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BRIEF COMMUNICATION: Assessing the current value of milk, meat and fibre products from the goat industry in New Zealand


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Keywords: goat; dairy; meat; fibre; value; industry; market

Introduction

Goats have a historical record of being productive and valuable to families and communities (Aziz 2010). Small ruminants, which include goats, still have an ‘unfulfilled’ potential despite the numbers of animals farmed and their distribution around the world (Anaeto et al. 2010). Pollot and Wilson (2009) concluded that goats deserve greater attention due to their capacity for producing food. A similar study in New Zealand (Sheppard & O’Donnell 1979), described the uses of goats for meat, skins, milk and mohair and concluded that the goat was valuable, but that the production potential was largely unfulfilled. A recent New Zealand study (Ministry of Agriculture and Forestry 2009) concluded that food-consumption patterns are changing in New Zealand, and globally demand for more diversified products provided an opportunity for goat meat. The objective of this study was to determine the current value of domestic and exported New Zealand goat products and to explore possible future products and their target markets. Many of these product values are gathered from retailers, personal communications and individual producers. This research is an attempt to bring together information that has not yet been gathered to present a current value of the goat in New Zealand.

Dairy industry, products and value

Goat milk has been proven to be beneficial for human health (Anaeto et al. 2010; Agostoni et al. 2012). The components of goat milk and the quality of the milk produced in New Zealand is a major attraction for international markets (Stanley, 2012). Favourable properties of goat milk when compared to cow and sheep milk include the protein and vitamin content, and fat globule size (Park 2006; Anaeto et al. 2010). Compared to cow’s milk, the fat-globule size in goats’ milk is smaller in diameter which results in differences in the physico-chemical structure and composition (Park 2006) although it should be noted that direct clinical substantiation of these anecdotes is not available. This result in goat milk being better digested and tolerated by those with health disorders. The overall composition of goat milk allows it to be very versatile for many areas of human health (Park 2006).

The value of goat milk depends on which products are manufactured from it. Table 1 lists the dairy products sold domestically in New Zealand and the market value for each product. These domestic products are made by local companies and may be sold by supermarkets, food service providers, or sold directly by farmers to customers.

Table 1 Domestic products, their description, destination and their current retail value.

<table>
<thead>
<tr>
<th>Product</th>
<th>Description</th>
<th>Destination</th>
<th>Value of finished product ($NZ/kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chevre cheese</td>
<td>Common name for goats’ cheese. Can have additional flavorings</td>
<td>Many small suppliers around New Zealand</td>
<td>87.00a</td>
</tr>
<tr>
<td>Feta cheese</td>
<td>Salty Greek cheese</td>
<td>Supermarkets</td>
<td>59.40b</td>
</tr>
<tr>
<td>Powdered milk</td>
<td>Spray-dried goat milk, can have added ingredients depending on the customer</td>
<td>Online, supermarkets or health stores</td>
<td>55.00b</td>
</tr>
<tr>
<td>Yoghurt</td>
<td>Semi-solid food prepared from milk fermented by added bacteria</td>
<td>Local supermarkets</td>
<td>17.70b</td>
</tr>
<tr>
<td>UHT milk</td>
<td>“Long life milk”, can be stored unrefrigerated due to heat treatment</td>
<td>Online or large supermarket chains</td>
<td>7.60b</td>
</tr>
<tr>
<td>Whole milk</td>
<td>Milk with no constituent removed</td>
<td>Farms supply local supermarkets and small stores</td>
<td>4.10b</td>
</tr>
<tr>
<td>Ice-cream</td>
<td>Sweet frozen food made from cream and milk. Can have additional flavorings</td>
<td>Farms supply local food-services</td>
<td>Sold in food service</td>
</tr>
</tbody>
</table>

*Price from Kaikoura Cheese, personal communication.

bRetail prices from Countdown (15/1/2017).
Table 2 Exported products with markets and current retail value

<table>
<thead>
<tr>
<th>Product</th>
<th>Description</th>
<th>Export amount</th>
<th>Destination</th>
<th>Value ($NZ/kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infant formula</td>
<td>Spray-dried goats milk with added vitamins</td>
<td>4,000 tonnes</td>
<td>Asia, Australia, Europe.</td>
<td>48.90^a</td>
</tr>
<tr>
<td>Adult formula</td>
<td>Spray-dried goats milk suitable for adults</td>
<td></td>
<td>Smaller companies export to Australia and USA</td>
<td>55.60^a</td>
</tr>
<tr>
<td>Milk powder</td>
<td>Spray-dried goats milk</td>
<td></td>
<td></td>
<td>45.00^a</td>
</tr>
<tr>
<td>Goat milk tablets</td>
<td>Chewable tablets</td>
<td>16 million tablets^b</td>
<td>Asia, Taiwan</td>
<td>333.33^a</td>
</tr>
</tbody>
</table>

^aRetail prices from Fresco nutrition (3/1/2017).
^bEach tablet weighs 600 mg and contains a mixture of whole milk powder and dextrose.

