

WAMMCO *Info*

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WAMMCO *International*
A DIVISION OF THE WESTERN AUSTRALIAN MEAT MARKETING CORPORATION

Bonus, benefits and the AGM

CHANGES to WAMMCO's pool bonus incentive scheme will be outlined at the AGM to be held at the Kojonup Golf Club on Wednesday, October 31.

CEO Des Griffiths said a \$1 million pool distribution, equivalent to an average of more than \$3 per head for qualifying lambs, would be made on December 1. This is the third consecutive year the co-operative has paid a 5 percent bonus to qualifying members.

Des said a decision by the directors to cap the number of bonus shares issued to qualifying members and to pay the bonus in

cash to members holding the required number of foundation-subscription shares, plus four bonus shares, would also be explained at the AGM.

Three guest speakers have been invited to focus on new pasture technology for difficult seasons at the AGM. They are Neil Ballard of Global Pasture Consultants, Narrogin, Paul Omodei of Agrom Management and Kojonup producer and CRC Board Member, Rob Warburton.

Members will be receiving ballot papers in the next few days to elect one of two

nominations for a producer position on the WAMMCO board. Foundation director, Mick Quinlivan from Esperance is standing for re-election, but is being challenged by Kojonup producer Tim Stevenson.

Ballot papers must be returned to WAMMCO on Thursday, October 25, so that the result can be declared at the AGM.

The Kojonup program will commence at 2pm with guest speakers, and the AGM is expected to begin at around 3:30pm. Members will be invited to stay on for refreshments.

Katanning stays open

WAMMCO is again seeing a number of important benefits from its strategy to maintain production at Katanning throughout the winter.

WAMMCO's Katanning manager, Tony Bessell said plant operations had stepped back up to full capacity from several difficult weeks of three and four day single shifts between June and mid-August.

'Keeping our doors open during this period is the harder, more costly option, but it ensures:

- * That our shareholders can always get their stock processed,

- * That our overseas customers continue to be supplied,

- * And that our workforce is not forced to find out-of-season work.

'This year, the result is that we are returning to full production with a stable workforce well positioned to take an early share of export markets.'

'The 35 workers recruited from China on four-year visas, are now fully settled at Katanning, many with their families who had since followed to WA.

'WAMMCO also continued to assist refugees from various countries and workers from countries including Russia, to join the workforce at Katanning.

Tony said the Katanning plant had maintained a high volume of heavy lamb exports to the US and was currently processing chilled legs for the UK, new seasons lamb for Europe and forequarters for Jordan. Mutton had also been processed during the off-peak period to fill orders in the Middle East.

'WAMMCO's policy of constantly upgrading the 36-year-old plant had also been a key to the cooperative's processing success.

Two new boilers were recently commissioned and all components of a new by-products processing plant were now on site, awaiting installation by a team of specialists from the manufacturer in Thailand.

A new \$750,000 skin processing and packing facility will be WAMMCO's next focus of upgrading.



Alexander Federov, (left) and WAMMCO plant engineer Stuart Mahon

Russian recruit

Discovering WAMMCO on the internet led Alexander Federov to move from his home in the Khabarovsk region of Russia, to a new life in Australia as an electrician at the cooperative's Katanning processing plant.

'My wife Anastasia decided we would like to migrate to Australia, and I discovered that WAMMCO was looking for workers. Two years later, Judy Cameron was able to complete our visa arrangements and we arrived late in May Alexander said.

'My four year-old son Alexander is enjoying kindergarten in Katanning, my wife is learning English at TAFE, and WAMMCO's plant engineer, Stuart Mahon is teaching me to drive,' Alexander said.

Stuart was also responsible for introducing the Federov family to the seaside, when he drove them to Albany soon after their arrival in Katanning.

2007 lamb competition offers \$15,000 in prizes

Sponsorship has increased to \$15,000 in cash and prizes for WAMMCO's annual State Lamb Carcase Competition this year. Supply development Manager Rob Davidson said the volume of entries was beginning to intensify and he urged producers to enter their lambs.

'The same weight and fat and Viascan loin bonus grids will be used this year and the same entry conditions will apply - ie a minimum

of 100 WAMMCO-recognised crossbred lambs per entry. Ram lambs, long tails, shorn or full wool lamb entries would be accepted and all lambs must be identified on NVD and nominated prior to processing at Katanning.'

