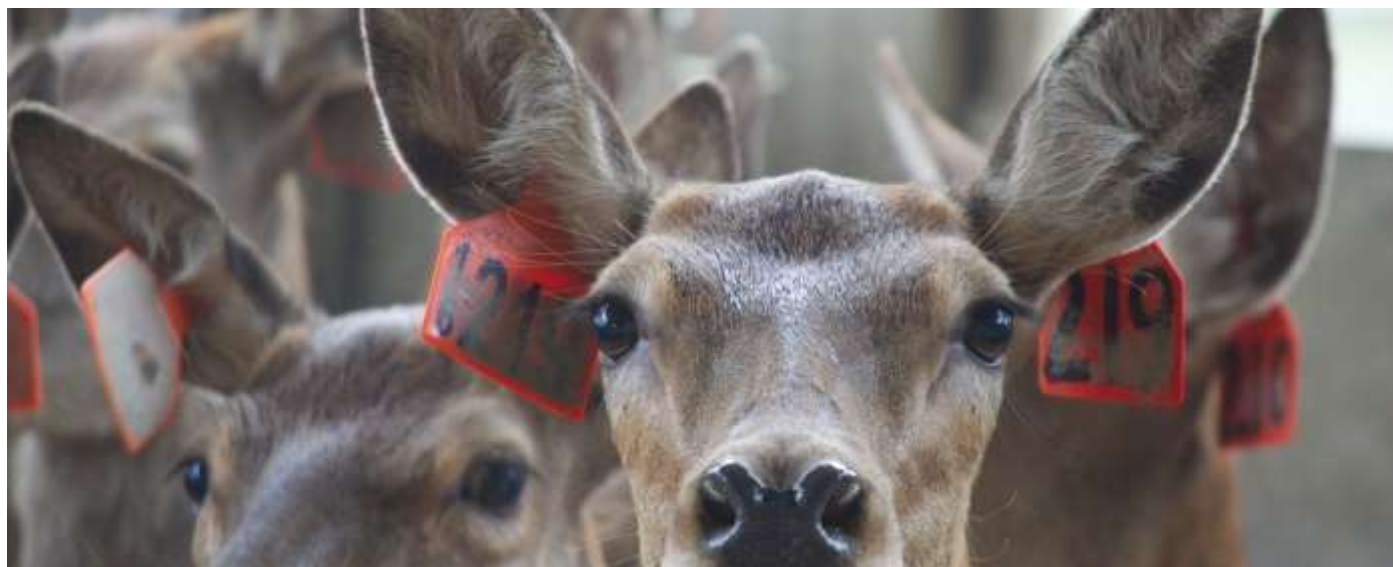


STAGLINE ONLINE

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Stagline Online is a monthly newsletter for members of the NZ Deer Farmers' Association

SPECIAL COVID-19 EDITION 3

Stagline Online is the monthly e-letter published for NZDFA members. During the Covid-19 crisis, we will be publishing *Stagline Online* more frequently and sending it to all known deer farmers and industry contacts.

These are extremely challenging times. Now, more than ever, it is vital that we stay connected with each other, keep informed and do our best to support each other.

Your industry organisations are here to help. If you have any questions or concerns, don't hesitate get in contact with one of us, or a member of the NZDFA executive committee.

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VENISON MARKET UPDATE

In the past week venison companies have provided clarity on the current state of the venison market and provided guidance for future pricing. We expect more news in the weeks ahead. While we might not like the news, it is better to have a degree of certainty to help with planning the difficult months ahead.

Our venison marketers stress that the current market situation is temporary. The world's restaurants, upon which we rely, are temporarily closed. The pace with which they reopen over the next phase of the Covid-19 pandemic will determine the volume of venison they will order again and some form of normality resume. We are being hit by an unimaginable series of events. A global pandemic, African swine fever and access disruptions in China, a fragmented approach to dealing with the crisis in the USA, drought and feed deficits across much of the country. Only three months ago we were looking forward to a solid year with good prospects in a broad spread of markets. We remain very confident that, when these disruptions are managed, those markets will again be seeking out our venison.

