

STAGLINE ONLINE

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

SPECIAL COVID-19 EDITION 4

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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FROM THE DINZ CHIEF EXECUTIVE

NEW PRIORITIES FOR DINZ



As we all know, Covid-19 has had a greater impact on current and forward sales of venison than for other red meats. There are two main reasons for this: our heavy reliance on sales to restaurants and a lack of clarity about the status of farmed venison in China following a clamp-down there on sales of wild meats.

The NZ deer industry obviously has no say in the reopening of restaurants around the world, or the restrictions they may face when they do reopen.

Faced with this situation, Deer Industry New Zealand has reviewed and reprioritised its market support and development programme. Our three priorities are now:

1. Restoring access to China.

2. Supporting our venison companies and their market partners with the development of new sales channels, particularly retail and on-line.
3. Backing the promotion of venison to food service by venison companies as restaurants reopen.

CHINA

As we have previously made clear, sales of NZ venison are not banned in China, but there has been widespread uncertainty among Chinese regulators about its legal status and some vital import procedures are not being completed. Until the matter is clarified by the Government of China, marketers are unwilling to risk sending shipments there.

MPI and the Ministry of Foreign Affairs and Trade are working closely with us, and we are hopeful the Government of China will confirm that red deer is an approved species later this month. We can then work with regional officials to confirm New Zealand venison's legitimate status.

DINZ is preparing new material in Mandarin to highlight to the trade and consumers the safety of New Zealand farm-raised venison.

Re-establishing access to China is very important. The country still has an underlying shortage of meat because of the African swine fever outbreak that devastated its pig herds in 2018 and 2019. Last year, meat producers around the world raced to fill the supply gap, driving prices for lamb to record highs.

Even venison, which is not a traditional meat in Chinese cuisine was enjoying growing demand when Covid shut down sales. Our marketers say that demand is still there. We just need to be able to access it.

A NEW FOCUS ON RETAIL AND ON-LINE SALES

Most of our venison companies are putting energy and resources into developing and boosting retail and on-line programmes, although the volumes at this time of year are small. These are now a priority for DINZ financial support.

Building food service sales for venison will require a degree of patience. Timing is everything. Promoting venison to food service needs is most effective when restaurant sales have resumed and venison is moving through the distribution channels.

We are expecting a severe world-wide economic recession in the wake of the pandemic. We therefore anticipate that this will put restaurant sales generally and prices for premium meats like venison under considerable pressure. This is another reason for the strong focus by venison marketers and DINZ on building demand through on-line and retail sales.

THE BUMPY ROAD TO RECOVERY

On the positive side, venison was in a pretty good place when we went into the pandemic. Thanks to previous market development work by venison companies, we now have two major markets – Germany and the United States – which each take about 25% of our production. In the second row we have solid demand for our venison in Scandinavia, the Netherlands, Belgium and China which each take about 10%. This gives our marketers some flexibility when rebuilding sales.

Each of these markets will respond differently when Covid restrictions are lifted, but all have customers who are convinced of the quality of our product and will readily buy it again when circumstances allow.

In the meantime some venison processors have adjusted their venison schedules because of the lack of current demand. Each company is making its own business decisions, but many deer are now being processed on the understanding that the market risk will be shared by the marketer and the producer.

The reality that the next 12-18 months are likely to be very difficult for venison producers, restaurants and many of their customers.

Eventually, Covid-19 will be a memory and restaurants and cafés will be back to a new normal. When that happens I am confident that venison will resume its place as meat sold for premium prices. And, as a result of our response to the pandemic, we will have stronger retail and on-line sales programmes that will make our industry more resilient in the face of whatever challenges the future holds.

Yours sincerely,

Innes Moffat

CEO, Deer Industry of New Zealand

RABOBANK MARKET ANALYST GIVES HIS TAKE ON VENISON



Rabobank

If you are looking for an independent take on venison prospects, a podcast of an interview with Rabobank animal products analyst Blake Holgate is well worth listening to.

He says that game season demand from northern Europe will be very important this year as it will be a good indicator of consumer demand and pricing from a long established market. He also believes growing retail demand for manufactured items will play an important role in underpinning prices for lower-value cuts.

<http://raboresearchfoodagri.libsyn.com/nz-deer-outlook> (<http://raboresearchfoodagri.libsyn.com/nz-deer-outlook>).

VELVET GETS A PLUG FROM SAM CANE



We have long known that the new captain of the All Blacks has deer farming roots. His parents, Malcolm and Kathy Cane, have been farming deer near Reporoa for 30 years and for much of that time they have been marketing their own velvet capsules.