Rob said each entry would go into the draw for a Moylan Grain Silo self feeder.

Producers wishing to know more about the competition should contact him on 0429 380195.

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On show for the world

WAMMCO will join more than 6,000 exhibitors from 90 countries for the world class Anuga Food Fair in Cologne, Germany from October 13-17.

The special display of WAMMCO lamb will be hosted by Marketing Manager Damien Giumelli and Marketing Executive Albert Baker.

WAMMCO has been a regular exhibitor at Anuga, which this year is likely to draw

160,000 trade visitors from 157 countries, including the world's top food buyers and decision makers.

Damien said this year's fair was against a backdrop of recent volatile currency shifts that at one point saw the \$AUD move from levels around 77 c/US to 89 c/US since mid-August.

However demand and prices for chilled

lamb legs into France and Europe was equal to the best levels seen for the past three years, with uncertainty of supply in the run-up to Christmas, being fuelled by further foot and mouth outbreaks in the UK.

World demand for lamb shoulders was soft but WAMMCO was gaining some advantage from firm demand and prices for breast and flap product in China.

Producers sign up

THE introduction of differential pricing between members and non-members has resulted in an influx of applications for membership, according to WAMMCO Chairman Dawson Bradford.

WAMMCO Secretary Bruce Ede said share applications had been rolling in since early August when the chairman wrote to non-members advising them of the change.

'One of the requirements of being a cooperative is that we must transact a minimum of 90 percent of our business with our members, and we were

previously below this minimum, Bruce said.

Higher taxation had been one of the penalties, leaving less cash available to pay producers.

Mr Bradford said WAMMCO had followed on from giving priority for processing space to members, to paying them higher returns for their livestock.

'Agreeing to take up the minimum 100 one dollar WAMMCO shares, not only means better returns to producers, it also preserves our taxation status and provides more membership benefits.'

WA has the edge

WAMMCO members have continued to maintain an edge on lamb prices over their Eastern States counterparts.

The Cooperative's Livestock Manager, Peter Krupa said WA's spring flush had still to fully materialise and was behind the season in the East where lamb was now plentiful.

He said WAMMCO's over the scales prices for both new and old season's lambs were well ahead of most eastern states markets.

'There have been good supplies of quality lambs coming from Esperance, Jerramungup and Ravensthorpe and the Eastern wheatbelt, and it is essential for producers to discuss their anticipated lamb booking and delivery schedules with Fiona Clay at WAMMCO Katanning.'

Peter said seasonal, market

and currency factors had been too volatile for WAMMCO to announce forward contracts, but these would now be available for lambs delivered in December, January and February. Interested producers should contact WAMMCO for details.

'We are expecting that with high feed prices and other factors, producers will turn off more lambs in October, rather than risk feeding them through.'

He also warned producers about the increasing cost and prevalence of Ovis.

'Ovis is running at about 4 percent of our deliveries to Katanning and it is even appearing in sucker lambs. The annual cost to producers and WAMMCO is estimated at \$750,000 and that is a heavy cost to pay for not drenching dogs.'

Stepping into the front line



Our photo shows (rear, l to r) Steve Weigand, Gavin Donnison, Michael Andrews, Brendam Chia and Andre Opperman with Leonie Steer (front left), Gary Hunter and Odetta Robertson.

NINE employees of WAMMCO are undergoing an 8-month Frontline Management course through the TAFE Katanning Campus to increase their leadership skills.

Campus Coordinator Leonie Steer and lecturer Steve Grimmer from TAFE Katanning are running the course with students: Andre Opperman, Steve Weigand, Gary Hunter, Gavin Donnison, Nichol Smithies, Brendam Chia, Michael Andrews, Odetta Robertson and Nigel Kemp.

Information days

There has been solid producer support for a number of field days and workshops during August and September, capped by an attendance of 150 producers at a Haseley White Dorper information day at Bolgart early in August.

Rob Davidson said he was also working with Geoff Duddy from the NSW DPI to organise a series of Lamb Cost of Production workshops in WA, tentatively for December.

He said a feature of the WAMMCO AGM to be held at Kojonup on October 31, will be a special focus on the latest pasture technology, with specialist speakers Neil Ballard of Global Pasture Consultants, Paul Omodei of Agrom Management and Kojonup producer and sheep CRC board member, Rob Warburton.

Rob has also invited members requiring assistance with ram selection over the next few weeks to contact him on 0429 380195.