All companies involved in the food chain are reducing the risk to their businesses and delaying orders for as long as they can. Ordering faltered in March, NZ exports dropped 30% in March and will drop further in April. Many venison buyers continue to hold off placing orders until they see stronger signs of recovery in their markets.

So it is heartening to see that many European countries are lifting their restrictions and restaurants can begin trading in the weeks ahead. But some will never re-open and trade will take time to recover, the outlook still remains too uncertain to be able to predict what the market will be like in the spring.

For us, what is vitally important is that New Zealand venison processors have committed to continuing to process as we go into winter. We look on in sympathy to farmers in other countries who are being left with no outlet for their animals due to the disruption of their country's processing facilities.

All the venison marketing companies are developing alternative channels: small-goods for retail, home delivery, increased focus on on-line sales. But new customers and new channels take time to develop and in the short term none of these can replace the demand for our products from the restaurant and catering trade in Europe and North America that is currently so unexpectedly and completely shut.

These are unprecedented times and we know that sales to restaurants will be significantly affected this year. Premium products are being hurt, 2020 will be a tough year. But we know that the people who buy our venison still want it once they have more confidence in the reopening of the trade and the spread of markets we have and the quality of our venison means that sales will pick up when the critical disruptions affecting the trade ease.

Yours sincerely,
Innes Moffat
CEO, Deer Industry of New Zealand

MARCH EXPORT FIGURES TELL TWO DIFFERENT STORIES

It's far too early to do a wrap on the velvet season, but exports to South Korea in March were very healthy, even though the Covid outbreak peaked in Korea on 29 February and the country was in strict lockdown.

DINZ marketing manager Rhys Griffiths says velvet exports for March 2020 were \$10.8 million, versus \$6.7 m in March 2019. Exports for the year ending 31 March 2020 were \$58 m versus \$62 m for the same period the year before.

"The 2019-20 season was later than the previous year and the figures reflect that. What they don't reflect is any disruption caused by Covid-19 at both ends of the supply chain. Maybe we will see that when April figures come out."

South Korea is a Covid-19 elimination success story. Once the worst-hit country outside China, it appears to be well on the road to recovery. On 4 May only eight new cases were reported. The government has now relaxed social distancing rules and students will return to school from Monday.

Students and teachers will have to wear a mask except during mealtimes, wipe their desks and observe social distancing as they move around. Schools will also be required to regularly disinfect their premises, conduct temperature checks and rearrange seating. The South Korean professional baseball season began on Tuesday with teams playing in empty stadiums. Soccer will follow suit today.

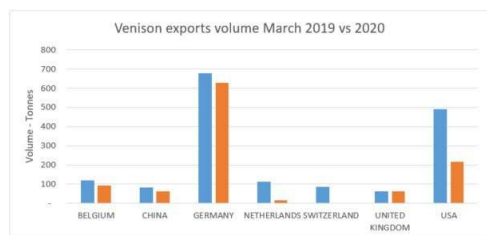


A Covid-19 disinfection team at work in Daegu, South Korea, in March. Photo: BBC

VENISON FIGURES SHOW EARLY IMPACT OF COVID

March data clearly shows the impact that Covid-19 is having on the industry. With DSPs required to implement staff safety measures such as physical distancing, processing capacity reduced in March with total slaughter falling 8% compared to 2019. Exports for the month were 1319 tonnes, down 30% on 2019.

The United States was the most affected market, with only 218 tonnes exported in March 2020, down 55% compared to March 2019. Exports to Switzerland and the Netherlands went from nearly 100 tonnes each in March 2019, to nearly zero in March 2020.



RESTAURANTS REOPENING IN EUROPE

As European countries begin to loosen quarantine restrictions, some are allowing restaurants to re-open for dine-in business. As they have to put physical distancing in place, the restaurants have a substantial decrease in customer capacity.

