



BRIEF BYTES

New Zealand's only true 100% farmer owned red meat co-operative



Women's Workshops



I enjoyed talking with some of the co-operative's women shareholders at a Women's Workshop in Gore on Tuesday night. There were plenty of interesting questions and the team has had great feedback from the other workshops around the country. The workshops include an update on the latest developments for the co-operative and attendees hear from Heather Stacy, General Manager Livestock and Shareholder Services (pictured left at the Mosgiel workshop), and Peter Russell, General Manager Marketing.

This year's event also includes a fascinating talk on knife care, with an opportunity to purchase a high-quality knife. There is still time to book a place at the remaining workshops so I encourage you to consider attending.

Dannevirke – The Hub, 23 Gordon Street, Dannevirke, May 15, 10am-3pm

Nelson – The Honest Lawyer Country Pub, 1 Point Road, Monaco, Nelson, May 29, 10am-3pm

Amberley – Waipara Hills winery, 780 Glasnevin Road, Waipara, May 30, 10am-3pm

Geraldine – StoneBridge function venue, 842 Winchester-Geraldine Road, Geraldine, May 31, 10am-3pm

For more information, please visit www.alliance.co.nz.

To register, please email: communications@alliance.co.nz

Lorneville and Pukeuri among proposed plants for China chilled trial

Our Lorneville (sheep) and Pukeuri (beef and lamb) processing plants are among 10 plants nominated for a six-month chilled export trial. The plants put forward for the trial were selected by the Meat Industry Association in consultation with the Ministry for Primary Industries. Companies had to demonstrate relationships with distributors in China providing facilities capable of handling chilled meat. Scale and geographic spread were also considered. We had already undertaken extensive trial work with our key in-market partner Grand Farm in preparation for this programme. We look forward to providing our Chinese customers with our high-quality range of chilled products. This is a good opportunity for the New Zealand red meat sector to demonstrate the integrity of our chilled programmes.



Chilled lamb exports to China offer encouraging prospects for the co-operative and farmer shareholders, particularly in the food service sector. This is a growing segment of our business and a key part of our

strategy to capture more market value.

Bellied premium

Please remember you must meet our bellied specification to receive the 10 cpk Bellied Premium payment. The bellies must be removed up to and including the top of the brisket and wool removed from legs. The belly wool length must be no greater than 30 mm. Please refer to the lamb presentation brochure on the Farm Alliance website or ask your livestock representative for more details.

Venison Minimum Price Contract



A Minimum Price Contract is available for venison until February 18, 2018. We can offer this contract with confidence following the positive outcome of several marketing initiatives that have been progressed over the last few years. This has enabled us to unwind our dependence on Germany and the European game season along with the euro and move to both the US and UK with value added propositions. This has resulted in a more diverse market and currency mix.

Our Pure South Cervena programme to increase out of season chilled consumption along with general growth in seasonal chilled is a major driver. Strong demand from the manufacturing sector with their gourmet burgers and small goods is keeping prices firm for the traditionally lower valued boneless product. Capturing greater value from our markets is a key part of our business strategy so it is pleasing to see progress in this area.

Bobby calf feeding and welfare requirements

Alliance Group is committed to helping our farmers meet the highest standards of animal welfare. By now, many of you should have received our 2017 Bobby Calf Processing Information Pack. This includes the bobby calf application form and status declaration. All questions in these must be completed prior to stock being accepted. It is important to note the strict requirement to comply with all aspects of the new bobby calf animal welfare regulations. This includes, among others, the requirement for calves to be at least four days old, clean and sufficiently robust to travel. They must not have been fed anything other than milk or pasture and you must agree to feed calves within two hours of the notified pick up – and record the time of the last feed.

There is a Code of Welfare for Dairy Cattle, the Transport Code of Welfare (selection of calves for transport) and Animal Welfare (Calves) regulations 2016 as required by the Ministry for Primary Industries. All those working with the animals must also be instructed in how to comply with these requirements.

For further details on the new regulations click [here](#).

