

DEER INDUSTRY NEWS

Issue 19 • April 2006 • Official magazine of Deer Industry New Zealand and the NZDFA



2006
Conference
Preview



New Zealand Deer Farmers' Association

Annual Report
2005/06

Also in this issue:

- Hawke's Bay and Otago Branch profiles
- Does NZDFA need an elected President?
- Velvet in "Tour de France" dog tucker
- Chinese manufacturer confident about Kiwi products
- Russian velvet uncovered
- Overdue Tb tests
- ATV safety reminder
- Methane emission research at Massey



DEER INDUSTRY
NEW ZEALAND

NZDFA
New Zealand Deer Farmers' Association





Decision time ahead

As the industry turns the corner in the pursuit of more sustainable returns, we gather for our industry conference in Christchurch. While it might be a low-key event compared with previous years, make no mistake, there are some very important discussions ahead of us, and some decisions to be made that will affect the way our association operates for years to come.

The economic state of our industry will be the focus of the DINZ Formal General Meeting, while the NZDFA has some significant issues on its agenda.

Articles within the industry publications have focused on the major issues ahead of us this year. Structure and funding are the biggest two of these. The Commodity Levy (see page 9) and Presidential issues (see page 12) are explored in detail in this magazine and will help inform the debate at our AGM, so I won't go into the detail here.

Now is the time for the NZDFA to seriously consider how we take on the future. It has been four years since the 2002 industry reforms. Due to timeframes outside of our control we must stop, take stock and define how we wish to be represented and how that will be funded.

The Commodity Levy that funded the organisation until the reforms is due for remandation in 2007. According to MAF, the lead-up process to remandate levy funding

would take some 14 months. Therefore we need to make decisions now. The Executive Committee is clear that our organisation will be most effective on your behalf into the future with the support of DINZ and our Branch network. We have recommended that we do not need to remandate a levy at this time. We have negotiated a new two-year contract for services with DINZ that will provide the necessary operating framework for NZDFA to function very effectively at a national level.

The second organisational item is the debate around the need for a directly elected President for the NZDFA. The Hawke's Bay Branch has put this issue on the table in the form of a remit to our AGM (see draft Branch remits in the Annual Report enclosed with this issue).

Whilst we remain weary from our continued toil to make money at present, these sorts of issues may seem diversionary. However, there is one thing I am sure of, and that is our industry is still full of strong and vibrant opinion. I trust that in the old traditions of the NZDFA these issues will get a good

debate at your own Branch Annual General Meetings and then from the floor of the full AGM.

This year's AGM will also address continued advances in our understanding and management of Johne's Disease and proposals around how we export our velvet antler. Please take the time to get up to speed on these issues, have your say and provide your representatives with direction – either in person or by attending your local AGM and giving a proxy to your Branch representative.

For those who can stay on, the Canterbury Branch has put together an additional half day out at Lincoln University on the Thursday morning, which will provide some very useful information.

This will be a perfect complement to the hard talking we need to do at our AGM, and will be a welcome reminder that our industry is underpinned by good science and a strong belief in our future.

Andrew Mitchell, Chairman, NZDFA Executive Committee

"We have recommended that we do not need to remandate a levy at this time."

Contents

Editorial: Decision time ahead	3
DINZ News: China trade protocol; Dollar dive; Market report	4
Stagline supplement: 2006 Deer Industry Conference preview	5
NZDFA AGM 2006: Constitutional matters	7
Remandate DFA levy or let it lapse?	9
Otago Branch profile	12
Does NZDFA need an elected president?	12
Hawke's Bay Branch profile	13
Coming events	14
Industry News: Velvet ingredient for 'Tour de France' dog tucker	15
Powered by velvet.org.nz	16
Recipe	16
Adding value at Gloriavale	17
Price elasticity of supply for velvet	17
Market talk: Chinese manufacturer confident	18
Wellington diners rave	19
Russian velvet uncovered	19
Cervena centre stage at California food festival	20
Going Public in New York	21
General News: How AHB deals with overdue routine Tb testing	21
Farm manager prosecuted for Tb control offences	22
Life in the trenches	22
ForageMaster@	23
SCI measurers' course	23
National 2yo velvet and hard antler competitions	24
AI dialogue – a final word	24
ATV safety reminder	25
1080 update	25
Research: Deer Watch: Natasha Swainson	26
Johne's showcase previewed	27

Deer Industry News is published by Deer Industry New Zealand and incorporates the former *Stagline* and *Market Report*. *Deer Industry News* is published five times a year, in the months of February, April/May, June/July, October and December. It is circulated to all known deer farmers, processors, exporters and others with an interest in the deer industry. The opinions expressed in *Deer Industry News* do not necessarily reflect the views of Deer Industry New Zealand or the New Zealand Deer Farmers' Association.

Circulation enquiries: Deer Industry New Zealand,
PO Box 10-702, Wellington, Ph 04 471 6114,
Fax 04 472 5549, Email info@deernz.org

Editorial and advertising enquiries: Words & Pictures,
PO Box 27-221, Wellington, Ph 04 384 4688,
Fax 04 384 4667, Email din@wordpict.co.nz

Cover: "Poser" by Darryn Moeller.

Bilateral trade protocol for deer products signed with China

On 6 April, a trade protocol for deer products was signed between China and New Zealand food safety authorities, paving the way for formal access to Chinese markets for deer products.


John Scurr, Chairman of DINZ, says this is a significant step forward for the industry in terms of its market access objectives. "China has long been recognised as offering excellent opportunities for all deer products, but until now, China has effectively been closed to New Zealand deer products."

He acknowledges there are still challenges, but says the guarantee of access will encourage investment in this market.

Access for venison, co-products and velvet are all provided for under the protocol, which is essentially a high level document detailing how the New Zealand Food Safety Authority and its Chinese counterpart will work together to manage food safety, quarantine and inspection relating to trade.

The protocol will provide immediate benefits to co-product marketers waiting for formal access to pursue existing opportunities. Velvet access is improved by providing access to retail markets, where previously access has only been to the processing trade. Assured access for venison will encourage investment in this market by marketing companies.

Chinese authorities will require deer slaughter premises to be registered and comply with specific Chinese regulations. However, this is expected to be less problematic to the compliance initially required for sheep and beef processing factories.

Market access work is an important part of DINZ's role, with access issues being addressed in other key markets for both venison and velvet. Market development work is a strategic imperative for both venison and velvet, developing incremental demand and lessening reliance on traditional markets. 

Will dollar dive help deer farmers?

The New Zealand dollar has fallen around 10 percent against the Euro since this time last year, and at press time was hovering at around the \$0.50c mark – well down from the peak of about \$0.61c reached in November last year. For many, this signals prospects for the flat-lining venison schedule to finally show some vital signs.

Rob Davison, executive director of Meat and Wool New Zealand's economic service believes the fall in the Kiwi dollar will have a positive influence on export prices.


"Last year we were facing a rising dollar as the year progressed, but this year started with a high that's been steadily dropping," he says. "Venison is by and large going into Europe so the drop against the Euro should give some underpinning to the New Zealand dollar's terms."

Rob says the fact that the fall has been greater than expected should make the outlook a lot brighter.

However, in its March economic forecast Business and Economic Research Ltd said there was "little scope" for an immediate rise in export prices as meat exporters were bound by previous stock numbers for some time yet.

Deer Industry New Zealand Chief Executive, Mark O'Connor comments that the fall of the New Zealand dollar, particularly against the Euro is a positive sign but cautions that it's only one half of the solution.

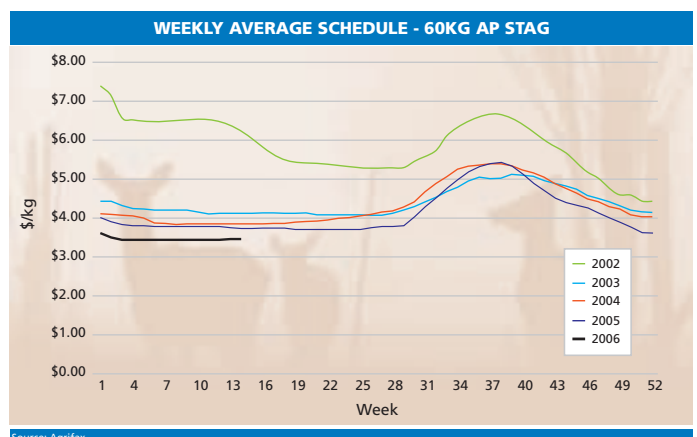
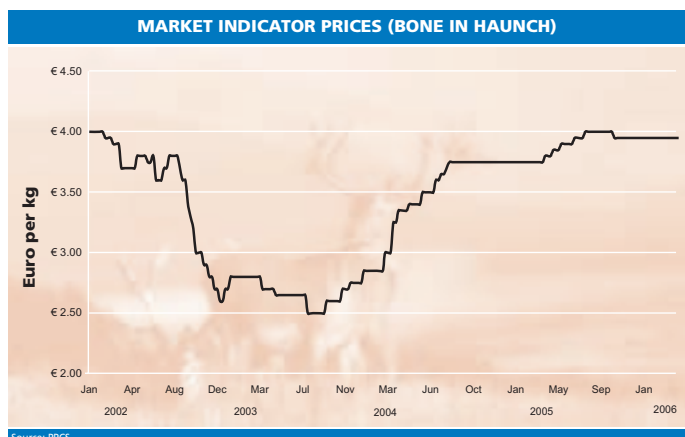
"Two things need to happen. The first is a reduction in value of the New Zealand dollar and the second is a slowing in production," Mark says. "I believe a reduction in production will also happen, but the big questions is when. Increasing costs of doing business are also a factor."

Earlier this month Andrew Duncan of Duncan & Co said "It's affecting it now. In the last 2-3 weeks the schedule has started to make some lifts, part of which would be the result of a weaker dollar." 



Market Report

Market Report, this issue, is abbreviated as one has been circulated separately recently. Look out for another full one at the end of May.





Deer Industry Conference: **Christchurch, 24 May 2006**

Short and to the point

Reflecting the tight financial times, and responding to requests for a shorter snappier conference with a focus on debate and access to the Board with Q&A, this year's conference will for most be a one-day affair. However, for those keen to catch up on the latest research and technology transfer, a post-conference field day is planned for the following day.

The 2006 Industry Conference Day is on 24 May at the Commodore Airport Hotel, Memorial Avenue, Christchurch. It will be preceded by the Branch Chairmen's meeting starting at 10.00am on Tuesday 23 May. The traditional Industry Awards Dinner will be held on the evening of Tuesday 23 May at the Commodore Hotel venue.

The DINZ FGM will occupy the morning session from 9.00 am-12.30 pm with the NZDFA AGM from 1.30 pm until close. The agenda and 2005/06 NZDFA Annual Report including remits received by our press deadline are included with this issue.

The FGM will feature a slightly changed format with formal reporting from the Board Chairman and CEO and focused reports from the venison and velvet markets, including an overview of developments in the 0800 velvet marketing concept, and processor/exporter commentary on the market and supply/demand implications. The emphasis then is on an open discussion and a Q&A session with the Board and Executive, in the directions producers wish to explore. AHB representatives will also be on hand during the day.

Line-up of remits promise lively debate

NZDFA's AGM is shaping up to have some thought-provoking review of key issues. Remits for discussion include the Executive Committee recommendation that the need to remandate the DFA Commodity Levy, (given that it is not able to be set at zero in future as it is now), no longer exists, and that the current structure and function with DINZ-funded producer services is meeting the needs it was set up for. Waikato Branch has a different view and believes that the Commodity Levy should be reinstated now, implying a return to, or a variation of, the previous independently administered NZDFA.

The Hawke's Bay Branch is strongly promoting the need for the NZDFA to have its own elected President to head a five-person Executive; there are equally strong views opposing this idea, on grounds of both the need and the cost.

Canterbury Branch has signalled two proactive remits relating to removal of lower tynes for velvet exported to Korea as is required, and that DINZ is encouraged to develop and support the potential of pet food and veterinary medicine application for velvet and dogs and cats.

Other discussion points will include seeking support for an extended use of the ETB in Johne's disease diagnosis and a call for a negative JD test status for breeding stags offered for sale. AHB activity remits (infected herds financial assistance, communications and cost of tuberculin) and outcomes from the current round of Branch AGMs will round out the formal discussion.

