



**Deer Industry Conference
2011**



2010-2014 Venison Strategic Intent

Strategy three:

Encourage farmers, processors and customers towards long-term supply commitments.



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What does this mean?

Encourage farmers, processors and customers towards long-term supply commitments

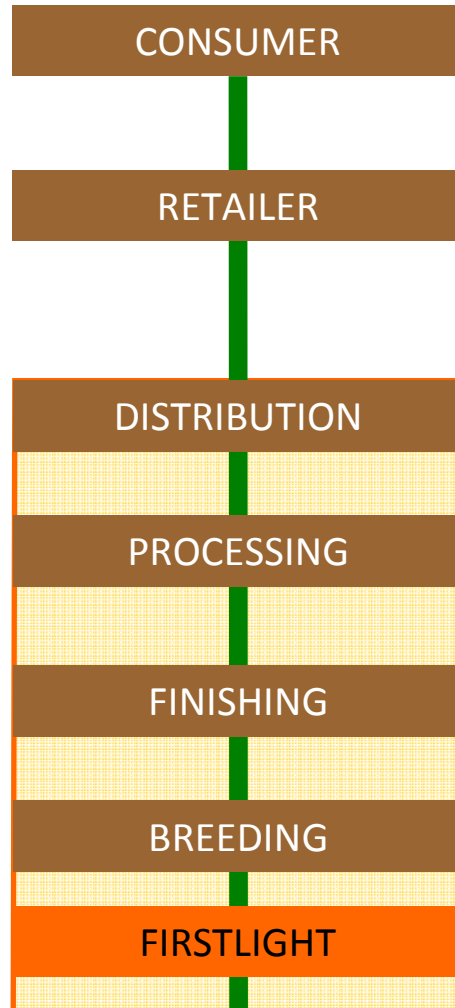
It is up to producers to provide stability through certainty of product and for marketers to provide the service required to obtain that commitment.



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Service required to gain commitment

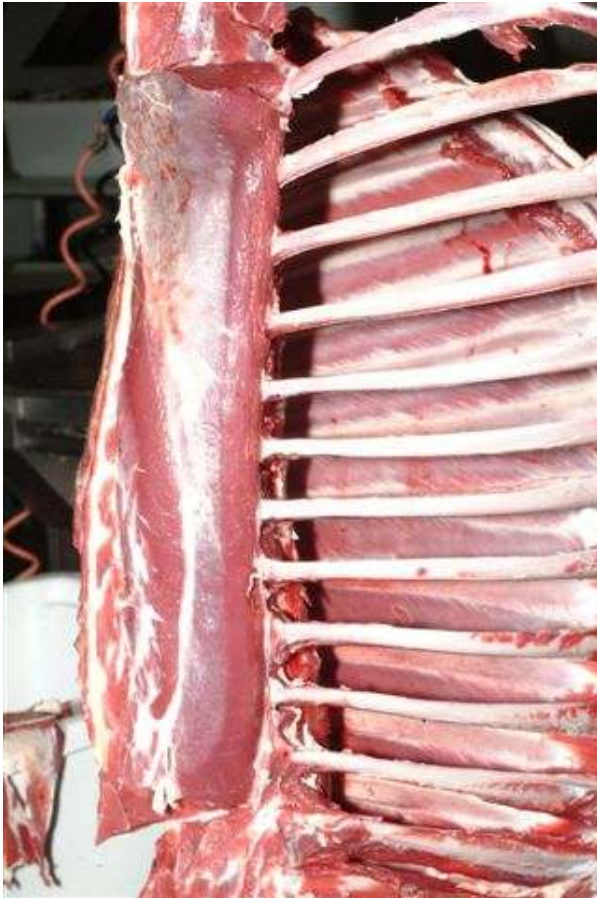


An integrated value chain provides:

- Strong relationships with premium customers
- Market knowledge and direction
- Information and transparency of individual animal value
- Value based payments

