

CONTENTS

- **Housekeeping**
- **New advisors**
- **Sale lamb reports**
- **Sale lambs- doing it smarter**
- **Increased productivity- how far do we go?**
- **Pasture quality and pre weaning growth rates**
- **Beef cow performance- new data collection form**

Housekeeping

All green Farm Data Record Forms for 2007 have been sent out in the mail if you have not received yours please contact Fiona (07 872 0247) or you can print them off yourself by going into the **AgriNetworks Forum** – Log in – enter your username and password. (If you require a password please contact Fiona.) Go down the screen and click on to Sheep for Profit® Data Record Forms and select which ones you require, then download and print. As easy as that.

New Advisors

We are pleased to welcome Andrew Cribb & John Hicks to AgriNetworks as Sheep for Profit® Advisors.



Andrew Cribb - Gisborne



John Hicks -Southland

Andrew Cribb is a veterinarian working for VetEnt Gisborne and will be working alongside Don with the eight east coast farms participating in the Bernard Matthews Sheep for Profit® programme, another initiative from the Tairāwhiti Land Development Trust.

John Hicks is a veterinarian who has just retired from clinical practice after twenty seven years in Otautau, Southland.

Some of you may have seen his book “Puzzles in Paradise” which is based on life as a veterinarian, firstly as a student in the UK, then to a dairy practice in Taranaki, and finally to the wilds of Western Southland. John will be working with Sheep for Profit® farmers in the Southland area.

Sheep for Profit Sale® Lamb Reports

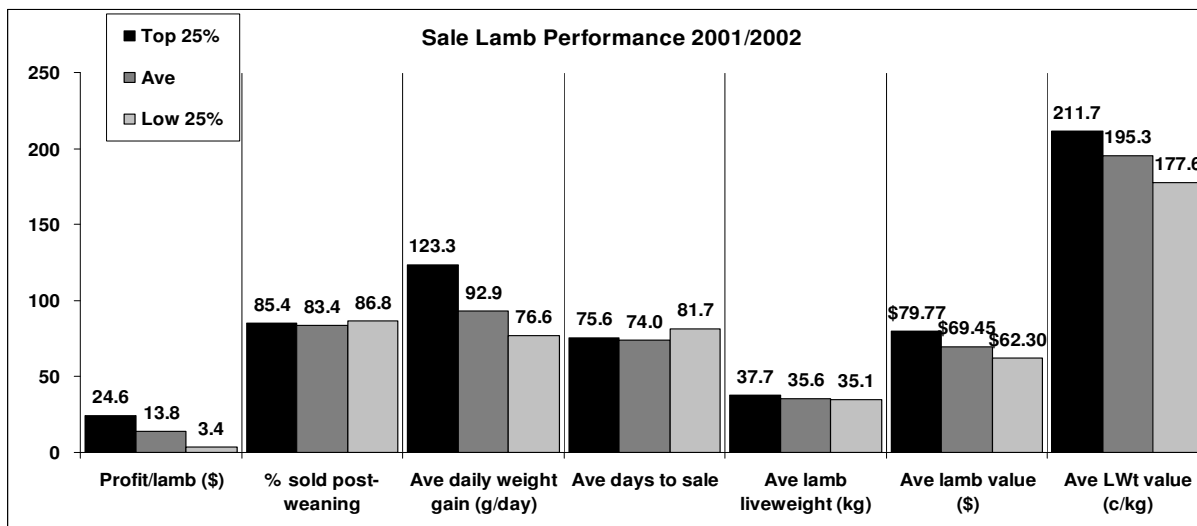
We use “Profit per lamb” as the outcome of this production system. The main reason is to keep reminding you that there are some significant costs associated with finishing lambs (cost of production) and there may be situations where selling the lamb now is better than keeping it.

In our system we make some assumptions to calculate the cost of production:

- The value of your lambs at weaning (ave wean wt x \$1.60/kg)
- Lambs eat 1.1kgDM/day
- Pasture costs 9 cents/kgDM
- Animal health is 1cent/lamb/day
- Shearing/crutching \$3
- Death rate 2%

The profit per lamb is your average sale price less the cost of production.

