

Quarterly Report: April to June 2020



Passion2Profit

The Deer Industry Profitability Programme



Due to the impact of Covid-19, P2P workshops moved online. Here a group of Rural Professionals take part in 1 of 4 online environment modules in May 2020, this particular module held on Zoom discussed the role of the Farm Environment Plan.

Quarterly Progress Summary: April to June 2020

Summary of progress during this quarter:

Marketing Premium Venison

- Due to the Covid-19 pandemic, the 2020 Summer Cervena promotion is to be postponed. Participating companies have committed in principal to continue the promotions for the remaining years of the programme.
- Chef research in China has been completed, the report will be reviewed by the MWG. The research identified two particular styles of Chinese cuisine which venison should focus on. It also reconfirmed some of the challenges highlighted in previous research (lack of knowledge on cooking).
- A final production run of the venison protein bar was undertaken with the objective to analyse meat variability between companies. Consumer taste testing is currently being undertaken targeting keto and fitness markets.
- An independent assessor is to be assigned to review the impact of the non-GMO feed standard which was introduced in January 2019.

Market Led Production

- 26 Advance Party (AP) meetings took place over the quarter in light of Covid-19 restrictions. APs will continue to use online platforms as a way to meet.
- 67 AP members, chairs and facilitators joined one of a series of development meetings held online via zoom platform in May to provide an opportunity for members to discuss the future of the programme.
- Workshop modules on environment management for rural professionals were successfully delivered online in May, this replaced a face to face event which was originally scheduled for Gore in April.
- The Advance Party National Workshop which was to take place in May was delivered to farmers online via Zoom as a series of three technical webinar presentations
- Face to face regional workshops in conjunction with the DFA are now being planned with the Canterbury AP holding a day in June, three more have been confirmed for August and September.
- A fact sheet on intensive winter grazing was released to all farmers in June.
- Planning is underway for the remaining parasite management workshops with two of the remaining four workshops now completed, an additional workshop was requested by the Waikato DFA branch taking the total to fourteen workshops.
- All parentage data has now been received back for the DNA proof trial with one farm held up due the pandemic lockdown, weaning and one to two weights to the 1st of June have been recorded.

Work with other PGPs and Government Agencies

- Discussions with MPI - Productive and Sustainable Land Use as a potential link with P2P activities
- P2P Programme management is involved with the “Farm Planning” and “Extension” workstreams of the He waka eke noa programme, there are eight work streams in total.
- Discussions with RMPP on possible opportunities to collaborate as RMPP also has been granted a 12-month PGP extension.

Work with other sector groups

- B+LNZ consulted on development of a deer fact sheet on winter grazing for deer.
- Including non-deer farmers in Deer Industry Environment Groups.
- Collaboration on MPI Productive and Sustainable land use

Upcoming

- Finalise production of promotional material for China marketing work.
- Reconfirm marketing companies participation for the 2021 Summer Cervena programme
- Review delivery online of the rural professional environment modules as a possible prototype for the rest of these workshops as well as other programme workshops.
- Complete another fact sheet on biodiversity.

Investment

Investment period	Industry contribution	MPI Contribution	Third Party	Total investment
<i>During this Quarter</i>	\$187,110	\$187,110	--	\$374,221
<i>Programme To Date</i>	\$5,433,210	\$4,920,319	\$96,880	\$10,450,410

Overview Table June 2020 Quarter

Objective	Status			Comment
	Timetable	Financials	Outcomes	
Project 1. Confirm Target Markets.				Market research of venison bar with consumers in specific target markets currently taking place.
Project 2. Establish Commercial Distribution				Work underway on the development of China promotional material as well as promotional activities.
Project 3. Link Market to Producer				Appointment of an independent assessor to review the impact of the non-GMO feed standard.
Project 4 Overarching Production Initiatives				Big Deer Tour re-scheduled to be held 31 August – 04 September. Successful environment deer workshop for rural professionals held online.
Project 5 Engagement for Practice change				Covid-19 pandemic did not allow for face to face meetings but APs continued to meet online. AP National Workshop held online in form of webinars.
Project 6 Technology Packaging				Genetics DNA proof trial progressing well with all progeny DNA sampled now.
Project Management				Covid-19 has impacted outcomes for the year, a 12 month extension of the P2P programme has been applied for.

Trend Table showing last quarter performance and next quarter projection.