This will be a constructive and challenging AGM, both in review and setting a path forward. Some polarisation around issues is already evident and we can look forward to a healthy discussion for the future growth and strength of the NZDFA.

Registration/awards dinner

If you wish to attend the awards dinner it will be \$60/head including GST, and delegates must register in advance. The dinner will be a buffet affair with numbers limited to 160 because of space restrictions. We are pleased that Minister of Agriculture, the Hon Jim Anderton and Mrs Carole Anderton will attend as industry guests and address the function. The 30th Annual Industry Awards dinner will feature the Deer Industry Award, the Matuschka Award and the 2006 Environmental Awards.

Registration is available through:

- DINZ Reception, phone 04 473 4500
- Tony Pearce, phone 021 719 038, email tony.pearce@deernz.org
- The registration form enclosed with this issue of *Deer Industry News*.

Indication of your attendance at the FGM and AGM will greatly assist catering.

Post-conference field day

Canterbury Branch is to host a highly informative field day at Lincoln University on the morning and over lunch on Thursday 25 May. The diverse programme will feature ruminant nutrition, demonstration of the recently adapted ForageMaster[®] pasture species predictive programme (see separate article in this issue) and other points of technical interest from Lincoln University research and some DEEResearch-funded programmes. A full schedule is set out below.

Accommodation – delegates responsible for bookings

The Commodore Airport Hotel is holding 70 confirmed rooms for 23 May and 40 for 24 May, both single and share twin for the conference. Price is \$145 plus GST per night.

This includes free airport transfer in the hotel shuttle.

These rooms are held until **10 May**, two weeks prior to the event, when they will be available for general sale.

Booking is to be direct with the hotel on your own account.



The full list of accommodation options is as follows:

Copthorne Commodore Hotel (conference venue)

449 Memorial Avenue

PO Box 14-093

Christchurch

Phone: 03 358 8129

Fax: 03 358 2231

Toll Free Reservations 0508 COMMODORE (266 663)

Email info@commodore.net.nz

Sudima Grand Chancellor

Christchurch Airport

Phone: 03 358 3139

Reservations: 0800 100 876

Email: reservations@sudimahotel.co.nz

Airport Gateway Motor lodge

Roydale Avenue, Christchurch Airport

Reservations phone: 0800 2 428 3929

Phone: 03 358 7093

Email: info@airportgateway.co.nz

Website: www.airportgateway.co.nz

Scenic Circle Airport Russley Hotel

73 Roydale Avenue, Christchurch Airport

Phone 03 358 6500

Toll Free: 0800 69 69 99 63

Email: russley@scenic-circle.co.nz

reservations@sceniccircle.co.nz

**NZDFA Post Conference Field Day:
Lincoln University – Thursday 25 May 2006,
9.00 am – 2.00 pm**

**Hosted in Association with the Canterbury
Branch NZDFA and Mountain River Processors**

9.00 am Arrival at Johnston Memorial Laboratory – **Welcome**

9.15 am **Proving the tied-ring method: Dr Alastair Nicol**

Alastair will explain and illustrate the work done to prove to NVSB that the tied-ring method of applying analgesic rings to spikers was equivalent to the standard method.

9.35am **Stag bone density and antler growth: Dr Graham Barrell**

Graham will describe his fundamental work on a possible relationship between bone density and antler growth.

9.50 am Walk through the Lincoln University CAT scanning facility.

10.10 am Walk to **‘The Switch’: Dr Grant Edwards**

Grant will explain the concept and present the current results on two alternative intensive lamb finishing systems.

10.30 am Morning tea/coffee – JML Foyer

10.50 am Board buses and move to the LU deer farm

11.00 am **Lactation in Hinds: Dr Graham Barrell**

Graham will explain the LU involvement in the Invermay hind lactation studies and outline the techniques and results

11.30 am Walk through deer shed to view hind milking

11.45 am **Mixed grazing of deer and other species: Dr Alastair Nicol**

Alastair will outline LU involvement in collaborative studies with Invermay on integrated livestock systems funded by DEEResearch and present some of the current results.

How well do deer graze round cattle dung pats? Craig Trotter

Craig will demonstrate how he compared the relative willingness of deer and sheep to graze around cattle dung pats and give the results of his Honours project.

Note: The early and late morning sessions will be presented concurrently.

12.00 pm **BBQ Lunch sponsored by Mountain River**
– conclusion of farm field trip – buses to airport or BBQ as required.

1.00 pm **Demonstration of ForageMaster®: Tom Fraser, AgResearch**

DEEResearch-funded programme adapting Meat and Wool New Zealand’s program to select appropriate grass and legume species for your own farm conditions, use and management style to deliver for the seasonal needs of deer.

Tourniquet Research Work, developing a standard tourniquet for stags and no risk/no residue programmes: Pania Flint, Massey University

Static display and feedback session

There will be a small \$10.00 charge on the day to cover morning tea and incidental costs.

Bus charges from the Commodore Hotel return or to airport will be additional. 

*Please register your interest in advance to DINZ, through:
Ed Noonan, phone 027 288 6925, deerheatherlea@xtra.co.nz or
Rachael Wilkinson, phone 03 318 1009*

Warnham & Woburn photo awards suspended for 2006

A casualty of the one-day format for this year’s deer industry conference has been the annual Warnham & Woburn photo awards, which will be taking a breather this year. Rachael Mitchell, who has organised the competition for the last few years, says the logistics of putting together an exhibition within such a limited time frame made it unrealistic to mount the awards this year.

“Our apologies to those who have already started work on their entries for this year,” she says. “We will review the award next year depending on the conference format and support for the continuation of the awards.”



NZDFA AGM 2006: Constitutional matters

1. AGM: Notice of meeting.

New Zealand Deer Farmers' Association, Annual General Meeting.

Notice is hereby given that the 31st Annual General Meeting of the New Zealand Deer Farmers' Association (Inc) will be held in the Avon Conference rooms of the Copthorne Commodore Airport Hotel, Memorial Avenue, Christchurch on Wednesday 24 May, commencing at 1.30pm.

The Chairman and Executive Committee of the NZDFA invite all levy payers and members to attend.

2. Executive Committee appointments

Members of the NZDFA Executive Committee (two members representing the North Island and two representing the South Island) are elected for a two year term. Members retire by rotation and are eligible for re-election. Annually according to the NZDFA constitution rules, the Executive Committee elects a Chairman from amongst the four members.

Nominations have been called for the two vacancies created by retirement by rotation.

Executive Committee North Island

One nomination received: **Tim Aitken**, Waipawa, Hawke's Bay (existing member).

Nominated Duncan Holden, seconded, Richard Hilson

Declared **appointed** unopposed.

For members' interest, Tim's candidate profile follows:

My concern for the deer industry today is not whether we are going to see prices for our products increase, but have we learnt anything at all from the past!

Venison and velvet returns are going to increase due to supply and demand. In Central Hawke's Bay alone, breeding hind numbers have dropped 40 percent since 2003. We are killing capital stock. Where is this going to leave our new markets that DINZ and the processors have been telling us about?

The way we sell velvet has to change. Sending velvet into the pools and accepting a tender on the day (where the price is accepted, not by producers, but by an employee of the pools). We know that fluctuations in volume is one of the main drivers of velvet returns – can we not control it on farm?

Historically when the schedule is low, we all kill. When the schedule is high, we hold onto stock. The schedule is not a true reflection of the market. We need to put in place long-term open, not secret, contracts. We also need better market information to producers, and accountability of DINZ and farmer-owned co-ops with their venison and velvet strategies.

Executive Committee South Island

One nomination received, **Mark Hawkins**, Sutherlands, South Canterbury.

Nominated Andrew Fraser, seconded Jeffrey Pearse

Declared **appointed** unopposed.

For members' interest, Mark's candidate profile follows:

Mark Hawkins, married to Anna, with three children aged 12, 10 and 5, is a farmer and exporter. They farm at Sutherlands Deer Farm, Pleasant Point, South Canterbury, which they purchased five years ago and are currently running 1730 deer, including velvet stags, breeding hinds, plus weaners, in addition to 630 cattle, including a Limousin stud, bulls, and dairy heifers. Mark and Anna are originally from the UK, where they farmed deer and cattle at Whittlebury Park, until they emigrated in 2001.

Mark is a past Chairman of the British Deer Farmers' Association (1996-98) and Nuffield Scholar (1999), when he studied the market for deer co-products. Having helped establish a successful quality assurance scheme selling venison to multiple retailers, his particular interest is the placing of product in higher value markets to achieve consistency in returns. Mark has exported deer worldwide both from the UK and New Zealand.

Tim Aitken and **Mark Hawkins** join colleagues **Andrew Mitchell**, Ngakuru, Rotorua, and **Bill Taylor**, Lora Valley, Southland as the 2006/07 Executive Committee of the NZDFA.

3. Selection and Appointments Panel (SAP)

The SAP consists of the four-man Executive Committee and four non-Executive Committee elected members. Two (one from each island) retire annually by rotation.

SAP North Island

Two nominations are received for the single vacancy created by the retirement by rotation of the current Chairman Roger Aitken, who did not seek re election. An election is required by postal ballot.

Candidates are:

Mike Holdaway, Manawatu.

(Nominated Vince Connolly, seconded Errol Croad)

Brian Marcroft, Waikato.

(Nominated George Thomas, seconded Albert Cooper)

Candidate statements, voting papers, and return envelopes have been distributed in association with this publication under separate cover, to all known eligible levy payers and NZDFA members on a mailout on 26 April 2006.

Voting and return deadline opens on 26 April for 21 days and closes at 5.00pm on Wednesday 17 May 2006, as required 7 days before the AGM. The results will be announced at the conclusion of the 31st AGM under general business.

SAP South Island

One nomination received for the retirement by rotation vacancy:

Bob Kingscote, Waiau, North Canterbury (existing member)

(Nominated Peter Fitzgerald, seconded Warwick Wright)

Declared **appointed** unopposed.

He and the successful North Island candidate will join current



members **John Cusdin**, Stratford, Taranaki and **Keith Orange**, Fairlie, South Canterbury on the 2006/07 NZDFA Selection and Appointments Panel.

4. NZDFA appointments to the Board of Deer Industry New Zealand

Producer appointed Board members are appointed directly to the DINZ Board for a three year term and that appointment is advised to the Minister of Agriculture as a formality. There is one vacancy for the 2006/07 Board term, that of sitting member Warren Moyes, Whangarei, Northland.

Four nominations have been received for the single vacancy. The nominees are:

Barry Cuttance, Oxford, North Canterbury

(Nominated Michael Douglas, seconded Edmond Noonan)

Warren Moyes, Whangarei, Northland

(Nominated Richard Broughton, seconded Roger Yates)

John Spiers, Takapau, Hawke's Bay

(Nominated, Michael McCormick, seconded, Nigel Lawson)

Simon Vincent, Stoke, Nelson

(Nominated Ron Schroeder, seconded Amanda Bell).

Nominee statements are printed below. Nominees are also invited under the NZDFA constitution to present a short overview of their candidature at the 31st AGM in Christchurch on 24 May at the prior to the general business session of the AGM.

The SAP will meet with and interview the candidates for a formal selection process within four weeks of the AGM at a date and venue to be determined by the operating code of the SAP. That date has been set as 14 June 2006 in the DINZ offices, Wellington.

Candidate statements

Barry Cuttance, Oxford North Canterbury

I offer experience in production, marketing and governance.

Having successfully operated my own deer farm in Oxford, Canterbury for over 25 years producing top quality velvet and venison, I understand the challenges that producers face in the modern economy.

My marketing company, Adeerco Natural Health Ltd is an innovative marketer in value-added velvet products with export markets in North America, Europe and Israel. I am passionate about the holistic values of velvet and have travelled extensively to promote velvet products world wide.

I have served as a member of the Canterbury Branch of the New Zealand Deer Farmers' Association for the last five years and can bring to the Board my experience as a fearless advocate of the New Zealand deer industry.

To survive and develop, the New Zealand deer industry must be prepared to embrace innovation and new ideas. I believe I can bring these qualities to the Board of DINZ.

Warren Moyes, Whangarei, Northland

I am standing for reselection to assist in the orderly development of our industry. I have an unswerving belief in the viability of our excellent product.

My suitability is based on industry experience – NZDFA Councillor and Board Member for GIB and DINZ.

Education: BA Berkeley (California).

