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EDITORIAL

Welcome to our latest newsletter. I hope you are all coping with the diversity that nature is currently offering us all over the world in the form of seasonal conditions.

The last three months have been very interesting for us as we continue to follow up on the contacts that we made at Beef Week. It certainly gives us the opportunity to see firsthand how innovative and adaptive many of our beef producers are. I sense that most of the producers that we meet are really very creative and resourceful in setting goals for their business and know what they ultimately want to achieve. Whilst some of the goals are long term and quite general, at least producers have a vision for their future that is achievable and sustainable. It is also worthy to note that maintaining and improving their environment is uppermost in many of the producer's minds. Many are also aware of the growing need to produce meat that is going to meet the dietary requirements being promoted by health food gurus. One of the challenges facing producers is to determine which of the dietary information being promoted at any given time is well proven and legitimate and which is just a marketing ploy or fad. It is very easy, but also very costly, to be drawn into the latest trend, only to find it has been superseded just as you get your business changed to meet the newly superceded requirements.

It is a great privilege for us to be able to hear the ideas, goals and dreams of the producers we meet and we will never tire of hearing about how people develop their thoughts towards ideas that they are totally committed to.

We consider it a sign of trust that you allow us to share in your business in the way that you do and be a very small part of what you are aiming to achieve. If we can add any small detail that will assist in this aim then it is with pleasure that we do so.

WHAT'S (BEEN) HAPPENING

*The CLMS annual meeting has just been held, thus the delay in getting this newsletter out so that I can include any items of interest from that meeting in this letter.

*The meeting was very positive and all present expressed optimism about the future given that we have, until 2 years ago, been focusing more on the development of the system than on its promotion. This meant we had little income and had to meet all the cost incurred with the research and development we were doing. Over the last 18 months or so, we have started to promote the system more publicly, although our book explaining the system has been available for a number of years. The R & D though is an ongoing part of our business and will continue as we progress.

There has been an 80% plus increase in book sales and more hits on our website over the last 12 months. We would like to thank all those people who have supported us over the last financial year and look forward to their continued involvement.

*The major decision that was made at the meeting was to restructure the company to encourage investment that will ensure a continued growth in the business. This restructure will allow some of the current director/shareholders who have other growing business interests to step back somewhat from the day to day functioning of the business, but still retain an interest in the company. It will then make room for other potential investors who have expertise and/or funds to maintain and ideally add to the current growth rate.

*As I mentioned in the last newsletter, we are planning to do some more trials around the relationship between high quality meat and high quality a2 milk in the foreseeable future. We are interested in working with any producers who would like to be involved in this work. If you are interested, please let me know. We are hoping for a

diversity of breeds and environments to also see if these have any major contribution to the results. We are looking at evaluating cattle for milk quality and quantity as well as meat quality to expand on our previous work.

*Over the last 3 months I have had the pleasure of seeing and evaluating a number of interesting herds. I never cease to be pleasantly surprised by the way our clients are making a significant contribution to the beef industry in their own way. It may only be miniscule in most cases, but they are all doing something a little different and adapting to the resources they have to get the best out of their stock. I saw some very good cattle during this period including two of the most concave boned heifers I have ever felt. They were both Brahman heifers and a yearling bull from the same herd was not far behind. I hope I get the opportunity to work more with this herd in the future. I also graded a couple of lesser known breeds that originated in Africa and are both suitable for the tropical Old. climate.

One, the Nguni, I have featured previously as a breed of the quarter in our newsletters. The Nguni's I saw in Nth. Qld. at Dr. Gawrie Roux's stud near Cardwell all had reasonably good meat quality, but the foraging ability of the cow herd was very impressive on the pasture they were on when I was there.

The other breed, which is the breed of the quarter for this newsletter was the Drackensburger. Their details follow, but the impressive thing with the bulls that I saw was that they were all consistently good for meat quality.

Over the last 3-4 months, I have also worked with four Bazadais herds. Whilst they were only fairly small herds, they had some very good features. As with the Drackensburger bulls I graded, I did not find one Bazadais bull that was not good in the bone. There were, however, a few of the females that I graded that were a little coarser in the bone. The fact that the Bazadais were a closed herd in France

from the end of the second world war until 1988 has meant that they have a fairly small gene pool and this is certainly an advantage in regard to consistency.

*We are still slowly but surely working towards establishing a market chain for CLMS graded beef. We don't expect this to happen overnight, though it is frustrating trying to get processors and butchers to listen to us. We have spoken with a small processor and a butcher recently who have shown some interest in what we are planning. Unfortunately, they are several hundred kilometres apart.

We are looking at using smaller processors at this stage because of the greater manageability in regard to tracing graded animals through their system. Any producers who have any contacts or are interested in working with us to develop this part of the program are more than welcome to contact us.

* One of the things that is gratifying is to meet the number of small producers who are having their own meat processed and then selling it through stands at farmers markets and similar. There is a definite increase in the number of producers going down this path and we have been approached to grade some of these animals. We are more than happy to be involved with these producers in this respect.

#As I stated in the last newsletter, we are keen to get some marketing of graded cattle going so we are happy to advertise for any of our clients here in the newsletter.

