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## **EDITORIAL**

I hope you have all recovered from Christmas festivities or otherwise and New Year celebrations. On behalf of our company, I would like to wish you all the best for a prosperous and peaceful New Year with many successes to enjoy.

We are looking forward to growing our business during 2014. The last 18 months has seen a considerable increase in the interest in our evaluation system. This is certainly most gratifying from our perspective and we would like to thank all those producers who have supported us in whatever way, especially those of you who assisted with, or ran field days with us. We value the trust and confidence that you have placed in us and are very much aware of the responsibility we now have to keep developing the system and building the business to support your plans for the future. One of the things that we would really like to encourage all of you who are interested in what we are doing is to continue to speak to us and add your ideas to what we are doing. We realise that as the business grows, it will become more of a challenge for us to maintain the individual, personal contact that we find the most satisfying part of the business. Please don't take it personally if we don't contact you regularly. It will definitely not be because we are not thinking of you, or are any less interested in what you are doing to grow your own breeding programs. So please don't hesitate to call any time you would like to discuss anything about your cattle with us. If we aren't available immediately then we will get back to you as soon as we possibly can. This also compliments one of our philosophies of being open-minded about any ideas or suggestions that you may have that we can pass on to others for the benefit of the industry as a whole.

## WHAT'S (BEEN) HAPPENING

\* We held the annual meetings of CLMS Holdings and the new Classic livestock Management Services in October in Albury, New South Wales, with a good attendance of shareholders. The emphasis at the meetings was on our plans to take the new CLMS forward using technology that we have identified that with adaption will be very useful in growing our system and business in a number of ways. Our main aim now is to raise the necessary funds to finance the planned new developments. We have distributed our Information Memorandum to four interested parties at present and are waiting for responses. If these approaches are not successful, we certainly have other investment possibilities to explore. We also consolidated the relationship between the two companies with CLMS Holdings maintaining a minimum 20% share in the new company.

\* It was decided to hold a minimum 15% share in the new company open for any of our clients or beef producers interested in being involved in these new developments. The current plan is to set up a separate company in which clients and producers will hold shares. This company will then hold the 15% shareholding in the new CLMS. Our thoughts are that this will keep things a little tidier with regard to share packages in the new company all being 15% or larger. As I have stated previously, there will be the opportunity for shares in the producer company to be obtained through an in kind contribution rather than straight out cash contributions. There has already been some interest from 3 – 4 client/producers to be involved on this basis. We will have further details about how in kind contributions can be made at a later date. Currently, events such as field days on property and displays at industry events are

two of the ways that we are considering in kind contributions might be made.

\* As stated above, an Information Memorandum is now available for anyone interested in what we are planning and who might be interested in investing in what we believe will ultimately be a very profitable opportunity. One of the challenges for us is to get things underway as soon as possible, given the speed that technology is being developed in today's day and age. The new company has some quite innovative plans to add electronic technology to our evaluation system that is going to cost quite a large sum of money to develop so we will still need to raise this cash to finance the development. We have adopted a conservative approach in regard to the likely cash flows in the memorandum, but they still highlight a huge potential for what we have planned.

\* The first part of our plans to add more technology to the system is all but complete now that we have satisfactorily had a software program developed that will take ultra-sound images of the jaw and/or rib bone and translate it into a score complimentary to our current hand method of evaluating. There are only some agreement details to finalise and the actual purchase to take place and we will have the desired equipment and software to start practising fairly early in the year. No doubt there will be some practical in-field details to stream line, but we are confident that this method will be in use later in the year for any producer who would like us to use it during our evaluations.

\* The last three months have been the busiest we have experienced since we started developing the system. We have held three field days/presentations in North Eastern New South Wales during this time on properties with 10 - 15 people attending each. The feedback from these days was very encouraging and we hope to have

more of these days shortly in other areas. I would like to thank those producers who were instrumental in organising these days as without local support with word of mouth etc. it is much more difficult and expensive for us to organise.

- \* There has also been an increase in the number of herds we have evaluated during this time, especially in New South Wales. This is also very gratifying and encouraging for us to keep building the business. Naturally, we are only evaluating parts of herds in some cases as those producers get to know what the system involves and if it will fit their programs. Whilst this means that we are often only evaluating small numbers, we encourage producers to follow this path because we certainly don't want them finding out after investing considerable sums of money in having their herds evaluated that the system doesn't suit them. Fortunately, we haven't had any negative feed-back as yet.
- \* Some really good news for the company is that following the presentation on our system with Albert Hancock at Glenn Innes on the 8<sup>th</sup>. Oct., Albert has agreed to work with us and use the system to evaluate cattle for clients, especially in the northern part of New South Wales. Albert has been a believer in similar philosophies and methods that we use for many years and has used the principles to evaluate his own Red Poll herd during that time with considerable success a shows etc. Albert has assisted in the three presentations the company has done in NSW over the last three months and is available to evaluate herds for future clients as well as those who have already contacted him. His contact number is 0267334666.
- \* During the next three months I have a trip planned to the Bungendore/Braidwood area in New South Wales to do some evaluating for a client and to hold a field day on the property in late Feb/early March. We also plan to hold at least one more day or half