Corporate experience ranges from banking to electricity. Current chairmanships:

- Northpower Ltd, an electricity distribution and contracting company: assets \$200 million, turnover \$120 million, staff 647.
- Electricity Networks Association, the industry association that represents 23 New Zealand distribution companies, with combined assets of \$5 billion plus. I work with Government and various regulators, such as the Commerce Commission.

Work on our deer farm brings a welcome balance. The unpredictability and challenge of handling deer is particularly rewarding.

I believe I have delivered value in the past and hope to have the opportunity to further represent our industry.

John Spiers, Takapau, Hawke's Bay

Being involved in deer farming over the past 25 years has developed my passion for the industry and its products.

Though the industry has experienced changing fortunes, my belief that venison and velvet are products especially suited to the health-conscious consumer is still relevant today.

As the industry moves on from recent lows, the opportunity exists to better manage growth and product supply.

The Board has created an environment of co-operation between all sectors; now is the time when all parties should work towards understanding the needs of each to build a stable and secure future.

My experience and knowledge working with the Deer Farmers' Association, Animal Health Board, National Velvet Standards Body and other sector groups will provide me with the necessary background to make a valuable contribution on the DINZ Board.

Maranoa's main focus is on breeding for increased liveweight gains and velvet production. This has exposed me to industry members who have encouraged my commitment to this nomination.

Simon Vincent, Stoke, Nelson

Almost all deer farmers are presently losing money. Forget the rhetoric. The only thing that will turn our industry around is increased returns – and quickly.


On farm we are in pretty good shape. The big issues are off farm.

We are not getting the leverage we should from being the dominant world producer of high quality venison. We must create demand in our key high value markets, continue to advance co-operation between exporters and return a greater portion of the end consumer price to the farm gate.

The most cost effective demand creation will result from engaging full-time employed, locally resident, well-trained, promotional and demonstration staff in our key markets. Most successful multinational companies use this model.

Successful marketing is based on relationship forming and solution providing for customers. I bring this experience which will add significantly to the skills mix of the producer representatives on the DINZ Board.

I have sound relationships with exporters, which provides the platform for the robust production/marketing-related debates this industry needs.

With my wife Claire, we have just increased our herd by 30 percent to 1600 deer and are committed to this industry. 

Decision time: Remandate DFA levy or let it lapse?

The NZDFA Commodity Levies (Farmed Deer Products) Order 2001 will be up for discussion at next month's NZDFA 2006 Annual General Meeting in Christchurch. Delegates must decide whether to initiate a remandating round for the levy (set at zero since the 2002 industry reforms) or to let the levy lapse. This article backgrounds the issue and looks at the implications of each option.

Background

The current NZDFA Commodity Levy expires on 19 September 2007. The NZDFA must either:

- develop a case to retain the levy and remandate it through extensive industry consultation, or
- if producers believe there is no need to keep the levy order in place, direct that the current levy order lapses when it expires in 2007.

To initiate either process, a resolution is required at the 2006 AGM. The Executive Committee resolution is that the levy should lapse and is the first remit on the order of business for conference.

The extensive consultation required, development of a case for its level and use and the consideration by MAF for presentation to the Minister, typically takes at least 14 months. Agreement from the Minister leads to an Order in Council which must be ready for Gazette publication 28 days prior to the old Order expiring, i.e. it must be signed, sealed and delivered by 18 August 2007.

In discussing the implications with MAF, the NZDFA has been advised.

- Any new Commodity Levy cannot be mandated and set at a zero in future.
- In the current situation, the DFA has set the levy at zero to allow the present structure and function to evolve, funded from the DINZ statutory levy. The current (2002-2007) Commodity Levy is able to be set at zero annually at the AGM, because a level and intent were agreed, and these functions are being met under present arrangements.
- The NZDFA asked if the current levy and conditions could simply be rolled over under an Order in Council to preserve the fallback position that was negotiated by the NZDFA when the current structure and function were set up.
- The DFA has been advised that full industry consultation is required under the Act whether the existing conditions or some new revised conditions are wanted.
- The DFA has also been advised that the Government is unlikely to support a Commodity Levy request based on a token levy, and hence allowing the DFA to maintain the fallback position as this would be considered as an inappropriate use of the Commodity Levies Act 1990.

Current position

Under the present structure, resulting from the Industry reforms of 2002, the NZDFA has shared administrative support through DINZ, serviced through the Producer Manager position. The DFA operates under a Memorandum of Understanding (MOU) with DINZ for its functions and structures. They are funded through the DINZ statutory levy to provide for producer affairs.

This arrangement includes the payment of DEER research funding in proportion to the DFA's 25% shareholding in DEER research. (See "Memorandum of Understanding at a glance" opposite.)

Under that arrangement the DFA has voted annually to confirm that the Commodity Levy will be set at zero for velvet and venison and the arrangements with DINZ negotiated through the MOU continue.

At the time of the 2002 industry reforms, the NZDFA maintained a fall back position. The NZDFA members could call a Special General Meeting, cancel the MOU with DINZ, reinstate a levy level to service the full running of the NZDFA including research and resume a role as an autonomous body distinct from, but allied to, DINZ through the producer members on the Board and executive-to-executive relations. That whole process could be concluded rapidly and the DFA was charged with maintaining sufficient reserves to fund an interim period and the process for that to occur. There has been no move to take up this fallback position over the last four years, with the Commodity Levy voted to remain at zero since the new structure was formed in 2002.

The Executive Committee and DINZ renegotiated the MOU in 2005, adding in service clauses relating to the NVSB as a consultative partner in terms of setting fees, administration and setting terms of reference. New clauses confirming DINZ's role in funding AHB representation and a regular biennial review of the MOU have been added. This year the Executive Committee and DINZ are further formalising the MOU through a legal contract for services and includes a Deer Industry New Zealand contribution to the industry good activity that the NZDFA does on behalf of all, of 20% of the subscriptions received for the national component of subscriptions.

The Memorandum of Understanding at a glance

1. DFA Operations – from October 2002

- The DFA Council reduced in number from President plus six members to a four-person Executive Committee.
- The DFA set its Commodity Levy at zero and annually confirms that at the AGM.
- The DFA relinquished its own staff and premises.
- A Producer Executive was hired by Deer Industry New Zealand to undertake DFA service functions.
- Agreement that the DINZ CEO will assess the need for additional support staff on an ongoing basis, and employ such support staff if necessary.

2. Deer Industry New Zealand operations

- The GIB changed its operating name to Deer Industry New Zealand, and now operates and meets its obligations under the new Deer Industry New Zealand Regulations finally Gazetted in October 2004.
- The major change to Regulations was to implement a 50/50 producer and processor/exporter board with a 50/50 levy (for the venison sector).
- Producer venison levy reduced from 12c/kg to 6c/kg
- DINZ drafted a position description for the Producer Executive in consultation with the NZDFA.



- Producer Manager (PM) appointed, reporting to the DINZ CEO as an employee.
- CEO assesses PM performance in consultation with the DFA Executive Committee (EC) in line with the performance measures and process outlined.
- If EC are not satisfied with PM performance or direction from CEO, direct recourse available via CEO.
- Failing resolution here, consultation with the Chairman and Board of DINZ.
- DINZ funds on-farm research at a level which is consistent with the DFA's 2002 research spend, increasing on a pro-rata basis in line with production (consistent with the Commodity Levy referendum ratified in 2001):
 - Currently 0.8c/kg venison and 4c/kg velvet (up to a maximum of 1c and 12c respectively)
 - ~\$280-300k pa also matched by DINZ funds.

3. DINZ operations and reporting on behalf of the NZDFA

- Reporting to the Board, Executive Committee and Branch Chairmen as required on Producer Manager activities and the industry (especially producer issues) including follow up action on AGM remits etc.
- Administration:
 - Accounts: annual invoicing of voluntary subscriptions, payment of capitation fee to DFA Branches, DFA accounts and financial reporting to the Executive Committee.
 - Meetings: use of DINZ Board/Meeting rooms. Assisting to arrange DFA Executive Committee, SAP and DFA Branch Chairmen meetings and Executive Committee and SAP travel. Providing papers and taking minutes.
 - Phones, mail and reception services.
 - Membership: maintaining register of members and their status.
 - AGM/Conference: Assist with the organisation of the Association's AGM.
 - Assistance with management of DFA constitution, administration of DFA elections and development of industry website.

4. Communications

- DINZ and NZDFA produce together a new industry publication (*Deer Industry News*) combining *Stagline* and *Market Report* in the strongly supported current style and format

5. Governance

- As an Association funded by voluntary subscription, the DFA meets its expenses out of subscription income and budgets and sets subscription rates accordingly.
- Each year, DINZ and DFA agree on a set of industry-good activities performed by the EC (e.g. meeting with and supporting the PM, participating on AHB Members' Committee, DEEResearch etc), and a budget. DINZ makes a budget provision to meet those costs if made necessary by a shortfall in DFA subscription funding.

In assessing the need for a remandating the levy, producers will need to assess whether the current arrangement has met expectations, and whether the objectives of the Commodity Levy as presented in 2001 are being met by the current MOU (see "2001 Commodity Levy" below) and the NZDFA activities as they are managed at present.

The 2001 Commodity Levy: Principle aims and activities

The Commodity Levy – which at the last referendum received 80.4% farmer support, representing 72.6% of all production – was approved for the following functions and activities wanted by the DFA and producers:

- Production-related research based on agreed priorities with DINZ, DFA and industry and research providers (DEEResearch).
- Industry promotion within New Zealand including the industry publication, *Stagline* (now combined with *Market Report* to form *Deer Industry News*).
- Consultation with farmers and others in the interests of farmers.
- Dissemination of information and advice, technology transfer to deer farmers.
- Representation of the views and interests of deer farmers, public relations.
- Governance and day-to-day administration of NZDFA:
 - SAP process for Board membership
 - Support and functioning of the Executive Committee, and the Branch Chairmen as a combined group at national level
 - Direct representation at AHB, DEEResearch Board, NVSB, NAWAC ABWCC, and other pan-sector groups.

Commodity Levy basis 2001-2007

- ~\$45k on remandation consultation and preparation of case (in addition, \$40k on legal fights with MAF).
- Venison: Maximum 3c/kg (Maximum of 1c/kg for research).
- Velvet: Maximum 20c/kg (Maximum 5c/kg for research).
- All deer farmers to be consulted on expenditure.
- Rate for year 1.
- 2.2 c/kg on venison (0.8c research) and 12c/kg on velvet (4.0c research).
- Subsequent years set by AGM, no levy increase predicted.
- Income ~\$750,000, expenditure budget ~\$700,000 in year 1 2001

Remandating the Commodity Levy

Any decision by the NZDFA to remandate the Commodity Levy would void the current MOU between DFA and DINZ. A remandated Commodity Levy would mean that the DFA returns to a stand-alone operation working at arm's length from DINZ.

The cost

Full consultation is required, involving all existing and potential levy payers, levy collection agencies, affected industry organisations and individuals. The Executive Committee have estimated the total cost of a road show and pre- and post-meeting publications, summary of responses, conducting a referendum and collation of poll documents and then preparation of a case in the period from July–December 2006 at around \$45-50,000. The Committee assumes that producers will want to put in place levy-funded activities that are not too different from the priorities identified in 2001, and retain the strong research emphasis.



Support required

The referendum to support the remandation requires a simple majority (>50%) of deer farmers responding who also represent a simple majority (>50%) of the venison and velvet production.

SWOT analysis

Branch Chairmen have been asked to comment on this analysis, and producers are also encouraged to consider these points to inform the debate. This analysis is by no means exhaustive, and is presented as a basis for discussion.

Option 1: Commodity levy is remanded

Strengths

- Creates a clearly identified, independent NZDFA and a clear identity for new NZDFA Executive and Branch functions.
- Current MOU functions could become the basis of a Commodity Levy remandation path, defining needs for the levy.

Weaknesses

- Distances the relationship between Deer Industry New Zealand and DFA.
- Loss of MOU and current efficiencies.
- Divisive.
- Could financially weaken the DFA in the short term.
- Requirement for recruitment of new executive and support staff or NZDFA Executive Committee/Council portfolio roles.
- Majority of financial reserves would be committed.
- Proposed structure weakened for political activity and administration function.
- Likely to cause further decline in NZDFA support nationally and at Branch level.
- Duplication in representation for industry good activities

Opportunities

- Independent NZDFA may still work with within the physical office and administration structures provided by Meat and Wool NZ, or seek allied arrangements with Federated Farmers or other organisations.
- May add some impetus back to Branch structure.
- Releases significant Deer Industry New Zealand levy collection funds available for market use or reduce accordingly

Threats

- Confirmation that the current structure is NOT working satisfactorily for NZDFA.
- Compromises linkage with DINZ executive staff and Board built up over the past three years.
- Polarisation within the industry and current leadership.
- Requirement for producers to pay additional levies of about \$500,000 – \$600,000 per annum, assuming some administrative support remains.
- Duplication of many costs and adds to all overheads.
- Loss of producer advocacy directly to Deer Industry New Zealand.

