STAGLINE ONLINE

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

EXECUTIVE COMMITTEE REPORT

As we begin the run to Christmas and the end of a tumultuous year, here's hoping that 2021 will be better for us all.

The current venison schedule is of great concern with the end of the chilled season and the price drop that has followed. Many people are frustrated and think the industry could be doing more. While DINZ and the venison companies are closely involved in industry strategy and marketing initiatives, the reality is that DINZ has no control over the processing companies and how they run their businesses or what is happening in our markets, dominated as they are with fresh outbreaks of COVID-19 and more lockdowns. We understand that for the product that is being consumed at restaurants the prices aren't too bad. It is just the volume consumed is very low and much chilled product is now having to be frozen down. The processors are trying many alterative selling options through increased retail sales and have worked hard to produce a fourfold increase in the volume going to China. But until the world gets on top of COVID-19, we have to make the best of available options. You as suppliers and shareholders have the most ability to ensure that your company is doing the best it can in these times and make sure you have your intended kill booked with them and keep in close contact with your company rep. as the rest of the season unfolds.

VelTrak is a new word in our industry vocabulary, which will hopefully by the end of the 2021-22 season be second nature to us. It is important as suppliers that we understand why it has come about and its importance in insuring the integrity of our products in the market place. With the increased emphasis on the hygiene status of deer velvet as a product for human consumption, and the large increase of its use in the healthy food sector in South Korea the increased lift in standards means the original numbered zip tie tag with a paper based system is outdated. MPI was getting concerned about the amount of tags breaking and being lost prior to exporting and wanted an improved tag. With this new tag, new technology had to be attached to the tag and a database to future proof it for the early 21st century. The new tags next season will have a high frequency chip which means that whole bags or larger containers can be scanned without individually handling tags, from which a electronic Velvet Status Declaration (eVSD) will be created online for the farmer to verify by email. There will be a few learning curves for farmers as they come to grips with the new system, but in the end they will have a far accurate record of velvet as it moves from farm to the market, and take out the risk of human error that the current system has. Talk to your buyer about how they are planning to implement the new system and how you will complete your part so your velvet can be sold easily when the new season gets under way.



Hope you all have a great Christmas and New Year which is easier on us and the world than this one.

- John Somerville, DFA Executive Committee Chairman

WISHING YOU ALL A VERY MERRY CHRISTMAS AND A HAPPY NEW YEAR. ALL THE BEST FOR 2021.

JOHN SOMERVILLE, JUSTIN STEVENS, MARK MCCOARD AND KAREN MIDDELBERG OF THE NZDFA EXECUTIVE COMMITTEE.

VELTRAK STRIKING A CHORD IN KOREA



VelTrak won't be introduced until next velvet season, but it's already being praised by a major customer in South Korea. VelTrak is a fully electronic track and trace system that will enable velvet to be rapidly tracked up or down the supply chain in response to a food safety or biosecurity issue.

Ashley Chung, the chief marketing officer of Yuhan Care (pictured), tells us that health food is Yuhan's business so they have to be 100% certain the velvet they buy is safe and comes from healthy deer.

"VelTrak will prove that the velvet we buy comes from a farm in New Zealand where food safety and animal welfare are of the highest standards."

DINZ chief executive Innes Moffat says unfortunately 2020 has seen velvet prices come back, for reasons that are beyond the industry's ability to control.

"But regardless of price levels in any given season, farmers can be assured that their velvet is increasingly preferred over velvet from Russia, China and other suppliers. The focus of DINZ is to embed that preference," he says.

"While some competing countries have piggy-backed on some of our market development work, none currently match the technology that has been developed for VelTrak. It's really quite sophisticated

Innes welcomes Ashley Chung's comments. "I expect more major customers will welcome news of VelTrak when we start actively talking about it in the marketplace. It's what the major brand-name companies expect of their raw material suppliers."

He says an overseas customer will simply need to enter a VelTrak barcode number to confirm that a stick comes from New Zealand and meets our QA requirements for animal welfare and food safety.

"Normally, for reasons of commercial privacy, it won't be possible for a customer be able to track a stick back to the farm it came from. Nor will a farmer be able to trace who bought their velvet in the marketplace. But the VelTrak system is capable of proving this information to MPI if a food safety or biosecurity issue arises. This will enable all suspect product to be rapidly isolated and managed separately from clear product which can continue to be traded. Without VelTrak, trade in far greater volumes would be halted since accurately identifying the whereabouts of suspect product would take far longer."

