

WAMMCO LAMBLINE

September, 2013

Issue 23

DAWSON'S VIEW

At last, the two things in farming that have the greatest effect on our overall profitability that we can't change; rainfall and the value of the Australian dollar have taken a change for the better. What a difference it makes to confidence in the industry. Whilst there are some areas that haven't enjoyed a good rainfall season at least the price they receive for their lamb this year looks more optimistic than this time last year.

I have had much favourable comment from growers over the early payment of bonuses to qualifying members this year and the record amount of 40c/kg for lamb and 20c/kg for mutton paid in the bonuses. This is a trend that the Board is hoping to be able to follow in the years to come. That is giving as much back to the participating members as possible, whilst running a viable and modern business and still being very competitive in the market place.

This is your Cooperative working as it should for the benefit of its participating members.

Once again I urge members to make bookings well ahead of your preferred slaughter dates. This will enable more orderly processing of lambs with fewer members disappointed when they are unable to have their lambs killed on the preferred dates.

To members who haven't marketed their lambs through the Cooperative pool system, that is on weight and grade schedule, I urge you to consider this method of marketing. This method of payment allows us to reward the producer to the maximum value of his lambs as has happened this last season.

MARKET UPDATE

The lower Australian dollar against most currencies continues to assist export returns and helps to make lamb more competitive against other protein options. The AUD/USD is currently at \$0.94, compared with \$1.03 just 4 months ago. This is still higher than we need it to be, though any levels below parity with the USD can be of some benefit.

Global markets for lamb and mutton

continue to show positive demand. Sales into North America have been stronger this year compared with the same time last year and there is hope that the recovery in the US economy will add some stimulus to high value lamb sales. Chilled lamb sales are continuing by sea freight and airfreight into Los Angeles and Vancouver on a weekly basis.

European markets are showing slow signs of recovery after a long period of weak demand.

Negotiations are underway for chilled leg sales into the UK and France in the lead-up to Christmas with some optimism for stronger sales this year. Assisting this is the news that supply out of New Zealand will be down by approximately 2 million lambs this spring as a result of the drought and lower lambing percentages.

Regular sales are continuing into the Middle East with expectations the market will continue to be a strong supporter of Australian lamb, with opportunities for more growth as the regions expands economically. Weekly sales are currently being shipped into the UAE, Saudi Arabia and Jordan.

The seasonal increase in production out of Australia over the coming months will see increased competition for sales between processors and inevitably there may be some downward pressure

on selling prices. However, we anticipate that demand for lamb and sheepmeat around the world will continue to be steady over the year ahead.

SPRING PASTURE MANAGEMENT

Typically in our mixed cropping systems we are looking to grow legume dominant pastures, typically clovers and medics. These pastures not only provide quality green and dry feed to our stock, they also provide a good disease break and inject nitrogen into the cropping phase. Lack of density in our pastures is a common issue I now see in our more cropping intense enterprises and we must focus on improving the density of the more desirable species.



Good wheatbelt pasture

Now is a good time to inspect your pastures and assess their composition. You should be looking at the species that make up the sward, and also the density of each of the species. If they are not in the state that you desire, then you should consider management options this spring to improve the composition.

Some tips you should consider this spring are:

Paddocks that have clover but need "bulking up" - To improve plant density these pastures are best grazed hard until they start flowering and then reduce the stocking pressure to ensure a good seed set. If they are on sandy soils and low on potassium then an application of Super Potash

really boosts the seed production. These paddocks should stay as a pasture next season to capitalize on this buildup of seed set. Remember TimeRite if red legged earth mites are present.

Grassy paddocks, particularly with brome and barley grass, should be heavily grazed –

This promotes a uniform head emergence which makes spray topping and hay freezing more targeted at the critical spraying period. It also helps to reduce the seed burden that creates production inefficiencies along the entire lamb supply chain.

Paddocks that are clover dominant or have no clover at all are best suited to return to crop –

The paddocks that have no density should be earmarked to work out why they are poor performers. They should be soil tested over the summer to identify if there are any nutritional issues. After the cropping phase then these paddocks need to be re-seeded with desirable species to get them back into shape.



