



RISSINGTON BREEDLINE NEWSLETTER – WINTER 2009

As you are all aware we've made a few changes here at Rissington Breedline. After developing a strong working relationship over the last two years with Silver Fern Farms (SFF) it became obvious that the additional resource that SFF could commit to our integrated supply chain model could deliver greater benefits to the group over time. The clear evidence that SFF are moving their business model to an integrated supply chain system gave us the comfort that the time was right to form this partnership.

Whilst we will continue to maintain a critical interest in the supply chain and a direct relationship with Marks & Spencer, this change does allow us to bring greater focus back to our core business being genetic improvement and farm systems development.

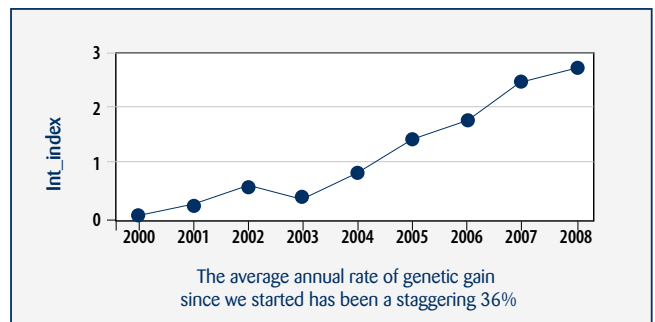
We are very excited about our evolving genetics business and we would love for you to join our team. We hope you enjoy this update.

BREEDING PROGRAMS

HIGHLANDER®

The Highlander is now delivering the substantial productivity gains we believed it had the capability of achieving when we established the program. Whilst the industry around us was saying it's time to go back to Romney, or let's put some Perendale in to improve 'constitution', we knew that through continued investment and scale that the variation in the initial crossing of such diverse base breeds had stabilized. It has been extremely satisfying over the last two years having the luxury of culling surplus ewes for poorer index. Prior to this we could only manage to cull ewes for type and soundness alone.

Clients who have received Highlander rams in the last few years are calling to say how pleased they are with them. They had always been impressed with the genetic horsepower and now the complete package has come together. New clients are equally impressed with the breed now they have viewed them for themselves. The common theme being, they are nothing like what the skeptics had lead them to believe.



WHAT OUR CLIENTS HAVE TO SAY

'The improvements in the Highlander flock have translated into consistent gains in my flock. Since introducing Highlander I have seen the docking percentage average increase to a consistent 150%. This is all well and good but what survives to be sold is where the money is. What I like about Rissington Breedline is the importance they place on survivability in their genetic selection. Survival of multiples is the key to maximizing your returns.'

Andy Pottinger, Anerley P/ship, Wairarapa

'One observation I have made that has been consistent, is that farmers who have crossed back to a Romney (even high performance Romney) from a composite have seen their hogget and 2T results drop dramatically. This is what I find most worrying as it is a long time to wait until a ewe reaches 4T stage before she starts to fire.'

Carl Williams, AgScan

PRIMERA®

We are told by our Primera clients the reason they buy Primera as a terminal sire is due to the lamb's ability to yield significantly better on average at lower liveweights, than any other terminal breed. It is this ability that has seen many clients get through tough seasons without being over exposed to the store market.

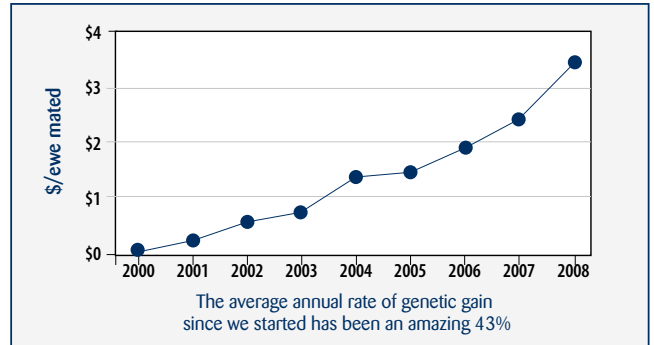
These comments are supported by 7 years progeny testing data, which includes evaluating some of the best industry terminals in Australasia. You simply cannot beat the information collected on a sire by slaughtering and analysing his progeny.