Taken together, these lead to increased financial gains along the value chain

Value Based Payments



Value-based payment system (NZ Farmers' Weekly 18th May)

- Meat payments based on specification, yield, co-products value, size of primal cuts, tenderness and quality
- Linked to market prices with full transparency
- Reward on farm investment and improve product to market

Value Based Payment System



- Firstlight Venison is spending \$250,000 on a full traceability and individual carcass tracking system
- Tracking from live animal to carton and ultimately to consumer
- In place from October 2011

Firstlight suppliers will be provided a whole new level of information and be paid on a value based payment system

Value Based Payment System

Taylor Trust

Wednesday, 11 May 2011

Breeder	Sire	Weaning	Weaning	LWG	Liveweight	Carcass wt	Dress Yield	Stag/Hind	Offals	Tails	Other CP	GR	Downgrade	Reason	Shoulder	Shoulder	Shoulder	Leg	Leg	Leg	Middles	Middles	Middles	Other	Other	Total Meat	Total Meat	Total Meat
		kgs	Date												g/day	kgs	kgs	%	S/H	\$	\$	\$	mm	%	\$			
Andrews	na	57.8	28/03/2010	123	108.2	60.2	55.6%	S	12.50	16.00	14.00	5	0%	na	19.5%	117.39	TC UK	28.8%	294.74	WTR UK	8.8%	211.90	BE ITL	9.1%	38.35	66.20%	\$ 704.88	\$ 11.71
Andrews	na	55.6	28/03/2010	140	113.0	62.3	55.1%	S	0.00	8.00	10.00	3	0%	na	18.8%	113.18	TC UK	27.5%	291.25	WTR UK	8.7%	216.80	BE ITL	10.0%	43.61	65.00%	\$ 682.84	\$ 10.96
Smith	Red 22	59.8	11/04/2010	142	115.8	65.4	56.5%	S	12.50	8.00	14.00	8	0%	na	18.3%	110.17	TC UK	27.8%	309.08	WTR UK	8.6%	253.10	PL USA	9.5%	43.49	64.20%	\$ 750.34	\$ 11.47
Smith	Red 22	54.7	11/04/2010	143	111.3	62.5	56.2%	S	12.50	8.00	14.00	7	0%	na	19.4%	116.79	TC UK	29.1%	309.19	WTR UK	8.7%	217.50	BE ITL	9.4%	41.13	66.60%	\$ 719.10	\$ 11.51
Andrews	na	53.2	28/03/2010	148	113.6	63.4	55.8%	S	0.00	16.00	10.00	5	10%	arth	18.8%	113.18	TC UK	28.7%	309.33	WTR UK	8.6%	218.10	BE ITL	9.3%	41.27	65.40%	\$ 639.69	\$ 10.09
Andrews	na	62.8	28/03/2010	146	122.4	69.4	56.7%	S	0.00	8.00	10.00	6	0%	na	19.8%	119.20	TC UK	28.2%	332.70	WTR UK	8.5%	265.46	PL USA	9.5%	46.15	66.00%	\$ 781.51	\$ 11.26
Andrews	na	63.8	28/03/2010	135	119.0	65.4	55.0%	S	0.00	8.00	14.00	6	0%	na	20.1%	121.00	TC UK	28.2%	313.53	WTR UK	8.7%	256.04	PL USA	9.6%	43.95	66.60%	\$ 756.52	\$ 11.57
