

SE EARLY GENERAL NEWS
HD **New abattoir at Cataby mooted**

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A NEW joint venture to build a northern WA abattoir has prompted hopes for an expanded Malaysian export market.

Australia-based Carpenter Beef general manager John Berkefeld confirmed with Farm Weekly this week that the **company** has entered into a joint venture with Malaysian **company** Brahim's Holdings Bhd to build the abattoir at Joanna Plains, 160 kilometres north of Perth.

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The companies signed a memorandum of understanding (MoU) in Australia last week for the development and co-ownership of the Cataby Abattoir.

Mr Berkefeld said the details were confidential, but the MoU was good news for the State.

"It takes a long time for these things to come together," Mr Berkefeld said.

"The MoU is good timing and it is a good opportunity for the State."

Carpenter Beef is owned by former **coal** tycoon Ric Stowe, said Carpenter Beef chief financial officer Brian Pilosof.

The **company** has begun works at the Joanna Plains **site**, off the Brand Highway, and is finalising the development of the abattoir.

In a statement Brahim's said the Cataby Abattoir would be designed to meet all **Chinese**, European Union, United States' Department of Agriculture and halal requirements.

Brahim's will take the majority of products produced.

"The plant will have a capacity of 100,000 cattle per annum on a single shift basis, with a 400-head per day capacity," the statement said.

Mr Berkefeld said the source of the cattle would be directed by Malaysian market requirements.

Meat and Livestock Australia figures for 2013 show Australian shipments to Malaysia were 15,935 tonnes swt, up three per cent year-on-year, with manufacturing beef making up almost half the volume at 7,562t swt up 4pc over the period.

While there has been steady growth in recent years to Malaysia, further growth is expected to be constrained by the likely strong demand for similar cuts from **China** and Indonesia, and the anticipated high manufacturing beef prices caused by the US drought.

While Malaysia is an established market, it is relatively small.

It has the potential to expand over the coming years, with strong economic conditions, an expanding population and rising incomes.

Brahim's will hold a 49pc **stake** in the abattoir while Carpenter Beef will hold the remaining **stake**.

Brahim's first stage of construction would include building a four-way cut facility.

It will need to invest a further \$15 million (RM43.55 million) to make the entire plant fully operational, which could be achieved within six to nine months.

Both parties agree it is essential that the project receives the Department of Islamic Development Malaysia's (Jakim) endorsement and certification.

WAFarmers president Dale Park said the abattoir had been on the drawing board for more than five years, and with so much positivity coming from the State's industries, a company has finally put its resources behind it.

"People don't put their money behind something if they don't think they will get something out of it," he said.

"In this case, it seems like they have found someone to put the plans in motion.

"Being situated in Cataby, one would think the cattle would be sourced north of Perth, but it all depends on what they will pay.

"All this positive news, this has created confidence. It is definitely more good news for the industry."

Mr Stowe advertised for sale his rural land empire in the early 2000s, worth more than \$130 million.

This included his 2470-hectare luxury accommodation and equine property Devereaux Farm, Bullsbrook, where Mr Stowe indulged his passion for polo.

The property was first listed for sale in 2010 by receivers PPB Advisory, following the reported failure of Mr Stowe's mining operation Griffin Coal.

The property was later sold in 2013.

Separate to the receivership sale, Elders was appointed to market Mr Stowe's 24,000 hectares of grazing country north of Perth.

Other properties owned through Mr Stowe's company included stations such as Emu Downs, Cantabilling Station and Dandallen.

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