Hybro: The science of breeding excellence

Hybro, a leading broiler breeding company, has succeeded in gaining market share since the introduction of its enhanced product portfolio, completed in June with the addition of its PN+ product. Hybro, having completed extensive renovations to its basic breeding farm in the Netherlands, as well as building another pure line facility in Brazil, is celebrating 50 years in business and preparing for further growth in the future.

By Chris Stiven

Hybro’s breeding farms in the Netherlands and Brazil are both pure line facilities, used primarily for commercial lines but also for experimental development. Regarding feed and climate, the birds are kept under ‘commercial final product conditions’. Due to varying commercial conditions around the world, according to geography and climate, Hybro has high altitude test facilities in South Africa and is currently planning another facility in Asia, a market where the Dutch broiler breeder is experiencing compelling growth.

Ambitious plans for growth
For the fourth largest breeding company in the world, Hybro’s management team is ambitious yet realistic in its planning. “We cannot expect to make massive gains in market share overnight,” acknowledges general manager Richard Maatman, “so our strategy for growth must compete on different terms, underpinning our strengths and the quality of our products and services with our existing customers, while steadily building our customer-base globally, all the time with our eye on winning main-breed positioning.”

Hybro’s expansion has gathered pace since the introduction of its upgraded PG+ and G+ products in 2003, with the upgraded PN+ joining the line-up in June this year, completing the three-strong portfolio.

“With the ‘+’ products, we deliver exactly what we have promised: a robust, reliable range of product options that consistently meet the needs of the three distinct market segments. This reliability in performance, in-line with our management guides, has boosted customer confidence in all our markets,” says Jos Hooijer, product manager and coordinator between the technical and commercial teams.

Sales director, Wilfred Folkeringa, translates the impact of growing customer confidence in terms of increased sales. Growth in 2005 reached 35% at GPS level and a 40% growth is forecasted for 2006. “Hybro’s grandparent stock (GPS) and parent stock (PS) customers are predominantly integrations who do not depend on one breeding company or one product, but often work with two or three different breeds to spread the risk,” explains Folkeringa. Typically, the main breed will take 70% of production, the second 20% and the third 10% - the latter normally being a test product. Success at test phase can rocket you to 70% uptake very quickly. You can also find your product being dropped rapidly if results don’t stack up.

Global outlook
According to Folkeringa, Hybro Asia is performing extremely well. Sales are above budget in China, Thailand, Philippines, Indonesia and India. They are doing very well in Latin America, especially in Brazil. Being the fastest growing country in poultry meat production, and with production climates favourable, Brazil has been the location of a second pure line farm.

Western Europe, which has in the past been a more difficult market for Hybro to crack, is also showing marked improvement. Folkeringa explains that in the past, insufficient technical results have resulted in poor performance in Western European markets. With the introduction of ‘+’ products in 2003, Hybro is seeing improved sales growth in Spain, Belgium and in particular, the Netherlands.

Understanding future needs
Hybro, as an organisation, strongly believes that in order to survive, a poultry breeder must first truly understand which products will be needed in the future and then be able to produce the birds that meet those needs. Maatman believes that understanding future market demands relies entirely on trust and communication with your customers.

Folkeringa closely follows market developments, which he achieves through regular meetings. Hybro’s Poultry College has also played an important part in identifying market trends and needs in recent years.

Folkeringa also visits all key account customers with their area managers to discuss a shared vision for future developments. Folkeringa believes...
Thinking machine
As part of Euribrid, a strong, global company, Hybro has access to all the strengths of Nutreco, one of which is the Nutreco Breeding Research Centre (BRC), which is highly involved in the development of supporting technologies for Euribrid breeding programmes. “We are practical researchers. We deliver four key technologies, each designed to enhance our breeding programmes by speeding progress and marginalising error,” says Gerard Albers, who started work at Euribrid in 1986 as a researcher and has led Nutreco’s BRC since 1997. The first technology is BRC’s information technology, involving collecting and recording data from every species within the Euribrid database of over one million animals, each with its own identification, pedigree and a range of production data.

The second technology involves estimation of breeding values, or quantitative genetics, taking into account the pedigree data and other family information that goes back seven or eight generations. Albers’ team has also developed technology that automatically calculates the rate of inbreeding and genetic progress from each male-female combination. Hybro now benefits from a fully automated system that balances inbreeding against genetic progress.

The third technology involves the definition of selection traits, which is growing more and more refined - there are at least 25 selection traits. Together with the geneticists they define how and when new traits should be measured and with how many animals.

The last technology - and the one on which Hybro is most closely marking future growth - is DNA technology, which, despite work being carried out for the past 15 years, has only in recent years become a practical science. BRC maintains a meticulous search for genes that can be valuable to Euribrid breeding programmes.

Albers explains: “By measuring the DNA in a blood sample you can, in theory, identify 100% heredity. You can measure the characteristics that will be transferred to an animal’s offspring to result in 100% breeding value estimation.”

Genetics lead into the future
According to Albers, DNA is the future. “After all,” he says, “as breeding companies, what we are selling is genetics, so DNA, and to truly succeed we must work constantly to deliver the fastest progress and to anticipate ahead of time what the right direction for our breeding programmes must be, to meet market needs in four or more years from now.”

Maatman is clearly confident that in this, Hybro has taken the right path toward reaching its goals in the future. “With the greatest respect for our 50 year heritage, it is the responsibility of the whole Hybro family globally to bring dynamism, energy, honesty and the highest levels of skill to growing our business in the future, and to delivering the kind of results in all our markets that ensure we will become the preferred partner in breeding for the poultry meat sector worldwide.”