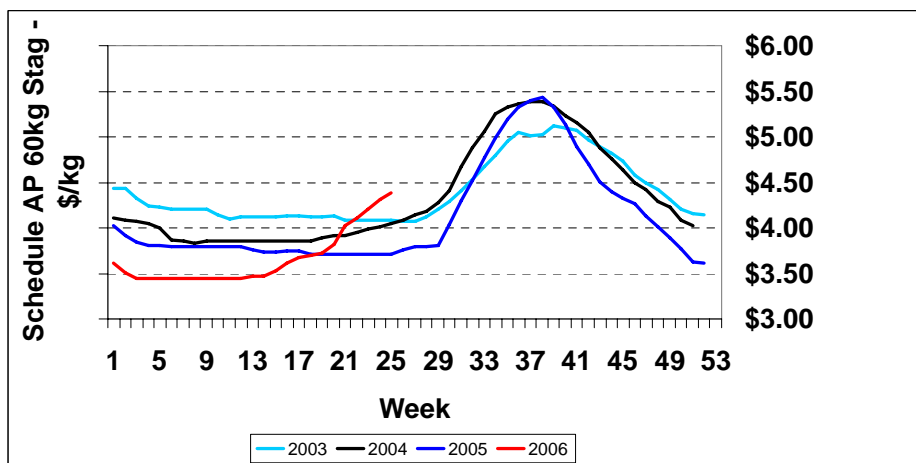


>>> VENISON SCHEDULE

National published scheduled for 60 kg AP stags averaged \$4.39 in the week ending 23 June. This is 11% higher than the average of the last three years at this time. The average schedule has risen 27% since the trough of \$3.45 in March.

60kg AP Stag – Published National Average Schedule. (Source: Agri-Fax)



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Venison production

Venison production in February 06 was 6.8% less than in February 2005. Venison production for the five months from 1 October to 28 February was 1.3% more than the corresponding period 12 months earlier. DSPs in the North Island have been experiencing some short weeks and seasonal maintenance closures. Plants have been running at capacity in the South Island, but are now moving into the off season and closing for repairs and maintenance.

... venison production down in February 2006

Venison Exports

Reports from Europe indicate that while there are still adequate supplies of frozen middle cuts on the market, and consequently no price rises. Forequarter cuts and manufacturing items continue to increase in price as buyers now have to look for supplies. New Zealand exporters report that they are seeking price increases for chilled items as the new chilled season draws nearer.

... exports seeking price increases

Deer Notes

New York Giants grill with Cervena

In a highlight of the 2006 Cervena promotion programme, Deer Industry New Zealand organised a demonstration and grilling display lunch for the players and staff of the New York Giants American football team. 40



players and staff from the Giants club attended the lunch, at which two Cervena Ambassador chefs demonstrated how easy Cervena venison is to cook as they served the players Cervena for their lunch. The event was organised with the

assistance of the Giants team nutritionist who wanted to show the players the advantages of including a high quality, low fat protein in their diets. Via media releases the events received coverage on two local cable television shows, three East Coast daily newspapers and articles have been distributed to sports and nutrition magazines for publication later in the year.

New website

www.cervena.com has been updated and refreshed. New resources for chefs and distributors, a new easy to use recipe database, and profiles of New Zealand deer farmers complete a 'pasture to plate' approach to providing North American chefs with all the information they need on Cervena.

... check out
www.cervena.com

Impress your Guests: Germany 2006

Bookings are being made for the advertising to support store promotions in September and October in Germany. New promotional material is being produced including recipe brochure, point of sale stickers and merchandise material. Seven importers are working with the agency in Germany to co-ordinate the sites and timing of the 'Impress Your Guests' promotions.

Deer Industry New Zealand is also working with importers in other European countries to arrange company specific promotions to promote New Zealand venison. For example supermarket tastings are planned for the Netherlands later in the summer, and one importer is working on getting advertising in a French supermarket promotional flyer.