Innes says that by integrating food safety and animal welfare compliance systems, VelTrak will provide customers with proof of integrity that they will be unable to get from any other supplying country.

VELVET UPDATE



EXPORTS OCCURRING AND MARKETS GETTING BUSY

While prices are reported to be back on last year, reasonable volumes of velvet exports are occurring.

Following DINZ's virtual market meetings in South Korea last month, NZ government officials are also assisting the industry, by following up with key influencers.

NZ's new Trade Commissioner to Seoul, Stephen Blair got into the action soon after taking up his new posting. Blair has visited the largest traditional velvet retailer in the JekiDong markets. JekiDong was once responsible for most the industry's velvet purchases. And although the new food channels have lessened the dependence on this channel significant, it is still very important to NZ velvet.

Figure 1. NZ's Trade Commissioner (Stephen Blair) to Seoul with NZ velvet in traditional market.

The visit is a great induction for the new Trade Commissioner to understand the NZ velvet market and is being followed with further meetings in the traditional sector, along with key food company partners. The meetings time in well following DINZ's market visits with the plan to provide more confidence to key influencers. NZ's Ambassador Phillip Turner will join with Blair in some of the meetings, providing further NZ Embassy support to the industry.



Figure 2. Trade Commissioner Blair with LG health food product containing NZ velvet.

In China, NZTE Managers continue to meet with food companies, interested in developing products using NZ velvet. Covid-19 impacts notwithstanding, there are a few companies in China that have continued product development exploration following meetings with DINZ last year.

While the markets are robust, there is uncertainty in the velvet supply channel (driven by Covid-19 economic impacts). Please keep close to your regular velvet buyer (who will be well connected with the market).

- Rhys Griffiths, Manager, Markets

VENISON UPDATE

VENISON EXPORT VOLUMES STRONG OVER 2020

Total exports for the 2020 year are only 2% back on last year. Despite the disruptions to shipping, airfreight and customers, Statistics NZ report that for the year ending 31 September 2020, 11,300 tonnes of venison was exported, only slightly less than last year. However, the value of exports was back 20% to \$153m, reflecting the fall in price of all premium proteins due to the global uncertainty.

This export success is testament to the hard work of marketers to work with their customers in such difficult times. It is still too early to know how much of the current season's venison exported to Europe has been consumed or will go into further storage.

The lower export price of venison means that some venison items now work for more price sensitive products, such as the pre-packaged retail items and pre-cooked ready meal market. Manufacturers of some retail items had moved away from New Zealand venison as prices rose over the last few years. Sales of venison to Europe have increased this year as more volume has gone into this traditional market.



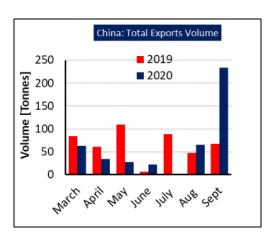
Example of microwaveable venison ready meal.

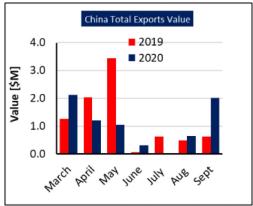
Exporters have also reported that sales of chilled venison through retail outlets is continuing, however, overall conditions in both of our key venison markets (the EU and US) remain challenging.

In the US, the restaurant sector continues to be hit particularly hard, with the Independent Restaurant Coalition reporting one in six restaurants have now permanently closed. This has resulted in a further 2.1 million people out of work. A financial support package continues to progress slowly through the US political system to the frustration of the food service sector.

The EU is in the middle of its second lockdown. This time around schools were kept open which has seen the infection rate declining slower than during the previous lockdown but reducing the economic impact of the lock down. The Bank of France estimates that economic activity in November was 12% below normal, compared to a 31% drop in April. Countries now await news of what lockdown measures will look like in the lead up to the Christmas season.

China provides some positive news for NZ venison. Statistics NZ reported that September 2020 saw the highest monthly shipments of venison to China since the Covid-19 outbreak. As well as supplying existing food service and retail customers exporters report continued interest from new customers who are ordering trial shipments, which assist with the volumes going to China. A full range of cuts are going into China and importers continue to work on product development to find new butchery techniques and cuisines which suit venison.





