

MEDIA RELEASE – 08/12/2010

RISSINGTON BREEDLINE & LANDCORP GENETICS DIVISION TO AMALGAMATE

Sheep and cattle farmers throughout the country can look forward to even better genetics with the announcement today of the amalgamation of two of this country's top genetics businesses. After working collaboratively for close to a year Rissington Breedline Ltd and LandCorp Farming Ltd's genetics division have agreed to a formal amalgamation. The merger will allow the new entity to give customers significantly improved genetic gain by leveraging access to the largest available single database worldwide.

Customers of both entities will continue to be able to access genetics from both existing breeding programmes including Primera, Lamb Supreme, Highlander, LandMark, Romney and Texel sheep breeds, Angus, Simmental and Stabilizer cattle breeds and Wapiti and Red deer breeds. All existing staff will be retained – so customers will see no change in their day-to-day contacts when purchasing their genetics. The amalgamation will mean increased short and long term genetic gain as well as the ability to share resources, skills, technologies and equipment.

LandCorp CEO Chris Kelly says the superior genetic gain in the airy industry is mainly due to the development of a large scale co-ordinated genetic improvement programme, we require that same approach in the dry stock industry. "The size of the new entity will increase its ability to invest in groundbreaking research and development technologies that are becoming more expensive and complex," says Chris. "This new entity will have access to the largest available single database worldwide allowing us to provide our customers with significant and sustainable genetic gain."

Rissington Breedline CEO Graham Leech says the merger will drive faster genetic gain for overall industry benefit from behind the farm gate right through to the end consumer. "This merger provides an opportunity to consolidate and focus the red meat genetics industry in New Zealand for the benefit of farmer customers and the industry as a whole," says Graham.

The new entity, which will be owned 50/50 by the two companies, is expected to be operating by May next year, subject to final due diligence. Rissington Breedline's operations in the UK, Uruguay and Brazil will be transferred to the new entity.

PRESS ARTICLE

GETTING TO MEAT OF THE MATTER IN TASTE AND QUALITY

Article: NZ Dominion Post, 9 Nov 10, Reporter Jon Morgan, *Over the fence*

Blazing trail: Marks & Spencer's Rissington-supplied lamb has come out top in taste tests

I had two barbecued chops for lunch when the Farm IQ roadshow came to Dannevirke recently. One was tender and tasty, the other as tough as an old boot. If only we knew what made those so different from each other, I mused. Well, we do. Or those who are at the forefront of driving the meat industry forward do.

Taste tests of meat from lambs fed on different forages have yielded some interesting results. Of the six forages tested, including brassicas, standard ryegrass-clover pasture, improved pastures and lucerne, three had no effect on eating quality. But three did - one for the worse.

The trials were conducted by Hawke's Bay-based sheep and beef genetics company Rissington Breedline using Primera rams over Highlander ewes. Rissington is an admirable example of farmer-led ingenuity and drive. The key to its success has been landing an

exclusive contract to supply top-end British supermarket chain Marks & Spencer.

I have written about Rissington in glowing terms before and make no apology for doing so. To my mind, it is blazing a trail for the rest of the industry. It was begun by three farming families nine years ago. Andy and Hamish Ramsden brought the maternal breed they had developed from mixing romney, texel and finn genetics. This became the Highlander. John Absolom and his sons brought the meaty Primera they had bred from the poll dorset, suffolk and the Australian white suffolk. And the Beamish family's 10,000-ewe romney flock gave these new breeds a sound platform on which to develop further.

The genetic balance of each breed is constantly being tweaked to improve its performance and to ensure it meets changing market requirements. The company structure, too, has changed over the years, introducing financial muscle from an investment fund, BioPacific Ventures, and selling its marketing and logistics arm to Silver Fern Farms.

Now 50 farmers around New Zealand, and a growing number in Britain, are contracted to supply Marks & Spencer with lambs. But what they tasted like was a bit of a mystery till two years ago, when annual taste tests were begun of export chilled lamb in the major British supermarkets. Marks & Spencer's Rissington-supplied lamb has come out top in all tests so far.

The forage research by Rissington shows ways to improve on that and the good news is that this research will be available to the wider industry under Farm IQ. Farm IQ is a \$151 million project being promoted by Silver Farm Farms, PGG Wrightson and Landcorp, with \$60m funding from the Government, to improve meat industry returns. Basically, it aims to find out what the retailer and shopper want in meat quality and taste and to re-engineer the supply chain to provide it. To discover what breeds and farming conditions will deliver this improved dining experience, farmers are being asked to sign up to a website and input vital production statistics. Included in this will be which forages they grow their lambs on.

Rissington is part of the Farm IQ project and looks forward to making details of its research available. Which forages performed best is yet to be revealed, but chief executive Graham Leech tells me the trials produced some surprises. There was a significant difference in growth rates - 125 grams a day between the best and worst. Two forages were well ahead of the others. A big difference in meat yield was also seen, although the best forage produced lambs that also had a lot of fat. However, it was also a quick-grower, so that could be managed. On taste, one stood out. The flavour was so terrible the taste panel pronounced it almost inedible. Unfortunately, it was also one of the forages that produced quick-growing lambs.

"At the moment, a farmer can grow lambs on that and not be penalised; the system doesn't allow for what would turn out to be bad eating experience to be identified," Mr Leech says. However, he thinks the effects of this forage can be managed. Lambs could be put on it for a growth spurt and then on another forage in time for the flavour to be "washed out" before slaughter. The trials also confirmed the big part genetics play in lamb growth. "Breeding is important for muscle and bone, finishing for the taste," Mr Leech says.

Rissington will continue the trials as part of Farm IQ next year and will add sheep genetics developed by Landcorp. Rissington's research shows the value of Farm IQ. Why wouldn't you want to know what makes your customer happy and how to produce it?



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