

Hubbard is the perfect fit in Grimaud's portfolio

Recent weeks have seen extensive changes in the ownership of major international poultry companies. The first of these changes was the acquisition of Hubbard by Groupe Grimaud La Corbière of France.

Recently International Hatchery Practice visited France and Groupe Grimaud La Corbière, who are often known as just Grimaud, to find out more about the acquisition and Grimaud's plans and aspirations for Hubbard.

So, who are Grimaud? Most people know the company for their activities in the duck breeding field, but there is much more. Grimaud's activities fall into other key areas. As well as duck breeding, the company is a major player in the breeding of pigeons, rabbits and coloured chickens.

In addition, the company operates in upstream biotechnologies, such as the development of avian stem cell lines for the production of vaccines and pharmaceutical recombinant proteins.

The company also has downstream activities centred in France and on the production of commercial day olds.

Multispecies breeder

Now, with the acquisition of Hubbard, Grimaud will produce some 55 million day old ducklings, including some 1.5 million breeder day olds, 30 million chicken parent day olds (including over a million grandparents), 200,000 guinea fowl parent day olds and 30,000 breeding rabbits.

The new group's turnover will be some €150 million and it will employ about



An aerial view of the Chateaubourg breeding complex.

1,300 staff around the world, with the group's headquarters in Roussay, France.

In addition to eight major operational centres in France, it also has operations in Italy, Holland, Malaysia, four operational centres in the USA and two in China, plus partners or distributors in numerous countries including Korea, Thailand, Syria, Jordan, Russia, Zimbabwe, Egypt, India and Indonesia.

The group is 70% owned by Fred Grimaud and his family and the remaining 30% is owned by financial institutes and so Grimaud is, in effect, a family business.

Similar changes in recent weeks have resulted in Aviagen and Hendrix Breeders also becoming 'family busi-

nesses'. Why should this be so? The answer lies in the fact that family businesses do not have to return a profit year in, year out to shareholders as multinational corporations do.

As a consequence, they are better able to live with the commercial ups and downs of the breeding world and can reinvest all their profits to develop and grow the business.

The Hubbard business fits very well into Grimaud's genetics business where it tends to complement rather than duplicate their previous breeding activities.

The only overlapping that occurs is in the area of coloured chickens.

Corporately, Hubbard is divided into

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The breeder houses have controlled ventilation.



Pedigree breeding pens.



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Hubbard LLC in the USA, Hubbard SAS in France and Hubbard Polska in Poland.

Logistically, Hubbard falls into two halves – 'America' which services North, Central and Latin America and 'Europe' which covers Europe, The Middle East and Africa, Brazil and Asia.

Within the Grimaud organisation, Hubbard is to retain its own identity and will be run as an autonomous unit. It will follow the group's philosophy of focusing customers, people, investment, R&D, the international market place and quality and will be typified by pragmatism and reactivity.

All of this is encapsulated in the group's philosophy of converting thoughts and ideas into words and then converting these into action!

Two main areas of production

Hubbard will continue to operate from two main areas of production – Europe (Brittany, France and Poland) and the USA (Tennessee and North Carolina).

In addition, there will be three R&D centres – Walpole in New Hampshire, USA, Chateaubourg in Brittany, France and Saint Loup d'Ordon in France, which will be the centre for the coloured breeding activities. All of these facilities are company owned.

Grandparent operations, which tend to be customer owned, are around the world including in Mexico, Columbia, Venezuela, three in Brazil, Spain, Libya, Egypt (three), Jordan, Syria, Iraq, Iran, Mauritius, Zimbabwe, Russia, Pakistan (two), India (two), Bangladesh (two), South Korea, China (four), the Philippines, Vietnam, Thailand (two) and Indonesia.

North West Africa tends to be supplied with day old parents, which are trucked there from France.

Hubbard has a stronger market position than many think. They hold some 50% of each of the Russian and Syrian markets, 45% of the Egyptian and 70% of the Pakistani markets.

Hubbard claim to be second in the large Europe, Middle East and Africa market with 25% of that area's parent stock market. When it comes to coloured bird production Hubbard's share is some two third's of the breeder market.

In practice, Hubbard is the only breeder serving both the conventional marketplace, which is looking for cost effective broilers that can perform in a high tech/high investment environment, and the alternative marketplace, which is looking for quality, robustness, tradition and a consumer friendly image in terms of production style, taste and welfare.

When it comes to products Hubbard



On site at Chateaubourg.

focuses on its Classic, Flex, Yield and alternative products.

The Classic has the highest output of chicks coupled to fast early broiler growth and is the ideal bird for the traditional whole bird markets of Central America and Asia.

Their Flex has the lowest live chick cost and the best FCR at broiler level and is ideal for portion production.

Specialist bird for meat yield

Their Yield bird has the highest output of deboned meat and is the specialist bird for that sector – it is especially popular in the USA. Most of Hubbard's business centres on providing a whole breeding package, but they can, and do, provide split packages in the USA where such packages are still popular.

The alternative products are tailor-made for the 'Label', 'certified' and 'intermediate' markets that are looking

The Chateaubourg genetic centre.



for birds to kill at 81 or 56 days. In addition, Hubbard has both 'white' and 'yellow' males. The white male is for markets, such as Europe, where there is strong consumer pressure for uniform carcass colour in the face of production practices, which have a flexibility in ingredient use and will change these if commercial pressures so dictate.

Hubbard's strengths lie in its origins. Hubbard arose from the mergers of the Hubbard, Shaver and ISA broiler gene pools and so it now has a large and diverse genetic pool. It has internal biosecurity in that there are two breeding operations – one in France and the other in the USA.

In addition, the company has, and will continue to operate, a balanced breeding strategy that couples breeder performance in terms of hatchability, number of eggs, egg weight and fertility to commercial traits such as FCR, weight, liveability, leg strength and meat yield.

The overall goals of this strategy are to reduce production costs for their customers and to give them increased added value in their businesses.

Typically breeders at Hubbard are broilerised until seven weeks of age and are then selected on a basis of FCR, liveability, oxygenation capacity of their blood, legs, body weight and conformation. These are coupled to a feathering assessment that is undertaken at about four weeks of age. At the top of the breeding pyramid the top 10% of females and the top 1% of males are retained for the next generation.

So, what does this mean in real terms? Through the 1980s and 90s FCR for a 1.9kg broiler reduced from 1.85 to 1.57.

In recent years the bodyweight of pure line males has risen 3% per year, whereas in the female line FCR has reduced by 2.5 points per year and body

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The grandparent hatchery.

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weight has increased by 57g per year.

At the same time the reproductive traits have been maintained. This is important because in today's high performing broilers one can not be solely reliant on the male to provide all of the final generation's commercial performance.

Its third strength lies in its people who have the variety of skills and strengths that are needed to service the needs of R&D, breeding, technical services, sales and marketing and customer support. So, what about the future?



A breeder farm.

There must be benefits all round. Hubbard will benefit from the fact that its future has been defined and the uncertainties of recent years can now be left behind.

It also has the benefit of a parent who is in breeding, understands breeding and who understands the vagaries of the breeding world and can service the financial and managerial support that this sometimes requires. It has a parent who is there for the long term.

Conversely, Grimaud has become a major player in the world of poultry

genetics and should benefit from technical and commercial synergism between its different breeding activities.

In the breeding world Grimaud have been very successful with their duck breeding activities.

If they can bring to Hubbard their experience and that little bit of extra magic that worked with their commercial day old ducklings, Hubbard will be the real winners!

Those who ignore Groupe Grimaud La Corbière and Hubbard will do so at their own peril. ■