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[malabarsuperspice.com](http://malabarsuperspice.com)

## Upcoming Events

January 29 to 31, 2013  
**International Production & Processing Expo**  
Georgia World Congress Center  
Atlanta, Georgia  
[www.ime13.org](http://www.ime13.org)

February 10 to 13, 2013  
**MeatExpo '13**  
The Mirage Hotel  
Las Vegas, Nevada  
[www.meatexpo.org](http://www.meatexpo.org)

May 4 to 9, 2013  
**IFFA**  
Frankfurt, Germany  
[www.iffa.com](http://www.iffa.com)

## Food Industry Update

### Ready-Meals Market in Growth Mode

The global market for meals and meal centres is currently worth \$107bn and growing rapidly at a rate of 8.1% per year as consumers increasingly seek convenient and added-value meal solutions, according to our latest research.

Chilled ready meals are now the largest market, worth \$28bn globally, placing it firmly ahead of the global market for pizzas and frozen ready meals.

Source: [www.rts-resource.com](http://www.rts-resource.com)



# THE MEAT OF IT:

# MEAT INDUSTRY IN CHINA



*Commodity markets have experienced considerable price increases over the past 12-18 months, and food prices are no exception. Even spices have been affected: the price of raw nutmeg has tripled; the price of pepper has more than doubled.*

*Extreme weather conditions are partly to blame, but there's a lot more to it. Chief among the reasons are demographic shifts in other countries, primarily the growing middle class in places like China & India. This month we explore the Chinese meat industry, to get a look at what's changing in this important part of the world.*

Despite its long history, the meat processing industry in China is in a growth stage. Spurred on by modern technology, the industry is changing the way the nation eats meat, with people consuming processed and precooked meat more than ever before. China already is the world's largest producer of meat, producing upwards of 30% of the world's total meat supply (equivalent to 76.5 million tonnes in 2009), with pork & mutton making up the majority.



# MEAT INDUSTRY IN CHINA

Challenges in modernization & standardization are none-the-less holding back the Chinese meat processing industry. For example, in pig processing plants, boiling water is still standard for scalding & hair removal, and automated boning & segmentation is not widely used. Technology & integration for curing, tumbling, chopping, and emulsification needs to be improved. Standardizing the large-scale preparation of traditional dishes has not been successfully completed, and the need exists to incorporate fast-aging in cured products & the use of starter cultures, as well as temperature & humidity controls. Ready-to-eat products particularly suffer from low quality, and short shelf-life, and in the case of frozen products, high purge losses & unpleasant tastes & colours.



However, it is a huge industry, and one bent on moving forward. In fact, the whole meat industry is on a growth curve, in spite of generally slower world economics, with global meat demand expected to grow up to 40% by 2025. Meat processing itself in China had revenues of \$55.24 billion in 2011, up 13.1% for the year, with annualized growth of 22.5% since 2006. Imports, totaling \$2.22 billion, are expected to reach \$2.59 billion and to make up a growing portion of industry sales. Revenue for Chinese meat processing is expected to reach a forecast \$82.38 billion in 2016.

## A Very Brief History

Chinese meat production & consumption has a long history, having developed for over 3,000 years. Meat processing techniques like salt-curing & sun-drying are described in books as long as 2,800



years ago, in the Zhou Dynasty. For a very, very long time, meat was raised traditionally, hot-butchered, and sold hot-fresh at local markets, or used in various traditional processed meats. In fact, the traditional model for Chinese idiom for meat processing is “one knife to kill pig, one cauldron to remove hair, and one balance to sell meat”.

Since the First World War, some westernization of the Chinese meat industry occurred as equipment & processing technologies were imported. This led to the appearance of small & medium-sized slaughter houses & processing plants.

During the 1990s China imported more than 700 production lines for slaughtering & processing meat, and most became privately held, rather than state-owned. Meat consumption in China reached average world levels in 1994, and is heading towards western levels in urban, more affluent areas.



In recent years, further processing of meat has increased. In 2002, only 7.2% of raw meat was further processed into meat products. By 2009 that had doubled to 14.7%, as compared to 50% in most countries. China has more than 500 types of processed meat products – 45% Chinese style, 55% western style. The ready-to-eat (RTE) products have a low market share, but are increasing rapidly, particularly w/ high-quality fermented meat products.

Only 14.7% of meat is subject to further processing in China, compared to 50% in most countries.

The trend in the pattern of fresh meat consumption has changed from hot-fresh (just slaughtered, then consumed), to frozen meat, and subsequently to chilled fresh meat.

Meat consumption in China increased steadily in the past decade, reaching 129.6 pounds per capita in 2010. Of that, processed meat consumption was 18.26 pounds, and is rising as a percentage of the total meat eaten.

For a traditional Chinese processed meat, see “Jinhua Ham” on page 3

# MEAT INDUSTRY IN CHINA

## Food Safety

Eight government ministries are involved in regulating meat processing in China. However, collaboration among these ministries is not efficient or necessarily effective. Among the approx. 500,000 producers & processors, only 30,000 are large enough to be regulated, and of those only 10% had achieved HACCP certification by 2007.



Various recent food scares in China include antibiotic residues in meat, contamination with pathogens, illegal use of additives & toxic environmental residues. The Chinese government has made food safety a national priority and there are ongoing campaigns to clean up the industry as a whole.