Pasture that is in need of Spring Management

For more information please contact Kirk Reynolds, CSBP Pasture Manager on email; Kirk.Reynolds@csbp.com.au

URANBAH ESTATE TAKES SECOND WAMMCO TITLE

A prime lamb breeding formula using White Suffolk sires over F1 SAMM ewes has continued to prove a

winning combination for Phil and Ingrid Anderson of Uranbah Estate, Tambellup.

A line of 176 old-season's lambs averaged 23.7kg and returned \$109.53/hd including skin to take WAMMCO's Producer of the Month title for August, 2013. This is the second win for the Anderson's with the first being in September 2007.

Phil said his aim since changing Uranbah from Merinos to prime lambs in 2003 had been to 'shoot for the gap'. That is to deliver his lambs during the crossover from old season to new season lambs and the policy has continued to pay dividends. Ewes producing lambs for WAMMCO are mated from mid-March and dropped from mid August, before being shorn and carried through the summer on stubbles with some supplementary feed if necessary.



August POM winner – Phil Anderson

"This year we were happy to sign a minimum price contract with WAMMCO back in May/June, which has seen a total of 1,007 lambs, delivered in August averaging 26.45kg and \$115.62/hd."

"We were lucky with a red hot start to this season with green feed into the summer and top conditions all the way through."

Phil said he also took advantage of the price downturn last year to breed extra F1 ewes to replace older ewes in the flock 'without paying top dollar.' He says there has been a steady

improvement in ewe fertility and lamb survival rates on the property.

He has kept total breeding flock numbers at about 1400 and the ratio of his enterprise at 60:40 (crop: livestock).

"We believe the switch from wool to meat back in 2003 was a timely one and we are optimistic about the future, particularly for lamb."

He is also happy with the performance of his SAMMS under a fairly wide range of conditions and believes the White Suffolk continues to make a worthwhile contribution.

SKINS

A weak Chinese wool market, limited demand from the shoe lining market and garment linings saleable at only particular levels has resulted in the skin market battling some price resistance over the past few months.

Looking forward a colder northern hemisphere winter is required to trigger market stimulation. The Russians will be active on the dense woolled new season lamb skins but aren't seen as price makers and hence the level of competition from China will determine pricing levels.

The Shanghai Leather Fair will be held in September and this will provide some direction to where the international skin market will head. At present demand for new season lamb skins is a little sluggish especially considering American footwear company "Deckers" have seen a huge reduction in ugg boot sales and are yet to place orders with their main Chinese suppliers.

RAM SELECTION — PERCENTILE BAND REPORTS

Many growers are now using Australian Sheep Breeding Values (ASBVs) to assist in their ram selection.

But how can you tell if the ASBVs are above average, average or below average for any

particular trait? The percentile band report allows you to determine how an individual animal ranks relative to the rest of that style of animal for individual traits. That is the ASBV's for a particular trait Poll Dorset ram can be compared to and ranked against all Terminal breeds including shedding style animals in Australia.

An example:

Sire A has a post weaning weight ASBV = 11.0

Sire B has a post weaning weight ASBV = 15.0

Sire A's ASBV is equal to the 55th percentile while Sire B's ASBV is equal to the 4th percentile.

These reports can be downloaded from the Sheep Genetics Australia webpage (see link below) and are available for Terminal, Merino, maternal, shedding, SAMM and Corriedale sires. It is important to note that the percentile band reports frequently update so be sure you have the most up to date version before you head off to the ram sale.

<http://www.sheepgenetics.org.au/Breeding-services/LAMBPLAN-Home>

For more information on percentile band reports or the selection of sires for your joining programs please contact Rob Davidson on 0429380195.

NATIONAL VENDOR DECLARATIONS

The LPA National Vendor Declaration (LPA NVD) is the main document behind Australia's meat and livestock food safety reputation.

LPA NVDs are required for any movement of stock – to processors, to saleyards or between properties if they have different Property Identification Codes (PICs).

When an LPA NVD is signed, the producer is sharing information on livestock history and declaring compliance with all LPA requirements.

LPA NVDs have two purposes:

In completing and signing the LPA NVD, the seller provides the buyer with a guarantee relating to the food safety status of the animals they are

purchasing. The LPA NVD enables livestock movements to be traced if necessary.