day in Northern NSW in the Macksville – Dorrigo region or possibly in both locations. If you would like us to hold a day in your area, please let us know and we will arrange it. It is also possible that we will have a day in the Wellington/Orange region around the same time. If you would like us to make a no obligation call and discuss your cattle operation, then please don't hesitate to call.

#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 have a client with 21 Red Poll x Droughtmaster heifers for sale for \$650.00 each. They are all graded as 3.5 and 3, are now around 24 months old and average weight around 400+ 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.#

#Another client has 20 CLMS graded Angus heifers for sale. These are an even line of consistent young females that would be ideal to use to build a herd on

#### **GROWING PAINS**

As our business grows, we are becoming more aware of the need to continue to develop other parts of our system that will support the evaluation system. By this I am particularly referring to assisting our clients to develop or access markets that are going to ensure a premium for their quality product and to be able to have this quality identifiable by the general public. At present we have enough clients that produce enough beef per year to justify setting up a market system. However, those producers are spread over 3 states and territories so it is not currently a logistic reality.

On the other hand, we have several innovative clients who are either already, or plan to in the near future, start their own marketing system. This includes selling through markets, direct personal marketing and on-line marketing. We fully support their endeavours and are always available to evaluate cattle that our clients would like to sell through their own marketing system. What we hope to do is to be able to have our Classic Quality logo added to the producers own brand labels so that customers will start to recognise it and pass on the message to friends in other areas where we hope the meat will eventually become available. The Classic Quality label will assure customers that wherever they purchase such graded meat, they can be assured of quality and consistency.

If the current growth or similar continues, we are confident that we will be able to start talking to local area producers about marketing graded meat using our evaluation system in the near future. I guess from our perspective it is a case of juggling the growth of the business so that as we attain more clients we can justify their faith in using the CLMS system by doing what we can to ensure that there is a market that will reward quality adequately. We hope that you maintain patience with us as we develop all parts of the business in a balanced way.

We are also working on developing the evaluating system to a stage where it can be used as an alternate to current systems such as Breed plan for stud breeders. We have been encouraged to follow up on this idea following the identification methods that the Coodardie Brahman Stud has been using to describe their bulls in their annual sale catalogue. We have also been encouraged by enquiries from a couple of breed societies to adapt our system for use as an evaluation tool for their breeds.

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### **BREED OF THE QUARTER**

## **Hungarian Grey Cattle**

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line

This is a relatively rare breed of cattle that probably arrived from further east into the Hungarian Lowlands in the 9th century and belongs to the group known as Podolic cattle. One of its main attributes is that it adapts well to extensive pasture systems and has adapted to the harsh winter conditions that can occur in Hungary. It was historically used as a draught animal until at least the 1860's when its early maturity for a draught animal increased its popularity as beef producer as well. Until the beginning of the 20th century, long-horned Grey Steppe cattle were the foremost breed in Hungary. However, the increased use of the Simmental breed by producers gradually reduced the popularity and thus, numbers of the grey cattle. The increase of mechanisation in agriculture after the Second World War also added to the loss of popularity of the breed. At one stage around the mid 1970's, numbers were believed to have decreased to as few as 300 breeding cows. However, with concern about the future of the breed, some planned breeding increased the herd size to about 850 cows in 1982, including one small herd that is being preserved at an open air museum at Hortobagy. Other herds are run as tourist attractions in National Parks and serve as gene banks to build future numbers from. The Hungarian Grey has shown more resistance to a number of cattle diseases that affect some of the more highly bred cattle types and this will assist in their preservation. The other significant factor in favour of the conservation of this breed is that they have a very tight gene pool now that because of careful genetic selection does not contain any in-breeding and lends itself to future genetic trials to enhance the future breeding

in

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industry.

Hungarian Grey cattle are slender and tall. The bulls reach a height of 145 to 155 cm and a weight of 800 to 900 kg, the cows 135 to 140 cm and 500 to 600 kg. The colour ranges from a silvery-white to a grey colour. Calves are born with reddish-yellow fur. The Hungarian Greys are robust, unpretentious, easy-calving and longlived. Their horns are very distinctive and formidable. They are directed upward and are long and curved. Bulls have stronger forequarters, larger dewlaps and more robust horns than cows. While light coats are not preferred by modern breeders, animals occur in all shades of grey. Bulls have dark, 'smokey' markings, especially in the front quarters and around the eyes. In adults the horns' tips are black, their lower portions white. The muzzle, eyelashes and claws are black. The present horn conformation probably resulted from long and meticulous selection.

