

The logo for Good Herdsmen Organic Meats is centered in a white rectangular box with a thin gold border. The word "Good" is in a small, gold, serif font above the word "Herdsmen", which is in a larger, bold, gold, serif font. Below "Herdsmen" is a thin horizontal line, and underneath that, the words "ORGANIC MEATS" are written in a gold, all-caps, sans-serif font. The logo is set against a dark background with a gold swoosh that curves around the box.

Good
Herdsmen
ORGANIC MEATS

*Market opportunities for
Organic Farmers & Processors*

INTRODUCTION:

- Good Herdsmen established in Cahir in 1989.
- Opened Ireland's first independent Organic meat retailing packing factory in 2004.
- Slaughtering 4,000 Organic cattle per year.
- We supply all major Irish Retailers with their Organic meat requirements.
- Established export markets in U.K., Sweden, Holland, France and Germany.
- Good Herdsmen also organically farm 850 acres and winters over 1200 Organic young cattle per year.



MAP OF SLAUGHTER LOCATIONS



MEAT PROCESSING INVESTMENT €1.8m



FARM INVESTMENT €1.5m



CURRENT STATE OF THE MARKET - IRELAND

- The Irish market for Organic Beef has continued to grow and uses the same distribution channels as conventional products – The Irish multiples.
- All leading Irish Supermarkets have now at least one or more Organic meat offering.
- 15% of Organic meat sales in Ireland are channelled through home delivery box schemes, farmers markets and food service outlets.
- Noticeable growth in the market during BSE and other food scare events.





80%
Of
Sales (€)

13%
Of
Sales (€)



IRISH ORGANIC MARKET VALUE:

€98.1m



CURRENT STATE OF THE MARKET - EUROPE

- All Global markets are experiencing growth in their Organic sectors especially the Nordic countries, Germany & France. Holland too have seen Organic sales increase by 9% in 2012 while the UK are just starting to experience growth since 2010.
- European market has grown by average of 11% in 2012, far outpacing sluggish growth in rest of the food sector.
- Worldwide demand for Organic food was not affected by the turbulent years of economic activity.
- More & more analysis of ecology and sustainability has a positive impact on sales in the Organic trade.
- Political framework and general conditions that promote Organic agriculture are called for, for those interested in converting and for farmers already using these methods.



EUROPEAN ORGANIC MARKET
VALUE:

€22bn



ROUTES TO MARKET



Market Opportunities for Irish Organic Beef

- More and more Organic cull cows are entering the European market and end up retail packed, particularly in UK, Holland, Germany & France. We find consumers are not just happy with the “safe food” labels. They also demand quality.
- Ireland are in a great position to offer this quality as demand increases for a better eating experience coupled with traceability and Organic certification.
- Example of this quality at work can be seen now in Paris as we supply 16 five star hotels there. These Michelin star chefs have never seen or tasted such quality meat before.



