

QUESTION ON NOTICE
No. 956
Asked on Friday, 8 June 2007

MR HAYWARD asked the Minister for Primary Industries and Fisheries (MR MULHERIN)-

QUESTION:

Will he advise how a recent visit by South Korea's largest beef importer will benefit Queensland's beef industry?

ANSWER:

The recent visit to Queensland by delegates representing E-Mart, South Korea's largest supermarket retailer, is a strong reflection of the high regard overseas customers hold for Queensland beef products.

The Queensland based beef cattle company, Australian Agricultural Company Limited (AAco), recently established an exclusive arrangement with E-Mart for the supermarket chain to stock AAco's Wagyu beef brands.

AAco and E-Mart have a six year trading relationship which has contributed to the successful growth of the Wagyu business in Australia and, in particular, with AAco. In terms of significance, this recent deal could result in E-Mart becoming AAco's single largest customer for its Wagyu products marketed under the Darling Downs brand.

E-Mart operates 106 stores nationwide and is South Korea's largest retail supermarket chain and one of its most innovative and consumer focussed companies. In recent years E-Mart has also grown to be a significant retailer of Australian beef. Between June 1999 and 2006, the volume of Australian chilled beef on shelf has increased from 15 tonnes to 5 968 tonnes and this latest deal is another vote of confidence in Queensland beef. In the year ended June 2006 Queensland exported 83 000 tonnes of beef valued at \$389 million to Korea.

The Department of Primary Industries and Fisheries (DPI&F) is very cognisant of the fact that Queensland beef exports are now competing directly with United States of America beef which has been recently allowed entry back into Korea. In this more competitive environment it is increasingly important that we nurture positive relationships with key players such as E-Mart and continue to differentiate our beef product on quality and safety.

During E-Mart's visit the Queensland Government hosted the delegation at Parliament House to emphasise the importance that Queensland places on relationships with our key trading partner. The meeting also provided an opportunity for AAco to further profile their innovative and progressive beef marketing business.

AAco has invested significant time and effort to develop a range of branded beef products that are of the highest quality in terms of taste, consistency and safety. Through innovation and the implementation of sustainable production systems and stringent paddock-to-plate traceability, AAco is now able to target very demanding but valuable niche markets overseas. AAco's success in the Korean market illustrates its commitment to developing new markets for Queensland beef. It is also testimony to the importance of commitment, relationship management and product quality in achieving export success.