Option 2: Levy recommended to lapse

Strengths

- Confirmation that the current structure and function and their evolution are working satisfactorily in most areas.
- Little expense, other than consultation with members and resolution at AGM 2006.
- No impact on current levy base of collection.
- Development of a strong, regular negotiation between NZDFA and Deer Industry New Zealand for a contract for producer services.

Weaknesses

- Ability to strike a levy and reform DFA under CLA provisions lost.
- Special General Meeting and 21-day option now becomes more difficult and expensive, although it is always an option.
- With no levy-paying base, NZDFA would be only representing those who pay a voluntary subscription.

Opportunities

- Could precipitate the eventual merger of the DFA into the Deer Industry New Zealand structure formally with a stronger producer advocacy role.
- Release of up to \$100,000 in reserves for other activities.
- Encourage new membership of NZDFA from current levy payers who choose not to belong voluntarily to the NZDFA and wish to be represented in elections for NZDFA positions, SAP and participate in NZDA activities.

Threats

- Could precipitate the eventual merger of the DFA into the Deer Industry New Zealand structure formally with apparent loss of producer advocacy role.
- Could rekindle opposition to the continuation of present structure and function.
- Compromise ability to stand alone as a separate NZDFA body (funding and representation issues) and develop contrasting political and functional viewpoints to DINZ.


Position of NZDFA Executive Committee

Following more than one year of extensive discussion with MAF, Branch Chairmen and within their own forum, the Executive Committee supports the second option: that the DFA need not remandate the commodity levy at this time.

The Executive Committee agrees that the systems and structures in place now are an effective working arrangement for the future, subject to the successful negotiation of the MOU with DINZ. That constructive discussion with the DINZ Executive and Board, has been taking place during March and April, confirming that the MOU is a living document that secures future services for the DFA and producers, and has now been established as a formal contract for services with DINZ.

The Executive Committee has passed the following remit for debate at the 2006 AGM:

“That the Commodity Levy remandation process not be pursued and that the NZDFA allows the current Commodity Levies (Farmed Deer Products) Order 2001 to lapse at expiry in September 2007”

This remit and its intent are supported by the successful further negotiation with DINZ over the present and future MOU and contract for services including NZDFA budget considerations. 



Branch chair profile – Otago

Jane Mitchell chairs the Otago Branch and farms in Paerau in the Maniototo. She and husband Chris run Elk and Red deer on 467 fenced hectares, along with 2500 sheep and 500 cattle.

In total they have just under 900 hinds and 700 weaners. They breed their own Elk and buy in Red hinds every couple of years. Venison is their main focus, although they also produce around 200 kg of velvet each year.

They started to run deer for the first time when they moved to Otago from Marlborough in 2002. Jane says she enjoys farming deer and they fit well with the property and its high altitude location. Paerau means “many ridges” and the deer make good use of the area (which is over 60 percent hill) for fawning and feeding.

Jane and Chris are feeling the effects of the downturn, but because of the systems they have in place Jane says they remain committed to deer.

“We got into deer in 2002 so we missed the peak and things have been down ever since, and because we put a lot into extending the fencing on the hills we haven’t really seen big rewards in prices which is quite frustrating,” she says. “But we’re hopeful that with the number of breeding herds reducing, demand is bound to start outweighing supply soon.”

Jane became involved in the Branch in 2003 and has spent the past two years as Chair. Initially, she says she joined to learn more about the industry and meet people in the area but soon got roped into taking over from the existing Chair.

“I said I’d like to get involved, and when Mandy Bell stepped down I got tapped on the shoulder,” she says. “But getting to know more about the industry and the people in it has been great for our business and for me personally.”

Jane is also studying agribusiness at Lincoln and says her involvement with people in the Branch has helped with her studies.

The Branch has 240 members, spread over a large area which makes it difficult for them to get together often. Jane jokes that “you can’t drive anywhere in a straight line here”.

The Branch’s main strength is the Focus Farm and Jane




says it’s an important way for members to develop ways to improve productivity.

“We really want to help ourselves,” she says. “The Focus Farm has been helpful to get us to concentrate on what we can do to achieve good productivity and good prices.”

The Branch puts out a newsletter and holds committee meetings every couple of months. They also support the Southern Deer Farmer of the Year Awards and various environmental awards and they contribute funds to ongoing Johne’s disease research.

“We’re not a particularly political branch; we get on with the job and do what we can where we can,” Jane says. “But we make sure we speak up when we do have an opinion.”

At a national level, Jane is interested to see the results of the velvet strategy review. She also says she’d like to see less negativity in the industry.

“It’s hard for people to remain enthusiastic when the industry is down, but I’d like to see less knocking and more working out what we can do constructively to keep moving ahead.” 

Does NZDFA need an elected president?

The Hawke’s Bay Branch of the NZDFA is putting forward a remit to amend the NZDFA constitution to include an elected president at large and a four man Executive Committee.

Branch Chairman, Mike McCormick believes the current four-man Executive Committee has the potential to have a 2-2 split and an additional elected president would break any deadlock. He also believes an elected president with a clear mandate would provide the industry with a stronger image.

“An elected president should have a mandate to lead the NZDFA on whatever platform they stand on,” says Mike. “I believe an elected president who has the support of the membership, should be able to say what they feel without getting smacked over the knuckles.”

The South Canterbury/North Otago Branch is opposed to the remit, and has released a statement supporting the existing

structure and noting that “any significant changes at the present time to the existing DINZ/DFA structure would be divisive and counterproductive”.

Branch Chairman Peter Aitken believes some members are focusing on the wrong issues.

“The proposal says they need an elected president because of falling membership and wanting bigger returns,” he says. “Those things are not going to be affected by a president elected at large. We need to focus on how to get better returns and make the industry more efficient.”

Peter is also concerned with the extra cost an elected president could impose on deer farmers.



Branch chair profile – Hawke's Bay

Mike McCormick, Chairman of the Hawke's Bay Branch, runs a 920 acre farm in Hatuma, 10km south west of Waipukurau, with his wife Robyn and sons Kurt and Todd.

In addition to the 680 (down from 900) Red deer he runs on 265 fenced acres, Mike also runs 2200 sheep (including a small Suffolk sheep stud), beef cows and finishes cattle.

He first entered deer farming in 1989 when, having sold a lot of stock due to a drought, he was looking for somewhere to put his money.

"I started deer farming almost by accident, share farming deer as an investment and a means of diversification," he says.

Mike admits that before share farming deer the animals never really appealed to him, but once he started handling them he developed a liking for what he calls "more intelligent animals".

"I believe you either have an affinity for deer or you don't – and if you don't you shouldn't be working with them."

Mike's main focus is velvet, with his velveted herd averaging 3.1kg/head. He breeds all his own replacements. Any surplus animals go into venison production and are finished on the property.

Mike says he has been seriously affected by the downturn in prices and, when combined with the recent fall in lamb prices, has been forced to lay off his shepherd, who he has worked with for the past four years.

"We worked well together and it was hard to have to lay him off in the knowledge that I'll have to figure out how to do all



the work by myself again, but that's the way it goes."

But Mike's optimistic that the bottom has now been reached and that with the recent increase in average velvet prices the industry's looking up. He's just hoping prices don't rise too quickly as "people may jump back into velveting".


"I believe we need some form of restriction on the amount of velvet we put into main markets, because the moment we start over producing prices drop again," he says. "If we have restrictions in place we may keep prices up and make the industry a viable one."

Mike took on the role of Chairman for the Hawke's Bay Branch initially, he says, because no one else wanted it. But he's enjoying the experience and likes meeting people in the industry.

As far as formal activities go, the Branch meets five to six times a year. The highlight is the velvet competition held in November which is followed by a Christmas function and awards dinner.

Their main fundraising activity is a stall at the WETA Wine and Food Festival which is held in Waipukurau every February.

The Branch committee is looking into the possibility of establishing a focus farm, but Mike says the current downturn means any plans are on hold for the moment.

"As soon as things start looking up we'll have a crack at getting it up and running. It would be great to show our members everything that can be done on one property," Mike says. 

"At a time when the DFA membership and subscription income are falling it seems inappropriate to propose a restructuring that will add significantly to the cost of operating the DFA. A higher cost administration will simply divert funds from being applied to sorting the problems that confront the deer farming industry."


Chris Petersen, Fiordland Branch Chairman, believes there may be a conflict of personalities on the current committee, but does not think an elected president would solve the situation.

"A change to postal voting for an elected president would not solve the issues," he says. "Most people wouldn't know who they were voting for and we could end up in the same situation."

President of the Fallow Society, Dick Valentine believes, as a registered association, the DFA should elect a president.

"An elected president shouldn't be someone who just stands for political purposes, but someone who can offer the best for the industry," he says. "Anyone who is a practising deer farmer and a current member of the DFA should be able stand for president."

Veteran deer farmer Warwick Gregory believes the problems stem from the 2001 changes which reduced the Council of seven members to an Executive Committee of four, transferring power away from farmers to "shiny arsed" corporates.

"I'm not too sure that an elected president is the right answer," he says. "I believe with six or seven people on the committee they should be able to sort out the best man for the job. The system we used to have worked." 

Members will have the opportunity to voice their own opinions and vote on the remit at the AGM on the afternoon of 24 May.



Coming events (current 30 March 2006)

Date	Event	Venue/notes
Wednesday 26 April	NZDFA elections: Voting opens for 21 days	
27 April	DEER Research Board meeting and EOI discussions	Massey University
27 April	Canterbury DFA AGM	Sudima Hotel, 7.30pm
28 April	SC/NO DFA AGM	The Poplars Pleasant Point from 5.30
29 April	Rotorua DFA Committee	11.30 am
	Rotorua DFA AGM	1.00pm Followed by BBQ and claybird shooting
Monday 1 May	Nominations Close	Matuschka Award
Tuesday 2 May 5.00pm	Constitutional remits formally Close	
2 May	Otago DFA AGM	Invermay, 1.30pm Frank Griffin guest "The Kruger experience"
9 May	Southland DFA AGM	Winton Rugby Club Frank Griffin Guest speaker
10 May	Waikato DFA AGM	Morrinsville Town & Country Club
10 May	Waipa King Country DFA AGM	Otorohanga Working Men's Club From 6.00pm Followed by Dinner
11 May	Hawke's Bay DFA AGM	Waipukurau Club, 7.30pm
11 May	Marlborough DFA AGM	Marlborough Club, 7.30pm Andrew Mitchell Guest
15 May	Wairarapa DFA AGM	Gladstone Tavern, 7.30 pm Mark O'Connor Guest

Date	Event	Venue/notes
17 May	NZDFA elections: Voting closes 5.00 pm	
16-17 May	JRG Showcase for JD Conference	Wellington James Cook Hotel
18-19 May	Deer Branch NZVA: Technical sessions	James Cook Hotel
Friday 19 May	NZDFA Elections	Voting Closes at 5.00pm Vote counting
Tuesday 23 May	NZDFA AGM: Proxy forms close	4.00pm
23 May	NZDFA Branch Chairmen's meeting	10.00am Copthorne Commodore Hotel, ChCh
23 May	Industry Awards dinner: Minister of Agriculture, Guest	7.00pm Copthorne Commodore Hotel, ChCh
24 May	DINZ Formal General Meeting	9.00 am-12.30 pm Copthorne Commodore Hotel Christchurch
	NZDFA Annual General Meeting: Election votes notified and positions appointed	1.30 pm – close Copthorne Commodore Hotel Christchurch
25 May	Canterbury Branch field day: Nutrition, ForageMaster, antlers and DEER research programmes	9.00am -2.00pm Lincoln University
3 June	Elk and Wapiti Society AGM	Dunedin TBA
	Kaipara Branch AGM and Velvet Awards Dinner	Rivermill Restaurant, 972 Old North Road, Waimauku. AGM 6pm
25 September	SCI Measurers' course: Glen Steen, ph 09 410 4913, sknman@pl.net	Taupo

MINARET STATION

Annual red deer sale

Extensively bred • Intensively proven



- 450 annual draft hinds (available July)
- 750 rising 2 year hinds (available June)
- Minaret Station has a C10 herd status, and all animals will be scanned in-calf prior to sale

For more information or to arrange a viewing please contact Jonathan Wallis on 03 443 6001 or Craig Knight (PGG Wrightson) on 03 443 6088 or 0275 901 331



Our reputation is your assurance

Velvet ingredient for 'Tour de France' dog tucker

A prototype dogfood, using New Zealand velvet as a functional ingredient, helped boost the race standing of one team in last month's Tour de France of sled dog racing, the 33rd Iditarod Race in Alaska.

