

Big players urged to drag red meat representation into this century

Kelly Butterworth and Shan Goodwin 31 Jul 2018, 5:30 a.m.

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THE big players in red meat must step up, take positions on boards and re-invent their peak representative bodies.

That's the only way to halt the "crisis of relevance" currently eating away at some of the organisations advocating for, and conducting research, development and marketing on behalf of, cattle and sheepmeat supply chains.

That has been the feedback from agribusiness consultants in the wake of claims levy payer funds are being chewed up by duplication of roles across the many industry groups in red meat.

The number of research and development corporations (RDCs) servicing red meat sectors has come under heavy fire, with the argument being that, at times, each is paying for the same expertise and work.



Meat and Livestock Australia's Richard Norton at Cloncurry, Queensland, last week where he told Fairfax Media having more than one RDC in red meat was costing the value chain millions.

Managing director of big beef, sheep and goat meat service provider Meat and Livestock Australia, Richard Norton, says the duplication is costing the red meat value chain “hundreds of thousands, if not millions, of dollars.”

He firmly believes in one research and development corporation.

“The inertia of the industry at times holds back its ability and desire to go out and understand what makes us globally uncompetative,” Mr Norton said at an industry event in Cloncurry, Queensland, last week.

RDCs set their priorities with the guidance of peak groups, which appear to be less and less representative each year of the sectors they stand for.

Management expert Brian Ramsay, whose company Inovact Consulting specialises in agribusiness and industry service organisations, says it is now “disturbingly common” for most businesses to reject joining an agricultural peak body.

All sectors in the modern economy were seeing conventional association structures struggling due to factors such as digital disruption but in red meat, where rapid transformation and consolidation was occurring, it was particularly pointed, he said.

Agtech had well and truly arrived in red meat, from drones to dual-energy X-ray machines and big data.

But red meat industry bodies had continued with business models designed for a bygone era, Mr Ramsay argued.

Rather than fail as any normal business in that situation would, they have lingered on probably via loyalty from a core group dedicated to doing things the way the generations before them have, he said.

Still, they are in slow decline and that is a problem for a number of reasons - with animal production sectors the amplified voices of activists via social media is a key one.

The solution?

“The only way I’ve found works is when the change and innovation is strongly led by larger businesses in the industry - it has to be led by the commercial sector,” Mr Ramsay said.

“Even the biggest businesses can’t do everything on their own, there are times when collective action is required.

“Issues that impact on the reputation of an industry are an example.”

The risk is political and policy failure that a business can’t predict, nor respond to, without an effective body, according to Mr Ramsay.