Objective	Status					
	Timetable		Financials		Outcomes	
	Last Quarter	Next Quarter	Last Quarter	Next Quarter	Last Quarter	Next Quarter
Project 1.						
Project 2.						
Project 3.						
Project 4						
Project 5						
Project 6						

	Project on track (Financial variance <10%)
	Slight Variation to Plan (To be completed within 3 months : Financial variance 10-25%)
	Project variation to plan (More than 3 months to complete : Financial variance >25%)
	Significant Variation (Change in programme required)

5. Financial Summary of P2P Expenditure to date.

P2P Implementation to 30 June 2020	June Quarter 2020			Year to Date		YTD variance to budget	End of Year Variance Notes
	Actual	Budget	Variance	Actual	Budget		
Project							
1 Confirm Market Requirements	\$ 28,132	\$ 65,994	-\$ 37,862	\$ 137,859	\$ 200,203	-\$ 62,344	Only one new market development project being undertaken.
Cash	\$ 14,778	\$ 53,827	-57%	\$ 71,138	\$ 143,703	-31%	
Est. in-kind	\$ 13,353	\$ 12,167		\$ 66,721	\$ 56,500		
2 Establish Commercial Distribution	\$ 120,880	\$ 191,467	-\$ 70,587	\$ 235,988	\$ 362,900	-\$ 126,912	Expenditure to be incurred later into 2020.
Cash	\$ 113,400	\$ 174,300	-37%	\$ 211,442	\$ 306,400	-35%	
Est. in-kind	\$ 7,480	\$ 17,167		\$ 24,546	\$ 56,500		
3 Linking Market to Producer	\$ 23,707	\$ 42,217	-\$ 18,510	\$ 68,300	\$ 96,650	-\$ 28,350	Expenditure to be incurred later into 2020.
Cash	\$ 8,557	\$ 25,300	-44%	\$ 25,160	\$ 50,900	-29%	
Est. in-kind	\$ 15,150	\$ 16,917		\$ 43,140	\$ 45,750		
4 Overarching Production Initiatives	\$ 33,459	\$ 58,367	-\$ 24,908	\$ 98,028	\$ 153,500	-\$ 55,472	Delay in delivery of workshops for rural professionals as well as material to influential professionals.
Cash	\$ 16,699	\$ 39,700	-43%	\$ 51,432	\$ 111,500	-36%	
Est. in-kind	\$ 16,760	\$ 18,667		\$ 46,596	\$ 42,000		
5 Practice Change	\$ 124,310	\$ 201,343	-\$ 77,033	\$ 423,221	\$ 608,816	-\$ 185,595	Reduced Advance Parties meetings in the quarter as well as Regional Workshops during the year.
Cash	\$ 77,457	\$ 145,550	-38%	\$ 294,762	\$ 451,650	-30%	
Est. in-kind	\$ 46,853	\$ 55,793		\$ 128,459	\$ 157,166		
6 Technology Packaging	\$ 43,733	\$ 133,717	-\$ 89,983	\$ 248,171	\$ 355,483	-\$ 107,312	Reduced Environment group meetings in the quarter.
Cash	\$ 20,185	\$ 107,800	-67%	\$ 170,385	\$ 280,900	-30%	
Est. in-kind	\$ 23,548	\$ 25,917		\$ 77,785	\$ 74,583		
Total	\$ 374,221	\$ 693,103	-\$ 318,882	\$ 1,211,567	\$ 1,777,552	-\$ 565,985	
Co Investors Contributions: Cash	\$ 125,539	\$ 284,488		\$ 412,560	\$ 706,276		
Co Investors Contributions: In Kind	\$ 61,572	\$ 73,313		\$ 193,624	\$ 216,250		
Co Investors Contributions: Total	\$ 187,110	\$ 357,801		\$ 606,184	\$ 922,526		
Sought from PGP Funding	\$ 187,110	\$ 335,301		\$ 605,384	\$ 855,026		
Total	\$ 374,221	\$ 693,103		\$ 1,211,567	\$ 1,777,552		

Recommendation:

Programme Management is satisfied that the above is a true and accurate record of expenditure incurred in implementing the P2P Programme and that the estimated in-kind values are an appropriate reflection of industry contributions to this programme over the period and recommends that the PSG approve this report to be forwarded to MPI for approval of payment.