It is important not to get too hung up on the *actual numbers* sitting above the Profit/lamb in the report – use them to compare how your performance was against the rest.



A *negative* profit means you ended up selling your lambs for less than what they were worth at weaning at \$1.60/kgLWt, assuming your costs are similar to what we use in the report.

Sale lambs – doing it smarter!

Lamb prices took a bit of a tumble last season and what will happen this year is still cloudy.

Traditionally getting the most out of selling lambs has tended to focus on growth rates. But Sheep for Profit has identified that “the way the lambs are sold” is a much more significant driver of profit.

Our data shows every year the top quartile for sale lamb performance have slightly higher average lamb weights and average lamb sale value. Their growth rates tend to be higher as well. Using the 2001/2002 report we can see the top quartile earned \$24.60 per lamb compared to \$13.80 for the average.

The top quartile lambs were 2.1kg heavier than average, yet the top lambs sold for \$79.77 compared to the average of \$69.45. The difference is \$10.32 per lamb.

It takes about 154kgDM to take a 28kg lamb to 18kg cwt doing 150g/day. That same amount of feed will finish 1.7 28kg lambs to 15.7kg cwt.

The extra 2.1kg was worth \$4.12.

The other \$6.20 came from the average live weight value of \$2.12 compared to the average of \$1.95.

This scenario occurs each year but the only difference is the actual value of the lambs. We can respond to the markets by thinking smarter – it may not be the heaviest lamb that makes the most money out of your pastures.

**Taking 25kg lambs to 40kg:
At 75g/day “costs” 200 days & 241kgDM
At 100g/day “costs” 150 days & 195kgDM**

- Over 1500 lambs save 69,000kgDM:**
- Enough to lift 875 score 2 ewes to score 3 over 50 days
 - Equivalent to:
 - 60t grain
 - 2800 bales hay
 - 35 ha 7-8cm pasture

Selling lambs in the pre-Christmas season certainly helps the profit but not all farms can do this. Timing of sale can also mean selling lighter lambs on a higher price market – selling as stores instead of finishing to heavier weights.

Is the best lamb finisher the one who has the heaviest lambs or the one who makes the most profit from the pasture eaten?

Future trends in the NZ sheep industry

There has been a major increase in sheep productivity over the past 20 years. Industry commentators and many farmers are now asking the question “How far can we go”?

Some are saying the benefits from the increased national lambing percentage may be off-set by the inefficiencies associated with a higher ewe death rate and heavier ewes. Most of these people then promote the importance of diversifying away from the production of commodity products.

Perhaps we need a bit of perspective on these issues.

We often talk about the dangers of using “averages”. The average national lambing percentage is driven by those exceptionally high lambing flocks, which may also be the drivers of the increasing average ewe death rate. Is the national average a reasonable indicator of what is happening on the majority of farms?

We think the increase in ewe weight is taken from M&WES information which shows ewe carcass weight has gone up by 4.3kg. Is the average weight of cull ewes sent to the works a reasonable indicator of our national flock? Some farmers have been focussing on ewe liveweight to drive up their lambing percentages but not all. In fact our data shows a very weak relationship between average mating weight and scanning %.

Over the three years of the Sheep for Profit® pilot project the average ewe flock performance over 125,000 ewes increased by 4kg lamb weaned per ewe mated. Lambing went up by 9% and pre-weaning growth rate by 28g/day. Ewe mating weight went up by a measly 1.4kg so there was a 6% lift in the % ewe weight weaned. So for many farmers there is still a huge opportunity to find ways to improve production without necessarily compromising efficiency of feed eaten.

