



MEMO

FAMILY BUSINESS UNITS OR CORPORIZATION OF AGRICULTURE??

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It has long been established within the Falkirk philosophy that 'inspiration takes precedence over execution' that is until such time as the vision is technically appraised and tuned to an effective operational model. Then with proven and assured outcomes 'execution' can be actioned to sustain the vision to the expected continuum.

The '**Why**' is just a mitigating factor in the solution for agriculture. It is the '**How**' that is crucial to advance independent farming businesses to maximum operating strength and sustainable profit margins.

The Falkirk genetic and business solution is the only system that is immediately contractible and holds the ability to multiply across regions to assist astute breeders and commercial producers to add value to their genetic and subsequent product capabilities. This blueprint for success requires no development funds or levy monies to operate. The immediate proven benefits from healthy profit margins for sheep and beef farmers is the succession of robust rural communities that have always underwritten the prosperity of New Zealand.

The corporatization of agriculture in the guise of large dairy units and the likes of Crafer Farms & Lockinvar Station generate sub-servient and transient populations and is a threat to the traditional family farming unit that is the stable force behind the New Zealand Inc. brand.

The marginalization of private enterprise breeders and commercial farmers will become complete as a consequence of the rebirthing of the corporatization of genetic advice and practice. Which in the last round of 'population genetics' delivered a spurious outcome to the detriment of product quality that assures that New Zealand remains in the commodity trap and at the mercy of the market place.

*There is a moral obligation from the directors of Beef & Lamb New Zealand to adhere to the fundamentals required for reasoned commercial genetic and financial outcomes that the 90% of eligible voters subscribe to. These levy payers desired not to vote for the creation of a monolithical entity with a budget of some \$44 million, inclusive of public funding, which appears to constitute a **subsidy, to stay in business, outside the farm-gate**. The pending wool levy vote is no exception. The ironies are obvious.*

Judged by its recent behavior, Beef & Lamb Genetics has become a more sinuous power player within agriculture, designed to evade the stipulation of the Commodities Levy Act that clearly implies that no commercial activity be blatantly influenced or entered into. The surreptitious use of existing levy funding to influence a tailored outcome is highly questionable and is being considered as a basis for a formal complaint to the appropriate authorities.

New Zealand agricultural business templates need to get with the times and reward the risk takers, you the producer, with value based systems that credit quality marketable product. This will ensure that the goal set by the incumbent government of doubling production by 2025 is achieved. I consider that target should be generated by value rather than commodity volume.

As responsible producers we need to consider carefully whether this bureaucratic agenda is to advantage the risk taking productive sector or a contagion plan of power and control behind high-rise windows.

The recent Falkirk Industry meeting held in Palmerston North was a classic illustration of what can be achieved by private initiative enterprise, backed by fundamental science without one dollar of levy or public funding to compromise clarity of outcome or inhibit commercial reality. The mix of sheep and beef breeders and producers understood the complete **Falkirk Genetic Audit System** that underwrites every client's success and sets high quality standards forward for certified branded product.

Thank-you Alan Ancell, Graeme Olsen, Paul Revell and Murray Pilet for sharing your experiences of genetic, financial & psychological gain that was aptly illustrated with your pleasure and passion. As the risk takers, you have regained control of your farming businesses and now can take the rewards.

What better than a system that is designed for producers and is farmer user friendly. To provide fundamental scientific evidence that ignites the almost lost art of described stock judgment. A legacy that Falkirk is proud to share to enhance the agricultural, genetic and financial economy of New Zealand.

“TRUE INSIGHT IS ROOTED IN SIMPLICITY”

“ONE ACCURATE MEASUREMENT IS WORTH A THOUSAND EXPERT OPINIONS”

Regards, Ian.