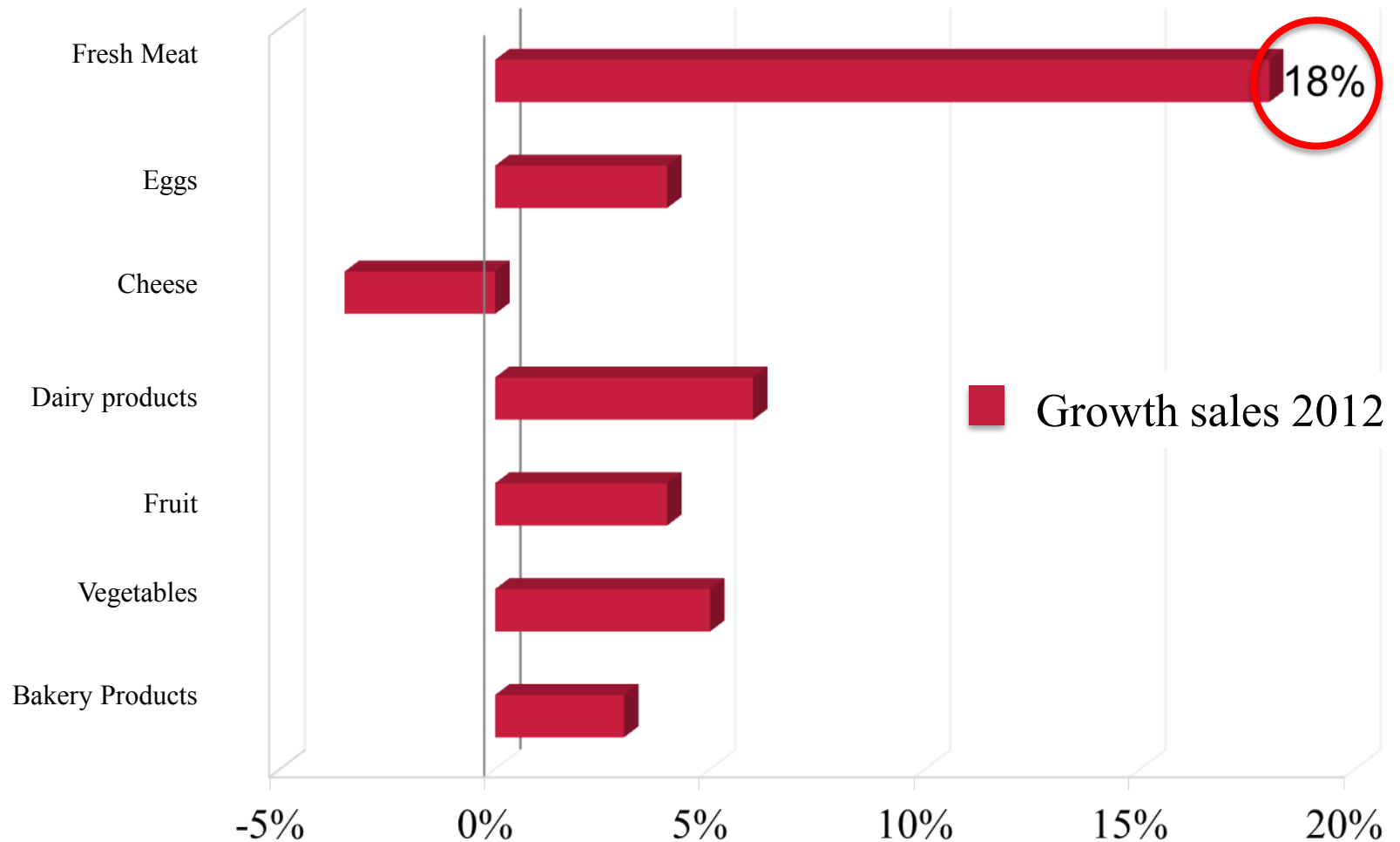
Market Opportunities for Irish Organic Beef

- Good Herdsmen supply the worlds largest Organic baby food producer. The reason is due to the fact that Irish Organic Beef has little or no residues, it's "clean" Beef.
- Here is the big opportunity for Irish Organic meat. We don't have heavy industry in Ireland or a history of mass spraying of herbicides & pesticides so our soil is relatively clean. Organic baby food is the fastest growing sector in Europe - Ireland is in a great position to supply the protein ingredients required.
- A near tripling of Organic food sales in mainstream retail in the last six years demonstrates the broadening of the Organic consumer market in Europe.
- Marketing of Irish Organic Beef is greatly helped by the positive image Irish Beef has in Europe.