So it was a real thrill to hear that Sam had been selected for a role that will make him one of the country's best known sportsmen. A hero to the many boys and girls who dream of one day playing for the All Blacks or Black Ferns.

Now Sam has done our industry a great favour. In an interview published as premium content on the NZ Herald website earlier this week, he endorsed deer velvet capsules saying, "I've been taking them since I was about 15. They help in lots of ways: immune system, recovery from training and games and injuries as well. All good things for an athlete."

He said that when his parents started farming deer his Mum, a nurse, knew deer velvet had been used in traditional Chinese medicine for centuries. So she started making her own deer velvet capsules which are marketed under the Canes Deer Velvet brand.

Photo: Photosport

WHAT DOES COVID LEVEL 2 MEAN FOR YOU?



Since yesterday, we have been at Covid Alert Level 2. This means all farms and primary sector businesses are able to operate and interact with the public, in a safe way, including those that operated at level 3 and 4. You can carry out in-person interviews of potential employees.

Here's a summary of the requirements farmers need to comply with. More details and relevant links are on the [MPI website](https://www.mpi.govt.nz/protection-and-response/coronavirus/) (<https://www.mpi.govt.nz/protection-and-response/coronavirus/>).

Physical distancing: stay 2 metres away from people you don't know in public, and 1 metre in workplaces.

Contact tracing: keep a register of visitors to your farm, their contact details and the date. Keep a record of places you visit off the farm, the people you meet and the date.

A limit of 10 people attending meetings: this number is expected to be revised upward in the next fortnight if there are no signs of a second wave of infections.

Personal hygiene: keep contact surfaces clean in working areas. Wash your hands regularly. Practice good coughing and sneezing etiquette.

Anyone who is sick, must stay home: Contact the Covid helpline. Don't go to your doctor or pharmacist, Tel 0800 611 116.

WE CAN MEET FACE TO FACE AGAIN AT LEVEL 2



The risk of Covid-19 transmission in the community remains, though the move to Alert Level 2 reflects the fact that the risk is lower. This means it's safer to resume meetings of Advance Parties, Environment groups and other small gatherings.

Facilitators and organisers will need to develop a safety plan for each meeting that meets the following Level 2 requirements:

- A maximum of 10 people
- Safe physical distancing
- High personal hygiene standards

- Everyone to bring their own food and drink, or if supplied, it should be in individual portions
- A record of attendees must be kept to ensure contact tracing can be conducted if necessary
- People who are unwell should not attend
- Limit meetings to no more than two hours

DINZ does not need to see your safety plan. As a country we have made great progress in eliminating Covid-19. We have more freedom of movement at Alert Level 2, but it's up to each one of us to keep ourselves and the rest of New Zealand safe.

WHAT ARE OUR VENISON MARKETERS DOING TO REBUILD DEMAND?

DINZ Marketing Manager Nick Taylor has requested each of our venison marketers to provide Stagline Online readers with their take on the market situation and what they are doing to rebuild demand. Here are their responses:

ALLIANCE



The global venison market is challenging at present, but Alliance Group has developed a blueprint to re-build value back into this category.

We are beginning to see the cautious re-opening of the food service sector as movement restrictions ease in some markets.

New Zealand was fortunate that although Covid-19 has affected our peak production period, it has not coincided with the peak consumption period for venison -- the traditional European game season toward the end of the year.

Although there has been a considerable slow-down in venison consumption, we believe venison will begin to flow again once businesses are confident of a return to a new level of normality. However, our markets remain cautious and mindful of another wave of infection, which could put the recovery at risk.

The Covid-19 crisis has also highlighted the importance of a long-term strategy, particularly around North America, China and wider Asia where we see the most potential for growth. However, the traditional market in the EU will remain important.

Alliance Group continues to develop our global food service sector strategy and we believe venison represents a good product range extension to our premium portfolio. As we look ahead to the Covid-19 recovery, it's clear current price re-sets for venison are necessary to re-connect consumers with the product.

We continue to have long-term confidence in the deer industry and that is underlined by our \$15.9 million investment in a new venison processing plant at Lorneville in Southland in 2018.

DUNCAN NZ



Although Covid infection rates are still very high in the United States and several European countries, restaurants in some of these countries are being permitted to re-open. We will be closely watching how this pans out, in order to gauge how it's likely to affect the return of demand for our venison.

The weekly schedule price is calculated on processor/exporters having either pre-sold the product, or at least having a reasonable estimate of what they will sell the product for. To date Duncan NZ has offered a spot schedule price that reflects our best estimate of where we think the market will be, but if the current situation persists we may offer farmers a risk sharing model similar that offered by other companies.

