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Fujian dairy cows savor U.S. alfalfa hay

Report Categories:

Market Development Reports

Export Accomplishments - Trade Leads

Agriculture in the News

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Report Highlights:

Summary: In early September 2012, Agricultural Trade Office (ATO) Guangzhou met with a major buyer of U.S. alfalfa hay from the Fujian Changfu Dairy Group, which is now the largest dairy farming and processing company in South China. The Changfu Group has 20 large-scale dairy farms in located Fujian and collects milk from over 10,000 head of cows. While most Guangdong Province importers of U.S. alfalfa baled hay purchase for distribution and trading, Changfu purchases entirely for its own farming operations. Changfu claims that other users of U.S. alfalfa hay have tried to coordinate joint group purchase with them; however, their internal demand is so great there just is not enough U.S. alfalfa hay to go around. In fact, between 2011 and 2012, Changfu imported close to 10,000 tons of U.S. alfalfa hay worth of over \$3.5 million dollars.

General Information:

In early September 2012, Agricultural Trade Office (ATO) Guangzhou met with a major buyer of U.S. alfalfa hay from the Fujian Changfu Dairy Group, which is now the largest dairy farming and processing company in South China. The Changfu Group has 20 large-scale dairy farms in located Fujian and collects milk from over 10,000 head of cows. While most Guangdong Province importers of U.S. alfalfa baled hay purchase for distribution and trading, Changfu purchases entirely for its own farming operations. Changfu claims that other users of U.S. alfalfa hay have tried to coordinate joint group purchase with them; however, their internal demand is so great there just is not enough U.S. alfalfa hay to go around. In fact, between 2011 and 2012, Changfu imported close to 10,000 tons of U.S. alfalfa hay worth of over \$3.5 million dollars.

Changfu is eyeing expanding their heard size by 15 percent by the end of 2012 and has invested in larger feed operations in key production base farms in Northwest Fujian. Anderson Hay & Grain, headquartered in Washington State is the main U.S. hay supplier to the Changfu Group. On September 18, ATO Guangzhou prepared visa referral support for a purchasing manager to visit the States for the first time to learn more about the new crop harvest and discuss new purchase orders. With an increase in Fujian's GDP and greater development in the dairy processing industry and increased capacity for refrigerated transportation, Post believes Changfu's purchases will continue to grow in the coming years. In 2009, the Fujian Changfu Dairy group also participated in a dairy processing industry program led by ATO Guangzhou and sponsored by USDA's Cochran Fellowship Program, the Foreign Agricultural Service's public diplomacy and trade capacity building program.