



NEWSLETTER

EGG FARMERS OF VICTORIA

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NEW TRADING NAME FOR THE BOARD



The Victorian Egg Board has decided to adopt a new trading name "Egg Farmers of Victoria".

Market research shows that consumers think of the Board as beneficial in egg quality control but as holding up the flow of fresh eggs from farm to consumer.

From June 1983, the Board will be adopting the new trading name "Egg Farmers of Victoria" selected to project a marketing orientated organization of farmers providing a neutral, fresh product to the consumer.

The new name will be launched by the Minister of Agriculture, Mr. Eric Kent, at a short function for retailers, distributors and Industry representatives at 4.00 p.m. on the 17th June at the Board's Keysborough auditorium.

By the 17th June, there will be a number of refrigerated delivery vehicles and the Keysborough factory and

marketing centre identified with the new trading name and symbol.

One dozen egg cartons will carry the new name from 1st July 1983 and the majority of the Board's stationery will also carry the new name and symbol from July onwards.

The Board and the Victorian Industry generally has the objective of marketing a high quality product at fair prices to the consumer and encouraging increased consumption of eggs and egg products by being aware of and meeting consumer requirements.

The Board believes that these objectives will be further promoted by the adoption of the trading name "Egg Farmers of Victoria" and requests the co-operation of producers to ensure the maximum marketing benefits for the industry.

PETER J. CARTER

20.5.83

PLANT-A-HERB PROMOTION SUCCESSFUL

The Plant-a-Herb Promotion has been a great sales success and set out below are the figures for the first 8 weeks of the promotional period.

55 GRAM GRADE (8 week sales period)

Sales increase +7.7%
This was an extra 179,737 dozen 55 gram eggs for the 8 week period compared to 1982.

The average weekly sales increase for 55 gram eggs was 22,467 dozen.

TOTAL SALES — ALL GRADES (8 week period)

Sales increase +5.1%
This was an extra 364,465 dozen eggs for

YEAR-TO-DATE JULY 1982 to MAY 1983

Year-to-date sales for the first 46 weeks of the year improved from +1.5% during the 8 weeks' duration period of the Plant-a-Herb promotion.

SUMMARY

1. The promotion has met all of our expectations in assisting to generate almost 400,000 dozen extra sales, when comparing 1983 against 1982. The campaign was so successful that it is highly likely that a similar promotion will be run again in the next two years.

2. Initial minor problems in holding the insert firmly in the carton lid were over-

3. With the experience gained from this promotion, future herb seed inserts will include more seeds per pack and a more organised range of herb varieties.

PLANT A HERB GARDEN IN THIS EGG CARTON



IN THIS CARTON

Fill this carton with good quality potting mix and plant the seeds to grow your own herb garden.

Grow these 12 herbs: Cress, Mustard, Basil, Parsley, Spring Onion, Chervil, Summer Savoury, Melissa (Balm), Mint, Thyme, Marjoram, Dill, and Oregano.

Growing instructions inside.

Only one herb type in this special offer.

INCREASED USE OF POLYSTYRENE EGG CARTONS IN 1983/84

During 1982/83, the Victorian Egg

Industry used approximately 9 million, thin-walled, moulded, polystyrene egg cartons.

They have proved to be very well accepted by consumers and have

improved in-store presentation of

our products. In particular, these new cartons have proved to be an excellent tool for specific marketing promotions because a very bright and distinctive label can be used and in-pack premiums (such as the recent Herb promotion) can now be securely fixed inside the lid at the time of carton manufacture.

In addition, an excellent half dozen carton can be provided and at the request of consumers, Victoria will be introducing this pack in July 1983.

Because of the success of the polystyrene carton in the market place, Victoria will be increasing its use of polystyrene cartons to 55% of total requirements in 1983/84

The Board believe that there is a

place for both moulded pulp and plastic egg cartons in Victoria to achieve the best marketing results and each year the Board will purchase egg cartons based on the price and quality of all the alternatives available.