We still have a client with 21 Red Poll x Droughtmaster heifers for sale for \$600.00 each. They are all graded as 3.5 and 3, are at weaning stage and average weight around 300+ kg.#

#We also have a client looking for some graded Brahman females so if anyone has any for sale we would be happy to put you in touch with our buyer.

* I am hoping to make contact with people who have bought a copy of our book "The Vision Tender" over the next few weeks to ask if they have any questions or follow up they would like. I am happy to

visit and spend time with those people and even better if there are a few cattle in the yards so that we can discuss some of their different features. We offer this backup without cost as part of your commitment in purchasing the book. I would also hope to catch up with more of those people who visited our stand at Beef Week as well. If I don't contact any of you over the next few weeks, please feel free to call me and we can make a time to meet.

* I had planned to go to the Northern Territory again in September to grade the Coodardie weaners, but we have decided to leave them until next April and do them at the same time as we select the bulls for their next year's annual sale. This also means that any plans we may have been able to put in place with the Northern Territory Beef Research Centre at Katherine to do some work on selection for fertility in cows has also been put on hold.

* Over the next three months, I have several trips planned to visit clients to do some evaluating as well as to meet and catch up with people who have bought our book or we met at Beef Week as mentioned above. I am happy to call and spend time discussing our system with any breeders whenever it can be arranged. I hope to get to Nth. Old. again soon (next week and again in early Dec.) as well as the North Burnett and lower Central Old. areas and Nth. and Central NSW (24th – 27th Oct.). If anyone would like me to visit them, please let me know and we will arrange it.

WHAT WE DO.

I just wanted to explain broadly how I am currently managing the evaluation process with herds. The first step is consultation with the breeder to get an idea of what their goals are for their herd and if they have any specific traits that they want to focus on. They may have also identified a trait or traits that they want to improve.

In the initial evaluation, I am currently evaluating four traits. These are: Meat quality, Hormonal activity, Milk quantity and Milk quality. There is more than one indicator in each of these main traits. I add teat placement and the epididymis size when doing bulls. In beef herds I give the first two traits double value as I consider these to be the key indicators for meat quality.

I usually find that once the cattle have been evaluated for these traits and if they score reasonably well, then in most cases the rest of the traits we identify in the system are acceptable. Of course, there are exceptions and these need to be addressed. It will depend on their severity as whether there is any value in keeping them for short term breeding purposes as well as how good their 4 main traits are.

The other reason for not going into detail with the other traits initially is so that the breeder can have an input into the type of animal they want to develop to meet their own ideas and what suit their environment best. I might have a small indication of the many different environments cattle are bred in, but no one knows their country better than the breeder. We also want to encourage breeders to maintain maximum control over the development of their herd. I see our role as being there to provide a guide for the breeder to develop their ideas on or around, or ignore them altogether.

One idea we do believe has merit is the development of an elite herd out of your current herd. This is around 5% of the breeding herd that score highest on the CLMS evaluation of the four traits mentioned above and are prominent in the traits that you want to have in your herd.

Once this top 5% is identified, we then need to look for a bull that is better than the cows. If the breeder doesn't already have one in their herds, then we can assist in sourcing one externally. Once the breeder has the right bull, there should be little need to buy in bulls in the future unless it is to correct a glaring trait defect in the herd.

Realistically though, such a defect would not pass the evaluation process.

Once the top 5% have been identified and a suitable bull(s) sourced, then the process of breeding all your own future replacement animals can begin. As this process develops, an evaluation of the remaining traits can take place to fine tune the elite herd. As the elite herd grows, another selection process can be used to select the elite of the elite. These become the new elite herd and the remainder could be the foundation herd. This provides a method of succession so that within a few generations, your whole herd would be to the foundation standard.

Just to give you an idea of what we are looking at in the current herds I am grading, I would be looking for at least two of the traits grading as score 2 or 2.5 and one of those being tenderness for an animal to be in the elite herd. This may vary a little given the size and overall quality of each individual herd, but rarely would I consider anything less for the elite herd.

The other consideration is consistency and by that I mean an animal having scores of all 3 or less across all traits. I would expect this grouping of traits to improve as the elite herd develops and the gene pool is tightened. I believe that the key to producing a draft of even, like cattle is to have a tight gene pool as the base for the herd.

As a follow up to fine tune herds, we would then grade the herd for our other 16 main traits as well as starting to linear measure, especially with the elite herd to really identify the cream of the herd. When we have graded a herd, I record the scores on our score spread sheet and send it to the owner, usually by email. This spread sheet clearly identifies each animal and their scores plus giving an average score for each animal as well as an overall herd average for each trait. This can be useful in selecting a bull that will improve the weakest average trait in the herd.

FAIR GAME

It is fair to say that making a profit out of beef cattle is not getting any easier, especially when we see how the input costs necessary to produce a kilogram of meat are steadily on the increase and any time there is a rise in the price of meat there is a public outcry and national media exposure that covertly suggests that consumers would be better off avoiding meat as part of their menu.