Andrews	na	44.6	11/04/2010	117	91.0	47.6	52.3%	S	12.50	16.00	14.00	4	0%	na	19.7%	118.59	GER	27.3%	194.92	GER	8.7%	144.94	BE ITL	9.1%	30.32	64.80%	\$ 531.28	\$ 11.16
Smith	Red 22	68.8	11/04/2010	125	115.0	65.2	56.7%	S	0.00	16.00	14.00	8	0%	na	19.5%	117.39	TC UK	27.0%	299.27	WTR UK	8.8%	258.19	PL USA	9.3%	42.45	64.60%	\$ 747.30	\$ 11.46
Andrews	na	51.8	28/03/2010	139	108.7	59.4	54.6%	S	12.50	32.00	14.00	11	0%	na	19.1%	114.98	TC UK	27.5%	277.70	WTR UK	8.4%	199.58	BE ITL	9.8%	40.75	64.80%	\$ 691.51	\$ 11.64
Andrews	na	53.1	28/03/2010	144	112.1	61.2	54.6%	S	12.50	8.00	18.00	10	5%	bruise	19.8%	119.20	TC UK	28.6%	297.55	WTR UK	8.4%	205.63	BE ITL	10.3%	44.13	67.10%	\$ 671.68	\$ 10.98
Smith	Red 22	68.3	11/04/2010	114	113.4	62.4	55.0%	S	12.50	32.00	10.00	7	0%	na	20.4%	122.81	TC UK	28.2%	299.15	WTR UK	8.7%	217.15	BE ITL	9.5%	41.50	66.80%	\$ 735.10	\$ 11.78
Smith	Red 22	67.4	11/04/2010	153	128.0	73.1	57.1%	S	0.00	16.00	14.00	6	0%	na	18.8%	113.18	AN EU	29.1%	361.63	WTR UK	9.1%	299.34	PL USA	9.3%	47.59	66.30%	\$ 851.73	\$ 11.65
Smith	Red 22	68.0	11/04/2010	125	117.4	65.2	55.5%	S	12.50	70.00	14.00	9	0%	na	19.3%	116.19	TC UK	28.3%	313.68	WTR UK	9.1%	266.99	PL USA	10.0%	45.64	66.70%	\$ 839.00	\$ 12.87
Andrews	na	56.7	28/03/2010	145	116.0	63.6	54.8%	S	0.00	8.00	18.00	6	0%	na	17.8%	107.16	TC UK	27.8%	300.57	WTR UK	8.7%	221.33	BE ITL	8.8%	39.18	63.10%	\$ 694.24	\$ 10.92
Andrews	na	54.6	28/03/2010	150	115.8	61.7	53.3%	S	12.50	32.00	18.00	4	0%	na	19.3%	116.19	TC UK	28.8%	302.08	WTR UK	8.9%	219.65	BE ITL	10.1%	43.62	67.10%	\$ 744.04	\$ 12.06
Andrews	na	55.5	28/03/2010	132	109.5	60.0	54.8%	S	12.50	8.00	10.00	8	0%	na	18.9%	113.78	TC UK	29.3%	298.86	WTR UK	8.7%	208.80	BE ITL	9.3%	39.06	66.20%	\$ 691.00	\$ 11.52
Andrews	na	63.4	28/03/2010	132	117.5	63.2	53.8%	S	12.50	16.00	14.00	7	0%	na	19.4%	116.79	TC UK	27.7%	297.61	WTR UK	8.9%	224.99	BE ITL	9.8%	43.36	65.80%	\$ 725.24	\$ 11.48
Andrews	na	58.7	28/03/2010	134	113.4	62.8	55.4%	S	12.50	16.00	18.00	6	0%	na	18.7%	112.57	TC UK	28.1%	300.00	WTR UK	8.8%	221.06	BE ITL	9.6%	42.20	65.20%	\$ 722.33	\$ 11.50
Andrews	na	66.7	28/03/2010	146	126.5	68.9	54.5%	S	12.50	8.00	14.00	7	0%	na	20.1%	121.00	TC UK	27.8%	325.62	WTR UK	8.7%	269.74	PL USA	9.9%	47.75	66.50%	\$ 798.61	\$ 11.59
