

QUEENSLAND Country Life

Gina Rinehart targets 2GR Wagyu and Kidman brand loyalty

Andrew Marshall
28 Nov 2017



Hancock Prospecting executive chairman, Gina Rinehart with Hancock Agriculture chief executive officer, David Larkin at the Sydney brand launch of the company's 2GR Wagyu brand.

New domestic markets are on the menu for Gina Rinehart's Hancock Prospecting as it rolls out its high-end Wagyu brand and prepares to launch a S. Kidman and Company beef range.

Restaurant trials in Adelaide are testing the market for grass-fed and 100-day grain-fed Santa Gertrudis cattle sourced from Kidman and Co's pastoral stations.

Sydney and Brisbane restaurateurs and major catering groups are also being courted by Mrs Rinehart and her Hancock Agriculture team as the new 2GR Wagyu brand is launched for domestic sale.

Until now the 2GR brand, sourced from Hancock's 10,000-strong Wagyu herd, has only been available for export customers, principally in China.

Exports of boxed 2GR Wagyu have been building from the first modest shipments 18 months ago, then boosted by February's launch of the 2GR brand which now accounts for at least one 44 tonne container-load dispatched weekly from the John Dee abattoir at Warwick in south-east Queensland.

All Hancock's fullblood Wagyu beef now sells under the premium-priced 2GR brand, which takes Mrs Rinehart's initials.

The premium quality, marbled beef cuts boast whole-of-life traceability via DNA collected from calves at birth in Central West NSW and tracked through their 450-plus days on feed at the Maydan Feedlot also near Warwick.

2GR Wagyu will soon be served up nationally in high-end eateries.

We're getting strong interest in 2GR from all quarters- David Larkin, Hancock Agriculture

It made its domestic market debut this month at a swish promotional launch in central Sydney at the Paspaley Pearls flagship boutique in Martin Place, attracting strong interest from some of the city's top dining establishments, particularly venues where overseas visitors are prominent.

Mrs Rinehart joined senior Hancock executives, beef industry identities, Asian business associates and Sydney chefs at the cocktail function, and a later brand launch dinner.

Another launch event follows in Brisbane this week, with more in other state capitals in coming months.

"We're getting strong interest in 2GR from all quarters," said Hancock Agriculture chief executive officer, and one-time butcher, David Larkin.

"China was our original export destination (through the port of Ningbo), but we've broadened our overseas markets and want to give 2RG a visible identity with Australian consumers, too.

"We also want visitors to Australia to talk about our Wagyu when they return home."

The fullblood Hancock Wagyu herd has been largely built from breeders bought during the past three years.

The breeding program started with the purchase of the NSW properties "Boogadah" and "Caigan" near Mendooran, plus 1600 Wagyu breeders, complemented by a further 1600 bought from Victorian Wagyu industry leader, David Blackmore last year.

Meanwhile, Mr Larkin, who joined Hancock in September after a previous career as principal of red meat exporter, Atron Enterprises (which became part of Thomas Foods International), is pushing ahead with a branding agenda for Kidman beef, too.



Gina Rinehart with some of the Hancock Wagyu herd near Dubbo in NSW.

Honouring Kidman name

Almost 2000 Kidman Santa Gertrudis cattle aged up to two years are being fed at Kidman's Tungali at Sedan in the Barossa Valley as part of trials leading up to the launch of the S. Kidman and Co brand in the new year.

Until now Kidman cattle have been exported live, or sold to various meat processors in South Australia and Queensland with the meat exported or sold locally under a range of different commodity-priced processor labels.

“There was no real strategy to use the Kidman brand as a consumer marketing opportunity to add value and build customer loyalty,” Mr Larkin said.

“Quality probably tended to vary a bit depending on seasonal conditions in the pastoral areas prior to market.”

Hancock, which now manages the Kidman business as part of its majority ownership of the iconic 118-year-old business, is currently monitoring feedback on different lines of cattle finished on grain and grass.

Stock are mostly currently processed by Teys Australia, but a final decision on where Kidman beef will be killed and packed for a branded future is still undecided.

Mr Larkin, also a past chairman of the Australian Meat Industry Council, said restaurant trials only began last month, but he anticipated strong interest in the brand when it launched officially.

Mrs Rinehart has previously stressed a strong commitment to building the Kidman brand name and honouring and preserving the cattle company's heritage and reputation, locally and overseas.

The export market is likely to be a key consideration for the brand, particularly given Kidman's parent company, Australian Outback Beef, is 33 per cent owned by Shanghai CRED, which has strong market connections in Asia and runs its own livestock operations in Australia.