BladeStop bandsaws to boost safety

We're committed to achieving world class health and safety standards across the co-operative so we're continuing to invest in this area. We want our people to be safer and our business stronger and safer. A \$3.4 million programme is now underway to replace all of our existing '400' series bandsaws with sophisticated BladeStop technology. Designed specifically for the meat industry, BladeStop bandsaws are uniquely designed to stop the blade within 15 milliseconds when the unit senses a person, glove or both have close proximity and/or contact with the saw. This significantly reduces the severity of injury with the risk limited to, at worst, a small cut. The use of standard bandsaws is one of the highest risk activities industry-wide. Having world-leading safety technology of this kind supports us to continue to recruit and retain the best operators in the business. There is still much to be done to ensure that safety is embedded in our culture as our absolute number one priority. We are absolutely committed to working with our people, customers and suppliers to make our work places safe.



Leadership development scholarship opportunity for women in meat sector

Scholarship funding is available for women in the meat sector to participate in a range of leadership development programmes this year. The funding, through Woman & Leadership New Zealand (WLNZ), must be awarded by June 30, with applications in by June 7. WLNZ is administering this national initiative to support the development of female leaders across New Zealand's meat sector. Women are provided with grants to enable participation in a range of part-time leadership development programme delivered nationally via WLNZ's blended learning model.

Visit [Women & Leadership New Zealand](https://www.wlnz.org.nz) or contact Wafa Ahmed at the office of the National Industry Scholarship Program, WLNZ on +61 3 9270 9030 or via wahmed@wla.edu.au. Those interested are encouraged to apply promptly.

UK co-op chain product to be placed in other markets

You may have seen reports that UK's Co-op Food has decided to no longer sell New Zealand lamb. We have been in dialogue with the supermarket about this. Although it is disappointing, the volume of lamb supplied to Co-op Food is insignificant for Alliance Group and we have the ability to place the product in other markets without sacrificing profitability. In addition to this, we're working closely with Beef + Lamb NZ and the Meat Industry Association to maximise the position of New Zealand product into the UK.

The world's best quality meat - delivered to your door



Buying the world's best quality meat doesn't get any simpler than sourcing Pure South products from our online store. We deliver to most parts of the North Island and South Island or we can keep your order aside for you to pick up from a range of locations. Shop whenever it suits you 24/7, pay by Amex, Master Card or Visa and we provide a track and trace number so you know exactly where your order is. For Rural Delivery addresses, we deliver to your nearest NZ Courier agent/depot for safe storage until you can pick up. Alternatively, for easier collection, you can also arrange delivery

to family or friends.

Pure South has a fantastic range of products and ordering online is becoming increasingly popular. Simply order online at [Alliance Meats](https://www.alliancemeats.co.nz) provide your address or choose your preferred collection point from a list of locations.

Market update

Lamb

In the UK, there is steady demand and firm pricing for chilled and frozen cuts. Strong demand continues across all sectors for all cuts in Europe. The North American market also continues to be strong for the full chilled and frozen product range. The Chinese market is steady, with stocks building in anticipation of good consumption through the traditional winter period, with other Asian markets short of supply. The Middle East is reflective of world dynamics with a firm market and continuing shortages.

Mutton

Market demand is strong on limited supply.

Deer

We are now into the low processing season with negotiations for early chilled business into a growing new emerging market progressing. We should be in a position to talk more about this later in the year.

Beef

All New Zealand processors are in peak season for cow processing and it is pleasing to note that manufacturing prices from US importers have been relatively steady with some minor price increases recorded. Chilled New Zealand demand has remained strong for mid weight-range steak cuts while demand for small and the larger sized categories remains patchy. Asian markets remain steady although some Chinese importers report buying at lower price levels.

Co-products

There has been no change to pickled pelt markets with stocks of lower grade material now much lower than six months ago. There may be an opportunity to lift price levels for next season. Reasonable numbers of felly grade skins are still being processed for China. Current wool production consists predominantly of shorn lambs with demand for shorter styles very average. There has been no change around hides. In rendering, tallow prices have eased slightly as demand from major biodiesel buyers has decreased. There has been no change regarding casings.

Warm regards

David Surveyor
CHIEF EXECUTIVE

