

THE POULTRY REVOLUTION PICKS UP PACE



WHICH CAME FIRST — DEVELOPMENT OF THE CHICKEN AND EGG INDUSTRIES

Domestic consumption drives India's poultry sector growth, with a 10 percent increase in broiler meat and 6 percent increase in egg production from 2002–2012. This has been accompanied by a change in production methods, shifting from native country birds to hybrids that provide increased hatchability, faster growth of chicks and more eggs or meat per bird. Advancements have been made in genetics, veterinary health, poultry feed and processing.¹²²

Although the broiler industry is about 75 percent integrated, processing and retailing have not modernized quickly. Customers retain an overwhelming preference for live birds (92 to 93 percent of the market), creating barriers for greater access to safe, high quality poultry products. The high cost of feed ingredients and rumors of bird flu have created challenges for expanding production and maintaining profits. Long-term, the prospects for the industry are good and marketing strategies seek to capitalize on changing preferences towards convenience foods, fast-food restaurants and increased protein consumption.

The largest integrated poultry operation in India is **Suguna Poultry Farm Ltd.**, which had a turnover of \$450 million in 2007–2008 with more than 15,000 contract growers in 11 states.¹²³ Suguna provides contract growers with quality day-old chicks, feed, medicines and technical support and guidance. The company markets the output, paying producers an agreed price/kilogram based on weight gained, plus incentives for reduced mortality and improved feed conversion.

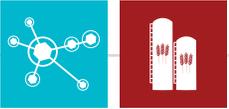
Venkateshwara Hatcheries is a contract broiler operation with a similar out-grower model, except contract producers sell the chickens at the fixed **BOMARK (All India Broiler Farmers Marketing Cooperative Ltd.)** price.¹²⁴ Growers receive any additional profits accrued if prices increase, and they get an incentive for increasing feed-conversion efficiency. ■

PRODUCTIVITY FOR POULTRY FEED IN INDIA

Feed conversion ratio (FCR) is a measure of how well poultry convert feed intake (feed usage) into live weight. The best way to improve FCR is to provide poultry with good nutrition, reliable systems of feed procurement and production, good care and husbandry, and disease control to ensure efficient poultry and egg production. Recently, farmers in India of all sizes, have improved FCR using innovative, time-saving pre-mix feeds that combine feed with health and efficiency-enhancing technologies.

Elanco India, the Indian subsidiary of a global animal health company, supplies the poultry feed industry with modern, state-of-the-art feed additives and enzymes that improve nutritional content of the feed, thereby improving the productivity of meat and egg production per bird. Elanco also supplies medicines and vaccines that protect poultry from infectious disease. When combined with good care and husbandry, Indian poultry producers can ramp up production to meet the growing consumer demand for safe, nutritious and affordable food.

Elanco India has estimated that a five percent improvement in FCR means a national savings of \$180 million annually in the amount of corn and soymeal that must be produced for feed.¹²⁵



CORN FEEDS THE POULTRY VALUE CHAIN

Nearly 80 percent of poultry feed in India is comprised of corn.¹²⁶ As the poultry industry grows, so does the demand for corn. Maize production expanded from 12.04 million metric tons in 2001 to 14.71 million metric tons in 2006 to 21.73 million metric tons in 2011.¹²⁷ Expanding demand has improved prices, enticing more farmers to produce corn, and adoption of hybrid seeds is increasing yields per hectare.

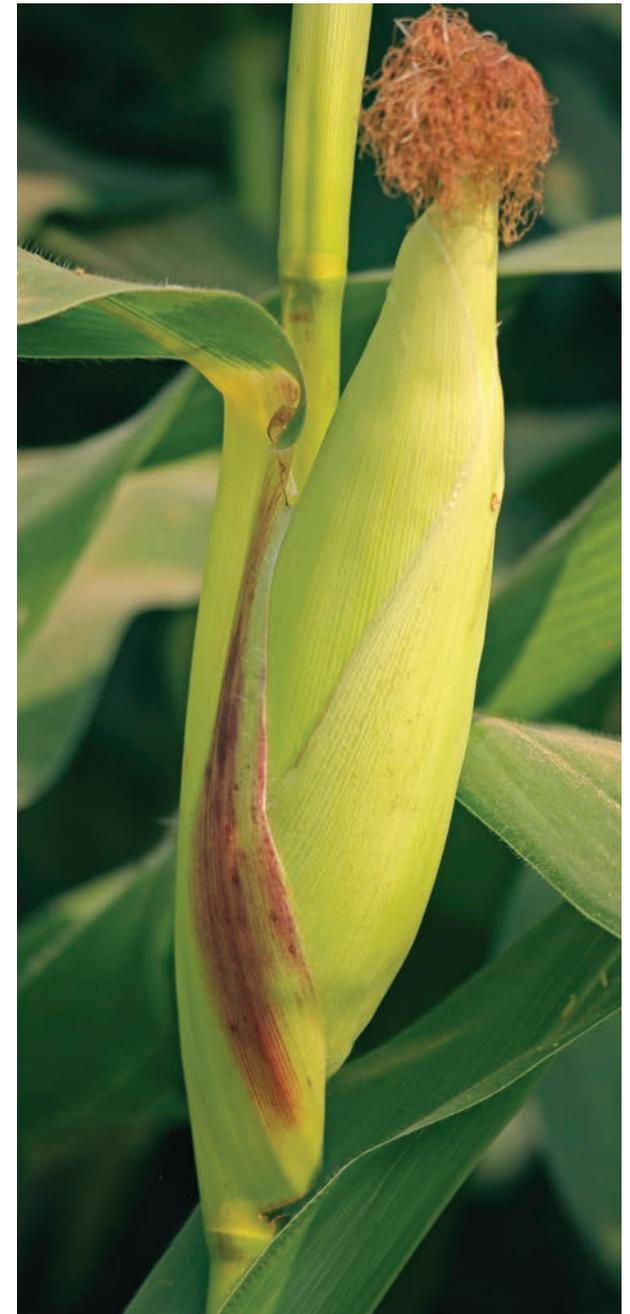
At the same time, the Indo-Gangetic plain aquifer is decreasing by an alarming 33 cm/year and the Indian government is encouraging farmers who grow rice in the three affected states to diversify from rice to corn, which requires one-fifth the amount of water to grow.¹²⁸ **DuPont Pioneer** is helping farmers make that transition in partnership with the **Government of Punjab**.¹²⁹

Pioneer agronomists investigate which hybrids are most appropriate for each region, season and intended use and assure timely availability of the seeds. A package of optimum practices is developed — such as soil moisture levels, plant spacing and when, what types and how much herbicide, pesticide and fertilizer to apply. Training in crop management and economics is provided for government and farmer representatives who then provide ongoing extension services for producers.

Farmer meetings, social media campaigns and mass media coverage help raise awareness that technical assistance is available for those who wish to, or already have, diversified to corn production. The Punjab-Pioneer partnership is also facilitating sales to feed mills and the poultry and egg industries. ■



DuPont Pioneer partners with Punjabi farmers providing extension services to produce hybrid corn to meet increasing feed demand for poultry and egg production.



Photos courtesy of DuPont Pioneer India