- Germany set to reopen restaurants on May 9.
- The Netherlands will decide if restaurants will reopen on May 12.
- Belgium restaurants and cafes are will not open before June 8.
- Italy which has been significantly impacted will reopen restaurants on 1 June.
- Switzerland restaurants will reopen 11 May.

It is still uncertain when restaurants will be allowed to open in the USA. Some states are defying expert advice and are pushing ahead with reopening (despite significant number of Covid-19 cases and deaths). Early news reports indicate that despite being open, customers are continuing to stay home. Those that are opening are again operating at significant reduction in capacity.



Physical distancing at work in a US restaurant. It makes it safer for customers but it means much fewer tables are selling meals

FEED TIGHT – REVIEW OF OPTIONS



Locally-grown grain is moving up in price. Photo: Wilkins Farming

In the last week in the South Island the spot price of PKE has eased. In the North Island supplies of maize for winter feed have been scarce.

The downward movement in PKE prices is not mirrored by feed grains. All are firming in price with increased demand from livestock farmers short of feed as a result of drought and (in the deep south) poor autumn growth. Ex-farm spot Canterbury prices for bulk grain at the time of writing are feed barley \$375 and feed wheat \$385/tonne. PKE is \$357 and machine-dressed peas \$895/tonne ex store. To these prices add freight, commission and GST.

With winter setting in, demand for feed supplements will grow. We note that at least one Canterbury grain merchant is offering forward contracts for delivery of PKE from June to August at \$305/tonne (plus GST and transport). This compares with a spot price of around \$380/tonne just a couple of weeks ago.

For marketing reasons PKE is not a preferred supplement for venison and velvet animals. DINZ chief executive Innes Moffat says that where PKE and locally-grown feeds are available at similar prices, it's in the industry's long-term interests for farmers to go for the locally-grown option. But in the extraordinary circumstances that now face deer farmers, no-one will be quibbling about your choice of supplement.

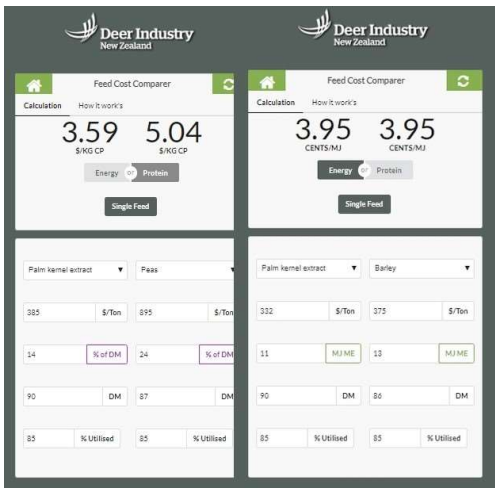
HOW MUCH TO FEED WHEN THERE'S NO GRASS?

Some of us are moving into winter with little or no pasture and fodder crops that aren't deserving of the name. So the question arises, how much do you feed deer when there is effectively nothing in the paddock for them to eat?

The *Deer Fact* 'Drought feeding and management' mainly deals with summer drought, but still offers useful information that's relevant to where we are today.

Of more immediate practical help are the feed calculators on the Deer Hub. If you haven't bought much feed grain in the past you may not be aware just how useful they are. Not to mention extremely easy to use.

The feed intake calculator (<https://deernz.org/deerapp/#intake>) tells you how much you need to feed a hind or weaner based on its weight, the weight gain you are seeking, the month and the quality of the feed. You can then use the feed cost comparer (<https://deernz.org/deerapp/#feed>) to work out what is the most economic feed available, based on what you are looking for in terms of energy and protein.