With the much anticipated advent of yield grading now getting closer, the benefits of Primera will be even clearer. Not only will you continue to enjoy the growth and carcass yield benefits that you currently get but soon you will also enjoy the benefits of a carcass designed with retail meat yield in mind.

WHAT OUR CLIENTS HAVE TO SAY

'Over and above growth rate and performance, you want lambs that are very very consistent. The reality is you usually have some good ones but most are average to backward. The Primera I had were all excellent. Getting the last few kgs on was pretty easy and I was able to bank on them being ready. Because there were no tail enders we were finished by December and were able to move on to the next thing.'

Garry Brady, Finisher, Te Pohue.



CATTLE

In the absence of any performance recording within the cow herd, the bull contributes approximately 80% of the measurable genetic gain. So when you select a breeder and a bull you should make sure they are meeting the breeding objectives of your cow herd. If you want to revisit the objectives of your cow herd we welcome the opportunity to work through this process with you to make sure you get the fit for purpose bulls for your farm.

STABILIZER

If profit is your key criteria in your cow herd then hybrid vigour makes an additional \$100 per calf per season. The challenge historically was keeping the uniformity of the cattle. The Stabilizer composite offers the best of both worlds with hybrid vigour and uniformity. If you are new to Stabilizer, it's common to ask, "What exactly is a Stabilizer?" Unfortunately, we do not have a fixed recipe. The reality of modern cattle breeding is we must be more concerned about the traits and less about the breeds. In practise the Stabilizer is predominantly made up of Angus (Red & Black), Gelbvieh and Simmental. We always try to keep the breed mix as even as possible with as many breeds as possible which ensures our clients retain a high level of hybrid vigour.

WHAT OUR CLIENTS HAVE TO SAY

'Stabilizer handle our conditions. They wean well grown calves with minimal inputs. Yearling heifers and cows are mated for 2 cycles only and we consistently achieve a 95% in calf rate. Steer progeny are either sold as yearlings, where they regularly top the Blenheim sale, or finished prior to the second winter. What more could anyone want?'

Kit Sandall, Awatere Valley, Marlborough

ANGUS

We run one of the largest and oldest Angus herds in the country. We will search out genetics that improve the profitability of our herd, balancing all traits with a particular emphasis on calving ease and cow size. As breeders continue to select for growth the alarming result is bigger cows (more cost) with mature cow size having increased substantially in the past two decades.

Our Angus population continues to rank right at the top of the Breed in terms of Breedplan Evaluation for all three profit indexes, Self Replacing (SRI\$), Calving Ease (CE\$), and Angus Pure (AP\$), so we know our cattle provide great value for money. Our Red Angus offer the same convenience traits with unparalleled calving ease with the simple difference in hide colour.

WHAT OUR CLIENTS HAVE TO SAY

'Dad has been in the cattle industry for over 50 years and his focus is structure, soundness and phenotype, whilst my primary selection criteria is based on genetic data. Having looked at numerous studs we undertook a large scale AI programme and this is how we began our relationship with Rissington Breedline. We have just weaned the first batch of calves from our new programme and they are outstanding.'

Bryan Jamison, North Canterbury

'It was more important for me to know what work had gone into the bulls than to keep sourcing them locally just because I had done so in the past. The fact that the bulls had to come from the North Island made no difference to buying locally. What I did is not actually that outside the square, it's just a bit of water that clouds people's perceptions.'

Alan McIntyre, Linnburn Station, Otago

SIMMENTAL

Terminal crossbreeding maximizes profitability. If you are looking to add weaning weight and carcass weight to your Angus or Hereford x Angus cows, then our Simmental will have the fastest impact on this. The progeny will have more milk, more muscle, and produce a heavier carcass weight. The added bonus is the daughters are moderate enough to be kept as replacements. Since the early 70's the F1 Simmental x Angus has been our favourite female. Our Simmental rank at the top of the breed for the two breedplan profit indexes, Maternal Index (MI\$) and Terminal Index (TI\$).



