



## TOUGH START TO 2012

2012 is shaping as one of the most critical years on record for the WA lamb industry and its key producer co-operative WAMMCO International.

Sheepmen and lamb consumers in the State, as well as WAMMCO's overseas customers are in for another 'roller-coaster' year that has already started with one of the most serious summer lamb supply shortages on record.

WAMMCO's Katanning processing plant has been running only three day weeks since it reopened after the Christmas break and the co-operative is worried by a serious ongoing shortage of quality lambs.

WAMMCO International Group CEO Coll MacRury said the predicament was bad for producers, for Katanning's 300 plus workforce and for WAMMCO's reputation with both domestic and overseas consumers of WA lamb product.

"Already we are short of suitable lambs to process for the European Easter market, and unless we begin to see supplies increase over the next few weeks, there will be insufficient time to build adequate stocks to meet this traditional, highly valuable market for WA lamb," Mr MacRury said.

The shortage of lamb in WA has kept liveweight lamb prices in the State up to 80c/kg higher than prices for lamb in the Eastern States.

"Lambs in the East have also been reaching top weights in quick time because of a good season and are abundant in number," Mr MacRury said.

"Ironically, many of these lambs are from WA ewes exported to the East over the past two years to assist producers in other States to rebuild their sheep breeding flocks after the drought.

"There is already the prospect that the major supermarkets will choose to purchase and ship cheaper lamb from the Eastern States to WA to offset the higher cost of the WA - produced product.

"By no means are we seeing any serious oversupply of lamb in the Eastern States that is likely to trigger major retail price reductions similar to those now occurring in the fruit and vegetable

markets due to overproduction and oversupply.

"But if the WA lamb shortage continues much further into 2012, there is no doubt that supplies of cheaper Eastern States lamb will be shipped in from the East."

WAMMCO International chairman Dawson Bradford said the critical supply situation for lamb in WA had confirmed the significant value of the co-operative's 2011 investment in the Southern Meats processing plant at Goulburn, NSW.

"It was WAMMCO's need to consolidate and integrate its processing and marketing operations in Western and Eastern Australia that led to Coll MacRury's recent appointment as the Co-operative's Group CEO, and the redundancy of our Perth-based CEO, Scott Weir," Mr Bradford said.

"We are fortunate that Coll has been able to return to WAMMCO in a near-full time capacity, because he has an intimate knowledge of our WA operations, as well as taking responsibility for successfully reopening and revamping the Southern Meats operation in Goulburn.

"WAMMCO's strategy in making an investment in NSW was in the knowledge that lamb supply problems in WA would continue to increase, seriously restricting our viability.

"We are now seeing that good flows of lamb in the East can not only offset supply problems in the West, they are already enabling us to maintain supply continuity to our key overseas and domestic customers.

"Southern Meats will also assist to keep WAMMCO involved in Australia's domestic lamb marketing business, as the rising \$A places more pressure on our exports."

Mr Bradford said WAMMCO would also continue its campaign to relax WA's ban on live lamb imports.

"Because we are unable to buy lambs in South Australia and other States when they are plentiful, to bring them across the border for processing in WA when our lamb supply is seriously short,



Coll MacRury.

WAMMCO has been unable to offset the high cost of low operating volumes," Mr Bradford said.

"Changing this rule could mean reopening Katanning earlier to receive local lambs, minimising our losses, and ensuring supplies of processed lamb to our customers.

"We believe the advantages heavily outweigh any risks or disadvantages and that the Minister and his department urgently need to reconsider our appeals.

"For WAMMCO shareholder members, these opportunities represent potential for a better profit bottom line - and more importantly, our ability to stay competitive."

Mr Bradford said there were encouraging signs of new growth in WA's lamb production industry.

"We are seeing a number of professional newcomers and we are also seeing a resurgence in interest in lamb breeding and management among existing sheep enterprises," Mr Bradford said.

"They are making excellent progress despite tough seasonal conditions in WA.

"WAMMCO's ongoing role will be to ensure continuing improvement in all of our operations to maximise returns to our growers.

"The role of our producers will be to work with us to meet some of the major challenges ahead."