Table 3 Domestic meat products sold in New Zealand, their use in cooking and current market value.

<table>
<thead>
<tr>
<th>Product</th>
<th>Use</th>
<th>Value ($NZ/kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>French rack</td>
<td>Roasted</td>
<td>46.88^a</td>
</tr>
<tr>
<td>Back strap striploins</td>
<td>Marinated and slow roasted</td>
<td>37.50^a</td>
</tr>
<tr>
<td>Rump with cap</td>
<td>BBQ, marinated and pan fried</td>
<td>34.50^a</td>
</tr>
<tr>
<td>Diced chevon</td>
<td>Curry, tagine and kebab</td>
<td>25.00^a</td>
</tr>
<tr>
<td>Short leg roast</td>
<td>Roasted or grilled</td>
<td>22.50^a</td>
</tr>
<tr>
<td>Chevon leg roast</td>
<td>Slow roasted</td>
<td>19.50^a</td>
</tr>
<tr>
<td>Chevon mince</td>
<td>Burgers, meatballs, meatloaf and ragu</td>
<td>19.50^a</td>
</tr>
<tr>
<td>Shanks</td>
<td>Slow cooked as for lamb shanks.</td>
<td>18.13^a</td>
</tr>
<tr>
<td>Boneless shoulder</td>
<td>Roasted or BBQ</td>
<td>13.75^a</td>
</tr>
<tr>
<td>Pet food</td>
<td>For a variety of pets</td>
<td>2.50^a</td>
</tr>
</tbody>
</table>

^aRetail prices from Shingle Creek Chevon (22/1/2017).
^bRetail prices from New Zealand Petfoods Ltd.

**Meat industry, products and value**

Goat meat can be considered as a healthy alternative to other red meats. Goat meat is becoming more widely accepted internationally in places where it is not a dominant meat-based on the nutrient composition of the meat and the health benefits it may provide. Research shows that goat meat (chevon) regardless of age, breed or region will supply a high-quality protein source, along with a healthy fat profile with minimal cholesterol content (Anaeto et al. 2010).

Products derived from goat meat depend on market demand (Pinkerton & Harwell, 2015), so a wide variety of products is produced. Products processed in New Zealand for domestic use are shown in Table 3, but there is a predominance of cubed meat being used for curry and cultural dishes at a local level (Napier 2015). Currently, most goat-meat consumers in New Zealand purchase their goat meat from their local butcher, farmer or ethnic take-away shops. Goat meat sold in New Zealand tends to be from Boer goats, and is considered the premium goat meat for the domestic market.

There are other products derived from goat carcasses that are bought from small-scale farmers and businesses. These products are not exported and include horns for decoration sold at $NZ11.00-50.00 per pair skins and hides from feral goats processed by local tanners for approximately $NZ110, and tallow which is utilised for soaps and lip balms and sold for $NZ2.00 per kg.

There is currently no domestic demand for goat pharmaceutical products in New Zealand, so goat organs and blood are processed into fertilizer or pet food. Pharmaceutical companies have capacity to process goat organs and blood once domestic demand increases (Agri-lab 2017; personal communication).

In 2015, New Zealand exported 1,200 tonnes of goat meat (Beef and Lamb 2016). Products are exported from New Zealand as primal cuts or whole carcasses. Once the meat arrives at the overseas importer, they further process the meat based on market demand or sell as is to customers. Most importers can process meat based on consumer orders and requirements. Table 4 shows the exported goat products which include those destined for pharmaceutical
and domestic markets. Meat quality could also be improved as younger, leaner and more heavily muscled goats are likely to create a better product and increase demand and value (McMillin & Brock 2005).

Fibre industry, products and value

Angora goats in New Zealand are kept primarily for mohair production. Mohair consists of strong elastic fibres that are formed into a fabric and is especially suitable for apparel, knitwear, curtaining, upholstery material, socks, shawls and accessories (Hunter, 1993). Mohair is grown in several countries, with over 60% of the world supply coming from South Africa (Agriculture, Forestry and Fisheries, 2015).

Currently the domestic market processes and makes fabrics for scarves, blankets and socks. Farmers in New Zealand sell their highest quality fibre internationally, with only 15% of fibre produced in New Zealand kept for local manufacturing (Mohair Pacific, 2016).

