

September 2017

mr Motu-nui Rams



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Welcome to the annual Motu-nui newsletter. It's great to see some real confidence in sheep, with healthy lamb contracts out there and strong demand for ewes. It's been a wet winter for many, but hopefully there's a respite, as Spring is here and lambing is upon us. This issue contains an update on what we've been up to, some thoughts on the industry and you can read what our clients have to say.

Jason

MOVE OVER BEEF, IT'S NOW THE YEAR OF THE SHEEP

The 2016-17 season was hit and miss for many, with a lot of farmers missing out on the lift in prices seen early autumn.

It hurt somewhat to see some margins made, but that's farming. What hurt even more, after two years of very limited opportunities due to poor growing seasons, we were all geared up to get into a bit of trading, be it cattle or sheep, only to head home from the saleyards with a only stamp on the coffee card.

Great to see those who have stuck with cows really cashing in after some very average years. First time in my time farming that I have seen a breeding cow out-perform a breeding ewe in cents/kg/dm - possibly very inflated with amazing grass growth and prices exceeding 70% of the works kill schedule. From what I am reading and hearing, there could well be a correction in beef prices going forward, hopefully not too dramatic. There are a lot of cattle coming forward from different parts of the world, mainly the States, which must surely have an impact sooner rather than later.

There has been even more pressure on sheep numbers, with ewe numbers falling a further 5% to June 2017 due to increased drought-affected areas and the growth in farm sales for honey production or forestry - the pine tree seems to be back in favour. I would like to think this will/has had an effect on lamb with all works freezers empty and some very healthy lamb contracts \$6+ leading into Xmas. There is extremely

strong demand for ewes and some good money being paid for them - it's just great to see this confidence.

We are seeing the emergence of new markets all the time and must understand what our customers require and cater for them accordingly. If they want a 30kg ram hogget and are prepared to pay, then that's what we do. There are many producers now setting out to brand and sell their own lambs and beef, listening closely to what the market is wanting. These producers are selling a story, along with their product. This is the way forward, I believe. We face many challenges, such as environmental concerns and competition from alternative (vegetable/insect/lab-grown) proteins, so we need to sell our natural, healthy, quality story. If we don't, then the average consumer will know nothing different and just keep finding ways to pull us farmers to pieces. It's a fast changing world and we must find ways to bridge the much talked-about rural/urban divide - for the sake of everyone.

As the new catchphrase goes, we are no longer just farmers, we are "food producers". Get out there and see what opportunities are around and what relationships you can strike up - as they say, there's someone for everyone.