JUST A REMINDER:

The National Vendor Declaration Forms are a vital link in the supply chain. WAMMCO are constantly audited on the accuracy of the documentation pertaining to the livestock that is processed at our Katanning plant.

We urge all members to ensure the NVD's accompanying their consignments are:

- 1) The correct PIC/Brand for the property of origin of the animals on the consignment, particularly for those who run more than one PIC/Brand operation.
- 2) All questions are answered, and dates given for animal treatments – (question 7).
- 3) **NO ALTERATIONS** to the printed PIC number printed on the form – emergency NVD's are available from MLA's website.

Further details can be obtained from:

MLA NVD HOTLINE: 1800 683 111

Email: lpa@mla.com.au

Department of Agriculture and Food WA – Bunbury Office: 97 806 207.

EXPORT SLAUGHTER INTERVALS (ESI)

With blow flies now very active and livestock being drenched to manage intestinal parasites it is critical that members delivering stock to the WAMMCO Katanning plant adhere to the Export Slaughter Interval for any veterinary chemical product used.

Some labels don't have an ESI noted, only displaying a "Meat Withholding Period". To obtain the actual ESI for a particular product members are encouraged to regularly refer to the Australian Pesticides and Veterinary Medicines Authority web page before they use the product.

http://www.apvma.gov.au/residues/esi_whp/vet_meds.php

GRASS SEEDS

Improved seasonal conditions across the majority of the WA agricultural regions may present some challenges in the weeks ahead in terms of ensuring key grazing paddocks are free of damaging grass seeds.

Grass seeds impact the entire lamb supply chain. For the grower, the welfare and growth performance of the livestock can be severely impacted along with the financial returns from the meat, skin and wool components to the business.

The processing sector can experience massive production inefficiencies along the slaughter chain and in the boning room that reinforce how costly seeds are to the processing industry. Seedy carcasses can result in the need to slow or even stop the chain which reduces daily throughput. The need for additional labour to trim seedy carcasses and the additional inspection of these bodies to ensure all seeds have been removed is an extra cost. Trimmed carcasses impact on carcase lean meat yield and are generally downgraded into second tier frozen markets. Most importantly grass seeds can potentially create a huge risk to market access.

Skins are also impacted with the seeds creating puncture marks and scaring on the flesh side of the skin. Scars created by the seed do not absorb dyes as readily and often show up as pale spots on treated skins. Seedy skins are not suitable for the premium double face wool on garments and leather manufacturing thus limiting their marketing options and hence value.

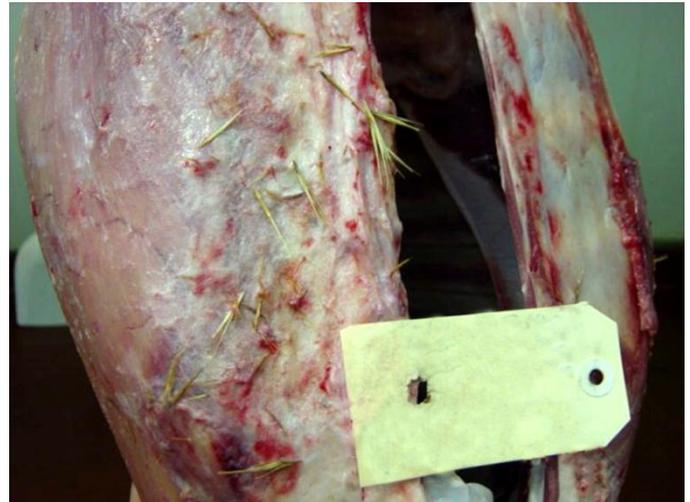
There is no one easy solution to the issue with a integrated approach generally the most successful. The options include but aren't limited to;

Grazing management – stocking density, grazing rotation and removal of high value stock into feedlots at particular times of the year.

Livestock management – altering time of lambing, shearing, improving genetics –note that no one breed is immune from seed damage.

Agronomic management – pasture manipulation, fodder conservation, sown fodder

crops, improved soil fertility (ie. claying) to enable preferred pastures a better chance of competing verses the undesirables.