In these examples, we are comparing PKE and peas on the basis of protein (left) and PKE with barley on the basis of energy (right). On the left, we can see that at current prices for peas and PKE that PKE is clearly the more economic source of protein. On the right, we can see that for energy, PKE has to be priced at less than \$332/tonne to compete with barley at the current ex-farm Canterbury spot price of \$375/tonne

FARM CONSULTANCY GRANTS AVAILABLE

Yesterday the government announced a new \$500,000 fund to help farmers in drought affected regions recover from the current drought and better prepare for future droughts. Each successful applicant will be eligible for a grant of up to \$5000 for professional advisory services.

While the grants may indeed be little too little and a little too late, \$5000 is not to be sniffed at. If you've been thinking about making your farm more sustainable and drought-resilient, why not ask a professional for advice, especially if it's free?

Funding can be used for a range of advisory services and drought-related advice, like:

- Strategic planning and the development of farm business plans
- Practical, on-the-ground advice and support like land management and sustainable management techniques
- Technical advice on soil and pastures, animal production, and feed budgeting.

The fund is now open for applications from drought-affected areas (all of the North Island, the Chatham Islands, Christchurch, Marlborough, Nelson, Tasman, Selwyn, Kaikoura and Waimakariri). After the close of applications on 12 June, there will be a draw of applications that meet the criteria until the pot of gold has gone. Successful applicants will be advised on 22 June 2020.

For more information and to apply >> (<https://www.mpi.govt.nz/protection-and-response/responding/adverse-events/support-during-a-drought/2020-drought-recovery-advice-fund/>)

LOOK AFTER YOUR YOUNG TREES – THEY'RE EXPENSIVE

The tree planting season is upon us. Digging holes and putting trees in them looks like hard work, but in fact the really hard work is involved in keeping trees and shrubs alive and growing, especially when you have other demands on your time.

Hawkes Bay deer farmer and native biodiversity enthusiast Mark Mitchell advises spot spraying with herbicide before planting to remove grass competition. Alternatively, or in addition, consider placing mulch around young trees to suppress weeds and to conserve moisture. Stack-bottom straw is good for this; meadow hay holds too many grass and weed seeds.

“Focus on getting the trees established as quickly as possible in order to shade out grass and pasture weeds and to reduce the need for ongoing weed control. Grass may be our farming friend, but it's the enemy of our young trees. It out-competes them for moisture and nutrients, and can overtop and smother them. It's better to plant a relatively small area in trees and do it well, rather than planting a much bigger area and finding out that it's more than you can manage,” Mark says.

A hectare of native plants at 1.5 x 1.5 metre spacings (4444 plants per ha) costs about \$30,000 to buy and put in the ground – all of which can be lost without effective weed control.

A good source of information on native tree establishment is Tane's Tree Trust. Their focus is on native trees for timber, but whatever the tree or its purpose, the same pre-plant and planting rules apply. [For more on planting into grass sites >>](#)
(file:///\\DISKSTATION\\WHAM%20Shared%20Files\\DINZ\\Stagline\\Covid-19%20specials\\www.tanestrees.org.nz\\site\\assets\\files\\1069\\7_3_preparing_grass_sites_for_planting.pdf).

Now for something a bit lighter

Sarah, the self-appointed arbiter of the town's morals, stuck her nose into everyone's business. She made a mistake, however, when she accused her neighbor George of being an alcoholic after spotting his pickup parked in front of a bar one afternoon. "George, everyone who sees it there will know what you're doing," she told him in front of their church group. George ignored her and walked away. Later that evening, he parked his pickup in front of Sarah's house and left it there all night.

Meanwhile in the Hawkes Bay...

[Hawke's Bay Drought Facebook page >>](https://www.facebook.com/groups/240026230568478/) (https://www.facebook.com/groups/240026230568478/)



(https://www.facebook.com/photo.php?fbid=10159676731414377&set=gm.244439893460445&type=3&theater&ifg=1)

CALENDAR OF EVENTS

Event	Date	Details
Various	All events postponed until further notice	For updates on DINZ events, please click here >> (https://www.deernz.org/events) .