To ensure the future effective competitiveness of the moulded

plastic polystyrene carton alternative, the Board has purchased an interest in X-Pack Australia Pty. Ltd., the Company manufacturing these cartons. This agreement will come into

effect on 1st July 1983.

ALAN HARRISON



New Emphasis on Production and Sales' Forecasting

As surplus production is eliminated production forecasting by grades becomes more important in ensuring that market needs are met and all State Boards are now giving this subject high priority. The South Queensland Board has recently added an Agricultural Scientist to their executive staff for this purpose and New South Wales and Victoria have been developing production and sales' forecasting utilizing in-house and on-line computer facilities.

A conference between Executives involved in production forecasting from all three States was held on Tuesday 19th April in Sydney to compare methods and results.

1. Production Forecasting

Victoria has developed a production forecasting programme utilizing on-line computer facilities which allow production estimates to be quickly updated whenever any of the parameters used alter.

The present programme is based on the following input factors:—

- (a) The crossbred average from the Random Sample Laying Test is used to determine when the hen will lay each grade.
- (b) Hatching statistics together with hen levv returns are used to

- (i) Genetic flock information; initially into two divisions — large breeds and small breeds.
- (ii) An updating of forecasts based on current trends and a reduction in the reliance on prior years' production figures.

2. Sales Forecasting

In past years, sales forecasting was based on a percentage change to last year's figures. Recently, the Marketing Division has been developing a sales' forecasting programme based on time series analysis.

Three factors appear important:—

- (a) Seasonal influence (consumption per head is higher in the winter months),
- (b) Overall trends established in past years.
- (c) Allowance for trading day bias and bi-weekly purchasing cycle.

Sales by grades over the past five years have now been fed into the computer to allow the effect of these three factors to be measured.

The programme allows for a total sales' forecast and the grade mix is specified separately. So far, it has not proved possible to forecast sales of each grade individually.

The initial sales' forecast does not at-

The computer programme has a facility for tracking the performance of the forecasts against actual results and using the comparison to re-forecast for the remainder of the year.

3. Producers can help to improve forecasting.

Hatchery returns and hen levy returns supply necessary information to determine the number of laying hens and their average age. Additional information which would be of assistance includes:—

- (a) identification of the breed of each flock, and
- (b) producers' forward plans for hen disposal or moulting programmes.

These factors have a significant effect on the number and grade of eggs produced.

The Board is developing a questionnaire covering these points and producers will be requested to provide this information with their twice yearly flock registration.

CHARLES JEFFERSON
Secretary

REVIEW OF BOARD CHARGES FOR 1983/84

1. Packing Material Costs

As advised to producers in May, the Board will be using more polystyrene one dozen cartons in 1983/84 to improve instore presentation of eggs.

For this reason, the standard cost of one dozen cartons will be increased from 8¢ per dozen to 9¢ per dozen on 1st July 1983.

This cost increase will occur as a result of improved packaging and the Board has decided that wholesale egg prices will be increased 1 cent per dozen to cover

this cost increase at the time of the next grade price adjustment (expected to be in

the next few weeks.)

2. Board Administration and Marketing Levy

Currently, the Board's administration and marketing levy is 11¢ per dozen. The Board reviewed its financial position on the 26th May and has decided that the levy will be reduced to 10¢ per dozen from Monday 6th June 1983. On the basis of preliminary estimates of production and sales for 1983/84, it should be possible to cover marketing, administration, dockage and distribution costs with the 10¢ per dozen levy in 1983/84.

In summary, the 10¢/dozen levy is expected to be required for the following costs:

	Expected Cost in 1983/84 \$ million	¢/dozen levy required to cover estimated costs
Administration costs	1.6	3.1
Interest	.75	1.4
Marketing Expenses	2.10	4.0
Dockage and Distribution expenses	.8	1.5
		10.0

The assessment assumes that there will only be 1.8 million dozen eggs surplus to local requirements in 1983/84 and losses on the export and local product markets will be covered by the hen levy as follows:—

		\$ Million
Export losses	1.8 million dozen at \$1.50/dozen	2.7
Local product losses on First Quality eggs	3.0 million dozen at .70¢/dozen	2.1
		4.8
Less expected hen levy income	2.46 million hens at \$1.95/hen	4.8

If surplus production exceeds the expected 1.8 million dozen, then additional levies could be required over the January/February period.