Andrews	na	58.7	28/03/2010	146	118.4	65.0	54.9%	S	12.50	32.00	10.00	5	0%	+	19.2%	115.58	TC UK	28.1%	310.51	WTR UK	8.6%	251.55	PL USA	10.2%	46.41	66.10%	\$ 778.55	\$ 11.98
Smith	Red 22	59.0	28/03/2010	148	119.7	69.2	57.8%	S	12.50	70.00	14.00	5	0%	na	18.4%	110.77	TC UK	28.5%	335.27	WTR UK	8.6%	267.80	PL USA	8.9%	43.11	64.40%	\$ 853.46	\$ 12.33
Andrews	na	49.8	11/04/2010	139	104.7	55.2	52.7%	S	12.50	8.00	18.00	3	0%	na	19.7%	118.59	TC UK	27.5%	258.06	WTR UK	9.1%	200.93	BE ITL	8.6%	33.23	64.90%	\$ 649.31	\$ 11.76
Andrews	na	53.7	28/03/2010	149	114.5	60.9	53.2%	S	12.50	16.00	14.00	7	0%	na	19.8%	119.20	TC UK	27.8%	287.81	WTR UK	8.8%	214.37	BE ITL	9.1%	38.79	65.50%	\$ 702.67	\$ 11.54
Smith	Red 22	71.8	11/04/2010	142	128.0	72.4	56.6%	S	12.50	8.00	14.00	5	0%	na	19.3%	116.19	AN EU	27.1%	333.55	WTR UK	8.6%	280.19	PL USA	8.8%	44.60	63.80%	\$ 809.02	\$ 11.17
Andrews	na	59.6	28/03/2010	155	122.8	65.4	53.3%	S	12.50	16.00	18.00	4	0%	na	20.4%	122.81	TC UK	27.7%	307.97	WTR UK	9.0%	264.87	PL USA	9.7%	44.41	66.80%	\$ 786.55	\$ 12.03
Andrews	na	55.4	28/03/2010	141	112.9	61.3	54.3%	S	0.00	8.00	18.00	2	5%	na	19.2%	115.58	TC UK	28.2%	293.87	WTR UK	8.3%	203.52	BE ITL	9.4%	40.34	65.10%	\$ 646.64	\$ 10.55
Smith	Red 22	65.8	11/04/2010	148	124.3	70.1	56.4%	S	0.00	8.00	10.00	9	0%	na	19.7%	118.59	AN EU	27.3%	325.33	WTR UK	8.5%	268.13	PL USA	8.9%	43.67	64.40%	\$ 773.73	\$ 11.04
Andrews	na	43.0	28/03/2010	103	85.0	44.0	51.8%	S	0.00	8.00	10.00	3	0%	na	18.1%	108.96	GER	26.8%	176.88	GER	8.2%	126.28	GER	10.3%	31.72	63.40%	\$ 461.85	\$ 10.50
Smith	Red 22	61.3	11/04/2010	170	128.3	73.1	57.0%	S	0.00	8.00	10.00	8	0%	na	18.6%	111.97	AN EU	27.8%	345.47	WTR UK	8.6%	282.90	PL USA	8.8%	45.03	63.80%	\$ 803.37	\$ 10.99
Andrews	na	57.2	28/03/2010	136	112.9	60.8	53.9%	S	0.00	32.00	14.00	11	0%	na	18.9%	113.78	TC UK	29.2%	301.81	WTR UK	8.7%	211.58	BE ITL	9.4%	40.01	66.20%	\$ 713.18	\$ 11.73
Andrews	na	58.3	28/03/2010	142	116.2	62.3	53.6%	S	12.50	16.00	14.00	7	0%	na	19.1%	114.98	TC UK	28.4%	300.78	WTR UK	8.6%	214.31	BE ITL	9.3%	40.56	65.40%	\$ 713.14	\$ 11.45
		58.6		139	114.9	63.2	55.0%		7.81	18.13	13.75	6.3			19.2%	115.87	0.0	28.1%	300.18		8.7%	230.71		9.5%	41.75	65.5%	\$ 724.04	\$ 11.44