The restaurant sector has been a strength of our industry since its early days. When it does reopen, product that was in the pipeline when lockdowns were imposed will be first in line for consumption. This means there will be some delay before customers place new orders.

Right now we are focussed on adapting as fast as we can to grow sales through export retail and domestic home delivery. Our team is doing an outstanding job developing these channels while working as efficiently as Covid protocols allow.

These are very uncertain times, but we see this as a short-term situation. So while we understand why deer farmers are concerned about venison schedules and the longer-term outlook, we advise caution about making long-term strategic decisions at this early stage. We suggest waiting until we have a handle on what the 'new normal' looks like.

FIRST LIGHT



When there is a storm at sea the fishermen stay home and mend their nets. Over the past eight weeks, our industry, which relies heavily on restaurant sales, has faced a major storm.

For First Light, mending our nets has meant reviewing our systems, processes and specifications, and thinking hard about what impact Covid-19 will have on consumer behaviour and designing products for their future needs.

- We are working on new ways to tell consumers the story about our fantastic venison – its flavour, nutrition, origin and versatility. We will redouble our investment in promoting this story.
- We are investing in structures, processes, people and a wider variety of products to help us win increased sales at retail and online.
- Disposable income is taking a hit, so we are thinking laterally about how venison can be incorporated into meal solutions that protect value for the producer, while increasing perceived value to the consumer. We will be rolling out new products throughout the remainder of the year.

There's no sugar-coating the situation Covid-19 has left us in. It's tough and will remain difficult for the immediate future. But it's important we keep things in perspective. This situation was caused by circumstances beyond our control, it has affected everyone (many far worse than our industry) and we are starting to see the green shoots of recovery.

The fundamentals have not changed; we produce safe, healthy, nutritious, delicious food for conscientious consumers all over the world. At First Light we are banking the lessons, focusing our energy on the future and ensuring we are listening and adapting to our consumers' needs.

SILVER FERN FARMS



The frozen market continues to remain flat however there are signs of life out there with customers starting to think about a post Covid-19 market and the opportunities this will present.

Our chilled business has seen a return to some normality as customers are acclimatising to market conditions and in many cases a change of channel to the end consumer.

There are some positive market signals as we begin to make preparations for the EU game consumption period where traditionally our chilled business builds to its peak and we see demand outstrip supply on certain cuts.

For more information about venison markets and pricing, please contact your venison company representative.

WINTER GRAZING: TRAPS FOR THE UNWARY



As we move into winter proper, it pays to be mindful of regional council rules covering winter cropping and grazing management. Since last year your council may have changed its rules, or increased their enforcement of existing rules, so if in doubt you might like to check their website.

Some councils have restrictions on how long animals can be intensively fed in a paddock before it is called a 'feed lot' – a term that the NZDFA and DINZ have objected to in submissions to the government and councils.

Driving the rules the councils are coming up with is public concern about water quality and the welfare of animals in winter, especially on winter crops. Once again there will be council aerial surveys of grazing practices and members of the public flying drones, looking for something that might make the news.

To reduce the risks of stream pollution and soil erosion DINZ manager farm performance Phil McKenzie says it's wise to put as much thought into selecting paddocks for intensive winter feeding as you would when selecting paddocks for a winter crop.

"Consider slope, soil type, stock class, drainage and the location of waterways and critical source areas (CSAs). Paddocks due for pasture renewal are often selected. But is the risk of sediment run-off too great?," he asks.

Most councils require all CSAs in crop and intensive feeding paddocks to be fenced off and a growing number require farmers to have Farm Environment Plans, explaining how they manage the risks they pose. If you would like help with drawing up your plan, DINZ will shortly be rebooting its Environment Groups. At these groups farmers work with each other and a facilitator to develop their plan, based on what works with deer.

If you would like a heads-up on any groups underway or planned in your area, contact Phil McKenzie, tel 0274 997 809, email phil.mckenzie@deernz.org (<mailto:phil.mckenzie@deernz.org>).

Photo: Heather Templeton

TRIBUTE TO JACK PULLAR



Ian (Jack) Pullar, a stalwart of the Elk/Wapiti Society since it was founded in 1986, died last week.

Former society secretary Tony Pearse says he was always impressed by Jack's strong commitment to excellence in the farming, promotion, breeding and management of elk/wapiti. His personality shone when he was with the animals and the wapiti people, he says.

