

## BANKING ON CHANGE:

The Compass Bank building on Post Oak is slated to face the wrecking ball to make way for a new project/PAGE 2



Vol. 39 No. 4 Week of June 6-12, 2008

houston.bizjournals.com

92 Pages, 2 Sections \$2.95

# HOUSTON BUSINESS JOURNAL

Strictly Houston. Strictly Business.

## Tex-Med digs in to meaty export deal

BY ALLISON WOLLAM  
HOUSTON BUSINESS JOURNAL

Houston-based Tex-Med Beef Co. has inked the largest export deal in its six-year history by agreeing to provide Libya with halal beef and lamb.

The contract, worth more than \$5 million, calls for Tex-Med to export about 1,500 head of beef and 15,000 lambs to a Malta-based company that will distribute the meat in Libya. The product will be sold in Libyan markets and restaurants.

Les Mallory, managing director and co-founder of Tex-Med, says it made sense for Libya to approach the U.S. market for halal beef, which is meat that was blessed by a Muslim and slaughtered following the regu-



CRAIG H. HARTLEY/HBI

**Les Mallory of Tex-Med: Where's the beef? In Libya.**

lations of the Muslim community. Although the company regularly exports to other countries, this is Tex-Med's first deal to send meat to Libya.

"Libya's desire to do more business with the U.S., along with the (weakening) value of the U.S. dollar, has given us a chance to compete for this market," he says.

Sam Rayes, business development director and co-founder of Tex-Med, says the company's reputation as a halal processor — strictly following halal guidelines as outlined in the Islamic faith — helped land the deal.

By approving both the blessing and the plant, Tex-Med Beef assures

SEE TEX-MED, PAGE 60

## TEX-MED: Halal beef contract largest in history for Houston firm

FROM PAGE 1

Muslim consumers that all meats that carry the company's label or certificates were blessed by a Muslim.

Tex-Med reached a buyer's agreement with Colorado-based Mountain States Rosen LLC for the lamb.

The beef portion of the agreement had to be shifted to associates in Brazil due to a lack of bidding by Texas beef plants.

"It is unfortunate that we were not able to do business with a Texas plant this time around," Rayes says.

Mallory says Tex-Med is currently working with the Texas Department of Agriculture to identify and negotiate with Texas-based beef plants for future orders.

He says most of the local plants that the firm contacted didn't fully understand the halal practice or didn't have enough capacity to provide the meat.

Veronica Obregon, a spokeswoman for the Texas Department of Agriculture, confirms that the department is working with Mallory to find processing plants that can assist Tex-Med in future deals. She says the organization has also steered him toward the Meat Export Federation, the Texas Beef Council and the International Trade Center for assistance.

"We welcome all market opportuni-



**Sam Rayes, left, and Les Mallory are beefing up opportunities in Libya.**

ties for our Texas agriculture community and our commissioner, Todd Staples, who has worked diligently to open new markets for our Texas producers," Obregon says. "Entry into new markets is not just beneficial to our Texas producers, but also to our Texas economy."

### GOING TO MARKET

Tex-Med's name was taken from the two founder's backgrounds: Mallory is from Texas, and Rayes is Mediterranean. Their initial objective was to provide a selection of fresh halal meat that is not readily available at traditional retail outlets in Islamic communities.

Tex-Med was founded as a wholesaler in 2002 and now provides whole carcasses, primals and case-ready products to plants such as Ranchers' Lamb of Texas Inc., Sanderson Farms Inc. and H&B Packing Inc.

The company also furnishes halal meats for the Muslim community through its "Texas Halal" label at H-E-B Grocery Co. stores throughout the state, including more than 20 stores in the Houston area.

Four different cuts of Tex-Med chicken are also sold at H-E-Bs that are located in areas with a concentration of Muslim residents.

Matt Walters, regional director of sales and merchandising for meat at the Houston-area H-E-B stores, says the San Antonio-based grocery chain first started carrying the meat when it opened a store at Bellaire Boulevard and State Highway 6 five years ago.

"The response was very good right away," Walters says. "This type of product goes along with what we do. We research the neighborhood and bring in products that the residents of the area request."

Meanwhile, Mallory and Rayes are currently working to expand Tex-Med's line of meats and finished products under the Texas Halal brand. ■

awollam@bizjournals.com • 713-395-9622