The fibre industry in New Zealand is currently developing more weaving grade fibre as this provides an opportunity to increase the export value of the fibre. This is the major priority for the industry as weaving grade fibre is worth at least 10% more than the average value of mohair. This process is occurring by improvement in the Angora goat genetics. Farmers in New Zealand are achieving this by importing angora goats from Australia for breeding.

Table 4 New Zealand goat-meat products, export market and current retail value.

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Destination</th>
<th>Value ($NZ/kg)</th>
</tr>
</thead>
</table>
| Overall meat export | USA, Japan, Middle East, Caribbean | 6.92
| Live goat (under 23kg) | USA | 7.45
| Live goat (23-37kg) | USA | 8.43-12.10
| Live goat (over 37kg) | USA | 11.26
| Goat blood - pharmaceuticals | Turkey, India, China, USA | 73.60
| Goat organs - pharmaceuticals | Turkey, India, China, USA | Price unknown
| Goat serum - pharmaceuticals | Turkey, India, China, USA | 152.74
| Goat plasma - pharmaceuticals | Turkey, India, China, USA | Price unknown

*Prices from overseas retailers were converted to $NZ at date specified using exchange rate.

Table 5 Current goat meat products in the United States of America and current retail value.

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Value ($NZ/kg)</th>
</tr>
</thead>
</table>
| Goat mince Processed by retailer | 45.82
| Goat cubes Skin burnt off, retail bagged | 42.6
| Goat leg Bone in with the skin burnt off | 39.6
| Goat leg Bone in, with the skin removed | 39.6
| Goat neck Processed on site | 33.57
| Goat carcass 6-way cut | 30.51
| Goat carcass Skin removed | 28.98
| Pet food Processed by retailer | 23.98
| Goat liver | 21.34
| Goat kidney | 21.34
| Goat tripe | 21.34
| Goat head | 18.20
| Neck bones | 16.04
| Goat sausage | 44.44
| Goat heart | 15.12
| Goat feet | 10.66
| Goat bones | 6.07

*Prices from overseas retailers were converted at date specified using exchange rate.

Use and live goat exports. Nearly all the goat carcass, blood and organs can be sold. The goat meat exported overseas is mainly from feral goats, with other breeds such as Kiko are also exported.

Once the processed meat (primal cuts, cubes or whole carcass meat) arrives at the importer and wholesaler, it will be purchased by a retailer and butcher where the meat is processed into various products. Table 5 shows products made from goat meat in the United States of America.

The main obstacle to increasing exports is the limited number of goats to provide a constant supply of products. As goat meat is currently exported as carcass or primal cuts, opportunities exist for further processing to be done in New Zealand. This could be carried out to appeal to international and domestic markets. Meat quality could also be improved as younger, leaner and more heavily muscled goats are likely to create a better product and increase demand and value (McMillin & Brock 2005).

Fibre industry, products and value

Angora goats in New Zealand are kept primarily for mohair production. Mohair consists of strong elastic fibres that are formed into a fabric and is especially suitable for apparel, knitwear, curtaining, upholstery material, socks, shawls and accessories (Hunter, 1993). Mohair is grown in several countries, with over 60% of the world supply coming from South Africa (Agriculture, Forestry and Fisheries, 2015).

Currently the domestic market processes and makes fabrics for scarves, blankets and socks. Farmers in New Zealand sell their highest quality fibre internationally, with only 15% of fibre produced in New Zealand kept for local manufacturing (Mohair Pacific, 2016).

Fibre is exported from New Zealand to South Africa. High-quality fibre from first shear kids is highly valued. This value decreases with increasing age of the Angora goats due to the increasing diameter of the fibre. Fibre is sold based on its grade to brokers and buyers and then sent to retailers and manufacturers to be created into products for over 50 million customers. The overall fibre exported from New Zealand in 2015 was 25 mega-tonnes and had an average value of NZ$21.34 per kg (Burt, personal communication 2017).

The fibre industry in New Zealand is currently developing more weaving grade fibre as this provides an opportunity to increase the export value of the fibre. This is the major priority for the industry as weaving grade fibre is worth at least 10% more than the average value of mohair. This process is occurring by improvement in the Angora goat genetics. Farmers in New Zealand are achieving this by importing angora goats from Australia for breeding. The mohair sector is very small compared to the dairy goat sector and is unlikely to grow significantly in the short term.
Conclusions

This study identified the current products produced from the components of New Zealand goats and their market value. The information gathered here is an overview of the current products sold domestically and exported. Many of these product values are gathered from personal communications or from individual producers and hence this is a limitation to defining the value accurately. The dairy-goat industry is still small, but is accessing significant export markets for whole milk powder, adult and infant formulas and achieving high market values. The meat and fibre industries are less developed with a very small domestic market, however, potential access to large international markets will allow for further development of the meat and fibre industries in New Zealand.

Acknowledgements

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References


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