FOCUS GROUPS

We realize we don't have all the answers and our thoughts and theories need to be tested with our clients before we head too far down any given path. This is a process that happens whether we are conscious of it or not just through client interaction. We wanted to take that one step further and actually put a process in place so you can have your say.

We have often had focus or working groups to look at certain programs. A good example of this is the group of clients we took to the UK to meet with M&S and UK farmers to understand the issues. This was then followed up with a Cost of Production working group.

This year we are aiming to have more focus groups, some of the issues identified so far are;

FACIAL ECZEMA

For those affected this is a horrific disease and whilst genetics can only play a part within a total management solution it is still an important foundation. Many people are unaware or confused about the FE work we are doing and we need an opportunity to get feedback as to what you want from your genetic provider if FE is an issue in your business. We have identified a group of people that we will ask to attend this but equally if you wish to be involved then please let us know.

SPECIALISATION

We are totally committed to progressing specialization within sheep and beef farming systems. We started this with our Sheeplink business but as owners of the animals we were left to determine the structure and pricing formulas.

This program is undergoing some changes to improve the system, one of these being Sheeplink exiting ownership and the Grower taking up ownership. This achieves three key outcomes. 1; It places the risk and reward in the right place. 2; It provides a lower finance cost to the system and 3; It allows Sheeplink to step back as the decision maker and become a facilitator.

To this extent we have a focus group meeting in July with representatives from each part of the specialization model where they will come up with structures and pricing formulas going forward.

SNP CHIP

SNP, or single nucleotide polymorphism, chips have the potential to revolutionize breeding technology in this country and deliver with that, substantial productivity improvements. How this technology is developed and implemented is critical if we are to maximize the opportunity. We need to know how involved you, as clients and stakeholders, want Rissington Breedline to be in this process. Again if you wish to contribute to this discussion then please let us know.

MEAT QUALITY

One of the additional benefits of our progeny test is the ability to conduct some quite sophisticated meat quality work. Ongoing now for 5 years it continues to highlight new potential pathways.

With a strong partnership between Genetics (RBL), processing (SFF) and retail market (M&S) we can truly work together to improve the consumer experience. At the end of the day this is where the rubber meets the road, having consumers blown away by the quality eating experience provided by Primera.

This work is now gearing up to another level with M&S providing key direction after being highly impressed with the taste panel work to date.

With all of these working groups it is our intention to keep you up to date with any progress and, where appropriate, to provide recommendations to you from the group.

Watch this space....



SUPPLY PROGRAMS

Knowing there is demand for your product can be very comforting. The success of our genetic programs is reliant on your ability to maximize the genetic potential through management and then having outlets that recognize that value. We have invested heavily in some areas to make sure that is the case. Examples of this are the Sheeplink and M&S programs.

SHEEPLINK

If any of you are interested in seeing the new recommendations that come from our focus group then please contact us. We are looking for new Highlander Breeding partners and just as importantly we need more people willing to take on the growing of these hoggets. You don't need the best land to do this but you do need a total focus. This is a very rewarding part of the specialization model that will now be further enhanced with the new structures.

MARKS & SPENCER

As previously mentioned our Logistics & Marketing business has been purchased by Silver Fern Farms. The day to day management of your lambs will now be handled directly with SFF but the benefits and vision that we started in this program will be continued at SFF. If you have any queries at all then please feel free to contact Jeremy or Renee at the Hastings office of SFF.

CATTLE, EWES, STORE STOCK

We have demand for weaners, yearlings, in calf 2yr old heifers, cows, cfa ewes and store stock in general. Please contact us if you wish us to help with the marketing of your livestock. Last minute deals are not our specialty but with plenty of notice and planning we can provide a service here.

ANGUS

There are a number of Angus supply programs available to you from AngusPure, 5 Star beef, Farmpure and now the SFF Angus Backbone contract for MacDonalds. Our Angus obviously meet the requirements of these programs from a genetic standpoint so if you meet the on farm requirements then these maybe an option for you to consider.

For those of you enjoying the benefits of our Stabilizer program you can supply these programs by using our Angus bulls across Stabilizer cows.