Export volumes and values to China for 2019 to 2020.

- Nick Taylor, Venison Marketing Manager

FUTURE OF P2P — THE PLANNING STARTS NOW



There is still a couple of years until funding for the current Passion to Profit (P2P) project finishes, but that doesn't mean that P2P will end. The P2P programme has been a strong and successful partnership between the NZDFA, DINZ and MPI. The programme has proven the approach of small groups of farmers working together to share and build their knowledge and support each other. Recent activity has seen a number of successful Regional workshops partnering with local DFA branches, and the input from Branches has been critical in helping establish environment groups.

So we think that there is still lots of areas where can use the P2P approach and continue to grow and support each other. Now is the time to start planning that, develop a view of what it could look like as a second generation of P2P and starting to build a groundswell of support. Next year we want to start designing the next version, and involve as many of you as possible so we build what best suits your needs and the industry as a whole.

This is the way P2P was built, and I'm looking forward to working with as many of you as possible, to build the next model of P2P can become. Now is a good time to start thinking what are the parts of P2P that you really value, and where are the future opportunities to build on.

- Phil McKenzie, Manager, Farm Performance

GENETIC BVS IN PRACTICE ON COMMERCIAL FARMS



Deer farmer Duncan Humm – one of three deer farmers who participated in a case study that showed that selecting stags based on their breeding values works well in the real world. Photo: Richard Hilson.

A Breeding Values (BVs) proof trial has recently been finished on three commercial venison farms in New Zealand. The three participating farms were:

- John and Tasha Hamilton (Winton) two Tikana Wapiti/Elk sires Terminal
- Duncan and Lorna Humm (Mt Somers) two Melior sires Red Venison focus
- David and Ali Seifert (Raetihi) Ruapehu Sires Red.

On each farm, sires with different BVs for their progeny's weight at 12 months were mated with hinds in the farm's breeding herd. The resulting progeny, born in late 2019, were all run together in the same conditions but linked to their sires using DNA parentage testing and weighed at regular intervals.

The aim of the trial was to see whether Deer Select BVs for growth – weight at 12 months or W12 – would be expressed properly in a real-world situation. Deer Select is the national deer recording database and index.

The year-long trial showed that BVs really show their worth in a commercial farm setting. On each farm, the progeny of the higher-performing sire did indeed perform in line with expectations, with progeny averaging carcass weights about 4.5 kg heavier, worth about an additional \$27 per head at today's schedule prices.

Wapiti farmer John Hamilton said he always looked for good all-round venison sires, but this exercise had encouraged him to look more closely at growth BVs when making his selection.

Duncan Humm, who farms red deer in Canterbury was delighted with the way the progeny from the two high-BV sires had performed, noting the gap in their BVs for weight at 12 months had been born out in the final weights of their progeny. "When you're choosing a sire it's really important that the breeder's objectives for genetic improvement are the same as your own," he said. "That's certainly how it worked out in this case."



Raetihi Deer farmer David Seifert. Photo: Phil Stewart

The third farm, in the central North Island also runs red deer. Farmer David Seifert tracked the weights of progeny of four high-BV stags, with a range of nearly 9 kg in their BVs for weight at 12 months. He was impressed that even though the progeny of the highest-BV sire had started out relatively light as weaners (mainly due to their dams being younger hinds), they grew faster than the other groups of fawns and eventually overhauled them. The superior genetics shone through and by 12 months they were the heaviest group.

"I was already a convert on the value of good BVs, but this exercise has really confirmed it for me," he said.

For more information and to see results of the exercise undertaken by Sharon McIntyre see link to the DINZ website here - deernz.org/sites/dinz/files/BV%20in%20Practise%20update%20Nov2020%20v2.pdf (https://www.deernz.org/sites/dinz/files/BV%20in%20Practise%20update%20Nov2020%20v2.pdf)

A full report on the project is also featured in the December/January Issue of Deer Industry News (currently with the printer).

