



Brief Bytes

Email update from Alliance Group - your co-operative & partner in farming excellence



Wanaka Show and The Glammies

It was great to catch up with many of our farmer shareholders at the Wanaka Show last week. A highlight was the Beef + Lamb New Zealand Golden Lamb Awards, aka the Glammies, which proved to be another triumphant year for Alliance Group shareholders.



Forbes, Christine and Angus Cameron, of Ashurst (Growbulk), carried off the 2017 Grand Champion award. The Cameron's stock is processed at our Dannevirke plant and they have featured prominently among Glammies winners since the inaugural year.

Pictured: (From left to right) James Parsons (Beef + Lamb New Zealand Ltd Chairman); Iron Maiden, Sarah Walker, Christine & Forbes Cameron, Sam McIvor (Beef + Lamb New Zealand Ltd CEO)

Robert Gardyne from Oturehua was honoured as Producer of the Decade. Robert's animals are processed at our Lorneville Plant and he was a Glammies finalist in 2007, 2009, 2010, 2011 and 2012. He also won last year's Golden Lamb award.



Pictured: (From left to right) Robert, Rosemary, Cheraly, Grant and Teri Gardyne

Lorneville suppliers also swept the board in the Best of Breed: Traditional category with Hamish Mackay, Gore (Romney), taking gold, Robert Gardyne silver, Paul, Rachel, Mark and Louise Heslip from Dipton (Perendale Romney) bronze and Don Morrison, Gore (Romney,) highly commended.

Hayden Peter, of Wyndham (Greeline), processed at Lorneville, won bronze in Best of Breed: Crossbreed, with Jane Leogreen of Dannevirke (Texel/Perendale/Romney), processed at Dannevirke, highly commended.

Don Morrison won gold in the Best of Breed: Terminal Cross class for Growbulk/Charollais and Allan Paterson, Otautau (CoopTexel/Texel), also processed at Lorneville, was highly commended.

In Best of Breed: Open, Forbes and Angus Cameron won silver, Doug Brown from Oamaru (Poll Dorset/Texel) processed at Smithfield, took bronze and Robert Gardyne was highly commended.

Congratulations to all winners and finalists.

Meanwhile, the winner of our Wanaka Show competition is Mark and Sally-Ann Copland from Ferndale, Gore. They receive \$150 worth of Pure South product.

Pictured: (From left to right) Head Judge, Graham Hawkes and Beef and Lamb Ambassador Chefs: Alistair Forster, Mahana Estates, Nelson; Andi Bozhiqi, Millhouse Restaurant at Millbrook Resort, Arrowtown; Steve Beere, Mint Restaurant, Napier; Shaun Clouston, Logan Brown; Wellington; Scott Kennedy, Nero Restaurant, Palmerston North.



Investment to boost productivity and beef capture at Pukeuri



A \$2m capital investment programme to increase productivity and safety and capture more head meat in beef processing at our Pukeuri plant has been approved.

The beef slaughter chain at the plant will be reconfigured to increase throughput and safety. The project will also free up some space to install 'jawbreaker' equipment that will enable us to recover more head meats.

This is another example of how we're improving the efficiency of livestock processing so we can lift returns to our farmer shareholders.

Please remember to tag cattle correctly

It is vital that you ensure cattle are correctly tagged before they leave your property. Cattle are still arriving at the processing plants either with no tags (AHB or NAIT) or double NAIT tags, which results in a loss of revenue from products not able to be saved for specific markets. It also puts added pressure on plant operations to meet regulatory requirements dealing with no taggers and has the potential to result in Alliance Group losing key market opportunities.

German visit

We welcomed visitors from our long-standing market partner, German meat importer Alexander Eyckeler GmbH (AEG), together with representatives from their processing partner, Willms Fleisch GmbH, last week.



Pictured at our Lorneville plant: Hubert Willms - Willms Fleisch, Angelika Schwalber - Willms Fleisch, Markus Wagner - Alexander Eyckeler GmbH and Alexander Eyckeler - Alexander Eyckeler GmbH.

MARKET UPDATE

Lamb

Lamb procurement pricing in field continues to show volatility and our schedule is a reflection of this environment. The UK market remains firm for all cuts with supply fundamentals in line with market demand. Middle cuts are in reasonable demand in Europe leading into Summer but both leg and shoulder products are proving a bit slower to move to market.

In North America, demand remains steady across all product types. In China, prices have moved up but there are concerns these are not in line with in-market levels and some correction is likely going forward.

In the Middle East, frozen remains steady with increased supply from New Zealand continuing to put some degree of uncertainty into the market. There is firm demand for chilled. This is due to supply from Australia reducing as producers take advantage of positive feed conditions to re-stock after many years of drought and capital stock loss.

Mutton

Markets are aware that New Zealand processing numbers are well advanced. Some good interest remains from China, Malaysia and Mexico.

Venison

Prices are holding for all frozen product and more chilled volumes are being offered into key markets.

Beef

US prices are holding with a small rise on some items due to shortages in the US spot imported market. Rain issues in New Zealand have slowed kills, keeping supply limited and assisting with price stability. Australian kills also remain well behind last year's levels but there are drought concerns growing in some regions.

In the US domestic market, 50cl trim has increased in value and prices are now around 20 per cent higher than same period last year. This is not good news for lean beef imports as burger grinders will eventually look to offset higher domestic levels with lower values on imported beef.

China continues to dominate global beef imports with prices holding relatively steady although some items such as chuck and shanks are under some pressure from competitively priced South American beef. Chilled prices on the domestic market have eased slightly.

Co-Products

Wool-on-skin collection continues to dominate the lamb market while pickled sheep pelts are still proving difficult to market at reasonable prices. There is improved demand for wool. Prices have picked up 30 to 40 ckg on some lines but remain well below prices from a year ago. There is reasonable demand for hides. Some improved prices for casings are being recorded from Europe but US and Japan remain in difficult trading positions.

Warm regards

David Surveyor
Chief Executive

Your co-operative, working with you across the supply chain



Phone: 0800 354 435
Email: communications@alliance.co.nz
www.alliance.co.nz | www.puresouth.com