#### **BODY CAPACITY**

As with each newsletter, I try to include something that may be useful in what to look for when considering the type of animal that will adapt to your environment and potentially be a maximum producer for you.

Again, when looking at this quarter's topic of body capacity, we need to give balance a high priority when selecting a viable animal for your herd. As with many of the most important traits in selecting high performing animals, body capacity depends on a number of other traits being in balance for it to function at its peak.

An animal's body capacity is its ability to take in a high volume of feed, water and air, the key ingredients to it being able to reach its peak as a production unit, whether it is for meat or milk. The amount of body capacity an animal has will determine its future value as a production unit in your enterprise.

An animal can have many other good traits, but if those that attribute to a high body capacity are not up to standard, the animal will never be a productive asset in your enterprise.

Let's consider some of the things that we can look for when selecting an animal that has the potential to be a high converter of feed and air into a productive commodity.

The body should feature a mid-section that is large with a good rib spring and a large capacity leading back to a maternal, sloping rump with an even muscle and fat cover. There should be a dip behind the hips and a wide waxy, greasy spine.

The barrel of the animal needs to be long, deep and wide with the depth and spring of the ribs increasing towards the rear and this ensures a deep flank that gives rump width and length. It is a misconception to select animals with narrow small shoulders to reduce calving problems because the shoulder size is proportionate to the rump size. A good spring of ribs is important to ensure that the animal has the capacity to consume adequate feed and support the growth and development of themselves and in the case of cows, their foetus and then being able to provide maximum feed for her calf after birth. There needs to be an even cover from the shoulders back over the ribs without a dip behind the shoulders or a cut up of the lower chest behind the front legs. This is a sign of decreased aerobic and feed intake and less rib eye area. Always look for this defect when selecting an animal. Since we have been using linear measuring regularly, this fact has become very obvious. When there is a dip behind the shoulders where the rib spring doesn't come out to at least the shoulder width, then the heart girth will not be anywhere long enough to match the overall top line. It will be anything from about 3 inches and more too short. The chest should be deep with a wide floor and well sprung fore ribs blending into the

shoulders. A good heart girth is essential and indicates good growth rate potential. It should be equal to the length of the top line in animals over 12 months of age. A larger heart girth increases feed capacity and efficiency and makes more space for red meat production with a larger loin area and increased reproductive ability. A smaller heart girth increases the maintenance requirements of the animal and makes them more susceptible to stress.

The closer to equal these measurements are the more adaptable, efficient and vigorous the animal is. Some research in the USA has recently shown that for every inch bigger the heart girth is than the overall length of the top line, an extra 16 kg. of meat will be produced.

Insufficient heart girth usually means that the front feet will toe out. A key indicator of body capacity is the width of the muzzle and pins. A wide muzzle and pins relate to an animal with a large body capacity. Look closely for a wide duck billed muzzle for the capacity for a large feed intake. The width of the muzzle should equal the width of the pins.

We have discussed the position of the chine bone previously. In beef cattle, we believe it should only be a couple of millimetres above the shoulder. We have noticed that the higher it is as a rule, the larger the dip from the shoulders to the ribs. If the chine bone is too low, 2 mm. plus below the shoulders, the animal's body capacity decreases. In dairy cattle, we believe the chine can be a little higher, although not as high as we see in many of our dairy cows. In discussions with Gearld Fry, we concur with his ideas that a high chine, prominent hooks and hips is a result of poor nutrition as a calf. This is particularly the case with dairy calves that are usually weaned from their mother within a week of birth and then fed a synthetic milk replacement that cannot replace the butter oil, protein and fats that

their mother's milk contains. If you have any doubts about this, see how many 1 - 2 week old calves that have a high chine. I have seen few of these calves with a high chine.

Since we have been linear measuring, the balance between body parts in cattle have been easier to identify in well balanced cattle.

A deep, well sprung chest will equate to a deep, well-proportioned rear end that has the confirmation to ensure an easy calving. The shoulder width should be the same as the rump length or within 0.5 of an inch either way in cows and 2 inches greater in bulls. The rump width should then be 2-2.5 inches longer than the rump length. The flank girth needs to be at least 2 inches more than the heart girth.

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I would welcome any feedback from you on any subject that is discussed in this newsletter. I have had some feedback over the time we have been publishing it and it is most appreciated and helpful. Please keep the feedback and comments coming.

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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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