## The Future of the Chinese Meat Industry

As the Chinese government focuses on growing meat output, the industry faces a number of challenges, key among them the reduction in cultivated land expected to come from the move to urbanization. China may be unable to feed greater animal numbers cost-effectively, and the increasing demand for meat by an ever-wealthier middle class is expected to drive up prices worldwide, and to require meat imports into the future.



## Opportunities for Canada

After years of importing meat processing machinery, demand for meat has meant that China has gone from net meat exporter, to a net importer. It's expected that China's own demand will outstrip its supply based on demographics alone, presenting an opportunity for Canadian suppliers & processors to benefit from sales to China. Lastly, processing is something China is still working to get better at, and in the meantime, expertise, equipment, fresh meats and indeed processed meats themselves could continue to be opportunities for Canadian companies.

## References:

Meat processing in China: Market Research Report. IBISWorld, December 2012  
China's Meat Market Outlook 2011-2015. Agri-Food Trade Service, Agriculture & Agri-Food Canada, 2010.  
China's meat industry revolution: Challenges and opportunities for the future. Guanghong Zhou, Wangang Zhang, Xinglian Xu, published in The International Journal of Meat Science, Elsevier Press, 2012.

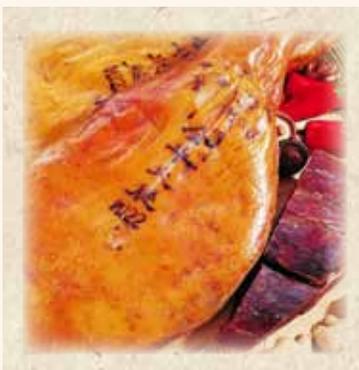


## HOLIDAY HOURS:

Malabar will be  
CLOSED December  
24th, 25 & 26th, and  
January 1st (We are  
open December 31st  
until 3pm)

HAPPY  
HOLIDAYS!

## Traditional Chinese Processed Meats: Jinhua Ham



Like all regions of the world, China has its own unique tradition when it comes to food, and meat is no exception. Traditional processed meats in China have often been developed over millennia, and are famous for their attractive colour, special flavours & unique shapes. Jinhua ham is a perfect example – made for over 1,400 years in a traditional style that was handed down through apprentices, and still an important staple in China today.

## Jinhua Ham

Jinhua ham is produced from a traditional Chinese pig known as "two ends black". Quick to mature, with excellent meat quality, this breed features black hair on head & rump, with a white midsection. Ham production begins in the fall when air temperatures fall below 10°C and is completed over a period of 10 months.

*To read more detail about how to produce Jinhua ham, visit the Malabar website – [www.malabarspices.com/jinhua-ham](http://www.malabarspices.com/jinhua-ham)*

# NEW PRODUCTS for Winter



Our Gourmet Liquid Marinades & Sauces provide for year round ready-to-eat meat and food ideas. Not just for the BBQ, but also for braising or roasting. Try one of these "winter" flavours!

## **Marifix Mushroom** RA00502

A complete marinade with large mushrooms, carrots and onions and a creamy dairy base. For beef, pork, poultry and rice.

## **Tomato & Basil** RA1038097

Aromatic blend of tomato & basil, with a hint of garlic. Ideal for poultry, pork, and ground meats. Add this to your meatballs or meatloaf.

## **Gyros** RA1000707

A typical greek blend of onion, garlic and herbs (oregano). Ideal for chicken, beef ribs, lamb, and rice.

## **Grilled Shallots** RA1008282

A caramelized crunchy mild onion blend with sweet notes that is perfect for beef, lamb or veal.

## **Lemon & Chili** RA1037442

A magic duo of lemon & chilli with added pieces of both, to make this marinade perfect for meats & fish.

*For more information on any of the above, contact us at 1-888-456-6252, or email [csr@malabarspice.com](mailto:csr@malabarspice.com).*



## OUR PRESIDENT'S Message

*'Tis the time of year where we think about what we would like for Christmas.... hmm. As I have the opportunity to visit meat processors from coast to coast, my wish would be the same wish as many of our customers. I wish that Canada would develop a comprehensive national apprenticeship program for meat processors/butchers (and other trades too).*

*The most common customer request we have is to find them qualified butchers or sausage makers. We bear our government promoting research and development, encouraging innovation, and reinforcing the importance of small business to the growth of our economy. Looking at other countries, it is clear that graduates from apprenticeship programs have a passion for what they have learned, and a pride that carries forward into new ideas, and initiatives for growth of existing and new businesses. This is how Canada becomes more competitive at home, and beyond. This is what I wish for Christmas!*

*All the best this Christmas to you & yours, from Malabar.*

**Doris Valade**  
President  
Malabar Super Spice Co. Ltd.

# CHRISTMAS in Hawaii

Something different this holiday!

## **Hawaiian Ham Glaze**

MALWHG-798

Sweet and tangy pineapple flavoured glaze adds a tropical flavour to the holiday ham.

## **Hawaiian Fresh**

## **Sausage Seasoning**

MALHAW-965

Savoury soy sauce with garlic, ginger and a hint of sweet pineapple flavour.

## **Hawaiian Ham Glaze**

MALWHG-798

A "sweet & sour" marinade with colourful bell pepper and fresh pineapple flavour.

*For more information on any of the above, contact us at 1-888-456-6252, or email [csr@malabarspice.com](mailto:csr@malabarspice.com).*



*For more information on any of the subjects covered in Malabar's newsletter, or to suggest topics you'd like to see covered in future editions, please contact Sara Alexander at [marketing@malabarspice.com](mailto:marketing@malabarspice.com). Look for our next edition in Jan/Feb 2013.*

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