Passion2Profit Programme: Project Status Update April - June 2020

	On track		Major variation
	Minor variation		Project on hold
	Complete		Not yet commenced

Marketing Premium Venison

1.2 Niche Market Feasibility Studies	
Objective: MWG members explore two niche market opportunities for collaborative development.	Status: MWG supporting only one project at this time.
<p>Recent activity Venison Protein Bar: Worked progressed on development of the business case, the Marketing Working Group (MWG) will progress this at their next meeting.</p> <p>Consumer taste testing in specific target markets (keto, gym goers) is currently being undertaken to gather feedback on the recent production run of protein bars.</p> <p>Next Steps: Finalisation of the business case and presentation of the business case to companies.</p>	
1.6 Appellation Development	
Objective: Unified approach to using the Cervena Appellation to optimise returns to New Zealand.	Status: Completion behind schedule.
<p>Recent activity A third party Communications manager has been assigned and is assisting with the production of a new promotional video material.</p> <p>Next Steps: Engage with film production company to produce new promotional videos.</p>	
2.3 Non-Seasonal Promotion	
Objective: 150 mt of chilled venison exported as Cervena™ from Jan to August in the Benelux and Germany in 2020.	Status: Covid-19 impact on supply in 2020. Volumes will not reach target.
<p>Recent activity Alliance and their partner have two Cervena products being sold at retail in Belgium at this point in time. Volumes are limited but it is a positive outcome given the difficult environment in Europe.</p> <p>Next Steps: Reconfirm marketing companies participation for 2021 Summer programme.</p>	
2.3b New Markets - Marketing Pilot (China)	
Objective: Marketing companies sell 500 mt of venison	Status: Three companies now active in

through collaborative ventures in new market segments by 2022.	China. Volumes will not reach target.
<p>Recent activity</p> <p>Chef research has been completed and a report will be presented at the next MWG meeting. The report reconfirmed many of the issues that have been highlighted previously such as venison having a strong smell for example.</p> <p>Work is now underway on the development of key materials (Chinese logo, key messaging and website), with planning underway for further promotional activities including the NZTE workshop in Shanghai .</p> <p>Next Steps:</p> <p>Develop plan for workshop and chef mail out.</p>	
<p>3.1 Industry Agreed Standards</p>	
<p>Objectives: 50% of farmers are enrolled in on-farm QA programmes at the end of 30 September 2020.</p>	<p>Status: Target not met.</p>
<p>Recent activity</p> <ol style="list-style-type: none"> 1. NZ Farm Assurance Programme (NZ FAP): DINZ is currently contacting individual venison processors to assess the progress toward achieving supplier registration with the NZ FAP or equivalent QA programme. 2. 'Raised Without Antibiotics' standard for Cervena venison: Some concern has been raised around imposing further requirements on farmers given current pressures. The MWG will confirm at their next meeting next steps. 3. 'Non-GMO feed' standard for Cervena venison: DINZ is currently appointing an independent assessor to review the impact of the non-GMO feed standard which was introduced in January 2019. 4. NZ FAP+ is being discussed as the delivery method and auditable standard for Farm Environment Plans and monitoring of emission target reductions as part of He waka eke noa delivery. <p>Next Steps:</p> <ol style="list-style-type: none"> 1. NZ FAP: Continue to encourage implementation of On-Farm QA with a meeting in the near future to be arranged of company QA managers to discuss the position. 2. 'Raised Without Antibiotics' standard: The MWG will confirm at their next meeting next steps. 3. 'Non-GMO feed' standard: Appoint independent assessor and undertake review. 	

Market Led Production

4.1 MLP Project Governance

Objective: That the P2P programme funders feel the programme is well managed and successfully implementing actions in order to achieve the programme goals.

Status: Covid-19 has impacted programme delivery.

Recent activity

The Covid-19 pandemic has meant disruption to delivery of a number of projects. A recent easing in pandemic restrictions has meant that Programme Management are now working to catch up with delivery in the remaining months of the programme year. Content will continue to be farmer led.

4.2.1 Workshops For Rural Professionals

Objective: To hold at least three workshops for up to sixty rural professionals in total before 30 September 2020.

Status: Delay in workshop delivery due to Covid-19.

Recent activity

Four environment modules for Rural Professionals were delivered successfully in May 2020 via four short zoom online sessions, one each week during May. These replaced a one day event which was originally to take place in Gore 22 April. This online prototype will now be used in future for some of the workshops.

A review of the situation with Covid-19 now allows for face to face events with two days confirmed for South Otago on 11 and 12 August 2020. One of these days will be focused on financials.

Next Steps:

Book in more dates with Covid restrictions now easing.

4.2 Influential Advisors

Objective: 10 Influential individuals provided material to encourage appropriate advice among organizational advisors

Status: Ongoing

Activity in Quarter:

A stakeholder matrix has been completed to enable effective targeting of communications and material.

Next Steps:

Commence communications and material to identified list.

4.3 Big Deer Tour

Objective: 8 Farm management students enjoy an introduction to the deer industry.