The Iditarod race from Anchorage in South Central Alaska to Nome on the Western Bering Sea coast is one of the world's most extreme dog races. Over nine to 12 days, teams of 10 huskies pulling a sled and human 'musher' race day and night over 1,850 km of extreme and beautiful terrain in temperatures far below zero. Teams are driven by commands, not reins, and success depends on excellent dog condition and a good connection between the pack lead dog and the musher.

After training his dogs on a special formulation of Wilderness Foods' Ziwipeak Daily Dog Cuisine in September 2005, veteran professional musher Jason Barron, 34, then decided to use Ziwipeak in the race. Jason was reportedly delighted with his team's placing at 8th out of 83 teams – an improvement of four places on his best-ever previous placing – and the fact that his dogs returned in excellent condition. The team finished in nine days, 21 hours, 20 minutes and 17 seconds – an average of 7.8 km per hour.

DINZ General Manager Marketing Daimien Reynolds says the initiative was sparked by a meeting with Geoff Williamson, Business Manager, for Mount Maunganui pet-food manufacturer Wilderness Foods at a renderers' conference last year. This led to some number crunching showing that lower-grade velvet could be economically incorporated into an added-value performance petfood.

The Iditarod race had already been pinpointed as an ideal opportunity for an extreme test of a prototype sports dog food. Three years ago company owner Peter Mitchell had started discussion in Utah with Gordon Schaffer, a Ziwipeak distributor and another of Jason's sponsors, about

formulating a high performance dehydrated, all-natural, all-meat, shelf-stable, complete dog food. "Gordon is a man who understands the nutritional requirements of high-performance working dogs," Mitchell says.

Because the Iditarod is such a hard race for the dogs, it is vital to get the food right. Performance relies on correct nutrition, so the mushers are very wary of trying fad dogfoods that are commonly foisted on them. But having won the confidence of Jason Barron, the racing formula was worked out by AgResearch scientist Stephen Haines, Geoff Williamson and Daimien Reynolds. The dogs were given the food from last October. Once the lead dog tried it and wolfed it down, the others followed suit and were eating well and training hard from then on. Other high protein diets had been tried, but the velvet-based diet proved to be problem free.

"The velvet was added to our Ziwipeak Cuisine range of petfood, a complete real food diet which also contains venison," Geoff Williamson explains, adding that the nutri-generative properties of velvet enhance endurance and stamina. "It's also great for temperature endurance, which is important as a lot of the racing takes place at night."

Because the mix is nutrient dense, the dogs can run on less food and the 95 percent digestibility means less waste, which also adds to the appeal.

Buoyed by its success, Williamson is convinced that people will pay the premium for an added-value product of this calibre. Wilderness Foods plans to produce the unique formula commercially as a support for sporting dogs and plans to market it to New Zealand vets as a post-operative recovery food.

"That it also solves a problem for the deer industry in using a lot of the lower D and E grade velvet, is an added bonus."

Wilderness Foods petfoods are marketed under the Ziwipeak brand. The company exports to North America, Europe, Asia and Australia. 

For more information:
www.ziwipeak.com
www.iditarod.com



Jason Barron and his team finished 8th out of 83 teams, thanks in part to the special New Zealand-developed dog food formulation featuring deer velvet in the mix.



The Ziwipeak brand gets a high profile on the Iditarod sled.

'Powered by velvet.org.nz' ran like the devil



Not a beach stroll: the Powered by velvet.org.nz team chewing up the kilometres on the XPD Tasmania adventure race.

Team Discovery/Powered by velvet.org.nz, "ran like the devil" to place third out of 50 teams in a gruelling non-stop adventure race across Tasmania recently.

Competing in XPD Tasmania, a 670 km expedition race, the teams of four only find out where they are going 24 hours ahead of the race. From then on they are in action 24 hours a day, sleeping when they choose. Discovery/Powered by velvet.org.nz was sponsored by Deer Industry New Zealand and comprised Jodi Zwicky, Richard Anderson, Rhys Burns and Murray Thomas. The team finished the course in 131 hours, 43 minutes – just over half the total time allocated to complete the course.

Velvet powered three of the four team members, who started taking it some months before the race and upped the dosage just prior to the event, during and afterwards.

It was a truly extreme event. On the first day alone, the teams biked from Stanley, Tasmania, for 52 km, then paddled in kayaks for 27 km down the remote Arthur River, biked 26 km through the forest and then began an overnight 73 km coastal trek.

The second day featured a 160 km bike ride "The average time on the bike was 19 hours, spent mostly with rumps planted in the saddle and plenty of sore butts afterwards from the rocky terrain," Zwicky says.

On the final (sixth) day of constant action, competitive spirits really kicked in. After 34 km of steep mountain running, followed by a 100m rappel down the 'organ pipes', the teams sprinted into Cornelian Bay in Hobart and across the finish line.

The race had everything – heat, over 30-35°C on some days, wet and cold on others. Team member Rhys Burns has noticed a definite improvement in the ability of his body to handle the more extreme temperatures during training and racing since he started taking velvet. "This was especially so during the fourth to fifth nights of the race. In the past, my brain has failed to thermoregulate me properly – I would get cold then really hot. This has moderated somewhat recently, coinciding with my recent use of velvet."

Rhys has also noticed an improvement in his stamina in these events. "While it's hard to quantify, the value of the

recipe

Spicy Thai Salad with Cervena®

A super simple summer dish that can be put together in under 30 minutes from US Cervena® Ambassador Brad Farmerie.

Serves four as an appetiser, two as a main course.

Ingredients

Lime and chilli dressing:

- 4 limes, zest and juice
- 1 red chilli, seeds removed and fine dice
- 1 tbsp palm sugar, available in Asian markets
- 1 tbsp fish sauce

For the salad:

- 300g Cervena venison loin
- Olive oil
- Salt and freshly ground black pepper
- 1 bunch watercress
- 1 cucumber, peeled and deseeded and cut into 1½ inch lengths
- ½ red onion, peeled, thinly sliced, and soaked in cold water
- ¼ cup roasted peanuts
- ¼ cup picked mint
- ¼ cup picked coriander
- ¼ cup Thai basil, regular basil can be substituted
- 1 spring onion, thinly sliced and soaked in cold water
- 2 tablespoons crispy shallots, optional – available at Asian markets
- 1 red chilli, thinly sliced

Method

1. Combine all of the lime and chilli dressing ingredients in a mixing bowl and whisk together. Refrigerate until needed.
2. Preheat the grill to a medium high heat.
3. Drizzle the venison loin with olive oil, and season with salt and pepper. Grill the venison loin to rare or medium rare. This could take from 7-10 minutes depending on the temperature of the grill.
4. Remove the venison from the grill and put in a warm place for 10 minutes to rest and cool down slightly.
5. Thinly slice the venison and place in a mixing bowl. Add the rest of the salad ingredients, enough of the lime and chilli dressing to just coat the salad, and toss together.

Preparation

Place on plates and drizzle some extra virgin olive oil over each salad.

velvet shone through on the final day. We ran solidly for eight hours to close a two hour gap to the team in front, passed them and beat them by four minutes for third place."

Their time for that leg was 1.5 hours faster than any other team.

Richard Anderson has noticed that velvet is helping to reduce his recovery time after tough training sessions and events and as an endurance supplement during events. He recommends velvet as a daily supplement for wellbeing and larger dosages as an active way to maintain strength and endurance while competing in physically challenging events. 📺

Adding value to velvet at Gloriavale

Gloriavale Deer Farm in Greymouth recently launched a new range of added-value deer velvet extract products for human and pet consumption.

“We were disillusioned by the velvet prices continually dropping. As farmers, we were getting less and less for our product, even though the end consumer was still paying the same price,” says Gloriavale’s Jonathan Christian. This was the main prompt to establish an added-value product from Gloriavale deer farm velvet, he explains.

After extensive market research, the farm launched two new velvet products in July 2005.

Pure Vitality is available in hard gel capsule form (100 x 500mg) selling at \$62.50 per bottle or tablet form (30 x 500 mg) for human consumption (\$24.95).

The *Pet Vitality* range targets cats and dogs. The chewable – and palatable – tablets are available in bottles of 100 or 30 tablets at similar prices to *Pure Vitality*. All tablets are 500mg of natural deer velvet extract.

Christian explains that Gloriavale went to the extract form of deer velvet, instead of the powder, because it is more readily available to the body and it is more consistent: “Each capsule has exactly the same amount, whereas velvet powders can be variable depending on where the powder was sourced from on the velvet stick.



Gloriavale’s new Pure Vitality brand targets human consumers and provides an added-value option.


Gloriavale wants its product to earn a name for being the best available. “We only use the best quality high grade velvet from our own farm to produce our capsules,” Christian explains.

While *Pure Vitality* deer velvet capsules target people of all ages, currently it is the elderly that are the biggest market for its anti-arthritis properties. “There is a very high re-order rate, with a large number of people reporting very positive results.”

Christian says Gloriavale would like to see people start using it from a young age to help prevent some of the problems associated with ageing. And with sports people also reporting good responses to the products, the company plans to add

a high-strength sports capsule to the range.

Gloriavale has started selling on the international non-traditional markets and progress is promising, Christian says.

“The biggest problem we face is educating the general public about the many benefits of deer velvet, which are now beginning to be confirmed by scientific research. As people look more and more to natural health remedies though, deer velvet extract provides a great alternative.” 

For more information:
www.gloriavaledeerfarm.co.nz

The price elasticity of supply for velvet

What is the relationship between velvet volumes and returns? Should the industry trim bottom tynes? Seeking an objective perspective on these questions, DINZ asked the New Zealand Institute of Economic Research (NZIER) to examine the price elasticity of supply for velvet.

The NZIER looked at annual data on prices and quantities for velvet over the past 10 years and after exploring a number of different approaches, modelled the price responsiveness of supply for velvet.

While not definitive, the research suggested that a 1% reduction in quantity of Korean grade could result in an increase in the price received for all grades of 1.1 – 3.6%. This means that the price elasticity of supply for velvet to the Korean market is likely to be greater than one. This supports the view that quality control of exports (that in effect would reduce export volume) could be a mechanism to influence returns.

DINZ General Manager Marketing Daimien Reynolds says there has been much industry talk about low returns and how these could be improved through industry action such as holding back bottom part from the Korean market.

So what would happen to producer returns if exporters were not allowed to export the bottom part of frozen and dried velvet to Korea?

“Holding back bottom part is essentially holding back a volume of Korean grade velvet, which is estimated to be between 50 – 80 tonnes per year. According to the research this would have a direct and positive effect on prices – as long as the velvet does not end up in Korea via Hong Kong,” Reynolds suggests. “However, for many producers holding back bottom tynes is a leap of faith they are not prepared to take.”

But Daimien Reynolds does believe the industry must at least consider options if producers are serious about keeping a processing industry in New Zealand. These options include longer-term options like an export authority (similar to the Horticultural Export Authority which licences exporters) and shorter-term options like holding back bottom tynes.

Market Talk: Chinese manufacturer confident about Kiwi health food products

BCY Health of Beijing, a Chinese manufacturer and marketer of herbal tea products, has started sourcing consumer-ready health food products that use deer products as a key ingredient from New Zealand.


Following a meeting with Deer Industry New Zealand's General Manager Marketing Daimien Reynolds at the Natural Products Expo in Hong Kong last December, Managing Director, Yi Ping Gong recently visited New Zealand to talk to potential suppliers of consumer finished products, such as herbal teas with velvet, honey and velvet, or cosmetics with velvet, and find out more about the New Zealand deer industry.

The potential in China for final health food products is enormous, Gong says. He is aware of all the 'complications' that make the traditional Chinese raw material markets so difficult and has decided to avoid the traditional market and focus on consumer markets through official channels.

