

ASIAN MEAT

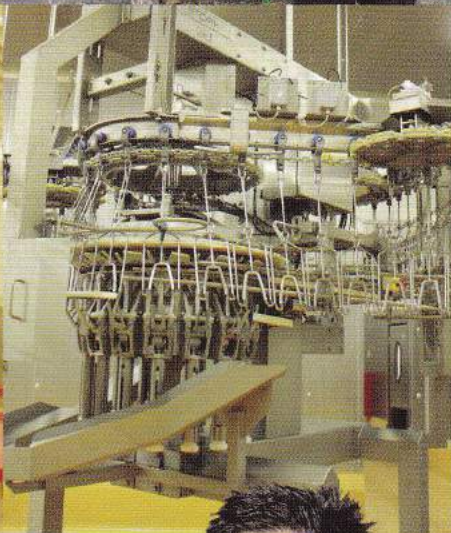
M A G A Z I N E

SECTOR REPORT

Asian shrimpers at a turning point



Lim Chin Seng



Cab plant hailed as most modern

Innovation leads Macroprima to top spot

Boediono Tandu



○ Better days ahead for pork retail in the Philippines

○ Valuing the business
by Peter Tay

○ Ready meal industry drives equipment market



In the background: Parent stock farm in Kedah.
Cab hopes to open its eighth farm this year.

Cab plant hailed as most modern

Malaysia's Cab Cakaran Corporation Berhad will soon launch its new processing plant equipped with the latest in poultry slaughtering technology and lots of room to take in further processing machine, as the integrator mulls developing fully cooked products for export, RACHAEL PHILIP writes.



Cab's new processing plant also has meeting and training rooms.

Cab Cakaran Corporation Berhad is one step closer to its goal of exporting fully cooked products. The integrator's new slaughterhouse in Malaysia's northern state of Kedah is completed and awaiting the local authority's licence before it can start production.

Group Managing Director Christopher Chuah told *Asian Meat Magazine* the plant will function as a food processing facility by 2015 when it is equipped with machines to support the company's venture into fully cooked products.

Equipped with the latest in slaughter technology from Holland, CAB's plant is hailed as its most sophisticated facility and the most modern in Malaysia's northern region.

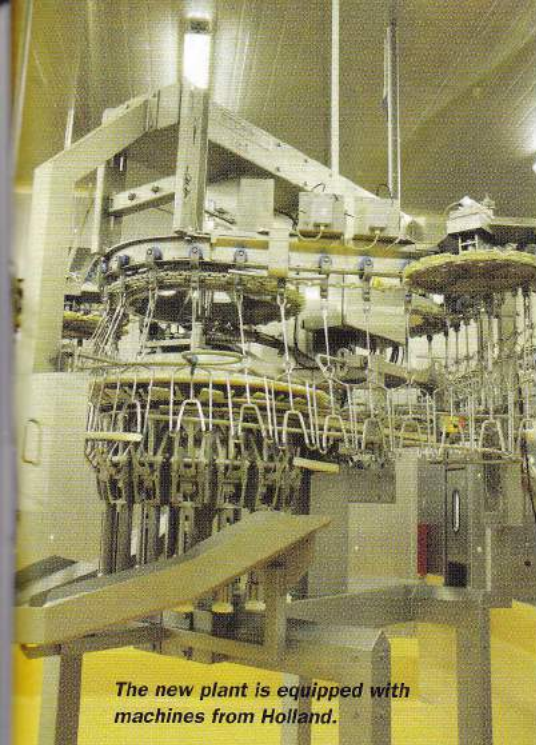
Mr Chuah expects production to start in the second half of the year. The plant is capable of a maximum output of 8000 birds/hour but will initially process 4000 birds/hour.

The fully automatic slaughterhouse has a single and continuous production line which "reduces human contact with the raw material," Mr Chuah said.

By 2015 the plant – currently with designated space for additional processing equipment – will launch itself as a food manufacturing facility churning out fully cooked products such as steamed chicken meat, roasted meat, nuggets and burgers for the export market.

Cab has had a presence in the Middle East for close to three years. It plans to export its value-added products to new markets such as Vietnam and Hong Kong.

To facilitate hygienic and safe food production the plant will also have



The new plant is equipped with machines from Holland.

additional equipment for auto packing and vacuum packing systems, and secure the relevant certificates such as the HACCP and ISO standards.

The six units of blast freezers and three cold rooms will ensure the products are maintained at the correct temperature before it is sent out to supermarkets in the area.

According to Mr Chuah the decision to export was taken into consideration when the plant was in the design stage.

Some 200 staff have been hired to work two shifts on the plant. Mr Chuah expects the plant to run 24 hours in about two years when production picks up.