Status: Delay in delivery due to Covid-19.

Recent activity

Original tour from 5 - 10 April 2020 now re-scheduled to 31 August – 4 September 2020. DINZ has now confirmed these dates with Massey and Lincoln universities and applications are now open.

Next Steps:

Confirm itinerary and participants on the tour.

4.4.1 Integration-Communications	
Objective: Presenting information to farmers that will encourage practice change.	Status: Ongoing
<p>Activity in Quarter: Material for two farm profiles which will be presented as case studies for Genetics, Feeding, Environmental Management and Health are on hold due to Covid-19.</p> <p>Next Steps: Collection of interview material from 4 further farms. Integration of farm cases into media outputs.</p>	
4.4.2 Farmers User Groups	
Objective: Two workshops per annum to improve utility of P2P outputs	Status: Complete
<p>Activity in Quarter: Two workshops on winter feed management hosted in Southland on 30 January and South Canterbury 13 February 2020 with eighteen invited farmers to each event. The workshops were well received and discussed how to best package and deploy existing resources rather than develop new tools as well as insight into how Deer Industry NZ might make these resources more widely available.</p> <p>Next Steps: Package the suggestions which came forward from the workshops, prioritise and deploy in the coming months.</p>	
5.1 Advance Parties	
Objective: To have 30 Advance Parties (AP) formed by end of September 2020 and meeting regularly. APs will demonstrate gains to their wider community which encourages wider adoption.	Status: Minor variation – 28 APs currently operating.
<p>Activity in Quarter: Five AP development meetings which included 67 AP members, chairs and facilitators was held online via zoom platform in May. These sessions were open to all AP members and were well received providing an opportunity for members to discuss the future of APs as the P2P concludes as well as feedback on the roles of facilitators, chairs and members.</p> <p>26 AP meetings were held over the quarter with the 11 held via zoom online platform. Most groups now receptive to this technology and will not rule out in using it in future.</p> <p>Next Steps: Review feedback from the national development meetings and implement. Follow up with those APs still to complete an annual review of their AP.</p>	
5.1 Advance Party National Workshop	
Objective: Advance Party members gain value from attendance, stakeholders benefit from listening to AP members farming issues.	Status: Change in format delivery due to Covid-19.
<p>Activity in Quarter: Originally planned for 21st May 2020 in Invercargill in conjunction with the deer industry conference, this</p>	

event was cancelled due to Covid-19. The workshop has now been delivered to farmers online via Zoom in a series of three technical webinar presentations taking place in July and August 2020.

Next Steps:

Deliver the technical webinars.

5.2 Deer Farming Regional Workshops

Objective: To encourage Advance Parties to motivate a wider farmer and rural professional audience to make positive changes. Run 15 Regional Workshops between 1 October 2018 and 30 September 2020.

Status: Delay in delivery due to Covid-19.

Activity in Quarter:

Covid-19 pandemic, drought and other on farm factors have been a factor in a lack of regional workshops to date. More workshops will be booked over the coming months.

The Canterbury AP held a successful session with AgResearch researcher Geoff Asher on 19 June in Methven.

Next steps:

The Southland Environment AP have a date booked on 13 August which was to take place in April until Covid-19 hit. More upcoming dates to be booked with the Central North Island Velvet group holding a date on 25 August on silage and Canterbury and North Canterbury APs planning a combined day in early October.

5.3.3 Decision support

Objectives: All farmers to be aware that good management relies on appropriate information. To have access to helpful guides to decision support tools. Industry accepted performance indicators for productivity and profit established.

Status: Revised project scope.

Activity in Quarter:

Active investigation is underway on business planning and decision support for farmers.

Consideration is being given to revised and additional reporting formats for DeerPro reports to support decisions on farm. This includes the development of a semi-structured interview to complete with a small number of farmers to establish their real needs and a value proposition that would appeal to them.

5.4 Deer Facts

Objective: To distribute 6 Deer Facts per annum.

Status: 4 deer facts currently in preparation.

Activity in Quarter:

A fact sheet on intensive winter grazing was released to all farmers in June. Work on a native biodiversity deer fact sheet underway.

Next Steps:

Complete the biodiversity fact sheet and send out.