The health product market in China has shown varying degrees of growth over the last ten years and, also, increased levels of regulation by the State Food and Drug Administration (SFDA). Gong reports that consumers have become sceptical of Chinese products and seek high quality products manufactured offshore. For this reason, the New Zealand products once registered with SFDA, will continue to be made in New Zealand and marketed as such, leveraging off the good image Chinese have of New Zealand.

"The quality of the products I have seen in New Zealand is excellent," says Gong, who also owns a pharmaceutical factory in Hong Kong and fully appreciates quality issues and risk management at the processing end. "These products will be successful in China; I am excited about the challenge of marketing these to consumers."

Gong's joint venture partner is a consultancy specialising in SFDA registrations of health products. "There is an easy route and a difficult route with regard to registration," he says, and adds that full registration as a health food is too expensive to consider, but registration as a food product, marketed in health food stores is the way to go.

"People know about velvet. We are not talking about building new awareness of an ingredient. These products, branded the right way and in the right retail outlets, will sell," he says confidently. 

Youn Soo Lee (right) and Caroline Hu of National Deer Horn (second from left) discussing his company's range of consumer ready velvet products with Yi Ping Gong, Managing Director of BCY Health of Beijing, China (centre) and Daimien Reynolds from DINZ.



Heenan WEIGHBRIDGE

The Modern Weighing & Drafting System

- Inexpensive and labour saving
- Fast efficient one-man operation
- Remote controlled weighing & 3 way drafting
- Non-slip RubberDec flooring
- Can use existing weighing systems

NON-SLIP FLOORING MATERIAL - for existing sheds or new
It's super quiet and just hose to clean

Heenan WORKROOM

The Ultimate Deer Handler

- Works so quickly we recommend the operator controls it from the still platform
- The only deer handler to successfully hold comfortably and restrain securely both large and small deer
- Designed for easy cleaning
- Just Simply the Best
- Options include - Hydraulically controlled **Wedge Wall**
- Semen collection facility

Heenan Engineering Company Limited phone / fax: 64-3-442 2001 N.Z. Freephone : 0800 502 337

FREE : DEER YARD DESIGNS AND INNOVATIVE IDEAS

VISIT OUR WEBSITE : www.animalhandler.com

Wellington diners rave about venison

New Zealand venison, sponsored by Deer Industry New Zealand and prepared by young British chef Sophie Wright, was the star of a gourmet four course menu at a NZ-UK Link Foundation dinner for 50 held at Adam Newell's Zibibbo restaurant in Wellington at the end of March.

Guests remarked that Sophie's 'New Zealand Venison with a Beetroot Puree & Celeriac & Sweet Potato Dauphinoise, Served with Buttered Citrus Spinach' was 'delicious and perfectly judged'. It was matched – again, perfectly – with a Camshorn Pinot Noir 2004 from the Waipara vineyard, selected by wine supplier for the evening, Pernod-Ricard New Zealand Ltd, the new name for Allied Domecq wines.

At the half-way point of her six-week New Zealand work experience, Sophie's next move was to Phillip Kraal at Le Bon Bolli in Christchurch and she will finish at Blanket Bay under the expert eye of Jason Dell.

The dinner was celebrating the success of the Foundation's Culinary Exchange, where two young New Zealand and British chefs trade places for a taste of working in the other's country. 🇺🇰



Sophie Wright (right) with Adam Newell preparing for the dinner in the Zibibbo restaurant kitchen. Photo: Nicola Edmonds.

Russian velvet uncovered

Russian velvet, for years considered by Korean Oriental Medical Doctors (OMDs) as the most efficacious, is having its authenticity questioned by some of the doctors. As a result, New Zealand velvet could potentially benefit, though indications are that traditional beliefs are hard to shake.

Because of the high value perception, Russian velvet has consistently been sold at almost twice the price of New Zealand velvet. This is despite research showing Russian velvet was no more efficacious than any other according to Daimien Reynolds, Deer Industry New Zealand's General Manager Marketing.

Russian velvet is perceived to be *Cervus elaphus sibericus*, the species that Korean OMDs believe is most valuable as a raw material for oriental medicine. Late in 2005, however, after DNA testing found samples of imported Russian velvet to have Canadian elk genetics (*Cervus elaphus nelsoni* and *Cervus elaphus manitobensis*), accusations of mixing velvet from different origins flew and the implicated importer staunchly defended its reputation.

As a result, more OMDs had their Russian velvet tested. Reportedly, all tested samples of Russian velvet were found to have Canadian elk genetics. The fact that appears to have become widely accepted is that over the years, Elk breeds like *Cervus elaphus nelsoni* and *Cervus elaphus manitobensis* have been crossed with *sibericus*, meaning pure-bred Russian *sibericus* are very rare.

"This could be either an issue of diluting Russian elk genes through cross-breeding with Canadian elk, or adulteration of Russian velvet with Canadian. Either way, the issue is

focusing the market on the importance of quality which should be positive for New Zealand," Reynolds says.

Korean trade press commentary on the issue has been fierce, particularly in the freely distributed oriental medicine papers, according to Velexco's Business Development Manager Lewis Patterson.

"Many OMDs see this as an opportunity to 'tidy up' not just the issue of velvet quality but what is seen as the less than transparent distribution network," he says, adding that he is starting to see early signals of a definite shift towards New Zealand velvet, though this is partly attributed by one OMD to perception of New Zealand's more humane treatment of animals. Patterson sees this as an upside for New Zealand velvet.

Well respected OMD Dr Peter Yoon believes, though, that while the authenticity of Russian velvet has been brought into question, over time this will be forgotten, and Russian will still be perceived to be the best.

Unrelated to the authenticity issue, Russian velvet industry leaders have been in Korea recently to look at growing the market in new areas. Press reports indicate talks about joint research projects between Russia and Korea looking at the development of pharmaceutical and functional food products incorporating velvet. 🇺🇰



Velexco's Lewis Patterson: sees upside for New Zealand velvet.

Cervena® centre stage at California food festival



Graham Brown, DINZ staff and supporters turned on the entertainment with a display of culinary mastery and venison versatility at the COPIA 'Mustard' Festival in the San Francisco area over the weekend of 18/19 March.

Epicurean attention focuses on Graham Brown's Cervena preparation techniques at COPIA, held this year in Napa Valley, Northern California.

Chef Brown, starting a quick demonstration tour across the United States, took centre stage in the epicurean centre of the Napa Valley, the famous Northern California wine growing area, at the major food and wine festival attended by several thousand committed food and wine lovers.

There to support the promotional work of one of the committed Cervena importers and distributors, Cervena was concurrently featured on menus in the surrounding towns and in local retail outlets.

Chef Brown turned on the skill producing three complete recipes in his hour-long demonstration while keeping up a constant patter extolling the virtues of farm-raised New Zealand Cervena. The chefs and interested consumers in the

packed theatre broke into applause at the completion of the demonstration, showing their appreciation of the quality of the samples they had tasted.

Brown says, "The response when people actually taste Cervena for the first time is always the same. 'Wow! I didn't know venison could taste so good.' The opportunity to get it in front of such an influential audience is priceless and the new promotional material that DINZ has produced helps to convey the quality of our Cervena venison."

More of these demonstrations are planned. Graham Brown will also be demonstrating to culinary schools and distribution customers to convey the message. 📺

Going Public in New York

Top food and fitness writers were introduced to Cervena® over dinner in New York on two consecutive nights early last month. Making the introductions was Brad Farmerie of Public restaurant in New York City – one of the Cervena US Chef Ambassadors.

The goal of the dinner was to showcase Cervena as a versatile, four-season meat that is a healthy alternative to that other red meat – beef. The menu was tailored to summer eating and grilling and Chef Farmerie impressed the foodie group with hors d'oeuvres like Mini-Cervena Burgers with Three Toppings and Scotch Eggs – poached quail eggs wrapped in Cervena "Hash".

Fourteen writers and editors from top US consumer and trade publications and websites then enjoyed a four course dinner, each paired with a different New Zealand wine. The big hit of the evening was Chef Farmerie's Spicy Thai Salad, which will be featured as a "Dish of the Week" in the largest US restaurant trade publication this month and is tentatively scheduled as September's "Healthy Meal of the Month" in *Men's Fitness* magazine. And just so New Zealand venison fans don't miss out, it also appears in this issue of *Deer Industry News*.

The guests were sent home with a package of Cervena flank steaks, some cooking tips for grilling, recipes, and a special Middle East-inspired 'Dukkah' rub created just for the event.

The dinners were a great way to showcase Cervena as "the new red meat" and to break the traditional view that Americans have of venison as a cold weather only meat.

Resources Public Relations received very positive feedback from the press, and they are currently working with writers from major publications like *Men's Health*, *Self*, *Cooking Light* and the website *epicurious.com* to feature Cervena in future articles. 📺



New US Cervena Ambassador Brad Farmerie (centre) held court at his upscale New York restaurant Public in the first media dinner in the Cervena public relations programme. He is pictured with (left to right) Heidi Skolnik of Men's Health magazine Erica Duecy of Nation's Restaurant News and Kathryn Matthews, freelance for the New York Daily News, Bon Appetit and Departures magazines.

How AHB deals with overdue routine Tb testing

The Animal Health Board (AHB) has developed a plan to help farmers whose herds are overdue for Tb testing.

According to AHB Communications Manager Nick Hancox, deer farmers tend to be more likely to become overdue for testing than cattle farmers.

“It can be a problem fitting in Tb testing with the annual cycle of deer activity, but most farmers manage it, and manage it well,” he says.

Nick says a small number of deer farmers become overdue for testing for various reasons. Farmers who do not complete tests by the due dates are contacted by AHB Compliance Managers to assess their compliance and arrange a date for testing. If necessary they will also suspend the herd status and place the herd under Restricted Movement.

South Island Compliance Manager, Merryn Pugh says in a recent case she contacted the farmer in question and determined the reasons for the delay, which she says were mainly down to a lack of fencing and a lack of available help.

“We worked with the farmer produce a timeline. Tb testing relies on voluntary compliance so it’s important to develop realistic timeframes, to have an understanding what farmer’s doing and how their calendar is working,” says Merryn.

Once the timeline was agreed and they had the fence erected, a helicopter was brought in to help with the muster, and the testing was done.

“Once we’d identified the problems, both sides worked together and put in a lot of effort to get the testing completed,” Merryn says.

Following consultation with deer industry representatives and deer farmers, the AHB has developed the following protocol to use when managing routine Tb testing of overdue deer herds:

AHB protocol:

Management of deer herds overdue for routine Tb testing

1. Compliance Manager to contact farmer and assess whether compliance can be achieved by discussion over the phone. This contact will be made following notification from a tester or a DMIS report.
2. If appropriate, suspend herd status and place herd under Restricted Movement as per Section 122(1)c of the Biosecurity Act. Herd status will be suspended in situations where public movements of animals from this herd are considered a risk to the National Pest Management Strategy.
3. Discuss case with Regional Coordinator and local NZDFA and RAHC member to get background information on farmer and overdue herd.
4. Visit farmer to assess and discuss reasons why testing has not been completed, e.g. lack of fencing, derelict yards, lack of help etc. Deer farmer representative from Regional Animal Health Committee will preferably be invited to this meeting.
5. Identify possible solutions to concerns raised by farmer, e.g. fencing of critical areas of the farm, suggest people who could assist in a muster, suggest whether the use of a helicopter or good team of dogs may be appropriate. Local DFA could suggest possible sources of assistance.

6. Reach agreement with farmer regarding realistic time frame for solving the problems identified. Consideration needs to be given to annual farming practice, e.g. roar and fawning. Discuss when hinds will be scanned and whether farmer can cull empties prior to testing.
7. Leave farm and summarise meeting via a letter to the farmer. This letter is to outline the work that the farmer is going to complete and an expected date that it will be completed by.
8. Revisit the farmer and discuss summary letter. If possible, get the farmer to sign a copy of this letter acknowledging that this is a true and correct summary of the initial meeting and also accepting that he/she agrees to complete the tasks necessary to achieve testing.
9. At same time as letter is given to the farmer an Official Directive will be served instructing the farmer that testing of the whole herd is to be completed by the agreed date.
10. Compliance Manager and/or RAHC member will contact farmer regularly and check on progress. These discussions are to be recorded and added to the case file.
11. Compliance Manager needs to be aware of the Tb tester appointed to do the testing.
12. Compliance Manager to speak with tester regarding specifics of case and any unique requirements.