3. Grading and Pack-to-Order Costs

A review of costs and income at the Keysborough grading floor and distribution centre indicates that income will cover costs for the six months from 1st January 1983 to 30th June 1983 apart from costs related to the size of consignments. For this reason, it will not be necessary to increase any cents per dozen charges but the consignment fee for ungraded consignments will be increased from \$3 to \$4 per ungraded consignment from 1st July 1983. This increase in consignment fee will apply at all grading floors, the Board floor at Keysborough, T. J. Neylon's Floor at Thomastown, Crystal's Floor at Bendigo and the Mildura floor.

ALAN HARRISON
General Manager

INTRODUCTION OF THE HALF DOZEN CARTON

One of the many advantages from the introduction of polystyrene egg

quests from individual consumers, consumer organisations and retailers to satisfy a demand in the marketplace for such a pack.

Initially, we will introduce 55 and 60
from grade eggs



VICTORIAN EGG PRODUCTION AND DISPOSALS

47.4 Weeks Ended 28/5/1983

	1982/83	1981/82	%
PRODUCTION			
		DOZENS	
Ungraded Receivals at Grading Floors	18,958,000	21,046,000	- 9.9
Pack-to-Order Receivals at Grading Floors	11,437,000	9,773,000	+ 17.0
Packed directly by Producer Agents	16,986,000	15,623,000	+ 8.7
Total Recorded Production	47,381,000	46,442,000	+ 2.0
SALES			
Sales by Grading Floors	23,983,000	24,369,000	- 1.6
Sales by Producer Agents	16,986,000	15,623,000	+ 8.7
Total Shell Sales	40,969,000	39,992,000	+ 2.4
Total Surplus	6,412,000	6,450,000	- 0.6
Local Product Sales	3,992,000	3,760,000	+ 6.0
Nett Export Surplus (excluding useless)	2,216,000	2,500,000	- 11.4

PRODUCTION: With 90% of the year's figures now completed, the overall position for 1982/83 is becoming clear. Despite 300,000 less issued quota this autumn compared to 1982, the number of leviablen hens this year is only down 100,000 — that is producers are using quota much more effectively — and production per hen is up 6% from 64% to 68%.

The overall effect is that production to the end of May is up 2% or .9 million dozen on a year ago and for the year,

total production is expected to be up 2% from 51.4 million dozen last year to 52.4 million dozen in 1982/83.

SALES: Compared with last year at the end of May shell egg sales are up 1.0 million dozen to 41 million dozen. Local product sales to the end of May are up 6% to the equivalent of 4 million dozen by 30th June.

EXPORT SURPLUS: Although the prime surplus this year against last year is unchanged at 6.4 million dozen, local product sales have increased 6%. The

combined effect of the increase in shell and product sales has more than offset the increase in production and export surplus is down 11% to 2.2 million dozen.

PRODUCER NETT RETURN: Although wholesale egg prices were increased 6¢ per dozen on average in march 1983, average producer nett returns were marginally lower than last year because more smaller grades have been produced this year.
1.6.83

AVERAGE RETURN TO PRODUCERS OVER ALL GRADES

	1983	1982
4 Weeks ended 28/5/83	124.27 cents	122.40 cents
47.4 Weeks ended 28/5/83	113.15 cents	115.27 cents

VICTORIAN EGG MARKETING BOARD SCHEDULE OF RETURNS DUE

COMMONWEALTH HEN LEVY

PRODUCER AGENTS

Period No.	Count Date	Last Day for payment	Period No.	2 Weeks ended	Last Day for payment
25	9/6/83	23/6/83	25	12/6/83	23/6/83
26	23/6/83	7/7/83	26	26/6/83	7/7/83
1	7/7/83	21/7/83	1	10/7/83	21/7/83
2	21/7/83	4/8/83	2	24/7/83	4/8/83
3	4/8/83	18/8/83	3	7/8/83	18/8/83