



**DEER INDUSTRY
NEW ZEALAND**

CONSULTATION – ROLE AND FUNCTION OF DEER INDUSTRY NEW ZEALAND

Please find enclosed a copy of a Consultation Document relating to the future role and function of Deer Industry New Zealand.

We are undertaking this consultation to assess whether the industry wants to retain Deer Industry New Zealand as an industry-good organisation and, if so, for what range of activities.

This is a very important process and I hope all deer farmers take this opportunity to have a say.

The Consultation Document recommends that Deer Industry New Zealand is retained as an industry-good organisation representing the interests of all sectors of the deer industry and that it continues to undertake activities in the following areas:

- Industry representation
- Communication
- Promotion (venison and velvet)
- Research (on-farm, processing and velvet)
- Assurance Programmes (Velvet Removal and QA).

MJ and I will be presenting and discussing these recommendations at a nationwide series of meetings (see details overleaf) along with an update on industry issues, programmes, markets and velvet removal developments.

These recommendations are not about self-preservation, but reflect our belief that the industry benefits from having an industry-good organisation conducting these activities on its behalf and working with all sectors of the industry to achieve these outcomes. Examples of how our activities have added value include:

- Industry unity achieved for the first time through 3 Partners: 1 Vision approach. This has seen co-ordinated projects undertaken such as joint promotion where this year companies contributed \$2.89 for every \$1 of levy funds.

- Facilitating promotional programmes such as Sommerkampagne and the Supermarket Tasting Tour in conjunction with exporters and their market partners.
 - The development of 5 year strategic plans for venison and velvet.
 - Year-round access for venison into France.
 - Achieved sliced access to Korea.
 - Consecutive 30% reductions in the Special Excise Tax on velvet into Korea achieved in 2003 and 2004.
 - Major research programme completed supporting the establishment of maximum residue levels for velvet removal anaesthetic and analgesic products in velvet – allowing continued use of xylazine and lignocaine.
 - Venison levy reduced from 19 cents to 10 cents – now at 12 cents to address specific areas of need given current market conditions.
 - DEEResearch joint venture leverages approximately \$1.3 million of government FRST funding via AgResearch a year.
 - VARNZ has been successful in securing significant FRST funding (\$1.8m p.a. for 4 years) for an advanced velvet research programme.
 - Independent review of the VARNZ research programme shows the industry's investment to date had yielded an estimated \$2.12 dollars of benefit for every \$1 of levy funds invested. Most recently VARNZ has had 2 patents confirmed in relation to velvet's use to promote wound healing.
 - Deer Industry New Zealand restructuring in 2002 provided improved service delivery as well as significant savings.
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What's more, looking forward, we believe the venison and velvet industry strategies for the next 5 years address the industry's key issues and if the agreed measurable objectives are achieved, will result in further real benefits for the industry in the coming years.


While it's all very well for us to believe we have delivered significant benefits to the industry, and have an important role to play in the future, what is most important is that you take the opportunity to tell us what you think.

MJ and I hope to see you at a meeting in your area. Please read the enclosed information and complete and return a poll document when you receive it in early November. Your participation is critical.

Yours sincerely



Clive Jermy
Chairman



MJ Loza
CEO

DATE	TIME	PLACE	VENUE
Mon 11th October	12.00 noon 7.00pm	Blenheim Nelson	Marlborough Club Waimea Town and Country Club
Tue 12th October	12.00 noon 7.00pm	Hokitika Christchurch	Southland Hotel Sudima Hotel
Wed 13th October	12.00 noon 7.00pm	Timaru Mosgiel	The Poplars AgResearch Invermay Conference Centre
Thu 14th October	12.00 noon 7.00pm	Cromwell Te Anau	Lake Dunstan Boat Club Te Anau Workingmen's Club
Fri 15th October	12.00 noon	Winton	Middle Pub
Mon 18th October	12.00 noon 7.00pm	Whangarei Kaipara	Hearing Association Hall, Devron St, Whangarei Helensville War Memorial
Tue 19th October	12.00 noon 7.00pm	Hamilton Rotorua	Hamilton Airport Motor Inn Geyserland Hotel, 424 Fenton St, Rotorua
Wed 20th October	12.00 noon 7.00pm	Gisborne Waipukurau	Bushmere Arms Tavistock Tavern
Thu 21st October	12.00 noon 7.00pm	Feilding Stratford	Manchester Tavern Café Deborah-May, Pioneer Village, Stratford
Fri 22nd October	12.00 noon	Masterton	Gladstone Tavern

A light lunch/supper will be provided. Please arrive for lunch at 12.00 noon so meetings can start promptly at 12.30pm