If the farmer fails to comply at any point in this process there will be a case for forced muster and prosecution. Prosecution will include recovery of all costs associated with completing Tb testing of the herd.

If your herd is due for Tb testing soon, contact your preferred testing organisation to pre-book a date.




Photo: Animal Health Board

Testing cost refunds

Infected herds are required to be tested twice a year and AHB has a programme in place to refund the cost of testing for the second of these tests.

In Special Testing Areas and Movement Control Areas, where herds have to be tested annually, the AHB has also introduced a policy to assist farmers by refunding the cost of testing for every second year.

Animal status cards and tagging

All deer moving from a property require the new AHB/NZFSA Animal Status Declaration card and all deer over 30 days of age must be appropriately tagged. Any farmers purchasing deer that are inappropriately tagged should ring the AHB on 0800 4824636 to report non-compliant stock. 

Life in the trenches

As we went to press, there were signs that the recent slide in the kiwi dollar was starting to perk up the venison schedule. But for many producers there is a very long way to go before venison will deliver a sustainable return.

To make the point, Waimate farmer **Brian Foley** sent us a copy of his killing sheet for a mob of 35 hinds he sent to the works in February. Brian says these were not culls. “They were lovely Wapiti hinds under 24 months of age. They were capital stock, as we are cutting back on numbers.”


While it is accepted that these animals are being supplied at the traditional low point for the year where schedule reflects the peak of frozen product supply contrasted by the ongoing high demand for space, the summary makes for tough analysis.

Net of levies, MAF fees and GST, Brian received \$5577.51 for the mob, or \$159.36 per head. Subtract \$12/head for transport plus a 5.75% diesel surcharge and the return sinks even further to \$146.67 per head, ex GST.

When taking into account all his other costs of production such as drenching, vaccination, ear tags etc, Brian says the return would need to be more than double this, say around \$330, to be described as sustainable.

For the record, here is Brian’s kill sheet summary:

Weight grade	Fat grade	Carcasses	Sex	Carcass weight	Schedule price	Value \$	
Cervena AP2 40-47.9 kg	Under 15	7	H	325.10	\$2.90	\$942.79	
Cervena AP3 48-54.9 kg	Under 15	15	H	821.00	\$3.30	\$2,709.30	
Cervena AP4 55-64.9 kg	Under 15	9	H	526.40	\$3.45	\$1,816.08	
Cervena AP5 65-74.9 kg	Under 15	2	H	131.30	\$3.30	\$433.28	
Non Cervena AP5 65-74.9 kg	Under 15	1	H	72.10	\$3.05	\$219.91	
1875.9						\$6,121.37	
						Total	\$6,121.37
						GST 12.5%	\$765.17
						Total inc. GST	\$6,886.54
Less Deductions						MAF fees @ \$9 per carcass	\$315.00
						GIB, AHB levies 1,875.9 @ 0.122	\$228.86
						Sub Total	\$543.86
Costs associated with condemned carcasses						0	
						Slaughter fees	\$36
						Sub Total	0.00
Payment summary	Ave wgt	Ave value	Net amount	Net deductions		\$543.86	
Total hinds: 35 @	53.60	179.28	6,274.70	GST 12.5%		\$67.98	
						Total deductions	\$611.84
						Total payment	\$6,274.70

We welcome comment on Brian’s experience or your own. Is this a typical scenario? What is a sustainable return? How far does the schedule need to recover to deliver this? 

Farm manager prosecuted for Tb control offences

A former deer farm manager has been convicted in the Rangiora District Court for a breach of a bovine Tb control directive under the Biosecurity Act.

Michael James David Devine admitted moving deer without obtaining written permission and without a mandatory pre-movement Tb test as required by the Animal Health Board. The movement restrictions had been imposed by the Board because the deer herd in question was overdue for routine Tb testing.

The incident relates to sale and transport of deer by Mr Devine on or about 20 November 2004 while managing a farm at Oxford, North Canterbury.

Animal Health Board Chief Executive William McCook says the prosecution reflects the Board’s increasing focus on compliance and prosecution of offenders. It is AHB’s second successful prosecution within the last 12 months.


“The majority of farmers willingly comply with the rules of the Tb scheme, but they want to see us taking action against the few who don’t play by the rules,” he says.

“Last year we appointed two specialist compliance managers to our staff, so we now have the skills and resources to investigate and prosecute offences.”

Mr McCook says that although the penalty handed down for the Biosecurity Act offence – 40 hours’ community service – was relatively light, Devine had also been ordered to pay \$5000 in reparation to his former employer and was sentenced to an additional 140 hours of community service after being convicted on three criminal charges relating to theft of livestock and deception while he was employed as a farm manager at the North Canterbury property. “All in all he had a fairly bad day in Court, and we are happy to see the owner of the stock receiving some reparation.”

Mr McCook said the light sentence also reflects the fact that the defendant is personally insolvent, that he pleaded guilty, and is a first time offender.

“The result certainly does not discourage us, and we are currently investigating several other cases for possible prosecution.”

The AHB is especially concerned with cases of “blatantly false” Tb Declarations, movement of stock from movement control areas or infected herds without correct Tb tests, and failure to comply with testing, animal identification or movement control directives. (See accompanying article in this issue of *Deer Industry News* on AHB protocols for overdue Tb tests.) 

ForageMaster® workshops for deer farmers

DEEResearch was generously given access to the sheep and beef ForageMaster program and funded a specific adaptation for deer.

A consistent message received during consultation with farmers has been the need for independent information on pasture and forage crop species and cultivars. There are over 40 species and 250 cultivars and a large amount of competing claims in promotional material for a farmer to sort through. In response, Meat & Wool New Zealand contracted AgResearch to produce a decision support tool to provide them with independent advice.

What does *ForageMaster* do? It asks the user to:

- identify, from lists of options, the climatic region, soil fertility and moisture conditions and pest threats for their particular situation
- define, again from lists of options, what they want of the pasture or crop – its longevity, ease of establishment, grazing management during each season etc; and
- rank the importance of seasonal forage yields, forage quality, resistance to pests, diseases and droughts, and ease of establishment and maintenance.

ForageMaster uses this information to identify the most suitable plant types from its list of 40 species and 250 cultivars. With the click of the mouse the user can find out


why one plant type is preferred over another, and why other species were unsuitable. This is backed up by information sheets about each forage type and supplementary information about their use.

If the user is dissatisfied with the selections he or she can review the conditions and priorities set at the start, and produce a new list of recommended plant types. This is a useful learning exercise, finding out why favourite plants may not be ranked as highly as expected, and why others ranked higher than expected.

When satisfied with the main species and cultivar selected, the user is informed of suitable companion species from which they can compile a seed mix of his choosing. This should be used as a basis for discussion with people with local experience – seed merchants, contractors, other farmers – before the final selection is made.

ForageMaster workshops have been presented to over 1500 sheep and beef farmers in the past 12 months.

In addition to the *ForageMaster* selection tool, the workshops cover other topics, including.

- cost-benefit analysis of sowing forage crops and regrassing
- best practice establishment methods, and management of pastures for persistence. 

Trophy measuring course for SCI members

Safari Club International's New Zealand Chapter will host a trophy measuring course on Monday 25 September 2006 to follow the Sika Show at the Taupo Events Centre, Spa Road, Taupo. This seminar will be conducted by Michael Roqueni – Official Measurers' Coordinator and a colleague from SCI Trophy Records Department in Tucson, Arizona.

Costs are scheduled at \$US100.00 for the Official Measurers' course, and \$US125.00 for the advanced Master Measurers' certification. The course is open for Official Measurers to sit the Masters course, providing they held an Official certification prior to 1 April 2006. New International memberships may be purchased for \$US80.00 enabling new SCI members to sit the Official course. However new members cannot advance to the Masters course the same day.

To aid in planning the seminar, applications should be in as soon as possible.

For further information, and an application form, contact: Glen Steen, SCI-NZ Seminar Convenor, 71B Beach Road, Castor Bay, Auckland, ph 09 410 4913, sknman@pl.net

ForageMaster for deer farmers

Meat & Wool New Zealand along with DEEResearch is now offering the deer industry the opportunity to provide workshops tailored to deer farmers' needs, during winter 2006. The tool has been rewritten to accommodate deer farmer requirements. Dates and venues for these workshops will be notified through local NZDFA Branches.

Special reminder

There will be a *ForageMaster* session at 1.00 pm on Thursday 25 May during the post-conference field day at Lincoln University.

For more information contact Tom Fraser: phone 03 325 9944, email tom.fraser@agresearch.co.nz or Tony Pearse: phone 021 719 038, tony.pearse@deernz.org

National 2yo velvet and hard antler competitions

The National 2 year-old velvet and hard antler competition and Branch Challenge was hosted by the Wairarapa Branch of NZDFA in Masterton on 25 February. Sponsors included Ancare, West Bush Deer Stud, Deer Reproduction Services, PGG Wrightson and NZDFA. Results are as follows:

National 2yo Velvet Antler

Head	Owner	Weight (kg)	Competition points	Branch
2	Peter Swann, Mossburn Northern Southland (Magnum)	5.85kg	16.47	Southland
3	David Stevens, Netherdale Balfour, Southland (Hotere)	4.795	27.39	Southland
5	Trevor Currie, Black Forest Deer Park Outram, Otago (O3Y219)	4.26	30.53	Otago
4	David Stevens, Netherdale Balfour (Milestone)	5.10	36.00	Southland
6	Bruce Simmonds, Northern Boundary, Rotorua (W671)	3.25	61.97	Rotorua
7	Bruce Simmonds, Northern Boundary, Rotorua (W 696)	3.775	62.69	Rotorua

Branch Challenge

Adult heads

Head	Owner	Weight (Kg)	Competition points	Branch
2	Trevor Currie, Black Forest Park	9.632 (Berwick)	14.64	Otago
1	David Stevens, Netherdale	6.94 (Argus)	50.91	Southland

2 yo heads

Head	Owner	Weight (Kg)	Competition points	Branch
2	Peter Swann (Magnum)	5.85	16.47	Southland
5	Trevor Currie (O3Y219)	4.26	30.53	Otago



Hansen tops 2 yo hard antler field

Rockvale Deer Stud's Rex Cowley, owner of impressive 2 year-old Hansen, says that the winning SCI score of of 353³/₈ would have been 391 if the burrs and spread measurements were taken into account. He says the natural born stag was already showing great trophy potential as a spiker (42 points, 321 SCI). The hard antler head weighed 9.3kg. "His dam, P52, has produced some excellent spikers including two by Banks, and his grand dam W239 has produced Zangeith and other top Eastern stags over the years."

Branch Challenge result

Branch	Combined points
1st Otago	45.17
2nd Southland	66.38

National 2yo hard antler

(Heads scored by Garry Ottmann, GAFF, SCI, Don Adams SCI, Guy Williams (Wairarapa Branch NZDFA, SCI)

Place	Head	Owner	Stag Name	Score (excluding spread points and burr)
1	3	Rockvale Deer Stud Rex Cowley, N Plymouth	Hansen	353 & 3/8ths
2	8	Love Red Deer Stud Don Love, Rotorua	3651	309 & 7/8ths
3	6	Spotsburn Station, John Scurr, Cardronna	P431/03	307 & 3/8ths
4	11	Harry Robinson & Craig Wilson Myross Bush	Howland 1308	289 & 0/8ths
5	5	Sarnia, Bob Aitkinson, Cambridge	Tiberius	286 & 2/8ths
6	10	Black Forest Park, Trevor Currie, Outram	Henley	284 & 5/8ths
7	1	Tower Farms, Joe Crowley, Cambridge	Lancaster	282 & 4/8ths
8	7	Black Forest Park, Trevor Currie, Outram	Harley	280 & 6/8ths
9	12	Love Red Deer Stud Don Love, Rotorua	3653 Maccona	274 & 5/8ths
10	4	Love Red Deer Stud Don Love, Rotorua	3654	265& 7/8ths
11	2	Rexdale Farm, Bruce Timmins, Pahiatua		253 & 6/8ths
12	9	Northern Boundary, B Simmonds, Rotorua	W096	251 & 5/8ths

1080 reassessment update

The Animal Health Board and the Department of Conservation hope to submit a joint application for the reassessment of 1080 by the end of June.

The formal reassessment will be carried out by the Environmental Risk Management Authority (ERMA) who are expected to hold public consultation in August and September.