Grass seeds – a major cost to our prime lamb industry

More information can be obtained from MLA's Winning Against Seeds document - <http://www.mla.com.au/General/Search/Search-Results-ISYS?keyword=winning+against+seeds>

2013/14 WAMMCO STATE PRIME LAMB CARCASE COMPETITION

Entries have already been received for the 2013/14 WAMMCO State Prime Lamb Carcase Competition. The competition is the largest and richest commercial long-term carcase competition in Australia. Over the past 10 years over 175,000 lambs have been evaluated and over \$125,000 of cash and prizes have been distributed to the winners.

The competition is open for lambs delivered to Katanning from Sunday 1st September, 2013 through to Thursday 29th May, 2014. A minimum of \$12,500 worth of cash and prizes will be distributed to the winners.

Entry requirements:

A minimum of 100, 2013 born crossbred lambs consigned by WAMMCO members plus an entry fee of \$50 is required per entry.

Multiple entries are permitted and encouraged. Long tails, ram lambs and lambs not born on the property of origin are all permitted. Skin length does not impact the result.

Categories:

Overall heavy weight, Trade weight (average consignment weight 18.1 – 21kg), Large consignments of 300+ lambs, Best result for traditional first cross lamb (Terminal sire over Merino dam).

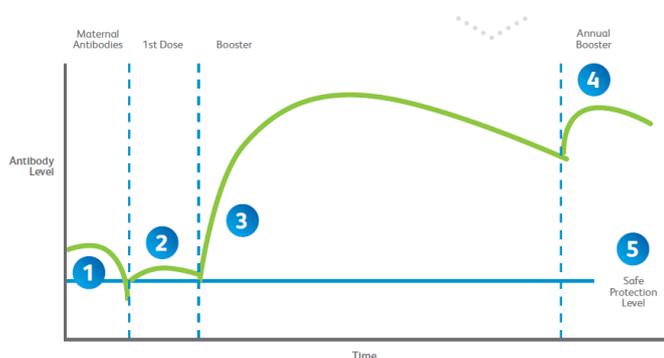
Entry forms will be regularly printed in the Farm Weekly or are available from members of the WAMMCO Livestock team or on line at www.wammco.com.au

The 2013/14 WAMMCO State Prime Lamb Carcase Competition is supported by Farm Weekly, Primaries of WA, Elders, Zoetis and WAMMCO.

WHY DO WE NEED TO VACCINATE TWICE?

Vaccinations are an important part of a flock health management program. When administered following label recommendations, they can provide inexpensive "insurance" against diseases that can commonly affect sheep and lambs.

In many cases the label recommendation is for stock to receive an initial and booster vaccination. The reasons for are outlined below.



- 1) Maternal antibodies in the colostrums can interfere with the vaccine, so it is important not to give some vaccines too early in life until maternal antibody levels have dropped.
- 2) The first dose of vaccine primes the immune system but only provides a small amount of short term protection. In some animals there may be no protection at all from this dose.
- 3) It's not until the animal is given the second dose of vaccine that the immune system is capable of providing protection against the disease. In most cases this protection lasts 12 months.
- 4) An annual booster dose is required to ensure the immune system of the animal continues to remain high for another 12 months. Without booster doses the animal is at risk of disease.
- 5) This is the level of immunity required by the animal to provide protection against infection or disease.

For more information on vaccines please contact Ben Fletcher, Zoetis Senior Sales Representative for Livestock on 0418955097.

WAMMCO ANNUAL GENERAL MEETING

All members are invited to attend the 2013 Annual General Meeting.

Details are as follows;

Date: Wednesday, 23rd October 2013

Venue: Mt Barker Bowls and Sporting Club, Lowood Rd, Mt Barker

Guest Speaker: Mr Adam Gilchrist

Refreshments will be served following the event.

WAMMCO Perth office

Tel: 92620999
Fax: 93550961
Email: info@wammco.com.au
Web: www.wammco.com.au

Livestock contacts

Peter Krupa 0427 810613
Wayne Radford 0429 944733
Rob Davidson 0429 380195
Or your local livestock agent

Disclaimer:

WAMMCO International makes no representation as to the accuracy of any information or advice contained in the LambLine newsletter and excludes all liability as a result by any person acting on such information or advice.

Katanning office

Tel: 98212000 Fax: 98212731

Bookings

Judy Cameron 1800 199197