## **CAB** to export premium range

CAB Cakaran Bhd Corporation Bhd is geared towards downstream expansion with plans to tap the export market. This development could increase the number of birds in its broiler farms.

Group Managing Director Christopher Chuah told Asian Meat Magazine the company is looking to export its premium cold cut range 'Hennie's' next year. "We hope to take it to the Middle East, Hong Kong and Vietnam."

CAB produces chicken toast, chicken mortadella, turkey toast, beef and chicken pepperoni, as well as streaky chicken and beef breakfast range which is manufactured at its further processing plant in Kuala Lumpur.

Currently, in Malaysia, the range is

only sold to hotels, fast food chains and restaurants serving Western fare.

The integrator also plans to expand its breeding division by opening its eighth parent stock farm by end 2013, upping its production capacity to 42 million birds/year.

The farm, to be located in Malaysia's northern Penang state, will be stocked with Aviagen's fast growing, slow feathering Arbor Acres Plus breed which the company has been raising since 2005.

"With good management and nutrition the birds have shown good results where body weight, feed



Christopher Chuah

consumption, egg production and mortality rate are concerned," he said.

## Yum to record drop in profits

Yum Brands Inc, the owners of KFC, does not expect its 2013 earnings to grow as it continues to reel from a controversy over its chicken suppliers in China.

The company made the prediction after its profit in the fourth quarter fell 5%, with China's sales figures shrinking. For January and February 2013 the company expects sales at restaurants open at least a year in China to drop 25%.

Yum gets more than half its overall sales and operating profit from China.

Yum has been dealing with negative media attention after an investigation aired on Chinese TV on December 18 reported that Yum's suppliers were ignoring regulations and feeding birds unapproved levels of antibiotics.

Despite the conclusion of a government investigation into the issue on January 25 and Yum agreeing to monitor its suppliers, the company said it will take time to recover.

"Our primary emphasis now is to rebuild consumer confidence and sales in China," said spokesman Jonathan Blum.

