

08 10 2013

Memo to all Clients

Certification

By this time most clients would have received the hard copy of the Falkirk Certification. The included explanation sheet provides a clear outline of criteria required to continue to qualify on an annual basis. For many clients this means maintaining the selection process already experienced, whereby others may need to update their programme to continue to qualify to gain from the genetic investment already generated.

Breeders

A developing list of Falkirk Certified Breeders across breed and specie is being expanded to signify suitable breeder philosophy that will enhance client genetics and Falkirk branded product. Importantly, additional to this certification, individual bulls and rams are inspected to receive '**Falkirk Certified**' status to ensure clients a secure purchasing option. Normal animal health and safety responsibilities remain those of the vendor and purchaser.

Marketing

It has been reported by Block & Behrens PGW Ltd that at a recent wool auction two lines of '**Falkirk Certified**' wool was bid to 15 cents per kg over the considered value on the day. This excellent result sits beside an earlier reported result of 20 and 30 cents above value.

It is important to note that the wool certification status is applicable to the A group of sheep as selected and explained on selection day with specific recommendations on a client basis. Remember that, over and above other selling options, '**Falkirk Certified**' is a choice to secure deserved value, whatever selling option is decided upon, inclusive of auction, direct contract or private treaty. Clients sell through Elders Primary Wool Ltd, Block & Behrens PGW Ltd, Dawson's Direct and private merchants.

Beef

On a recent trip to South Africa I was directly involved in the rewards of an eight year beef client, Elmic Beef, winning the country's most prestigious beef competition conducted by the Academy of Chefs. Competing against the five major feed-lot operators that represent most breeders' genetics in the country, Elmic Beef was acclaimed by all the eight judges as the best beef for taste, tenderness and texture. The resulting commercial response is significant, with the extension of four outlets for branded product. At the annual Elmic bull sale I influenced the purchase of the top two '**Falkirk Certified**', indexed and priced two year Beefmaster sires that will enter another Falkirk herd to compliment an established branded business entity to retail.

Dairy

The Falkirk Dairy Model based in the Bay of Plenty has divulged some very interesting outcomes. Armed with the ability to analyse some 224 AI sires using a unique Falkirk-developed system of appraisal, without prejudice, an objective viewpoint has been established. All low producing, mutant gene carriers and structurally deficient sire families have been identified and eliminated from the equation. 87 sire families remain on the preferred sire list which is 39% of all bulls that were previously used within group members' herds. This list will be further refined as more reliable information is gathered from this season's production. With the removal of category C cows (poor producers and inept physiology), group members have reported a 20% production lift with fewer cows in the herd. No doubt, farm cost input has also reduced as the more efficient and optimal animals illustrate known abilities. Many thanks to those clients concerned for contributing vital data.

Summary

The replicated experience across lamb, beef, dairy, livestock and wool is proof indeed that the Falkirk system of genetic selection and business model is a principle of merit if applied with diligence and commitment, and is truly applicable across breed, specie, product and nation as illustrated and experienced.

Any mimic of the Falkirk brand of operation will lack the in-depth industry intelligence that is privy and vital to what Falkirk offers its expanding client base. Factual information as a policy criterion has sustained, and underwrites, the logical pathway of genetic progress and quality production that typifies Falkirk clients as they travel through agri-business to real time marketing interface.

Crystal Ball

All the evidence is before us for the potential for agriculture to experience a volatile year ahead. Prices may be reasonable for producers but the structure of our industries, coupled with international and marketing implications, leave a fragile future. Lack of financial and functional performances of science and quasi industry good entities are clearly evident as reported by the media. Forensic examination of entities and companies influential within agriculture divulge evidence of long term financial stress that could be terminal for some. The grouping of some entities, with alleged synergies, reliant upon public monies and grants is not conducive to positive outcomes for farmers or for the international image of New Zealand Incorporated. In fact, it reeks of re-birthing and survival mode which is a non-solution to advance the industry, when there is serious opportunity available, going forward, for quality branded product. The industry is also desperate for astute leadership.

It is my opinion that it would be prudent for producers to establish robust business relationships for trading product and to secure funds due from previous shipments of livestock before committing the next draft as national and international evidence would suggest that business economies are not as solid, as required by decree, as that of family farming business units.

Regards
Ian