New Zealand is the world's largest user of 1080. As the only toxin able to be applied aerially, it is a key tool for possum control.

Concerns have been raised over the adverse effects of 1080 on non-target species such as birds, deer and livestock, as well as the impact on humans. The reassessment process will re-examine the risks, costs and benefits associated with 1080 and review the controls that regulate its use.

In an earlier consultation process seeking support for the ongoing use of 1080, the deer industry strongly supported the need, provided that alternative options and logistics had been thoroughly examined and aerial applications were used under strict controls and assessments.

ATV safety reminder

The recent Vanner case serves as a tragic and timely reminder to all farmers of the guidelines surrounding the safe use of ATVs – and no doubt had many farmers thinking: “There but for the grace of God...”

ACC receives 50 claims every year for injury to under 16-year-olds from ATVs. ACC Programme Manager Injury Prevention, John Wallaart says ACC believes there are between 6-12 fatalities each year involving under-16s riding ATVs. A total of 300 claims for serious injury from ATVs and 800 medical claims are received annually.

In 2002, industry guidelines published in *Safe Use of ATVs on New Zealand Farms* were produced by DOL, MAF and ACC with the involvement of the rural community, including NZDFA.

The guidelines state that youths under 15 should not drive a farm ATV. However, youths between 12 and 15 may drive a farm ATV if their guardian or employer establishes that the youth is capable and competent to drive the particular vehicle, and extra precautions are taken and limits imposed.

However, defence in the Vanner case called on a number of farmers who said they had never read the guidelines and had let their children ride ATVs by themselves.

NZDFA Executive Committee Chairman Andy Mitchell says he hopes the tragedy serves as a wake up call for farmers, but adds that memories are often sadly short.

“It probably won’t take long before kids are back on quad bikes. I see local kids as young as ten riding quad bikes every day. You wouldn’t send your ten year-old out in the family car, and nor should you allow them to wander the farm on an ATV,” he says.

Andy believes that nobody should be able to ride ATVs unless they are able to right them if they do roll.

“Quad bikes are still fundamentally unsafe. With their centre




There are plenty of comfortable, convenient helmets available for wearing on an ATV. (Photo courtesy of Federated Farmers.)

of gravity they are just not designed for some of the stuff people are trying to do.”

The guidelines also recommended that passengers should not be carried because they severely affected the stability of the bike, and that helmets should always be worn.

“Any sensible farmer today with staff will insist on them wearing helmets, but it’s difficult to enforce that if you’re not wearing one yourself,” Andy says. “Farmers have to lead by example and there are plenty of comfortable, convenient helmets available now.”

Like many farmers, Andy believes that education, not regulation, is the key to changing attitudes towards ATVs.

“It’s important that everyone attends an OSH course to understand what you can and can’t do on an ATV.” 

AI dialogue – a final word

The lively discussion kicked off by Clive Jermy’s article way back in October 2005, looking at the economics of using AI for venison production, has continued.

In a further letter on the topic, EWSNZ President Grant Muir expands on his earlier arguments, namely:

- He does not believe the cost scenarios set out in the original article (*Deer Industry News*, October 2005, p19) are workable in a commercial setting on today’s returns.
- He emphasises that Elk/Wapiti have a much greater role than purely as terminal sires, noting “prime high percentage Elk/Wapiti of 90-120 kg carcass weight and under three years old have the potential to provide one of the finest and healthiest red meats available to the public, but ... under existing industry schedules those animals are discriminated against and never get to reach their true potential.”
- Because stags have to be paid for in full in the year of purchase, Grant maintains that per-calf calculations should reflect this. “That is the bottom line and that is the basis

for the adjusted per-calf costs I provided. I prefer to leave any fancy accounting to my accountant – that’s what she gets paid for.”

Clive Jermy told *Deer Industry News* that AI is an excellent strategic tool for the deer industry, its main value being to enhance the female genetic base. He maintains that it is uneconomic to use AI simply to enhance venison revenue. He says the most cost-effective to use AI is to take semen from your own stag. “That way you can cover substantially more females with his genetics. Further on, there is always the potential to sell a stag as a trophy animal, which will help fund the purchase of the next stag.”

- *Deer Industry News* thanks Grant and Clive for these additional points. We’re now drawing a line under this discussion, but the original article has prompted some useful dialogue. While different viewpoints do not always agree, the exchange has shown a sharpening focus on profitability right across the industry – and that has to be healthy. 

Natasha Swainson says nutrition plays an important part in sustainable farming.



Deer Watch: Natasha Swainson

Mention methane emissions to anyone in the industry and chances are you'll be met with raised eyebrows, not to mention blood pressure levels. But given New Zealand's commitments under the Kyoto Protocol, finding ways to lower emissions will play an important part in how we farm in the future.

At just 26, PhD student Natasha Swainson is already making great headway into gaining accurate methane measurements from deer. She is now preparing for a study which compares methane production of deer with that of cattle and sheep.

Natasha grew up on her parents' sheep and beef farm in Marton, which she left in 1998 to study at Massey University. Her BSc was in Zoology and Physiology, but her primary interest is improving animal nutrition.

"Nutrition is so important, not only to our production systems but also to the health and wellbeing of farm animals," she says. "If animals receive optimum nutrition they are generally healthier and more productive."

Natasha believes that nutrition plays an important part in sustainable farming.

"In order to be able to accomplish this we need to have a good understanding of how animals digest food, how they respond to new feeds such as forages and how we can use alternative feeds to complement New Zealand pasture."

Prior to starting her Masters, Natasha had had very little contact with deer.

"The closest I got was watching them on my uncle's farm," she says. "They really are wonderful animals."

Her Masters was the first attempt in New Zealand – and almost definitely the world – to measure methane emissions from grazing deer using the SF₆ technique which allows for individual measurements of methane to be made from grazing animals, by collecting breath samples, as the majority of methane exits the animals by burping.

As such, new harnesses had to be designed and tested to carry out the measurements. Each animal in the trial underwent a month-long training period to become used to wearing the harnesses. Natasha says she was surprised how quickly the deer accepted the change.

"The only really adverse effect was on my sanity as the deer love to chew the harnesses, which created a few problems," Natasha says.

She also compared methane emissions of deer grazing different forages – pasture, chicory and plantain, with measurements undertaken in March and May – to see if this affected methane yield. Natasha found that methane yields (methane grams/kg of dry matter intake) did appear to be reduced when deer were fed chicory and plantain compared with pasture.



Deer set up with the special harnesses with methane monitoring equipment.

During her Masters, Natasha received some personal financial assistance from one of Massey's agricultural scholarships, the G.O.

Antiss Postgraduate Scholarship, and she has also worked part-time at AgResearch in FeedTEC and driving articulated dump-trucks.

Funding for the experimental work was provided by AgResearch Ltd, DEEResearch Ltd's post graduate fund, MAF, Massey University Research Fund, Pyne, Gould Guinness and Wrightson (now PGG Wrightson).

Now in the second year of her PhD, Natasha is on a full Enterprise scholarship whereby the Tertiary Education Commission matches the contributions from company funding (Elanco Animal Health Ltd, DEEResearch Ltd and the Pastoral Greenhouse Gas Research Consortium (PGGRC)). Funding for the experimental work is provided by PGGRC, MAF and AgResearch.

Part of her PhD is a comparative study which involves housing sheep, deer and cattle indoors and feeding them the same diet, then measuring methane. In this way, Natasha will be able to compare deer with the other ruminants.

The experiments will start with winter measurements in July, a three week process.

"For a PhD student this means three whole weeks with no sleep at all," Natasha says.

Measurements will also be repeated in December and will

'Fart tax' on hold pending research investment

Agriculture contributes 49 percent of New Zealand's greenhouse gas emissions and in 2003 the Government proposed a research levy be imposed on the sector to fund research.

However, following strong objection from agricultural organisations, including DINZ, the Government decided the sector would be exempted from an emissions research levy (the ill-fated 'fart tax') in the first commitment period – provided the sector is willing to invest, in partnership with the Government, in research to identify options for reducing agricultural emissions. This resulted in the expansion of direct research activity into mitigation via the Pastoral Greenhouse Gas Research Consortium (PGGRC).

Through the PGGRC, a science strategy has been developed which is expected to deliver productivity gains to farmers.

The Government retains the option of imposing a research levy if the research effort falls below what is required for their emissions from energy; agriculture is considered part of the General Energy Users' group.

Johne's technical showcase: 16-17 May

The Johne's Research Group (JRG) and Sustainable Farming Fund (SFF) are combining to offer a major Johne's disease (JD) technical showcase in Wellington next month.

The JRG is lifting the bar in deer and the wider livestock sector's participation in understanding the research, applied science and on farm practicalities in Johne's control with an invitation to all interested parties to find out how all the pieces in the story fit together. This will be followed by a full day of presentations on research results, industry programmes, vaccination potential, on-farm experiences and management advice. There will also be presentations on the epidemiology research perspective, and linkages to other livestock industries in New Zealand and Australia.

The programme is designed to interest sectors all from farmers to industry, researchers, funders and administrators, all of whom are working to make a positive impact on JD in New Zealand.

The meeting will feature a late afternoon opening showcase and keynote address from Minister of Agriculture Jim Anderton and MAF's Sustainable Farming Fund, who have encouraged and promoted the JRG's programme into the multi-faceted directions it is now running, and are keen to underwrite this event to develop a record of progress and potential.

The programme will also allow input from the developing pan-sector Johne's Consortium and other key participants in the JD story.

The JRG and SFF are promoting this event, which will also feature the usual 6-monthly JRG research science and issues update to:

- showcase the competence and achievements of the JRG and the resources supporting it, ensuring that funding and commitment are secured for the future
- present the current advanced science behind the deer research endeavour to encourage a united and collaborative approach to JD management
- explore the potential for using deer as a research model for JD within all sectors
- detail deer industry issues and current state of solutions and programmes with JD in deer from a farm, science and industry perspective
- present and launch the Johne's Management Group (JML) from a development model to a working concept for the industry and to outline the potential functioning of an associated national database

Deer Watch continued from previous page...

be followed by months of analysing the data. The study is a combined project with Massey and AgResearch Ruminant Nutrition and Welfare Section, supervised by Drs Simone Hoskin, Harry Clark, Ian Brookes and Keith Joblin.

Natasha spends her spare time with her fiancé Owen, cat Sandoz and Beagles Otis and Martha. She enjoys photography and drawing her friends' pets, and training her dogs in agility. 📷

- develop links with the pan-sector Johne's Consortium
- identify further research areas that may offer scope for controlling or eradicating JD and to advance international collaboration
- ensure that work on JD in the deer industry, and more widely, is undertaken in a coordinated and rational fashion that avoids duplication.

NZVA Deer Branch link

The event is also linked with the Deer Branch of the NZ Veterinary Association, who will join the JRG for the opening and technical sessions on JD. That purpose is to develop a project with the Deer Branch to establish a national network of veterinary expertise and JD professionals specifically targeted to assisting deer farmers to deal with the disease.

The Deer Branch's own meeting follows on the Thursday 18th and Friday 19th. Its programme is again of interest to farmers and is the major technical forum for the year.

Programme

Tuesday 16 May

4.00-7.30 pm: Conference opening and JRG showcase presentation and social hour, Think Tankz conference venue, 25-27 Vivian Street, Wellington.

Wednesday 17 May

8.00am-5.30pm: Johne's conference technical papers, James Cook Hotel, The Terrace, Wellington.

Registration required (\$50 fee to cover meals and venue)

7.30pm optional Joint JRG showcase and Deer Branch NZVA combined dinner (\$70 per head)

Thursday 18 May

8.30am-5.30pm: Deer Branch NZVA, technical sessions, James Cook Hotel

Friday 19 May

8.00 am-12.00pm: Deer Branch NZVA technical sessions.

Registration is essential!

- For JRG sessions 16-17 May, Contact: Pat Johnston, DCMS, pat@dcms.co.nz, 03 477 1377 or Tony Pearse, tony.pearse@deernz.org, 021 719 038
- For the **combined sessions** 16-19 May including the NZVA Deer Branch Technical programme **or just the Deer Branch programme**, 18-19 May, call or email: Peter Wilson, IVABS, Massey University, Palmerston North, P.R.Wilson@massey.ac.nz, 06 35 69099 ext. 7619

Accommodation

Hotel rooms are available at the James Cook Hotel at the conference rate of \$150 plus GST. 📷