"Over the years the society has had some of the most colourful characters in the industry among its ranks: leaders, disrupters, outstanding farmers, thinkers and doers. Jack fitted into all of those categories. I'm very proud to have had the chance to work with him. Also to be associated with the man who basically was the quiet force that guided the Society in its early days and who later became a fine elder statesman. We all are the better for having known, worked, laughed and relaxed in his company. Jack will be greatly missed."

Jack's life was commemorated at a private cremation a few days after his death. He is survived by Jenny, his wife of 55 years, children Janette, Geoffrey and Rochelle, and grandchildren Cody, Edward, and Casey.

ARE YOU PROUD OF YOUR WINTERING PROGRAMME?



We are looking for photos of wintering (crop, grass, pad or barn) to illustrate 'what great looks like'.

DINZ producer manager Tony Pearse is representing the deer industry on a wintering action group that is developing a national action plan for farmers. DINZ is preparing for the release of the plan by building an online resource that supports those actions, for use this winter by deer farmers. A good photo helps other farmers and shows the deer industry is making good progress.

Send your photos or ring and have a chat with Nicola McGrouther of Southern Environmental Projects about images you think could be useful: nicola@creeksideconsulting.co.nz (<mailto:nicola@creeksideconsulting.co.nz>), phone 027 493 9500.

Thanks for your help.

Photo: Jane Chrystal

DEER FARMERS STAND TALL IN LANDCARE SURVEY

Take a bow! The fourth biennial Survey of Rural Decision Makers, run by scientists at Manaaki Whenua - Landcare Research, shows deer farmers in a very good light. There were only 49 deer farmers in their sample of 3700 land users, ranging from cut flower growers to forest owners, but the differences are so large and so consistent, they're probably very close to the mark.

In summary, if you are a deer farmer, you are more likely than any other category of livestock farmer to have a Farm Environment Plan; be more prepared to take risks; be more prepared to try something new; and have a greater awareness of biosecurity and the impact an incursion could have on your farm.

- Have a FEP: deer 49%; sheep/beef 19%; dairy 37%
- Increased intensity in the last 10 years: deer 29%; sheep/beef 20%; dairy 20%
- Expanded the area used for your farm activity: deer 39%; sheep/beef 19%; dairy 29%
- First in your area to try something new (score out of 10): deer 4.9; sheep/beef and dairy 4.4
- Willingness to take risks (score out of 10): deer 5.9; sheep/beef 5; dairy 4.9
- Awareness of the impact a biosecurity incursion could have: deer 56%; sheep/beef 29%; dairy 33%

The full survey report is here >> (<https://www.landcareresearch.co.nz/science/portfolios/enhancing-policy-effectiveness/srdm/srdm2019>)

DROUGHT FEEDING RESOURCES

If your farm has moved out of drought into winter cold, you may be scratching your head about what you should be feeding your deer. This will be a real issue for those of you with weaners on hand that in a normal year you would have sold by now.

DINZ producer manager Tony Pearce has put together a list of resources that are available on the web as tools for decision-making. Some are in the Deer Hub on the DINZ website; others are found on the Beef+Lamb and MPI websites.

If you have to make some winter feeding decisions, [how about checking it out >> \(http://If your farm has moved out of drought into winter cold, you may be scratching your head about what you should be feeding your deer. This will be a real issue for those of you with weaners on hand that in a normal year you would have sold by now. DINZ producer manager Tony Pearce has put together a list of resources that are available on the web as tools for decision-making. Some are in the Deer Hub on the DINZ website; others are found on the Beef+Lamb and MPI websites. If you have to make some winter feeding decisions, how about checking it out >> \[Rebecca please add hyperlink\].\)](#)

Now for something a bit lighter

A senior citizen drove his brand new Corvette convertible out of the dealership.

Taking off down the road, he floored it to 80 mph, enjoying the wind blowing through what little grey hair he had left.

"Amazing," he thought as he flew down the motorway, pushing the pedal even more. Looking in his rear view mirror, he saw a state trooper behind him, lights flashing and siren blaring.

He floored it to 100 mph, then 110, then 120. Suddenly he thought, "What am I doing? I'm too old for this," and pulled over to await the trooper's arrival.

Pulling in behind him, the trooper walked up to the Corvette, looked at his watch, and said, "Sir, my shift ends in 30 minutes. Today is Friday. If you can give me a reason for speeding that I've never heard before, I'll let you go."

The old gentleman paused. Then he said, "Years ago, my wife ran off with a State trooper. I thought you were bringing her back."

"Have a good day, sir," replied the trooper.

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) .