Christchurch Venison Promotion

Keen meat retailer – Elite Meats in Christchurch is holding a venison demonstration with Graham Brown on 23 June (today). Chris Rich, manager of Elite Meats says that he has a constant customer base of committed venison buyers, but wants to spread the word to get new people using Venison, and show them how leg cuts can also be used. Chef Graham Brown will be demonstrating venison cooking at the Bush Inn mall at Riccarton from 11 am to 3pm on Friday.

Deer Notes is published by Deer Industry New Zealand PO Box 10-702 Wellington, New Zealand

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>>> VELVET

Pools Price Wrap-up

The average price of velvet traded through the pools during the 2005/06 season was \$47. The following were the grade average prices:

Summary of Pool Prices 2005/06 Season

Elk/Wapiti	\$ 65.00
Super A	\$ 60.00
A	\$ 57.00
B	\$ 53.00
C	\$ 48.00
D	\$ 43.00
E	\$ 37.00
Taiwan	\$ 66.00
Spiker	\$ 50.00
Overgrown	\$ 37.00
Damaged	\$ 45.00
Manufacturing	\$ 45.00
Regrowth	\$ 49.00
hard Velvet	\$ 13.00
Hard Antler	\$ 15.00
Total	\$ 47.00

Korean Deer Industry

The number of deer farmed in Korea has dropped 9%, apparently because of the difficult trading environment for Korean deer farmers.

AS OF	TOTAL	FEMALE	MALE
End 2000	150,466	78,588	71,878
End 2001	156,076	81,597	74,479
End 2002	153,438	78,719	74,719
End 2003	144,926	73,549	71,377
End 2004	138,302	67,574	70,728
End 2005	125,653	58,681	66,972
Increase (%)	-9.15%	-13.16%	-5.31%

Source: Korean Deer Breeder Association

Deer Notes

Velvet imports to Korea

According to official Korea statistics, from May 2005 to April 2006, imports of velvet into Korea increased 38% by volume and 9% by value compared with the same period in 2004 and 2005. Imports from New Zealand increased 37% in volume but declined 3% in value during the same period. The market share of New Zealand velvet declined to 47% in value terms.

COUNTRY	MAY 04 – APR 05		MAY 05 - APR 06		INCREASE	M/S
	VALUE (US\$M)	VOLUME (T)	VALUE (US\$M)	VOLUME (T)	VALUE (%)	VALUE (%)
New Zealand	10.8	168	10.5	231	-3.37%	47%
Russia	6.6	35	7.4	41	10.43%	33%
P.R. China	2.7	21	4.1	40	54.06%	18%
Kazakhstan	.079	.5	.07	.5	-11.20%	0.3%
Australia	.409	16	.398	19	-2.83%	2%
Total	20.7	241	22.5	331	9%	100.00%
NZ Share	52%	70%	47%	70%	-6%	-

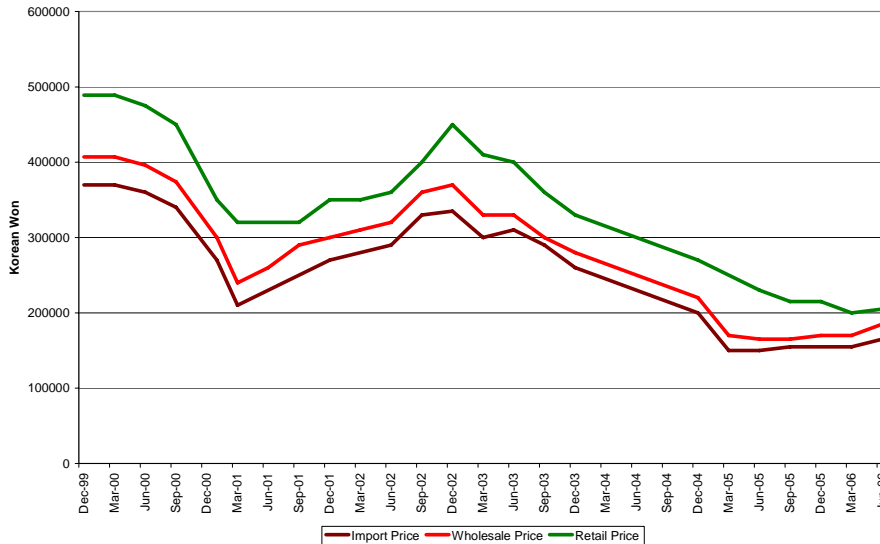
Source: Korea Customs Service

Deer Notes

Korean market prices

Market prices, as of the end of May 2006, have firmed slightly. Reports suggest on average, import, wholesale and retail prices on average have improved 6%.