2020-21 STAG AND HIND SALES

DECEMBER 2020

- Peel Forest Estate Forresters: Friday 4 December, 1.00pm, Peel Forest
- Fairlight Station: Wednesday 9 December, 11.00am, Southland
- Ruapehu Red Deer: Wednesday 9 December, 1.30pm Taihape
- Canes Deer: Wednesday 9 December, 7.30pm, Online Hind Sale
- Forest Road Farm: Friday 11 December, 12.30pm, Tikokino, Hawke's Bay
- Wilkins Farming Ltd: Friday 11 December, 3.00pm, Hawke's Bay, George and Laura Williams, Te Maire
- Sarnia Woburn Deer: Saturday 12 December, 11.30am, Cambridge
- Tower Farms: Saturday 12 December, 3.00pm, Cambridge
- Crowley Deer: Saturday 12 December, 3.00pm, Hamilton, Combined with Tower Farms Sale

JANUARY 2020

- Foveran Deer Park Elite Sires: Saturday 9 January, 1.00pm, Kurow, Otago
- Peel Forest Estate: Sunday 10 January, 1.00pm, Peel Forest, South Canterbury
- Deer Genetics NZ: Sunday 10 January, 4.30pm, Geraldine
- Rupert Red Deer: Monday 11 January, 11.00am, Geraldine
- Rothesay Red Deer: Monday 11 January, 4.00pmam, Methven
- Raincliff Station Wapiti: Tuesday 12 January, 10.00am, Pleasant Point
- Black Forest Deer Park: Tuesday 12 January, 4.30pm, Outram
- Netherdale Deer: Wednesday 13 January, 1.30pm, Balfour
- Brock Deer: Gore (believed to be on the same day and time as normal)
- Arawata Deer Farm: Thursday 14 January, 12.30pm, Pinebush, Southland
- Altrive Red Deer: Thursday 14 January, 5.00pm, Riversdale, Southland
- Annandale Deer: Friday 15 January, 9.30am, Invercargill
- Wilkins Farming Ltd: Friday 15 January, 2.00pm, Athol
- Lochinvar Wapiti Farm: Sunday 17 January, 11.00am, Te Anau
- Connemara Wapiti Bull: Manapouri (believed to be on the same day and time as normal)
- Littlebourne Wapiti: Monday 18 January, 1.00pm, Winton
- Tikana Wapiti: Monday 18 January, 3.30pm, Winton
- Clachanburn Elk: Tuesday 19 January, 1.00pm, Ranfurly
- Edendale Wapiti Deer: Wednesday 20 January, 12.00pm, Mt Somers

Details have been collated from online sources and include those who had a sale in previous years but no date for 2020/21 has been confirmed yet. See the events listing at <u>deernz.org/2020-21-stag-hind-sales</u> (https://www.deernz.org/2020-21-stag-hind-sales) for more details. To add or amend a listing, please get in touch with Cenwynn on 04 471 6110 or <u>cenwynn.philip@deernz.org</u> (mailto:cenwynn.philip@deernz.org)

FARMER TECH WEBINAR SERIES 2020



DINZ and the NZ DFA recently held two more technical webinars. If you missed them don't worry, video recordings can be found below.



(https://youtu.be/YJSQqlkiNek)

Thinking of making a purchase in the coming stag sale season but not sure what you're looking for? Join Deer Select manager Sharon McIntyre to help you better understand genetic traits and breeding values (BVs), the session includes Q&A with Sharon.



(https://youtu.be/OAB3f4JU44U)

Heard of CARLA but not sure what it's about? Listen to Jamie Ward from AgResearch talk about the first tool in the deer industry to select deer for resistance to internal parasites. The webinar includes Q&A with Jamie.

2020/21 VELVET AND HARD ANTLER COMPETITIONS

See all the details, inclduing entry forms (when available) at <u>deernz.org/2020-21-velvet-and-hard-antler-competitions (http://deernz.org/2020-21-velvet-and-hard-antler-competitions)</u>

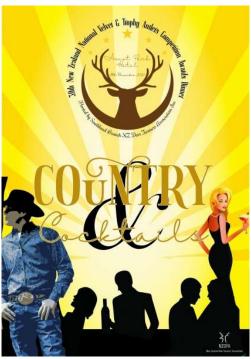
- Kaipara Sun 6 Dec
- National Velvet & Trohy Antler Competition Tue 8 Dec
- Elk & Wapiti Society Fri 29 / Sat 30 January 2021