- Jason

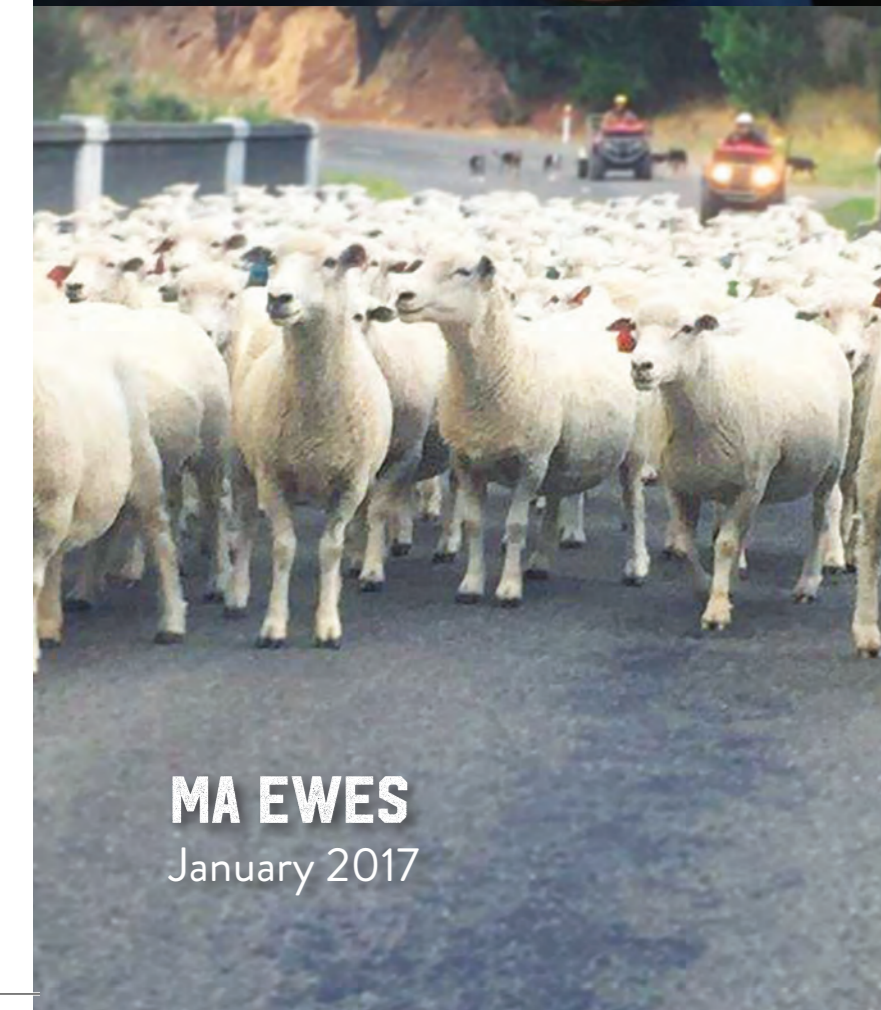


Ewes and Lambs pre weaning

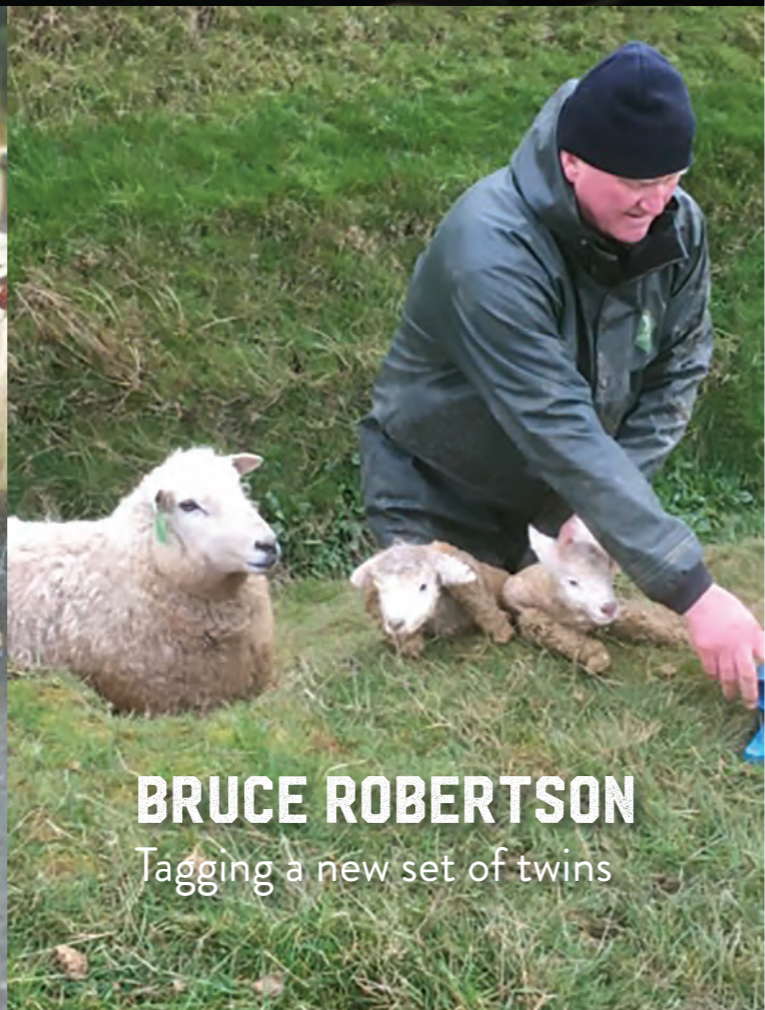


WORLD SHEARING CHAMPS FINAL.

Motu-nui South was a major sponsor at the Invercargill event supplying all ewes for the event.



MA EWES
January 2017



BRUCE ROBERTSON
Tagging a new set of twins



GOOD TIMES GLORIOUS MUD

Don't you just love farming and the variances that it throws you? During the previous two really tough drought years we would often sit around at smoko time and look for the positives.

Firstly, less bike maintenance and a huge saving in tyres and time cleaning them. Booking in shearing and getting it done on the date you wanted. Being able to utilise every inch of that crop and make it last two weeks longer than budgeted. Dry firewood, and having some left at the end of winter. The luxury of been able to remove the digger/bulldozer component of R&M in the budget. Being able to repair or build the mai mai in the middle of that dam without getting wet. This is

just to name a few, as they say, if you look hard enough there are always positives in the negative. It's fair to say the tables well and truly turned this winter!

We now await a good spring to accompany the autumn and some much needed sun to dry things out. Yes, it's been a wet winter but personally it is great to see some mud again and water tables back to capacity. As I write this we are about to hook into lambing and tagging lambs, a job that has always been

one of my favourites on the stud farming calendar (maybe not in a screaming southerly, though!) It's a time to bring out the crusty demon bike skills - we have many laughs at others' expense, like the time someone has spent getting out of a gully after running down a lamb that was possibly missed the day before and knowing it would have been a lot quicker just to get off the bike and walk - but where's the challenge in that?!