Approximate In-Market Velvet Prices, 30 May 2006



Source, NZTE Seoul.

Note: The above prices are for 1-2 kg velvet. The "wholesale price" is the price for whole sticks paid by wholesalers/slicing companies to importers and the "retail price" is the price of sliced velvet paid by oriental medicine clinics to wholesalers. The minimum sales quantity is 1 keun (16 nyang x 37.5 grams = 600 grams).

US Market for NZ velvet

A DINZ joint promotional partner has gained access to the world's largest health supplement retailer, GNC. Promotional activities will continue to support the retail distribution with PR.

Team Discovery Powered by Velvet.org.nz comes 3rd in Tasmania

Team Discovery/Powered by Velvet.org.nz, which recently came third (in a field of 43 international teams) at the Australian XPD adventure race, will race at the world's largest adventure race, the Primal Quest, beginning 25 June.

China

A DINZ joint promotional partner reports New Zealand made consumer ready products containing deer velvet or co-products have been successfully registered with Chinese Authorities as food products. This allows phase 2 of the activities to begin - retail marketing of the products.

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Deer Notes

0800 VELVET

Negotiations between a working group of producers and PGG Wrightson are underway, looking toward the establishment of a producer owned entity to take responsibility for the sales of velvet through the existing velvet system. The negotiating team of the working group have asked PGG Wrightson to consider a Heads of Agreement that broadly defines the proposed entity and arrangement, and if this happens, negotiations will continue at a higher level of detail toward having a new entity operational by the beginning of the new velvet season.

Discussions are also underway with a third party, looking at a 'Plan B' option to provide producers with more representation and responsibility in how velvet is sold.

>>> NEWS & UPDATES

Andrew Mitchell re-elected Chair of EC

Andrew Mitchell was returned as the Chairman of the Executive Committee for the 2006/07 year (Moved Aitken, Seconded Taylor) at the Executive Committee meeting on 18 June.

John Spiers elected provisionally to DINZ Board

While the result is provisional until 12 July 2006 based on the operating code of practice, Chairman Selection and Appointments Panel 2006, Bob Kingscote has advised that John Spiers, Maranoa, Hawke's bay has been appointed to the DINZ Board for a three year term, filling the single vacancy created by retirement by rotation of sitting member Warren Moyes.

The Selection and Appointments Panel wishes to thank all candidates (Barry Cuttance, Warren Moyes, John Spiers and Simon Vincent) for the depth of their research and commitment to the selection process.

Daimien Reynolds moving on

Daimien Reynolds (GMM), after a short but productive stint with DINZ, is moving on. Proving that DINZ staff are not shiny-butts and that nepotism is alive and well, Daimien is taking up a position as Farm Manager on his father-in-law's farm in northern Wairarapa.

Daimien's long term goal has always been to get back on to the land, but it's happened more quickly than Daimien envisaged. He reports that he's enjoyed his time with DINZ and the deer industry immensely and the change is bitter-sweet.

The position is being advertised in this weekend's DomPost, Press and Sunday Star Times. If anyone would like a copy of the Position Description, they should contact Mark O'Connor (mark.oconnor@deernz.org).

Deer Industry Conference Presentations

Full copies of DINZ presentations from the Deer Industry Conference are available on www.deernz.org/resources.

Taranaki AGM: 29 June

The Taranaki DFA branch will have its AGM on 29 June in Stratford. Contact Mary Cusdin for further detail on 06 762 7852.

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