



# **SPRING NEWSLETTER 2023**

Who to vote for in the upcoming election is the big question looming for many. From an agricultural point of view over the last five years we have seen a transformational change in land use, as an estimated 250,000 hectares of farmland has been planted in forestry. A lot of this has been the result of central government policy through the planting of a billion trees and the Emission Trading Scheme. So, there is no surprise that sheep numbers have dropped over this time to 25 million.

Low forecasted returns, high input costs, high interest rates and the ever-increasing number of rules and regulations that are being introduced to farming, is making it difficult to keep up with everything required of farmers. As previous generations have taught us, tough times are part of the cyclical nature of farming.

From a farming point of view a vote on October 14th may help bring back some much-needed positivity into our sector.

It's not all bad for New Zealanders. The latest edition of the Global Wealth Report for 2022 had 2.05 million New Zealanders in the top 10% of global wealth holders. Wealth, which was measured as financial assets plus real assets, minus debt meant that \$231,000 was required to be in the world's top 10%. To be in the world's top 1%, a more substantial \$1,825,000 was required, of which there were 237,000 New Zealanders.

# 12 REASONS WHY PAKI-ITI IS YOUR COMPLETE GENETIC PACKAGE

- 1. Romney Rams All round maternal performance bred on hard hill country.
- 2. Facial Eczema Tolerant Romney Rams All round maternal performance bred on hard hill country with facial eczema tolerance added (successfully testing at 0.4mg/kg).
- 3. Romtex Rams All round stabilized Romtex maternal performance bred on hard hill country, plus enhanced growth, and meat. Based on a SIL analysis of 2022 born ram lambs, the Paki-iti Romtex offers 32% more weaning weight and 34% more weight at Autumn weighing.
- 4. Suffolk Rams Moderately framed, structurally sound package delivering Growth, Meat, Survival + Blackness.

- Suftex Rams Moderately framed, structurally sound, dark coloured package delivering Growth, Meat, Survival + Hardiness.
- 6. Breeding for the Best Commitment No 'add-on' breeds, no experiments, no gimmicks. Just a commitment that each breeding option is fully recorded and is bred to be the best in New Zealand for Constitution, Structure and Performance.
- 7. Lease Suffolk/Suftex Ram Hoggets Terminal ram hoggets are offered for lease from mid-March onwards. Suitable for, but not exclusively for, farmers that are – selling a farm, bought a farm, leasing a farm, lifestyle farming, hogget mating or just short of rams. Cost is *Continued overleaf*



\$250+GST/head, with an all care/no responsibility policy (no cost to the leasee for deaths or missing).

- **8. Warranty** You break them and we'll replace them policy covering their first year.
- 9. Mating Draft Our offer is to draft premating, ewes into an 'A' mob to breed for replacements, a 'B' mob to go to terminal rams and if want a 'C' mob that are not suitable for mating. This could suit those farmers that don't have a 'B' mob permanently identified.

# ROMNEY/ROMTEX UPDATE

Over the last ten years animal health traits such as facial eczema tolerance and worm resistance have become more important in our breeding programs.

## **Facial Eczema Tolerance**

We are into our thirteenth year of incorporating Facial Eczema tolerance into our Romney breeding program, with the last five years validating it through sporodesmin testing. The breeding objectives for this flock is to breed a structurally sound FE tolerant Romney with all the attributes of the Paki-iti Romney. This year we continued testing at 0.4mg of sporodesmin with 50% having a Nil response and 36% having a Slight response (86% Nil or Slight). This has given us enough confidence to increase our dose rate to 0.45mg next year.

#### Breeder's Comment

One of the common negatives of flocks that have been bred for facial eczema resistance, is that selection of stock was based on what animals were unaffected by facial eczema, effectively disregarding other traits, such as structural soundness. In early August, all feet on all our ram hoggets (1000) were inspected for structural soundness. It was pleasing to note that the cull rate in the facial eczema tolerant ram hoggets was only 0.6% more than the Romney ram hoggets.

### Worm Resistance

Since 2010, we have been testing our ram hoggets for worm tolerance, initially with AgResearch's CARLA test and the last four years testing with PHENR, which involves not drenching over the autumn period and then taking FEC samples off each hogget. Adding to the testing we purchased some 22th ewes and two rams from Gordon Levett's clearing sale in 2021 to help increase genetic gain in this area.