GermanMarket Analysis

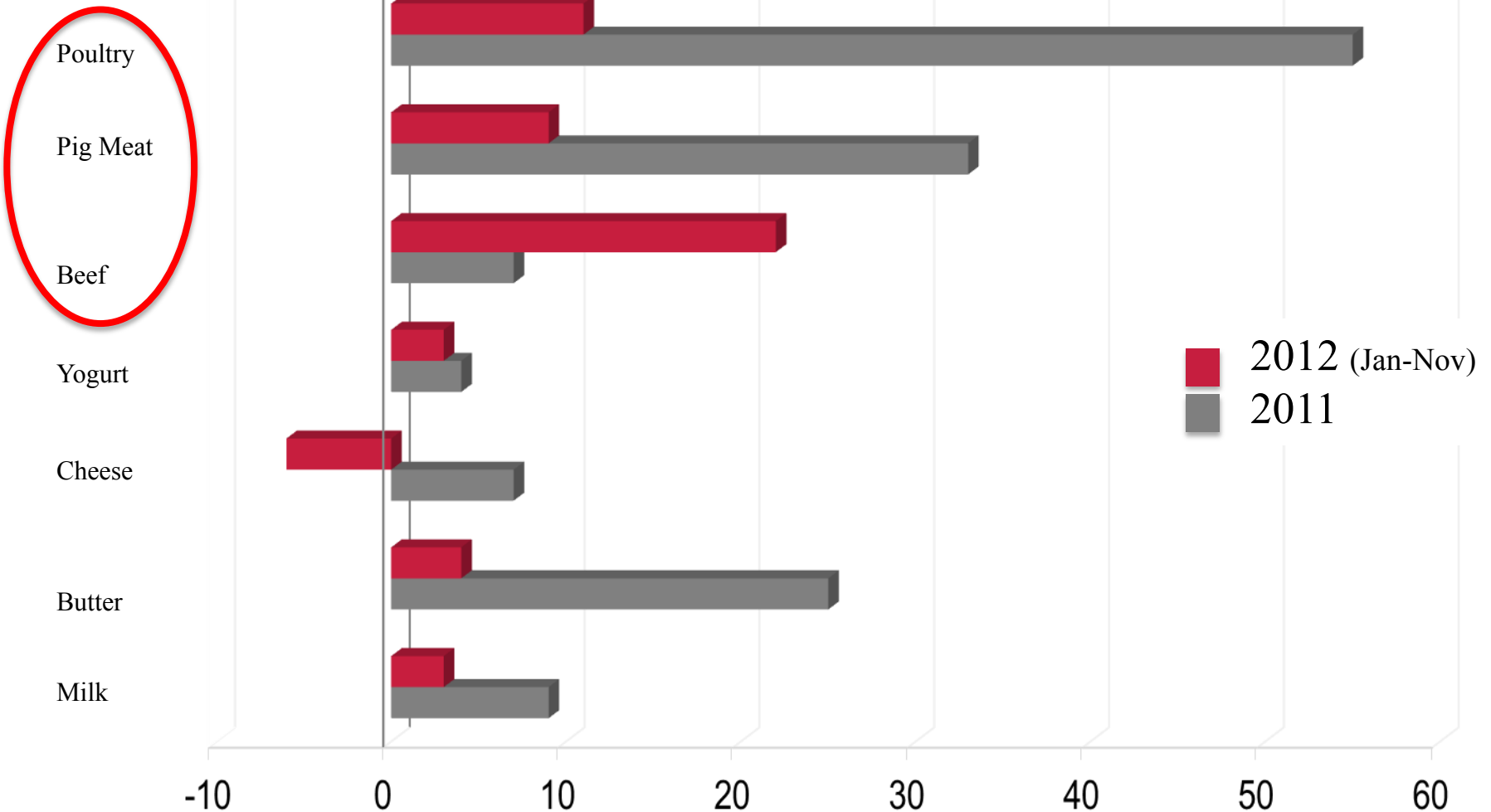
Organic Fresh Meat Sales grew +18% in 2012



German Market Analysis

Volume growth 2012 v's 2011

– Organic meat & dairy –



IDEAL ANIMAL

SEX	AGE	WEIGHT	RESIDENCY	FAT	GRADE
Heifer Steer	912 days (30mths)	220-350kg	90 days	2,3,4	E,U,R,O