Other investments

Cab has three other slaughtering plants in Kedah, Pahang and Kuala Lumpur with processing capacities of 6000 birds/day, 20,000 birds/day and 25,000 birds/day respectively. When the new plant is up and running Cab will see a combined total production of 60,000 birds/day.

The plant in Kuala Lumpur also produces value-added products such as the 'Hennies' brand of cold cuts which is sold to hotels, fast food chains and restaurants serving Western fare.

Among the cold cut items are chicken toast, chicken mortadella, turkey toast, beef and chicken pepperoni, as well as streaky chicken and its beef breakfast range.

'Likes' and 'Garing', meanwhile, are brands for frozen nuggets, frankfurters, burgers and dim sum.

"The Marketing and Food Processing Division of the company holds great promise for the group's growth," Mr Chuah said.

"We will invest to establish more value-added production lines for our further processing facilities in Kuala Lumpur and Nibong Tebal.

Growth in the food division will translate to growth in its upstream operations, or the Poultry Farming and Processing Division, increasing the number of birds in its broiler and breeder farms.

Farm expansion

Cab is one of the few integrators in the country that has been working with Aviagen's Arbor Acres breed since 2005.

After opening its first grandparent farm in 2007, Cab today operates five GP farms, all of which have been certified salmonella and e-coli free, and have received the local

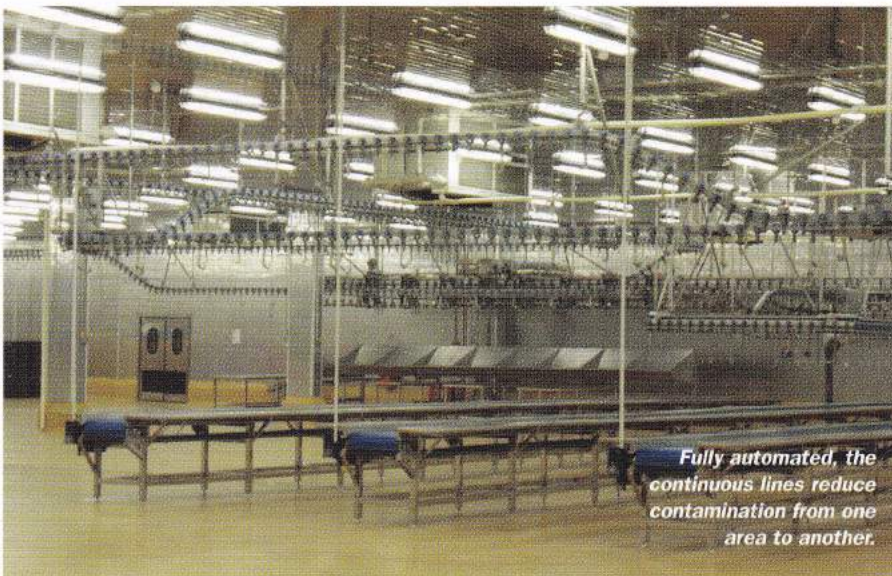
Salt (Good Farm Practice Scheme) certification.

Cab plans to expand its parent stock breeding division by opening its eighth farm in the Bukit Minyak Science Park, Penang, by the end of the year. It will then have a PS population of 400,000 and up its production capacity to 42 million birds/year from the current 36 million birds/year.

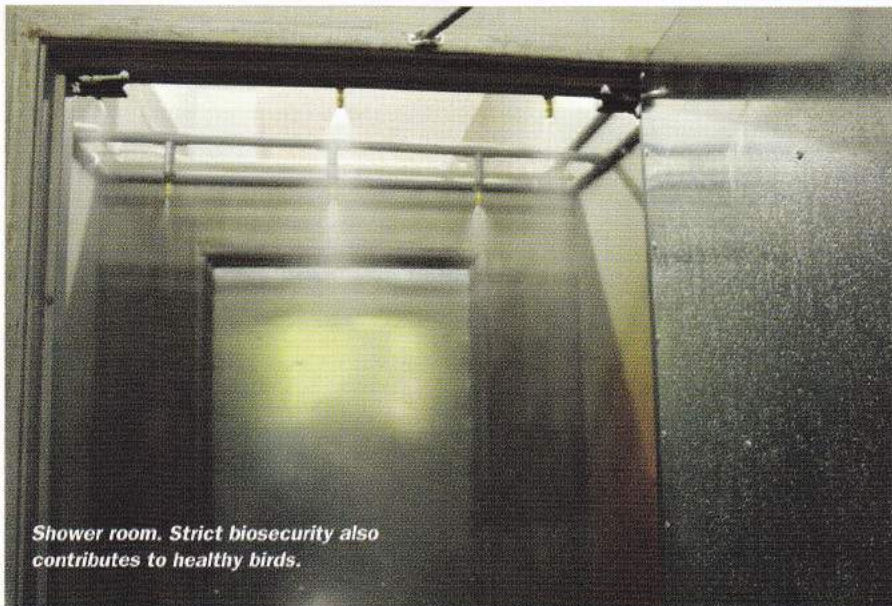
The farm will be stocked with Aviagen's fast growing, slow feathering Arbor Acres Plus breed.