Have you visited our website?

Jump on and have a look at www.motu-nuirams.co.nz

GOOD THINGS TAKE TIME...

Yes we know many of you have been waiting, perhaps finger tapping for the famous Motu-nui Newsletter but your wait is over! - Sit back relax and enjoy the following pages!

SOUTHERN MUSTER 2017

It's that annual catch-up time again and what an interesting 12 months it has been. The highlight for us here at Duncraigen was our participation in the World Shearing Championships, held in February 2017 in Invercargill.

We supplied the full-wooled ewes for the competition and the feedback on the sheep themselves and how well they shored was extremely positive.

Seven thousand people attended the event over the week and the buzz in the stadium was amazing. Jason came down to help us on our trade site, so that made it a great catch-up for clients old and new.

The past selling season was our best to date across all breeds, with huge interest in our two terminal options. There is already a lot of interest from prospective clients for the coming season but, of course, our regulars are always looked after first.

The rams were shorn on 7th August and came out of the wool exceedingly well after being wintered on swedes. We have increased numbers to cater for the new interest.

Looking back, the past season was one of the more unusual on record. Marvellous lambing weather, a poor summer and a good autumn.

The lamb price seemed to follow suit, starting off average and finishing very strong. The store price at about \$95-98 gave a good out at the end of the season for any unfinished lambs.

We have spoken with our two lamb drafters this week and they both have a very positive attitude towards pricing for the coming season. Early signals are saying \$6.20c pre-Christmas is the bottom line and staying strong into the New Year. This will make \$110 very obtainable, plus gives a real expectation for the season, which is certainly positive compared to what we have seen in the past. That leaves wool! Well, what do we say?

It is very hard to stay positive, but we know we have a good product. We have been looking at new options to try and make some positive steps for the future.

We are trialling selling our wool through Merino NZ's strong wool programme and early signals have been very positive. They are an extremely professional and positive group of people to deal with and their strategies for the future are very exciting.

We have sold 30 bales of 2nd shear through them at a \$1.20c premium on our current auction system - so far, so good. Watch this space, but MNZ is looking like an exciting option. Their preference is for pure Romney wool in their strong wool programme.

Carolynn and I have just completed our annual run of client visits, where it is always exciting to go on farm and see well run commercial operations. The feedback has been extremely positive and gives us great confidence going forward in our breeding programme.

World Shearing Champs in Invercargill - opening ceremony



MORE LAMBS, HEAVIER - GRANT AND KATE BARRIE

The Barries farm 2000 Motu-nui Romney ewes at Browns and have averaged 164% lambing over the last eight years. Grant told us they were stuck on 149% until they changed to Motu-nui genetics eight years ago. He says he does less work at lambing time than ever before, kills more lambs and they are heavier - being in the 19kg to 20kg range. It is an extremely well run operation and a credit to both of them.

BETTER TIMES AHEAD

All of us at Motu-nui South are looking forward to spring, so let's hope the rain stops for all of you who have had a constant deluge over the winter.

Lambing is upon us, the ewes are looking well and ram time is just around the corner.

Let's all keep our heads up. Better times are ahead, I'm sure.

All the best for the spring and a good lambing. We look forward to catching up with you all at ram selling time in late November.

Cheers,

The Southern Team - Bruce, Carolynn, Marc, Jolene and Casey Robertson



WHERE TO FROM HERE?

With so much emphasis on performance, we need to find ways of attaining that high performance at a lower cost. How do we spend less to make more? There is some good technology out there.

Here's a few of our own tips to help make your farming life easier.

- Easy to use farming apps for your phone - most don't require internet service, just download when you get home.
- Develop farming partnerships to utilise your land better and extract full value for your product - look at better yearly spread of your product to market.
- New technology in being developed to get our products fresh into countries on the other side of the world.
- IMF (intramuscular fat percentage) or eating quality - this needs to be sold along with that quality story.
- Gene editing - selecting particular DNA and producing the perfect animal. There are some potential dangers here that may need regulating.



Ram Hoggets all Belly Crutched on Swedes June-July things got a whole lot wetter after this photo!

OUT AND ABOUT ON THE FARM

As mentioned, life became a whole lot easier on the 18th February when we received our first lot of decent rain in what seemed like forever.

Finally we had the opportunity to feed our stock to its potential, apart from all those issues that go with a wet autumn. I think there was two years of built up frustration in our soils. It was a novelty to be able to put stock into a paddock and relax for a couple of days.