To update or add a listing, email details through to Cenwynn on cenwynn.philip@deernz.org (mailto:cenwynn.philip@deernz.org? subject=Velvet%20Comps)

Results from the North Island Velvet & HA Competition can be found at <u>deernz.org/velvet-hard-antler-competition-results</u> (https://deernz.org/velvet-hard-antler-competition-results)

39TH NATIONAL VELVET & TROPHY ANTLER COMPETITION

<< CLICK HERE TO DOWNLOAD THE ENTRY FORM >> (HTTPS://DEERNZ.ORG.NZ/SITES/DINZ/FILES/2020%20ENTRY%20FORM.PDF)



(https://deernz.org.nz/39th-national-velvet-hard-antler-compeition#.X8blLs0zaUk)



(https://deernz.org.nz/39th-national-velvet-hard-antler-compeition#.X8blLs0zaUk)

OSPRI UPDATE



OSPRI STAKEHOLDERS COUNCIL

Paddy Boyd (on behalf of NZ DFA) and Innes Moffat (on behalf of DINZ) are councillors on the Ospri Stakeholders Council. Along with TB Committees, NAIT advisory groups and OSPRI Shareholders, the Stakeholders Council is a grouping of bodies with an interest in the work of OSPRI who can provide views to the OSPRI Board on OSPRI business strategy and operations. The Stakeholders Council's main role is to provide the process for the appointment of OSPRI directors, and to review the Board's performance against OSPRI's strategic performance indicators. The Council meets four times per year. At the most recent meeting the Council discussed the following items:

TB HEALTH CHECK

The Council discussed the outcome of the TB Health Check with the Board, after they recently endorsed all the recommendations of the governance group overseeing that health check. In summary, OSPRI is bringing more flexibility to accelerate TB eradication activity, to reduce longer-term risks of frequency and scale of future TB outbreaks, thereby increasing the likelihood of successfully achieving the goals of the TB programme. While the Health Check had been scheduled a long time ago, it coincided with the Hawke's Bay TB outbreak earlier this year. That brought into sharper relief the nature and scale of key risks to the TB Programme. Further information on the changes will be forthcoming

NAIT COMPLIANCE

The Council met with Gray Harrison, the MPI manager responsible for NAIT compliance, to discuss how NAIT compliance can be best carried out to ensure it supports the overall objectives the overall objectives of the NAIT programme. We were keen to ensure people who are genuinely trying to meet their NAIT obligations do not unwittingly fall foul of the compliance regime.

COUNCIL — BOARD RELATIONSHIP

The Council discussed with the Board how the role of the Council (contributing to strategy and assessing the Board's performance relative to that strategy) has evolved over the last 2-3 years and where there is room for further development. The Council's influence is likely to be greater where the Board can see that Council feedback reflects the views of the stakeholder organisations represented. Council members noted the various ways they connect with their respective stakeholder organisations. The members of the Council also noted their intention to review the way it works early next year, to further strengthen the value it can bring to OSPRI. The Board noted they intend to provide more feedback about how Council views have informed and influenced their governance.

INDEPENDENT CHAIR FOR THE STAKEHOLDERS' COUNCIL

James Buwalda's term as Independent Chair will expire in mid-2021. The Council agreed to reappoint James for a further three-year term.

NOTICEBOARD

INNES MOFFAT ON SARAH'S COUNTRY

Innes Moffat, DINZ CEO, joined Sarah Perriam (https://www.facebook.com/sarahscountry/?

cft [0]=AZWSP8x34jqGdEDvTgRGW4logf0cEIXnDAuLm68U45mpi1sXmh1cawe5CwNbufwm1B2Z2BdS-

gThTQWCWCkeUu VZqQjjN1AP34q9yDlaw5bB2gd2m jjJNgvf0-

<u>AosCCQOxZ_WB2M1WyHlSkwptlwrZH4Z3voPfWUfXD0fhzrVxt7ZylLqW4HyK0ldWyp98UII&_tn_=kK-R)</u> on Sarah's Country on Monday night (30/11/2020).

Innes talks about how the deer industry is confident New Zealand farm-raised venison has a long-term future, but the biggest challenge is the premium restaurant cuts.