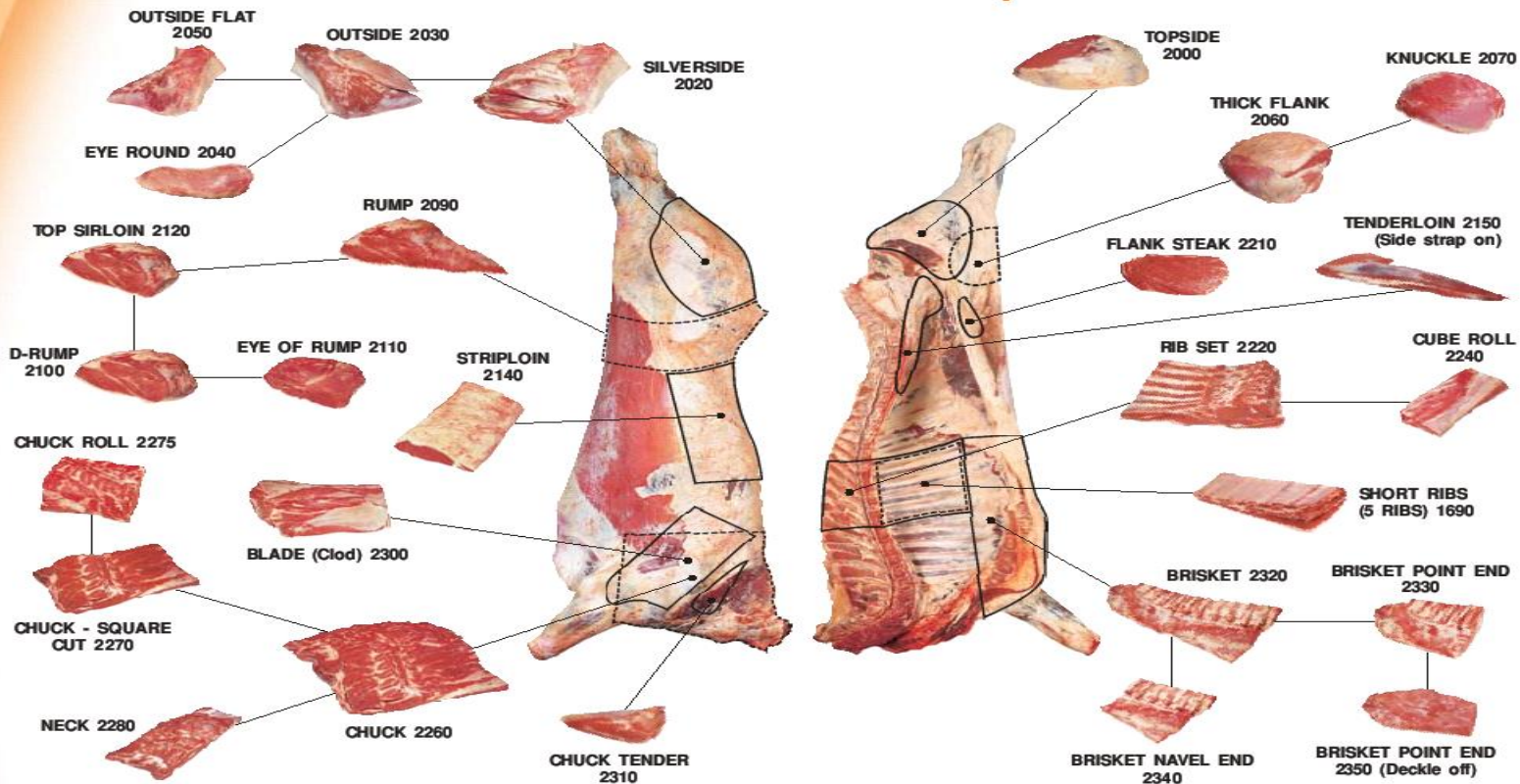
The table above shows the type of animal that fits into every job we have in the business, so that's what makes it the ideal animal for us at the slaughter and boning plant.



ALL CUTS MUST BE SOLD

BEEF

Beef Primal Cuts



CARCASE BREAKDOWN

Cut Type	%
Rounds –mainly roasts	14.5%
Premium Steaks	12.0%
Slow roasts	4.5%
Mince & Dice	41.5%
Fat & Gristle	8.0%
Bones	19.5%



Summary

- 90% of respondents in an E.U. survey stated they do not want G.M.O. in their food. Positive news for Irish Organic farming.
- 63% said they buy some Organic food items at least once a week.
- The European market for Organic meat has grown by 11% in 2012 and has overcome the “test” that is the recession.
- Organic food is now mainstream and is not a fad.
- Ireland in unique position to supply quality Organic Beef and Lamb.
- Over 13,000 Organic calves born in the system each year, only 7000 slaughtered as Organic, big opportunity for new Organic Beef finishers.
- Increased environmental concerns among the public and a requirement to know how and where our food is produced, makes Organic as relevant and important as ever, lets capitalise on this opportunity.