It was farming as normal, focusing on getting ewes to good mating weights and lifting all ewes to a body condition score of 3+. Having a very high sheep ratio, we were well aware that at some stage they were going to become our cows and start tidying up. This also forms a large part of our culling criteria - any ewe that can't handle the clean-up is culled. Ram and ewe hoggets were given the opportunity to grow to their

potential and run in large mobs, once again same as our ewes, this sorts out the poorer animals.

The past couple of years have really proven to me that the strict culling criteria we have applied to our sheep over the past two decades has really paid off.

Whereas most drought-affected areas have had to pull back on numbers to get through, we have maintained our stocking rate and strongly believe we have come through with an even better performing ewe.

AND OF COURSE WOOL!

Unfortunately the 2016/17 season has not been memorable with crossbred wool prices at their lowest levels since 2010/11 season.

China traditionally being one of the major players in the market is continuing to be very quiet and only doing business on very small volumes. Exports to China are back 37% year to date which really tells the story of why prices have dropped to these levels.

Across the country wool stock piles continue to build which will impact the future recovery of the market. Growers who decide to hold their wool waiting for a lift in prices will need to seriously look at how long they want to hold it for. With market conditions where they are and the large amount of hold wool yet to be sold it is thought that there is no quick fix in the short term. We may need to empty our woolsheds before we see a lift. As a wise old farmer once told me in my shearing days the only time,

to sit on your wool is having a beer with the shearers.

We as farmers need to support our own industry and it is with a sad heart that I can report that many Farmers are not. Many people are putting synthetic carpets down on their floors, wearing synthetic clothing, and not really giving it much thought at all. If we can't support our own industry how are we expected to increase market share overseas. Do an experiment for yourselves and take yourself into a carpet retailer and ask for a woollen carpet. If you haven't done this before you may be shocked by the Outcome.

This is one of our most natural renewable resources and we need to sell the fact.



Jase weighing fleeces



Motu-nui Rams are proud supporters of the Life Flight Trust.

TERMINAL UPDATE

Over the past 12 months we have had a great season, resulting in all our ewes going in to tugging in excellent condition at 64kg and finishing at 75kg. Due to this our mixed age ewes scanned 184%, while our 2th ewes were 168%.

We now wait for lambing, with the ewes remaining in good condition and no bearing issues. Hopefully there will not be too much more rain and survival will be good.

We have been fortunate to have Greg McKay join our team this year as stock manager. He has brought his previous stud knowledge of our terminal flock and we look forward to further developing our breeding objectives to fulfil our client satisfaction from feedback we have received.

The proceeds from our auctioning of a ram at the Cockies and Stockies golf tournament for the last couple of years, purchased by Mike Falloon and Willie Tatham, were donated to Life Flight Trust.

This year we have further committed to becoming a community partner with Life Flight Trust. It is your support as clients that allows us to support the community and save lives within it.

Davey and Wendy Moore

Life Flight
COMMUNITY
PARTNER 2017



CLIENT PROFILE

FARM NAME	Hawkdun Station	AREA (EFF.)	6500ha
REGION	Central Otago	OWNER	Cavanagh Family
		CAPACITY	2/3 Sheep SU 1/3 Beef cattle

Hawkdun is a 6500ha, high altitude hill country farm situated near St Bathans in Central Otago. The area is renowned for its hard winters and hot dry summers with a rainfall of around 650mm per annum, which is reasonably consistent but variable in respect to which season it comes.

Stock on the property consist of Motu-nui Romney ewes lambing at 135% and Angus cows calving at 90%, plus replacement young stock. Value is added to lambs on Lucerne. In an average season we finish our lambs to 17kg with 3500 lambs taken through winter to heavy weights. Steer calves are sold as weaners with heifers finished on Lucerne.

We've been using Motu-nui genetics for seven years originally crossing over Perendale ewes. We have seen a lift in lambing percentage from 110% and improved growth rates. The addition of the genetics have also added another kilogram of wool per SU. The lambing percentage of 135% is high enough for this class of country.

Now we are focussing on improving growth rates and increasing the killing weights. The deep moderate frame and hardy constitution of the Motu-nui sheep suit this country enabling them to bounce back after harsh winters and dry summers. The inherent fertility makes them get in lamb even after a tough season.



A nice muster with some out of control growth

FINISH OFF

I am positive with all the performance recording we continue to pursue and commercial pressure we maintain on our sheep that we are moving forward with confidence. I really welcome any feedback as to areas that you think we might need to work harder at, or possible traits you would like to see more emphasis put into.

As always I never seem to get around as many clients as I would like in the calendar year, but hope to catch with most of you before ram selling towards the end of November.



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