Value Based Payment – breeding and LWG

Breeder	Sire	Weaning kgs	Weaning Date	LWG g/day
Andrews	na	57.8	28/03/2010	123
Andrews	na	55.6	28/03/2010	140
Smith	Red 22	59.8	11/04/2010	142
Smith	Red 22	54.7	11/04/2010	143
Andrews	na	53.2	28/03/2010	148
Andrews	na	62.8	28/03/2010	146
Andrews	na	63.8	28/03/2010	135
Andrews	na	44.6	11/04/2010	117
Smith	Red 22	65.8	11/04/2010	125
Andrews	na	51.8	28/03/2010	139

Value Based Payment – carcass & co-products

Taylor Trust

Wednesday, 11 May 2011

Liveweight	Carcass wt	Dress Yield	Stag/Hind	Offals	Tails	Other CP	GR	Downgrade	Reason
kgs	kgs	%	S/H	\$	\$	\$	mm		
108.2	60.2	55.6%	S	12.50	16.00	14.00	5	0%	na
113.0	62.3	55.1%	S	0.00	8.00	10.00	3	0%	na
115.8	65.4	56.5%	S	12.50	8.00	14.00	8	0%	na
111.3	62.5	56.2%	S	12.50	8.00	14.00	7	0%	na
113.6	63.4	55.8%	S	0.00	16.00	10.00	5	10%	arth
122.4	69.4	56.7%	S	0.00	8.00	10.00	6	0%	na
119.0	65.4	55.0%	S	0.00	8.00	14.00	6	0%	na
91.0	47.6	52.3%	S	12.50	16.00	14.00	4	0%	na
115.0	65.2	56.7%	S	0.00	16.00	14.00	8	0%	na
108.7	59.4	54.6%	S	12.50	32.00	14.00	11	0%	na

Value Based Payment – saleable meat yield

Shoulder	Shoulder	Shoulder	Leg	Leg	Leg	Middles	Middles	Middles	Other	Other	Total Meat	Total Meat	Total Meat
%	\$	Customer	%	\$	Customer	%	\$	Customer	%	\$	Yield	Value/hd	Value/kg
19.5%	117.39	TC UK	28.8%	294.74	WTR UK	8.8%	211.90	BE ITL	9.1%	38.35	66.20%	\$ 704.88	\$ 11.71
18.8%	113.18	TC UK	27.5%	291.25	WTR UK	8.7%	216.80	BE ITL	10.0%	43.61	65.00%	\$ 682.84	\$ 10.96
18.3%	110.17	TC UK	27.8%	309.08	WTR UK	8.6%	253.10	PL USA	9.5%	43.49	64.20%	\$ 750.34	\$ 11.47
19.4%	116.79	TC UK	29.1%	309.19	WTR UK	8.7%	217.50	BE ITL	9.4%	41.13	66.60%	\$ 719.10	\$ 11.51
18.8%	113.18	TC UK	28.7%	309.33	WTR UK	8.6%	218.10	BE ITL	9.3%	41.27	65.40%	\$ 639.69	\$ 10.09
19.8%	119.20	TC UK	28.2%	332.70	WTR UK	8.5%	265.46	PL USA	9.5%	46.15	66.00%	\$ 781.51	\$ 11.26
20.1%	121.00	TC UK	28.2%	313.53	WTR UK	8.7%	256.04	PL USA	9.6%	43.95	66.60%	\$ 756.52	\$ 11.57
19.7%	118.59	GER	27.3%	194.92	GER	8.7%	144.94	BE ITL	9.1%	30.32	64.80%	\$ 531.28	\$ 11.16
19.5%	117.39	TC UK	27.0%	299.27	WTR UK	8.8%	258.19	PL USA	9.3%	42.45	64.60%	\$ 747.30	\$ 11.46
19.1%	114.98	TC UK	27.5%	277.70	WTR UK	8.4%	199.58	BE ITL	9.8%	40.75	64.80%	\$ 691.51	\$ 11.64

Summary

Strategy Three:

Encourage farmers, processors and customers towards long-term supply commitments.

A value based payment system is a benefit from making a long term commitment to a value chain.



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