

# Super quality goes to market



Lynda Gray

United Kingdom supermarket Sainsbury's loves the consistency and quality of New Zealand-produced lamb. About half of the lamb sold at the 1400-store chain came from this country, Sainsbury's Judith Batchelar said at Alliance Group's May conference.

"We don't see that changing hugely because the quality of what you offer and the consistency is hugely important to our business. Customers like to buy British lamb but we know we can't guarantee the quality year-round, which is where you come in."

But she said the "end-to-end" lamb

value chain needed to become more resilient to compete in an increasingly unstable market place. Sainsbury's sourced about three million lambs from 7000 different farmers in the UK and NZ and the focus was on consolidating and cutting costs along that chain. To bring about the necessary changes, lamb farming development groups had been set-up with the goals of better linking farmers with retailers, helping farmers improve onfarm productivity, and giving farmers insight into Sainsbury's business.

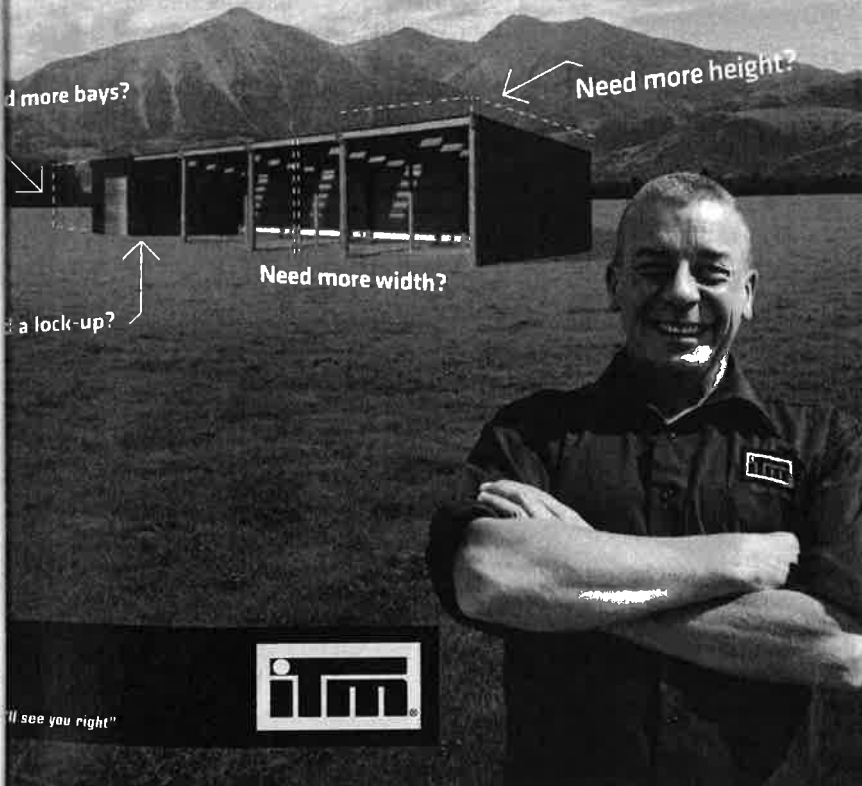
The NZ group, established five years ago, had 140 farmers that produced 680,000 lambs. They met twice a year during which they heard presentations

from Sainsbury's representatives and specialists, in particular topics such as genetics and forage crops. The UK group of 1000 farms produced 500,000 lambs.

Batchelar overviewed the state of British agriculture, describing it as volatile and at a "pivotal time" because of a number of new and developing policies and issues. Examples were the Department for Environment, Food and Rural Affairs' 25-year food and farming plan launched last year with the goal of building a stronger and more sustainable future for British farming, a national obesity strategy and the United Nations global sustainability goals, eight of which related directly to >> Bottom p22

## POLE SHEDS

BUILT THE WAY YOU NEED THEM BUILT.



Now, you can grab your Farm Buildings from the same place you get building gear for your farm. Right here at your local ITM store.

You can be sure you're getting a building that's spot on for what you want, because you have a hand in the design.

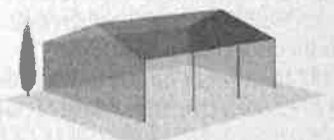
Choose either the Gable or Lean-To design, then simply tailor the plans to suit. Maybe add another bay, some extra height, or even a lock-up. Whatever you need. All delivered onsite, ready to put up.

So when you're after a building for your farm, talk to your local farm building experts at ITM. We'll see you right.