## BRED-WELL, FED-WELL

WAMMCO, together with MLA, AWI, sheep CRC and the Making More from Sheep program are presenting a series of six Bred Well, Fed Well workshops in February and March across the State.

The hands-on workshop topics will include:

- Improving ewe nutrition
- Developing a breeding goal
- Developing a feed budget
- Breeding better ewes.

Key speakers are Dr. Mark Ferguson and Dr Jason Trompf and producers attending will gain a valuable insight into the latest breeding and lamb production techniques.

All workshops begin at 1pm at the following venues and dates:

**February 14:** Manjimup DAFWA Office, Manjimup

**February 15:** Tim & Steph Stevenson, Kuala Dale, Kojonup

**February 27:** Peter and Belinda Horwood, Lockier River, Mingenev

**February 28:** Dave Millstead, Daybron Farms, Wongan Hills

**February 29:** Guy & Joanne Bowen, Mt Ronan, York

**March 1:** Tim & Sarah Wiese, Chuckem, Highbury. Growers wishing to attend should contact Rob Davidson on 0429 380195, or Serina Hancock on 0403 570 823.



Tim and Steph Stevenson, Kaula Dale stud, Kojonup will host the second Bred Well, Fed Well field day on their property on Wednesday, February 15. Tim, pictured, was WAMMCO's Producer of the Month for December, 2011. He regards high WAMMCO Select scores for his cull ewe lambs as confirmation that his breeding program is on the right track.



## Katanning Appointments



Katanning manager Tony Bessell (left) discusses future upgrades for the WAMMCO Plant with Kim Johnson.

A NEW engineer, a new lairage supervisor and a new cadet have joined WAMMCO's team at Katanning since the start of the new year.

New Zealand engineer, Kim Johnson is no stranger to Katanning or WAMMCO, having played an integral role with NZ contractors, Southern Engineering who designed and installed the new boning room at Katanning three years ago.

"It is great to return and see the boning room working so well and to be involved in important new upgrades for WAMMCO," Kim said.

Kim took over from Stuart Mahon and has already settled in Katanning with his wife and child.



Lairage supervisor Phil Bolt (left) and cadet Claire Ward take delivery of some stock from Kojonup Poll Dorset breeder, John Watkinson of Dinninup Downs.

Phil Bolt has been appointed lairage supervisor, following the departure of James Ferguson. Katanning born and bred, Phil has gained extensive experience with livestock and has spent five years with WAMMCO.

Also from a local farming family is Claire Ward who has joined WAMMCO as a cadet, starting with Phil in the lairage several weeks ago.

Claire has a degree in animal science from Murdoch university and is delighted with her new opportunity to learn all aspects of meat processing with WAMMCO.

"I am greatly impressed with the people and the processes at WAMMCO and I am lucky that they are giving me the freedom to learn all aspects of the industry," she said last week.

## STRONG FINISH TIPPED

ENTRY numbers in the 2011/2012 WAMMCO \$18,500 State Prime Lamb Carcase Competition have pushed past the 80 mark - short of last year's record, but impressive considering the difficult growing conditions experienced since the competition opened on August 14.

Co-ordinator Rob Davidson said a strong finish was expected before the competition closed on March 1.

"We have evaluated more than 23,000 lambs already and it would be great if we achieved more than 25,000. It is extremely pleasing to see many previous participants, as well as first time entrants in the 2011/12 competition," Rob said.

Rob has urged producers interested in nominating their lambs before March 1, to discuss their entry with him on 1800 199 197 when booking their lambs.

A \$50 entry fee is payable and entries must consist of a minimum of 100 2011-drop lambs. All entries qualify for the chance to win one of two Advantage Feeders Hay Feeding Solutions units.

The addition of a new class for consignments of more than 300

lambs proved popular last year. Other categories are for heavyweight export lambs, and for trade weight lambs where the average of the line must be between 18 and 21kg.

Rob said WAMMCO was again grateful to its sponsors for their contributions towards the \$18,500 in cash and prizes for the 2011/2012 competition.

This year's supporters, - apart from WAMMCO - are:

- Advantage Feeders
- Superior Livestock Services
- Farm Weekly
- Primaries
- Milne Feeds
- Elders
- CSBP

WAMMCO expects to present the annual awards in the last week of March.