The decreasing profit margins (return in \$'s per hectare – gross margin) that the industry are facing does little to encourage growth. One of the main issues that face the industry is the need to break the monopoly of the few who are controlling the industry strictly for their own vested interests. Now that doesn't mean that everyone in the industry isn't entitled to a fair share of it. It's just that at the moment, the direction the industry is taking is questionable, to say the least. There are a number of reasons for this and complacency among grass roots breeders is one of several.

They have allowed industry interest groups outside the farm gate to control to their destiny. Primary producers are also notoriously independent people, and have developed this trait over generations as a means for survival. This trait has many advantages, but it also has a major disadvantage and the processors, wholesalers and retailers are pushing it to the maximum for their own advantage. That major disadvantage, based on the need for independence, is the inability of grass roots producers to organise themselves into a strong, united force to protect their businesses. Whilst this trait has been a means for survival in the past, it could well be, in this changing, highly technological world, the catalyst for extinction if producers don't change their strategy and fight together to protect their industry.

I realise that I have discussed this topic in previous newsletters, but I think we all need to keep it in the front of our minds so that we can keep the debate going until beneficial changes are made for the

future of the industry and we can find ways of working together. That will mean sacrifice and, at times, doing things we are not entirely in favour of. However, this is a case of making allowances for the greater good of the industry. We need to find the common ground, regardless of how small it is and build on it with conviction and cooperation.

At the moment the cattle industry is out of balance because it is controlled by a few who are dictating what type of animal they want and mainly this is only an animal that will do best in a feed lot. The industry has reached the stage where many herds are breeding just for this market and unfortunately the traits that animals require to do well in feedlots doesn't necessarily equate to animals that do well on rangeland. Hence we are having fertility issues in our herds along with lower milk yields and quality and calving difficulties to name just a few of the drawbacks of continuing down this track.

There are two glaring areas where producers are being hoodwinked and which could or should serve as the catalyst to start a united effort in the beef industry. Both are in respect to how producers are currently being paid for their meat.

The first one I won't go into any more because I have covered in a recent newsletter. That is the fact that producers are not paid for the saleable meat that they produce. An estimation of approximately 67% is allowed for by the processors. We know that cattle graded on the CLMS system will grade well in excess of 70% and into the low 80%. Do you want to just lose 10% + of your return because of this current method of non - payment.

The other area where producers are being robbed is with the use of fat depth as a way of penalty if it does not meet the processors grid requirements. Now I am sure we all like to see an optimum fat cover and good intra muscular fat in our meat. I also have a fair idea that what you think is good will not be what everyone else would like. The ideal fat cover and intra muscular fat also varies with breed. Fat

depth will not affect tenderness of the actual meat. It may give a perception that the meat fibres are more tender, but it will not make them so. A true test of tenderness in highly marbled meat would be to remove the fat before tasting. What processors should be measuring and paying for is the omega levels in an animal's fat because that is ultimately what will have the greatest human health implications. If that happened then we believe that much more research, funding and encouragement would be given to producers to produce grass fed beef for a much longer period of the year.

BREED OF THE QUARTER DRACKENSBURGER

The Drakensberger breed originated from the same basic stock that moved with migrating tribes into South Africa. Preference was for a black animal and selection was from herds in areas along the Drakensberg mountain range. They were used by voortrekker families in the Great Trek northwards as black oxen and referred to as "Vaderlander" cattle. They farmed in the present day Volksrust area of the Mpumalanga Province and this name was commonly used until the formation of the Drakensberger Cattle Breeders Society in 1947.

They are a medium sized animal, black in colour and with an even temperament. Cows have typical sloping rumps and exceptional udders that give them the potential to be one of the higher milk producing beef breeds. They have good fertility and excellent mothering ability with a low calf mortality rate. They have a strong resistance to ticks and a generally excellent resistance to disease and internal parasites. They generally have tender and succulent meat.

They have good pigmentation providing a resistance to ultra-violet radiation, photosensitivity and eye problems as well as heat and radiation resistance characteristics due to a loose hide and short shiny blue-black hair colour.

They are generally a horned breed, though they do possess the polled gene. They have strong leg and bone structure and a large capacity coupled to a large feed intake under freegrazing conditions. The Drakensberger is totally unrelated to any breed in the world today and is the culmination of the development process through strict selection, based on scientific norms and is therefore ideal for crossbreeding to get the best advantage of hybrid vigour.

The Drakensburger cattle were introduced into Queensland with the importation of embryos in 2004 by George Lubbe.

At about the same time the Willemse brothers arrived from South Africa with some cattle that their family had been breeding for many years and they have built up their pure bred herd to the extent that now have limited numbers of animals for sale. Hans Willemse operates the Arrarat Drackensburger Stud at Allora and Texas.

Thank you for your continued interest in our newsletters, our website and our book. Please feel free to order one of our books and become familiar with the CLMS system and the directions we are taking in the overall scheme of animal and food production for human consumption

PLEASE FEEL FREE TO CONTACT US ABOUT ANY ITEMS IN THIS NEWSLETTER, ON OUR WEBSITE OR IN OUR NEW MANUAL. WE WELCOME PRODUCER INPUT AND INTEREST AND WANT TO INVOLVE YOU IN WHAT WE ARE DOING.

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