## SUFFOLK/SUFTEX UPDATE

The Terminal breeding programs continue to go from strength to strength, supplying large numbers of black face terminal rams, with particular emphasis on constitution, structure and growth. Over the last few years there has been a greater focus on the Suftex, with a larger performance recorded gene pool to draw upon. The increasing of the Suffolk percentage in the Suftex breed has enabled us to breed a darker option.

## **Terminal Meat Quality**

Each year we DNA test our top 100 terminal ram hoggets for meat quality traits that include intramuscular fat, pH, and tenderness. To help validate the DNA results, we are involved in the South Island Genomic Calibration trial which also tests other sires from all terminal breeds. The results

- **10.Guaranteed Supply of Rams** If you need them, we will supply them and if we can't, through using our network of breeders, we will find them for you.
- **11.On Farm Breeding Review** We offer to discuss and fine tune breeding programs on farm.
- **12.100% Satisfaction** We strive to achieve 100% client satisfaction, from the purchasing of the rams, to their performance and the performance of their progeny.

#### Breeder's Comment

A genetic solution is part of the solution in tackling drench resistance. Breeders can either breed sheep with lower worm egg count (FEC) or breed a sheep that can grow well despite a challenge. We have been breeding for lower FEC, with the advantage of having a more resistant flock is that pasture contamination is reduced. This has been estimated that eggs shed onto pasture will decrease by 4% per year under a selection programme for both production and resistance traits.

#### Wool Less

We are just seeing the results from our second lambing of breeding a flock that requires less shearing and dagging. The aim of this flock is to have a sheep that has all the attributes of a facial eczema Romney that initially has no wool on the belly, points and around the back end and ultimately doesn't require shearing. Based on our experience in successfully stabilising the Suftex and Romtex breeding options we have looked at what we can achieve with the Romney. This is a slow breeding project and will only be offered as a breeding option once fully validated by us.

#### Breeder's Comment

Over the years there has been several different breeding fads due to there being a need for different traits in the industry. Most of the quick fix genetics have come from overseas countries and without exception all these breeds have struggled to adapt to New Zealand's farming conditions with their structure and some with their constitution. The breeds that have been introduced recently to address the wool issue will go the same way. That is why we are looking at breeding a solution from within New Zealand that has already adapted to New Zealand's farming environment. A recent sale of MA in-lamb shedding line of ewes at the Feilding sale (135 and 60 ewes) clearly showed that at least a third of them had severe foot growth on more than one foot and another third had growth on at least one foot.

also help benchmark where we are in the industry. Results from 2022/23 (54 rams used).

	Paki-iti 1166/19	Average
Pre-Slaughter Liveweight	40.9	37.5
Carcass Weight	17.6	16.3
Dressing %	43.0	43.4
GR	11.1	7.9
CButt	64.0	62.9
Visual Marbling	3.7	3.1
рН	5.63	5.61
KgF	4.19	4.20

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#### Breeder's Comment

Before breeders should look to add on the 'bells and whistles' to their sheep, they must have the basics right-constitution, structure, performance. At Paki-iti the basics are in place which has enabled us to add meat quality traits into the breeding program. So, where's the premium?

Alliance has successfully trialled Fluorescence Spectroscopy - also known as MEQ probe technology since early 2023 to measure carcase intramuscular fat and is paying a 20c/kg premium for their 'Handpicked' market. Lumina lamb is also getting a significant premium for its lamb that combines meat quality genetics and the use of finishing forages. Progressive Meats is also looking at identifying genetics with higher meat quality, with a view to developing higher premium markets – plenty happening in this space.

## **Adding Value**

We are into our third year of breeding terminal hoggets supplying a Japanese market, with an increase to seven tonnes since the first shipment was sent over in late 2020. This market is specifically targeting meat quality traits and mainly looking at intramuscular fat. Besides genetics they are also targeting a 30kg carcass weight, which allows the genetic component of intramuscular fat to express itself. This is similar with Australia's market requirements of supplying heavier 25 – 30kg carcasses that have intramuscular fat of over 5%.

