

# Luong Hue sets its sights on expansion in the south

FEATURE



Having started with just 50 birds in 1993, Leong Hue is now one of Vietnam's top three chicken producers. HA THU learns how its founder, Pham Van Luong, took the plunge.



Pham Van Luong

**ASIAN POULTRY**  
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To launch his breeding business, Pham Van Luong chose the bird most recognizable to Vietnamese consumers, the Ri chicken.

A dual-use chicken that is raised for both eggs and meat, the Ri is cultivated mostly in northern and central Vietnam. It is preferred for its aroma and taste, as well as the texture of its meat. The chicken is also highly adaptive to the local environment, making it suitable for cage-free farming. Yet it is small in size and slow to grow.

To commercialize Ri chickens, Luong Hue crossbred them with other

types of chicken with greater body mass, faster growth rates and a higher percentage of lean meat.

"Luong Hue has the complete genome of the purebred Ri. We have carefully studied and applied Israeli breeding techniques to retain the qualities of Ri chicken, and combine these with the qualities of other chicken breeds," Mr Luong told *Asian Poultry Magazine*.

In 2006, Luong Hue successfully created two chicken crossbreeds: the 3-blood Ri chicken and the Choi-Ri hybrid, which crossed Ri chicken with Choi, a gamefowl breed. In 2010, ▷



**Luong Hue pioneered Ceva's 5-in-1 vectomune vaccine in Vietnam.**

◁ it introduced three more hybrid breeds to the market. These retain the traditional Ri chicken's color, shape and meat quality, with better weight and growth.

### Modern breeding

Luong Hue's breeding farm now has a flock of 250,000 PS birds spread over 9 hectares.

"In the past, each of our workers would take care of 2000-3000 chickens, now one is in charge of 30,000-45,000, all thanks to automation," Nguyen Van Quy, Technical Director, told *Asian Poultry Magazine*.

"It is easier to feed them as the feed is transferred by conveyor to the chicken houses with the time and quantity adjusted to the weight of the chickens," said Mr Quy.

"As a result, we have significantly reduced labor use, which is important to us as labor is scarce here."

In an old-style hatchery, a



**The Ri hybrid chicken has high resistance, low mortality, low FCR and good meat quality.**

worker might manually control 2-3 incubators. At Luong Hue, 2-3 workers can address 150 incubators.

"Our new generation of incubators is highly automated. Thanks to this, productivity has significantly improved," said Mr Quy.

### Mass vaccination

Automation is also seen in Luong Hue's approach to vaccination. "We apply a Ceva vaccination program that uses automatic injection machines to vaccinate 1500-2000 chickens/hour. We also use automatic sprayers with a capacity of 60,000 heads/hour," said Mr Quy.

In 2017, Luong Hue worked with Ceva to transfer five of its vaccines to domestic chicken breeds. These cover Marek, avian influenza, Newcastle, Gumboro and IB diseases.

These vaccines effectively protect the chicken against the H5N1 virus without re-vaccination and ensures 95% of birds are free from

reinfection. These also reduce stress and substantially cut labor costs.

Between 2014-2019, Luong Hue had vaccinated 60 million DOC.

"Since we started this, many customers have also used the 5-in-1 vaccine package and given good feedback," said Mr Quy.

"Applying vaccination in the hatchery will become a trend in Vietnam. Most importantly, it is a huge benefit in terms of cost effectiveness and efficiency, and we expect our customers to benefit from this," added Mr Luong.

### Marching south

In the north of Vietnam, Luong Hue has gained a reputation for producing high-quality DOC, but it is still relatively unknown elsewhere, where other big breeders control the market.

"We have carried out many field trips to dozens of large chicken farms in southern and western provinces to research the market and determine the direction product development is going. From this we can build our product categories to closely suit the needs of farmers in these areas," Mr Luong said.

"We may enter the southern



**The Ogari plant is built to ISO 22000 and HACCP standards.**

### Vietnam DOC:

97 million per year

### Luong Hue's capacity:

15 million

**Market share:** 16%

**PS chicken:** 250,000

**Market coverage:** 53 provinces and cities in Vietnam, Laos and Cambodia

**Vision:** A trustworthy brand becoming the leading company in native DOC production.



**Luong Hue offers its customers a dedicated support team.**

Vietnamese breeding ground later, but it is definitely not too late. The more large producers participate in the market, the more active the market will be and the more farmers will benefit," said Pham Khanh Ly, a Luong Hue spokesperson.

After developing its presence in Dong Nai, the livestock capital of the south, Luong Hue's DOC production there has increased tenfold.

The company currently supplies 130,000-150,000 DOC per week in the south, though even that is not enough to meet the orders it has been receiving there.

Luong Hue hopes DOC production will have reached as much as 1.5 million chicks/month later this year. By 2025, it is aiming to have increased production to 20 million chicken and waterfowl DOC per year.

**Native chicken meat**

Luong Hue's clean poultry products are marketed under the Ogari brand. Its introduction was seen as a necessary step in the company's development that completes its closed-breeding value chain.

At an investment of USD 5 million, the HACCP-certified Oragi processing plant is one of the most modern in Vietnam, and uses equipment imported from France. Having opened in early 2017, it has a capacity of 16,000 chicken/day.

The materials come from Luong Hue's contract farms, which comply with its standards and conform with VietGAP. Ogari currently supplies 224 tons of chicken meat and 1.5 million Ri eggs per year.

With the south ready for the picking, Pham Van Luong says the company has never steered off course in its goal of giving full customer support.

"Being different from other chicken producers, we guide our customers through each stage of their development," he said.

"We provide comprehensive breeding solutions in time to help them improve their performance. That is what helped us thrive after 26 years," said Mr Luong. **Ap**