



Foreign Agricultural Service

GAIN Report

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Philippines

Grain and Feed

Feed Industry to Grow 7 Percent Annually 2002

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Report Highlights:

The Philippine's P45-billion feed milling industry is expected to grow by at least 7 percent annually in the coming years as a result of increased demand for livestock and poultry meat and fishery products.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Manila [RP1], RP

Mr. Ric Pinca, Vice President for External Affairs of the Philippine Association of Feed Millers (PAFMI) expects the country's P45-billion feed milling industry to grow by at least 7 percent annually for coming years as a result of increased demand for livestock and poultry meat and fishery products. Pinca reportedly observed that a symbiotic relation exists between the abovementioned feed consuming industries and feed manufacturers.

Mr. Pinca, however, believes that in the light of market liberalization and increased competition, it is imperative for the industry to modernize. To date, 51 percent of total feed output originates from 7.7 percent of all feed mills for a low 47 percent capacity utilization rate. Around 34 percent of all feed mills produce less than 20 MT per 8 hour shift.

Mr. Pinca is also Director for Corporate Affairs of General Milling Corp. (GMC), one of the country's oldest and biggest feed mill operator. GMC is the only feed miller that has its own soybean processing plant. It reportedly has a market share of 6 percent and ranks 4th in the feed milling sector. B-Meg of San Miguel Corporation (21 percent), Purina of Purefoods (12 percent) and Selecta of RFM (10 percent) are the top 3 feed producers.

The biggest sector of the industry, however, remains to be the home mix feed producers which number around 590 producing around 38 million bags annually.