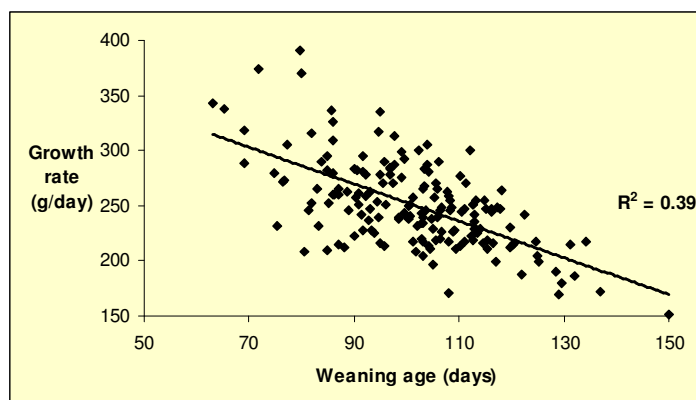
Better genetics, better pastures and better management have all been significant factors in the improved performance. As we move forward all three factors will continue to get better and better with experience and innovations.

But we cannot ignore the fact that our farming industry is fundamentally reliant on our overseas markets. One way of managing that risk is to develop small niche markets which develop and foster much closer relationships between producers and consumers and offer a year-round supply of products the consumers want.

This has been a vision since the very early days of Sheep for Profit® and we think it is time to get it out and start thinking how we go the next step. We have developed and proved that the Sheep for Profit® systems can help farmers lift their productivity. All we need to do now is develop systems to provide more security and stability at the marketing front.

Pasture quality and pre weaning lamb growth rates

Below is a farm scatter graph looking at the growth rate of lambs on mum over time.



This is a reasonably strong correlation showing that the average growth rate declines with increasing age. This is logical as the lambs change from a milk diet to a pasture diet. The degree of reduced growth rate becomes very dependent on **pasture quality**.

How to maintain pasture quality was the key topic for Dereck Fergusson from Agricom, speaking at our recent workshop for the Hawkes Bay Sheep for Profit farmers at Hastings.

The following is a summary of the key points of his presentation:

Why should we have to be aware of pasture quality issues in Spring?

- Grass normally grows very fast in Spring
- Its natural to let animals eat what they want, leave the rest until later and eat that when the grass growth slows down.
- However - with spring growth there comes a decline in pasture quality associated with seedhead production.
- Seedhead lowers the ME value of the grass eaten and lamb growth rates are lower on low ME pastures
- To influence the quality of pasture you need to manipulate the quantity.
- Grazing delays the onset of seedhead production. Hot dry weather speeds it up.
- At some point seedhead will still appear.
- Need to get rid of seedhead to maintain pasture quality

At some point decisions need to be made about how much seedhead has developed and when you should manipulate any **excess** of lower quality feed.

How do you know when it is coming?

This is the key. The farmers that recognise this have an understanding of feed demand and feed supply of their farm systems and have some form of pasture growth measurement during early spring.

- Its not rocket science and we can help you with several tools which you can use to enable you to be better prepared.

What to do with it?

This is the easy part!

Proper management of a “spring surplus” is a term which implies the ability to transfer this feed to another time when not enough feed is available.

- Deferred grazing (not an option if you want good pasture quality)
- Make silage (never better out of the pit than when it went in)
- Make hay (worse - cutting later means more seedhead!) Better to identify surplus early and cut early to have lower yield but better quality hay/silage.
- Chemical topping - seek advice.
- Summer fallow - good if regrassing.
- Transfer to summer via a crop (quality and quantity)
- Transfer to autumn /winter via a crop

Paddock Calf Survival Record Sheet

We have decided to build on the initiative of one of our farmers who used our paddock lamb survival record sheet to track calf and cow/heifer survival in all of his calving paddocks last year. One block showed a calf wastage of 15% which prompted him to fence off a small area of holes and under-runners within that block.

The key outcome of our Beef Cow Performance report is kg calf weaned per cow wintered and is a function of the herd Mating performance and kg of calf weaned.

Calf wastage can have a huge impact on the kg calf weaned and measuring paddock calf survival may be a big help to identify wastage issues associated with individual paddocks or blocks.

We will be including the new data collection form with the next update of forms for your folders.

“Have a very Merry Christmas and a Happy New Year” from all of us at AgriNetworks.