LOOKING FOR WORK OPPORTUNITIES

Flynn Crean is in the final year of a Bachelor of Commerce (Agriculture) at Lincoln University and looking at pursuing his passion for producing natural resources and improving the quality of agriculture products. He's open to opportunites so if you think you can help Flynn, get in touch with him direct on 027 942 6255 or facrean@gmail.com (mailto:facrean@gmail.com)

METSERVICE MONTHLY OUTLOOK - DECEMBER 2020



The first part of December runs a little unsettled, with several westerly fronts moving across the country. These produce decent rainfall for western areas of both Islands between now and the middle of next week (approx. 9 December), but only minor tallies for eastern regions.

From the middle of next week, High pressure builds over the Tasman Sea, and pushes a ridge over the North Island. This limits rainfall for the North Island, and settles the westerlies over the South Island. By the third week of the month, an intense High blocks over central New Zealand, and may well stick around for the final week of the month. The second half of the month looks drier than normal for most regions, with the only exception a hint of wetter northeasterly weather at the end of the year, for northern and eastern parts of the North Island.

This week runs cooler than normal across the country. Next week sees cooler weather continue over the South Island, while North Island temperatures bounce back to above average. All regions are likely to see above average temperatures for the second half of December.

BOTTOM LINE: Westerly winds kick start December, then Highs prevail. A colder than usual start, and a warmer than usual finish, is expected for the month. Western regions pick up decent rainfall at the start of the month, before a drier than usual period for most regions mid to late December.

You can sign up for the MetService's Monthly Outlook right to your inbox - <u>click here to subscribe (https://about.metservice.com/our-company/ways-to-get-the-weather/weather-email-lists/monthly-outlook-email)</u>.

Source: www.metservice.com/rural/monthly-outlook (http://www.metservice.com/rural/monthly-outlook)

Joke of the Month

Three sisters age 92, 94 and 96 live in a house together.

One night the 96 year old draws a bath, puts her foot in and pauses. She yells down the stairs, "Was I getting in or out of the bath?"

The 94 year old yells back, "I don't know, I'll come up and see." She starts up the stairs and pauses, the she yells, "Was I going up the stairs or coming down?"

The 92 year old was sitting at the kitchen table having tea listening to her sisters. She shakes her head and says, "I sure hope I never get that forgetful." She knocks on wood for good measure.

She then yells, "I'll come up and help you both as soon as I see who's at the door."

CALENDAR OF EVENTS

Event	Date	Details
2020/21 Velvet and Hard Antler Competitions	Various	Calendar of the NZDFA Velvet Competitions for the 2020/21 year. To update or add a listing, email details through to Cenwynn on cenwynn.philip@deernz.org (mailto:cenwynn.philip@deernz.org?subject=Velvet%20Comps) • Kaipara - Sun 6 Dec • National Velvet & Trohy Antler Compeition - Tue 8 Dec • Elk & Wapiti Society - Fri 29 / Sat 30 January 2021 Details at: deernz.org.nz/202021-velvet-and-hard-antler-competitions (https://deernz.org.nz/202021-velvet-and-hard-antler-competitions)
2020/21 Stag & Hind Sales	Various	To view the sales, <u>see article above (https://deernz.org.nz/stagline-issues/2020-12-01-000000#2020-21-stag-and-hind-sales)</u> or head to <u>deernz.org/2020-21-stag-hind-sales (https://deernz.org/2020-21-stag-hind-sales)</u>
Deer Workshops for Rural Professionals – Canterbury	11/12 February 2021	The next workshop is being held in Canterbury Thursday 11 & Friday 12 February 2021. Attendees can choose to register for one day or both, depending on your interest. There will be an on deer farm experience on day 1 as part of this workshop. This course is suitable for rural support professionals, bankers, accountants, field representatives, rural support staff and more. • Day 1 - Introductory Deer Workshops for Rural Professionals • Day 2 - Specialist Deer topic: 'Financials for deer' and 'Animal Health' Registrations are now open for this event, and are strictly limited. REGISTER HERE NOW >> (https://form.jotform.com/203346993333863) Visit deernz.org.nz/deer-workshops-rural-professionals-canterbury (https://deernz.org.nz/deer-workshops-rural-professionals-canterbury) or
		contact amy.wills@deernz.org? subject=Rural%20Professionals%20Workshop) for more information.