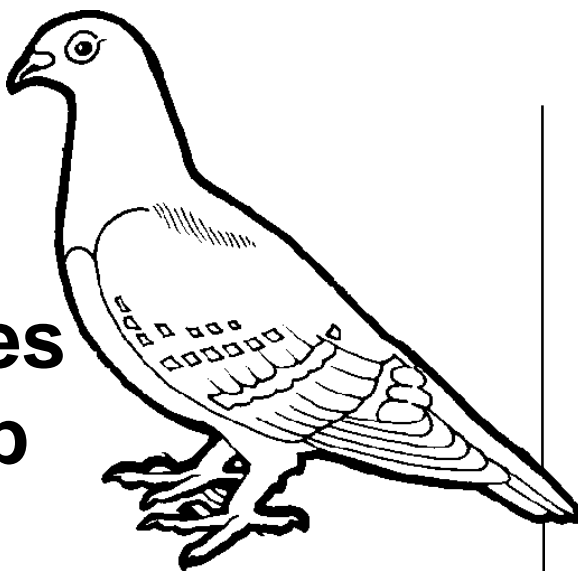


# Marketing Opportunities for BC Squab



## INTRODUCTION

Squabs have been commercially grown in the lower Fraser Valley of BC for more than a decade. Housing for pigeons and squabs consists of "California" style pens with a solid roof, three enclosed sides and an open mesh side facing away from the prevailing winter winds. The pens are 8 x 10 feet in size with wood shavings on the floor. Double nest box systems are used to hold 12 to 16 adult pairs and these pairs are rotated on a 4 year cycle. Pigeons are fed either a pelleted diet or free choice whole grain. A pair of pigeons produce 8 to 10 squab per year. The squab reach 60 times their hatch weight in 28 days, the highest growth rate of any commercial bird including broilers (24 times). The squab operations in the lower Fraser Valley average around 1400 breeding pairs.

## PRODUCTION AND PROCESSING

The BC squab industry is comprised of eight commercial squab producers, shipping to a single, federally inspected processing plant. In addition, hobbyists ship the extra squab derived from their breeding programs for racing/hobby pigeon flocks to the processor at various times throughout the year.

Commercial slaughter of squab in BC has grown 16.6% compounded annually from 31,463 squab in 1989, to 67,860 in 1994. The total BC domestic supply of squab (commercial and hobbyists) is expected to increase at a minimum rate of 10% compounded annually from 74,646 squab in 1994, to 99,354 in 1997.

The squab processing plant has specialized equipment to handle, process and package squab. The processor performs the marketing function for BC squab producers and has an established clientele of wholesalers, distributors, retailers and restaurants in BC.

# *Squab Marketing* **FACTSHEET**

No. 636.01



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## **IMPORTS**

In 1994 98,630 squab were imported to meet market demands in BC. These imports are expected to increase a minimum of 5% compounded annually to 114,180 birds by 1997. Most of the imported squab entering BC are frozen birds sourced from a cooperative located in California.

## **DEMAND**

The demand for squab in BC has been increasing steadily over the last 5 to 10 years due to a large influx of people from Asia. The demand is expected to continue to grow at a steady rate during the next few years. Entrepreneurs estimate that the market in BC could absorb as many as 400,000 –500,000 squab per year over the next several years, if supply is available and prices are kept reasonable.

## **MARKET RESEARCH**

In 1996, a squab marketing survey was conducted in BC to evaluate the provincial squab market and to provide information that could be used to guide the marketing of BC squab. The survey involved 23 poultry wholesalers, 96 European/North American and South East Asian restaurants, and 104 Chinese restaurants. This survey was conducted by Diane Kermode, in partial fulfillment of the requirements for a Master's thesis in UBC's Department of Animal Science, under the supervision of Dr. Kimberly Cheng.

The conclusions arising from this study are as follows:

### ***1. Wholesalers***

- ◆ 30% of wholesalers interviewed purchase squab. Fifty five percent of their total purchases are from the US and 45% from BC. The major reasons for purchasing US squab are

competitive pricing and consistent supply throughout the year. Frozen squab, which comprise 75% of their total purchases, provide for longer storage life, easier handling and storage, and facilitate bulk purchasing.

- ◆ Wholesalers prefer a light skinned, fresh bird, and indicate sellers could receive a premium for fresh squab. High quality processing, including proper bleeding, scalding and evisceration, is critically important. Wholesalers purchase birds in cases containing 30 birds. The wholesalers are price sensitive in making purchasing decisions.
- ◆ Forty percent of the wholesalers sales occur during October to December, with 23% during January to March and the remaining 37% between April to September.
- ◆ Demand from wholesalers could be increased by providing a consistent supply, lower prices, suitable bird size and consistent quality. Wholesalers purchase direct from import brokers or direct from the processor. Brokerage fees add to the price of imported product.
- ◆ Eighty five percent of wholesale sales are made to restaurants and 15% to retailers. Chinese restaurants account for 90% of restaurant sales, with Thai, Philippine and European/ North American restaurants accounting for the remaining 10%. Ninety four percent of wholesale sales to retailers are made to Chinese poultry/meat retailers.
- ◆ Amongst wholesalers, the majority of squab purchases are made by a few large Chinese wholesalers that service the Chinese restaurant and retail market.

## 2. *Restaurants*

- ◆ Fifty four percent of restaurants preferred fresh squab. However, frozen squab facilitate bulk purchasing, and provide ease of storage and shipping. The distance from US suppliers to BC restaurants discourages fresh squab shipment from the US. Frozen imported product is very price competitive. Restaurants were willing to pay a premium of \$0.55 per kg for fresh squab.
- ◆ Restaurateurs prefer to purchase 12 oz and 15 oz squab. Freshness, size, texture and taste are the most important physical and organoleptic attributes of squab to restaurants.
- ◆ Supply and availability are critical to restaurants. Price is a major consideration to Chinese restaurants. Chinese restaurants often offer squab on their menus as a loss leader. They sell squab to create an image, and in the case of European restaurants, to satisfy customer requests.
- ◆ Restaurants in BC are having difficulty obtaining squabs of appropriate size and consistent supply. Restaurants sell 48% of their squab between July and September, with the balance sold evenly throughout the other seasons.
- ◆ Future growth in the restaurant market for squab is in Chinese restaurants, with little growth expected in European and South East Asian restaurants. Lower prices, consistent supply and consistent quality are the main factors which will increase customer demand in the restaurant trade.

The market research indicates that the BC squab market has excellent potential for future growth. To increase market share, BC producers need to focus on providing the market with a reliable, consistent supply of high quality, competitively priced product.

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*(Continued pg 4)*

## **FURTHER READING**

Government publications and other books:

- \* **A Commodity Development Strategy for the BC Game Bird Industry**  
December, 1994. Kermode. U.B.C., Department of Animal Science.  
Available from BCMAFF.
  
- \* **Squab Marketing Survey, Restaurants and Wholesalers**  
March 1996. Kermode. U.B.C., Department of Animal Science.  
Available from BCMAFF.
  
- \* Levi, Wendell. **Making Pigeons Pay**. 1963.  
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