ANSWERING YOUR QUESTIONS

Explain your genetic evaluation and why you don't use SIL?

The SIL genetic evaluation system is a very good system. Whilst many of the traits we evaluate are the same as would be evaluated on SIL, we also have a number of additional traits we evaluate which we deem to be very important. Survival and maintenance traits in the Highlander and meat yield and quality in the Primera are examples of this.

Having our own evaluation system allows us the flexibility to incorporate these traits. Not being with SIL is certainly not because we yearn to be different.

Often the reason touted for us all to be on the same system is so we can clearly benchmark one flock with another. In sheep, due to the lack of high accuracy link sires (common sires), the rankings can be very inaccurate. This is a big problem within breed let alone across breed.

It is very important to realize that a genetic engine is only as good as the quantity and quality of genetic information being evaluated. The more important question for any breeder is how do you ensure the accuracy of your data. We are always happy to step clients through the process of what we measure and how we measure it.

What about the CPT, why don't you put a ram in?

The information we gather from our investment in progeny testing is far greater than anything we could get from the CPT. Therefore the cost associated with putting a ram in would be as a marketing tool. At this stage we don't see enough value to justify that expense.

What is the process for ordering rams this year?

Enclosed you will find a ram order form. If you wish you can simply fill this out and fax it back. It is our intention to visit all clients who have purchased in the last three years during the winter period. We are very keen to inspect your rams and bulls and discuss your options for this year. We do find that where we actively help clients manage their ram and bull batteries we all get more from the partnership. If you haven't heard from us and would like a visit then please feel free to call.

If you wish to view either the rams, 2T ewes, bulls or indeed the ewe flocks or cow herds, then again please feel free to call us as we are only too happy to host you. If you wish to be involved in the selection of your rams then we are happy for you to come along, equally if you are happy with us selecting them for you our supply guarantee is still in place.

I had a great time last year, when is this years conference?

We have just set the dates as October 8th and 9th in Napier. This year we will be visiting Tarawera station, winners of this year's SFF Hawkes Bay farmer of the year. Carl and the team at Tarawera were commended on their management of the drought and this is a great opportunity to see how they have now come through a pretty tough winter.

We will also have Doug Avery speaking who has an inspirational story of how he and his family transformed their business structure to deliver a 54% lift in profitability over the last 5 years despite being in the grip of what is now a 13 year drought.

Our dinner speaker will be Grant Howie from SFF with an update on the transformation program that SFF is going through.

The next day we will be at Rissington Station with a bit of hands on stuff, looking at the animals, getting our feet dirty and talking the breeding program. We hope this will be like a giant focus group.

The afternoon will see Lee Leachman from Colorado give an address on the impacts and opportunities that genetic technologies have made to his business. Hot on the heels of Lees address will be our Yearling bull sale, as always a fun and exciting event – who knows, maybe we'll get Rodney back....

You'll get a full invite and agenda in the post soon, we would appreciate a rapid response as these events are always a big task to organize.

and the most common question we get....

Why should we buy your genetics?

Firstly we don't want you to think of a ram or bull purchase as simply a purchase but more as a partnership. So here are 5 reasons why you should partner with Rissington Breedline;

1. We have the single biggest investment in sheep and beef genetics in New Zealand. Genetic gain is a function of scale, investment and time.
2. We are genetic specialists. We have a team headed up by Aimee Charteris who is a quantitative geneticist and this is her sole focus. This isn't part time for any of us, we live and breathe it every day and at the end of the day, if we don't deliver we won't have a business. That's a pretty good incentive for us and strong reassurance for you.
3. Objective not subjective. Another way we say this in our business is intelligence not emotion, decisions are evaluated and made based on compelling data.
4. Market options. We have invested heavily to improve the range of options you have available to market the progeny from your investment in our genetic programs. You must be successful for us to be successful.
5. Proven by farmers. If you want independent proof you can talk to our clients, we will happily introduce you so you can ask all those burning questions.



Rissington Breedline Ltd

RD4 Napier

t. +64 6 839 5836

f. +64 6 839 5859

www.rissington.com