5.5 Practice Change Activities

Objectives: Engagement opportunities between farmers and advisors that encourage change.	Status: Delay in delivery due to Covid-19.
Activity in Quarter: <ul style="list-style-type: none"> The Central Regions Deer Farmers Association (DFA) branch have now unfortunately confirmed that they will not hold a Deer Tech Expo in the region before the end of the programme year due to Covid-19 pandemic, drought and other on farm factors. The four project groups of the Deer Industry Innovation Workshop continue to work away on their individual mini projects with one group currently working with Lincoln University faculty of Agribusiness and Commerce on their project using their students for an assignment in the second semester. A third gathering of the Innovation Workshop is planned for later in the year. Next Steps: <ul style="list-style-type: none"> Continue to work with DFA branches to implement Deer Tech Expo planning for 2020-21. Follow up with innovation workshop project group action plans. 	
5.6 Integration Projects	
Objective: P2P Project Managers working on projects that cross the theme groups.	Status: Delay in delivery due to Covid-19.
Activity in Quarter: <ol style="list-style-type: none"> Winter Feeding: DINZ is currently prioritising and deploying a package of suggestions which came forward from the recent winter feeding workshops in Southland and South Canterbury early 2020. Parasite management: Parasite Workshops delayed by Covid-19 are now planned for Taihape, Rotorua, Hawkes Bay and Marlborough with the Waikato DFA branch requesting a workshop in addition to the originally planned four workshop dates. Next steps: <ol style="list-style-type: none"> Take outputs from the winter management workshops for further action. It is anticipated that further workshops will be scheduled and will encompass environment, people and animal welfare in addition to winter nutrition. Booking of dates, advertising and delivery of the remaining parasite workshops. 	
6.1 Improved Breeding Planning	
Objectives: Increase the rate of genetic gain in the deer industry to improve profitability and to pick up research outputs and package them up in ways which make it easy for producers to put them into practice.	Status: September stag average carcass weight = 59kgs.
Activity in Quarter: <ol style="list-style-type: none"> DNA proofs: Fawns born in November/December 2019. All parentage data is now back with one of the three farms held up due to the Covid-19 pandemic, progeny weaning weights to the 1st June have been recorded to date with an overall increase observed across the sample. Promotion of Breeding Planning: Ongoing articles and advertisements in Deer Industry News as well as an article in Country Wide by Linda Gray. Next Steps: <ol style="list-style-type: none"> Continue to monitor sample and collect data later into Spring. Continuing promotion via print, social media and other online material. 	

6.2 Strategic Feeding	
Objective: To create measurable change in farmers' awareness and application of proactive feed management in order to provide optimal feeding for deer production.	Status: Ongoing
<p>Recent activity Continuing work on the development of information on cover and catch crops for the deer industry, an area that the industry has little information on.</p> <p>Next Steps:</p> <ul style="list-style-type: none"> • Outputs and dissemination of the cover, catch crops information to be decided. • Produce and distribute a 'Guide to Seasonal Hind Body Condition' tool for farmers to use. 	
6.3 Improve Deer Health	
Objective: 10% of deer farmers after 3 years have an appropriate, individually tailored, annually reviewed, formally constructed animal health plan based on a risk assessment process including surveillance; rising to 50% of deer farmers after 5 years.	Status: Work now underway
<p>Recent activity</p> <ul style="list-style-type: none"> • Ongoing investigation into a facilitation service as a result of a recommendation from the DINZ health strategy review in 2019. • Remaining parasite management workshops to be delivered to share the message of the importance of parasite and overall health management. <p>Next steps:</p> <ul style="list-style-type: none"> • Ongoing investigation into the facilitation service. • Completion of delivery of the parasite management workshops. 	
6.4 Environmental Stewardship	
Objective: To find and encourage adoption of solutions to the environmental constraints on deer farming. 100% of deer farmers have an FEP by the end of 2020.	Status: Underway
<p>Activity in Quarter:</p> <ul style="list-style-type: none"> • Covid-19 delayed the meeting of groups during the quarter, however, it became possible to prototype a Deer Industry Environment Group online. This was partially successful for building awareness of environmental risks and opportunities, but also pointed to a need to view practical examples on subject farms. • An addendum to the Code of Practice is under development featuring visual examples of both good, and challenging practices, and anonymised examples of completed FEPs in various regions. <p>Next Steps:</p> <ul style="list-style-type: none"> • Further refine the online resource to assist groups in developing their FEP. • A survey of farm's completion of FEPs is planned for mid-2020, and considering opportunities to combine with any other surveys being completed. 	

7. Programme Management

Activity in Quarter:

MWG met 17 April

P2P-AG met 30 April

P2P PSG met 06 May

Deer Industry virtual conference 30 June, 07 and 14 July

P2P-AG to meet 06 July

Upcoming:

MWG date to be confirmed

Big Deer Tour 31 August – 04 September.

R Aloe, 31/07/2020