.

Starting early this year, the company will begin offering white and brown layer parent stock to complement fellow Grimaud subsidiary Hubbard's existing broiler products, according to Novogen's Asia business director David Fyfe, in an exclusive interview with Feed & Livestock.

Layer and coloured broiler lines for the project were first developed in the 1990s within Grimaud, but the purchase of Hubbard by the French agri-

business company saw plans put on hold until the acquisition could be fully integrated into the group.

Grimaud currently operates four main breeding companies: Grimaud Frères, which focuses on ducks, rabbits, pigeons and other specialty market species; Hubbard, which offers broilers; Newsham Choice Genetics for pigs, and the latest addition, Novogen for the development and commercialisation of white, brown, and in the near future, other types of layers including specialty hybrids.

Novogen is a separate, independent company under the Grimaud Group, but Hubbard and Grimaud will be offering marketing and logistic support until Novogen is able to function



David Fyfe เดวิด ไฟฟ์

fully independently as a stand-alone operation.

The synergies for Grimaud by offering both broiler and layer products on a global scale are compelling, said Mr. Fyfe, who will be acting as business director for both Novogen and Hubbard in the initial stages.

The development of new products for all four groups will capitalise on Grimaud's research advances in molecular genetics, from which Novogen will benefit as well.

"A lot of the new technologies can be used in all four of the breeding companies," said Mr. Fyfe, adding that spreading the cost of expensive technology over the four firms makes good business sense.

A "substantial" investment has been made in farms, hatcheries, research personnel and cages to house the increased population needed to support the new operation, he said.

The addition of layers from Novogen to complement Hubbard's existing broiler products will make the group more competitive because apart from the highly specialised markets of Europe and North America, most distributors in other parts of the world offer both broilers and layers.

"In much of the world, the Middle East, Asia, South America and the Caribbean, it's very common to find both products within the same customer set. So it makes good sense that the same business directors who are handling the broiler breeding business should also handle the layers," said Mr. Fyfe.

From a risk management standpoint, adding a second product line supplied from GP and GGP farms in France and the United States makes sense in terms of improving security of supply for the group's customers, for whom the risk of trade barriers or avian influenza is

always a major concern. Additional GP and GGP farms may be established in other strategic locations in the future as needed, he said.

"If there is a problem in Europe, we can ship out of the US and vice versa. That puts us in the same position as the two other suppliers."

The first placements began in late 2008, with more expected early in the New Year. Production will be stepped up over the course of 2009, with full capacity being reached by 2010.

Interest in the new layer products is already very strong from both customers and potential distributors, he said, adding that many are extending a warm welcome to a real alternative to the two existing players.

"Our philosophy is to work with independent distributors. We don't want to be directly involved in the markets, because the distributors know the local market and how to approach local issues best," he said.

"We want to remain upstream, doing the research and development, creating a good product, and supplying top-class international specialists to help those distributors develop their business."

The primary focus for the new company will be offering parent stock, but

in traditional grandparent markets GP stock will also be offered.

"The core business will be parent stock, but where it may be strategic or it may be justified because of the size of the operation, we may be willing to look at supplying GP."

The new layer products will pay special attention to the specific demands of free-range and group housing systems.

Selection will focus on the needs of both caged and non-caged operations, with a special emphasis on improved social behaviour and productivity under adverse conditions.

"In these types of systems, the bird has to be capable of eating feed sometimes with poor presentation and/or where appetite maybe depressed due to high temperature. It seems strange, but after many years of selecting for feed efficiency, there can be issues relating to appetite (for non-caged layers)," noted Mr. Fyfe.

Variations in feed presentation, quality, temperature and underlying disease challenges, which may differ greatly from region to region around the world, require that the traits are able to meet very diverse needs.

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of selecting for docility and reduced tendency for cannibalism, aggression, and feather pulling without sacrificing productivity.

"It's a question of balance. You can have the most efficient layer in the world, but if you put it in the field and it cannot eat, it will not lay. It is as simple as that," said Mr. Fyfe.

"Depending on which particular product is being used at the present time, producers may find that the balance offered by our products may be more suitable than their existing supplier."

Novogen Brown and Novogen White product lines will be offered initially, with a "tinted" bird based on a hybrid between brown and white lines to be added to the product mix in coming years.

The seed stock will consist of genetic lines originating from the same four most common breeds used by other breeding companies, namely, Rhode Island red and white, Light Sussex, and White Leghorn.

"We fully expect our products to be very competitive in terms of egg numbers and size. For us it's about listening, understanding and doing so as to give our customers a quality, balanced bird and then continuously developing the product to better match the needs of the industry and operating systems used today. We cannot stand still because the industry is evolving and we must evolve with it," he said.

Of concern to some independent distributors, is the establishment by certain breeders of local operations of their own that could ultimately com-

pete head-to-head with them. Novogen aims to capitalise on this by working with and not against these independent distributors, and therefore benefit from their local knowledge and existing relationships.

"Our philosophy is not to buy up our distributors, but to work with independent distributors in as many countries in the world as we can. Within the next 18 months to two years, we expect to have a very strong following and we are looking forward to the challenge."

Novogen hopes to offer a lifeline to family-owned operations, he added, which are faced with the prospect of being swallowed up by larger players amid an overwhelming trend of consolidation in the global layer industry. Novogen will

be supplying both large and small customers very shortly, he said.

"With three major broiler breeder groups, and now three major groups in layer breeders, our initial target clearly is to have one third of the market in each sector. But how quickly we get there is a different matter. If our breeding quality, expertise and resources deliver what we believe them to be capable of, there should be no reason why we can't achieve that," said Mr. Fyfe.

"Our intention is not just to be the alternative; we have a very clear vision for the breeding program, we are serious in our intent and resolve and who knows down the road where that will take us." ●

	Novo White	Novo Brown
PS performance from 18-72 weeks old (ข้อมูลจาก 18 สัปดาห์)		
Body weight at 18 week g. (น้ำหนักตัว 18 สัปดาห์)	1,215-1,290	1,450-1,530
• Livability % (% สด)	90-92	90-92
Age at 50% production w. (อายุจนไข่ผลิต 50%)	21-22	21-22
• Peak production % (ไข่ผลิตสูงสุด)	92-93	92-93
Egg per hen housed (ปริมาณไข่ต่อโรงเรือน)	295-300	295-300
• Hatching egg number (จำนวนไข่ที่ฟัก)	245-255	250-255
% of hatching egg (ปริมาณไข่ต่อโรงเรือน)	86	86
• Pullets (ไก่สาว)	100-102	98-100
Feed consumption per egg g. (ปริมาณบริโภคอาหาร)	115-120	118-125
Layer Performance from 18-80 weeks old		
Body weight at 18 week g. (น้ำหนักตัว 18 สัปดาห์)	1,250-1,320	1,500-1,580
• Livability % (% สด)	93.7	93.8
Age at 50% production w. (อายุจนไข่ผลิต 50%)	21-22	20-21
• Peak production % (ไข่ผลิตสูงสุด)	93-95	93-95
Egg per hen housed (ปริมาณไข่ต่อโรงเรือน)	350-355	348-352
• Egg mass kg. (เฉลี่ย)	21.5-22.0	22.128
Average Egg weight g. (น้ำหนักเฉลี่ย)	61.5-62.5	62.5-63.5
• Feed consumption (ปริมาณบริโภคอาหาร)	110-112	113-117
FCR per kg of egg (FCR/กก.เฉลี่ย)	2.10-2.15	2.15-2.20
• Feed consumption per egg g. (ปริมาณบริโภคอาหาร/ฟัก/ฟอง)	130-132	130-135