#### Breeder's Comment

For three years Paki-iti was involved in the grass finishing of up to 200 Wagyu steers per year, where the sole focus was on getting animals over a marbling score of 7 (scoring system is 1-9) as the payment was based on carcass weight but also a premium paid for marbling. What we learnt from this experience is that the intramuscular fat is the last fat to be laid down, therefore the older the animal, the more likely that it would have higher marbling and that the animal requires significantly more energy to lay down this fat, with poor growth rates to show for it. The Wagyu is an extreme example of what marbling can do to growth rates, but in our experience, it effectively meant that the steers had to be wintered for a third year, thus making it uneconomical for us. In our terminal breeding program, out of all the traits, breeding for growth is still king.

# **OBSERVATIONS OF SHEEP & BEEF FARMING**

Over the winter we hosted a number of professionals at our sale complex, the following is an extract of a talk on my observations of sheep & beef farming.

- You can only know how to farm by experience.
- Observation of everything that is happening on the farm is one of the most important aspects of farming.
- Timing is everything the difference between a good farmer and a poor farmer can be as little as one day.
- At any meeting the person who is asleep will most probably be a dairy farmer.
- Farmers pay what they owe and there are very few bad debts.
- Many of the major business's farmers deal with are owned by them – fertiliser, meat processing, farm supplies, animal health, insurance – A unique situation where there is a vested interest to see their shareholders succeed.
- Sheep & beef farming is unique in that there is poor cashflow for 6-7 months of the year, but when income does come in, it's paid 14 days after a sale. Most businesses are paid the 20th of the following month, which can mean up to 50 days before payment.
- 'Diesel disease' is a real thing in farming the stockpiling or overcapitalisation of machinery on farms, which can be to the detriment to profitability.
- Sheep & beef farming is and has always been a very finely balanced industry, if returns were higher, it would be overtaken by overseas/corporate farmers, if returns were lower there would be more mortgagee sales.

- The older couple at the front of any farming meeting will likely be sheep and beef farmers – years of chain sawing or handpiece work without ear protection means their hearing has gone.
- If you haven't had a hip replacement by the age of sixty, you probably were fortunate enough to have used shearing contractors.
- Sheep & beef farming is about fine tuning what you did the previous 12 months, again and again and again. As time goes on it can become more difficult for some farmers to remain motivated.
- Not all farmers are farming for profit refer to the previous observation.
- Do not read surveys put out by banks and associated sources – they are just programming you on how other people feel.
- Many sheep & beef farmers like familiarity and if given the choice of any place to farm in New Zealand, would choose to farm where they currently farm.
- There are no constants in farming except perhaps phosphate and lime.
- Farming is cyclic, we will invariably do something new which has already been done years before and think we are being innovative and progressive.
- There are very few silver bullets in farming, perhaps only electric fencing and aerial top dressing.
- A difference between an experienced stock-person and an inexperienced stock-person can be as simple as their anger level when dealing with livestock issues.

## **100% SATISFACTION**

We strive to achieve 100% client satisfaction when using Paki-iti rams; from the purchasing of the rams to the performance of the rams and their progeny. If you feel we have delivered below this expectation we would like to know.

#### Here's to a favourable 2023/24 farming season.



# PAKI-ITI ROMNEY/MATERNAL

- 160+ clients purchased/leased Paki-iti rams/ hoggets last year.
- Bred on a 870ha hard hill country property rising up to 637m asl.
- Moderate frame, deep bodied type of sheep.
- Growth, Fertility, Survival, Worm Tolerance, Longevity, Hogget Fertility.
- Facial Eczema sub flock successfully testing at .4mg/kg sporodesmin.



# PAKI-ITI ROMTEX/ MATERNAL & GROWTH

- Stabilized breeding program better fertility, better structure.
- Offering faster growth rate and higher meat yield.
- Growth, Yield, Fertility, Survival, Worm Tolerance, Longevity, Hogget Fertility.
- · Romtex rams sold as 22th rams.



# PAKI-ITI SUFTEX & SUFFOLK/ TERMINAL

- 500+ terminal rams hoggets sold/leased.
- Fast Growth, High Meat Yield, High Survival.
- Bred for Hill Country moderate frame, longevity, structurally sound.
- 15 years of wintering ram hoggets on hard hill country.
- Incorporating meat quality traits (IMF, tenderness and pH).
- Lease Terminal Ram hoggets available in March.



## **CONTACT DETAILS**

Stewart Morton:Ph (06) 328 5772Mob (0274) 453 110Andrew Morton:Ph (06) 328 2856Mob (0274) 488 511

pakiroms@farmside.co.nz

www.paki-iti.co.nz

## Working with