LEAN-TO POLE & RAFTER

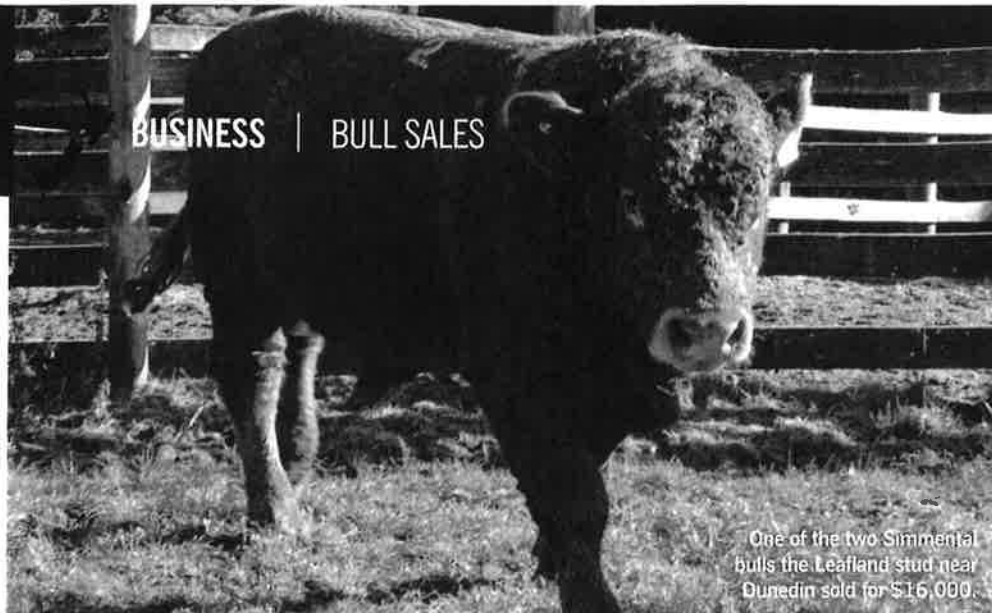


GABLE POLE & RAFTER



For a tailored, obligation-free quote, drop in and see us. Or visit [www.itm.co.nz](http://www.itm.co.nz)





One of the two Simmental bulls the Leafland stud near Dunedin sold for \$16,000.

# Bullish buzz abounds

Anne Hughes

This year's bull-selling season has been the best yet for Everd and Marie Strauss. The couple sold 16 out of 21 R2 bulls at their 15th annual sale at Mosgiel, Otago, in late May.

Their Leafland Simmental Stud bulls sold for a \$6350 average. Two bulls achieved the top price of \$16,000, both selling to North Island stud breeders.

Owner Everd Strauss said it was their best sale ever, with strong interest a reflection of the high beef schedule and a swing back to sheep and beef in some parts of the South Island where dairy had been prevalent.

Strauss works off-farm as an anaesthetist, so it has taken some time to build-up the stud and their reputations as Simmental breeders. As breeding cow numbers have grown to 150, the Strauss' have been able to use more robust selection.

The stud has also imported semen from American bull Ellingson Klondike, which has been producing some very good

animals and new bloodlines that are well sought-after.

"We had more people this year coming to the sale and there's a little bit of a buzz. Everybody's more optimistic," Strauss said.

Rural Livestock Otago manager Rob Fowler said the bull-selling season started well despite concerns that demand would be down following a drought and the resulting high rate of dry cows. He said sale averages and clearances were better than initially expected.

PGG Wrightson's northern North Island livestock genetics rep Cam Heggie said that even when the beef schedule is high, lamb prices affect how much money farmers can spend on beef genetics.

"Beef breeders have got good money for their calves but when you're farming 60:40 ratios you're not flush with cash," he said.

Results early in the bull sale season were good, but Heggie said it had required more work to get buyers to the sales and auctioneers had to work

## Recent bull sale results

**Limehills Herefords** – 41 sold, \$6151 average, \$10,500 top price

**Taiaroa Charolais** – 28 sold, \$6471 average, \$10,500 top price

**Delmont Angus** – 18 sold, \$5744 average, \$9000 top price

**Puketoi Angus** – 24 sold, \$5000 average

**Storth Oaks Angus** – 67 sold, \$6390 average, \$19,000 top price

**Merchiston Estate** – 46 sold (complete clearance), \$6689 average, \$18,500 top price

**Otapawa Herefords** – 25 sold, \$5380 average, \$15,000 top price

**Springdale Angus** – 40 sold, \$6400 average, \$14,000 top price

**Shian Angus** – 37 sold, \$6610 average, \$11,000 top price

**Dandaloo Angus** – 24 sold, \$6900 average, \$16,000 top price

**Grassmere Hereford Stud** – 10 sold, \$11,050 average, \$42,000 top price

a bit harder for the last two or three bids. Many buyers would be considering buying one bull instead of two, or deciding to use an older bull for one more year before buying new genetics, Heggie said. Despite that, clearances were good and average sale prices similar to last year. Plentiful feed in many areas was reflected in the high quality of bull presented for sale. New Zealand Hereford Association president Phil Barnett said that while most buyers were being careful with expenditure, they also realised the necessity of good genetics.

"They recognise that genetics are a factor they can influence in their breeding programme and that good genetics and phenotype are a good investment.

"The beauty of EBVs [estimated breeding values] is you can choose the criteria applicable to your management style."

[aahughes@gisborne.net](mailto:aahughes@gisborne.net)

### >> from p21

agriculture. At the same time the World Economic Forum's 10-year outlook painted a bleak picture, predicting a high likelihood of effect from climate change, geopolitical conflicts, water security, corruption and many other threats. All created uncertainty, were interrelated and added challenge and stress to food producers and systems.

But there were opportunities for the agriculture sector that could be tapped with technology.

An example was "bio-fortified" foods grown through the Harvest Plus programme, which in simple terms

used the right seeds in "healthy soil" to produce food crops rich in vitamin A, zinc and iron – all micro-nutrients that the World Health Organisation had identified as globally widespread deficiencies.

Another opportunity for red meat producers was to push the "some fat is essential for a healthy diet" message that many food scientists and researchers were now advocating after years of recommending fat-free living.

Supermarkets were facing tough times in the UK although Sainsbury's was the "least worst" performer in that retail category". Supermarkets were losing

market share to convenience stores, mega discount grocery shops and online shopping.

These three channels were predicted to grow by £5 million over the next five years and account for £4 of every £10 spent.

Sainsbury's strategy for resilience and longevity in an increasingly competitive market was to stick to their vision of being "the most trusted retailer".

That meant knowing in great detail their customers, suppliers and value chain.

[lyndagray@xtra.co](mailto:lyndagray@xtra.co)