"With good management and nutrition the birds have shown good results where body weight, feed consumption, egg production and mortality rate are concerned," Cab Cakaran Breeding Farm Sdn Bhd Director Lim Chin Seng said.

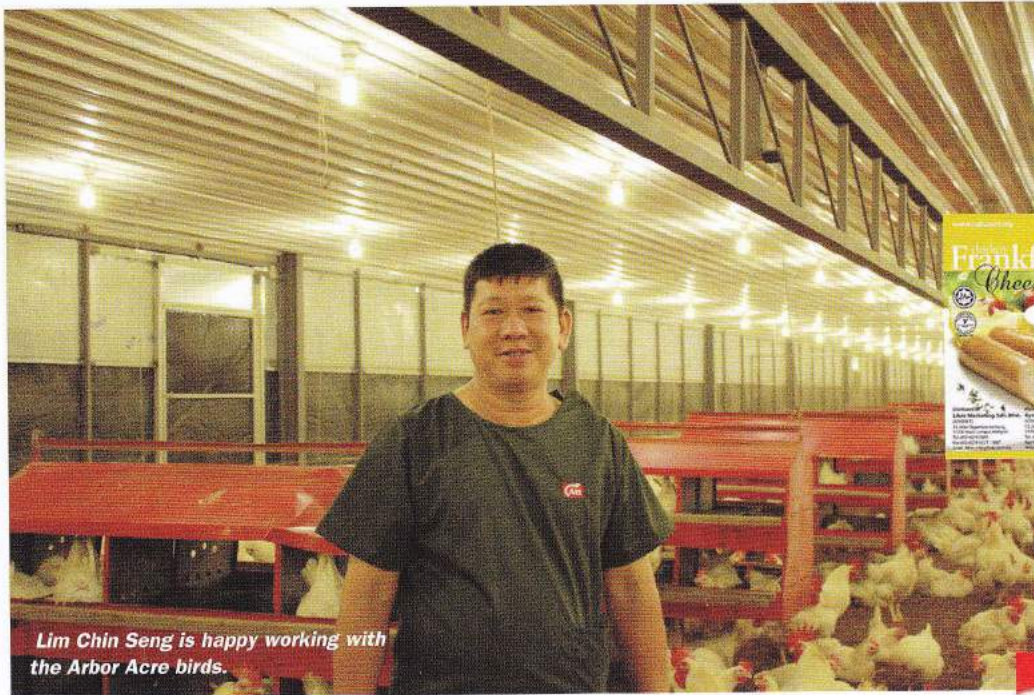
According to Mr Lim at week 29 the production percentage per hen house is 85.7%. This is more than one percentage point above



Fully automated, the continuous lines reduce contamination from one area to another.



Shower room. Strict biosecurity also contributes to healthy birds.



Lim Chin Seng is happy working with the Arbor Acre birds.



Cab's premium frozen products are sold in supermarkets.

Cab's unit in Kuala Lumpur produces a good range of frozen products.

Diversifying to reduce risks

Cab Cakaran Corporation Bhd operates four divisions in the company.

While its Poultry Farming and Processing division is expanding to cater to the increase in demand for chicken meat, its other divisions – Marketing and Food Processing, Restaurants and Franchising, and Marine Products Manufacturing – find better prospects in retailing premium and value-added products, opening new restaurants and supermarkets as well as expanding its seafood export business respectively.

The company operates five Pasaraya Jaya Gading supermarkets and three Kyros Kebab outlets with 12 franchises. These outlets serve grilled and roasted chicken, pasta, sandwiches and Middle Eastern kebab meals.

◁ the AA standard of 84.5%. Even its percentage of hatchability and average egg size are above average.

"Feed management and nutrition are important. Prior to this, egg production, hatchability and body weight were all below standard. Now with better nutrition and management the AA+ can produce good results, better than the standard," said Mr Lim.

Cab's broiler farming areas are in the states of Perlis, Kedah, Penang, Perak, Selangor, Pahang, Kelantan and Terengganu. To manage the risks of farming the company initiated contract farming as early as 1999. **AM**