

WHANGARA FARMS
GENERAL MANAGER'S REPORT
MAY/JUNE 2010



RICHARD SCHOLEFIELD

STAFF:

The last two months have seen a change of roles for some of us and a couple of new faces working for Whangara Farms.

John Hallgarth has been working as the B5 unit manager for six weeks now and has settled in well. John has got up to speed with the current systems quickly and although he has his share of challenges, with the staff being the biggest one, he remains very positive and enthusiastic. Being based at B5 I have been able to work with John and make his transition into the job a bit easier.



TONGATAHA

Simon Mead has been up at Tongataha just over a month now and is also settling in well. I have been spending a bit of time up there getting to know the farm and how we can best utilize the resource, as well as helping with stock work etc.

We haven't employed a shepherd yet as we both felt that we needed to run the farm for a few months and work out what sort of a person we needed. That appointment will be made in the next couple of months and in the meantime any extra labour needed will come from Whangara.

Steve McHardy left us mid May to take up a manager's job with Arai Matawai and left us with a vacant Unit manager's job at Pakarae. I had just been through two job interview processes and so had a number of CV's to consider, and we also had Robbie Love, a shepherd at Rototahi, who was keen to have a go at stepping up the ladder.

After serious consideration I made the decision to give Robbie a six week trial in the job, travelling each day from Rototahi and having full support from me.



Robbie has exceeded all my expectations!! His keenness to learn, work ethic and enthusiasm have been a breath of fresh air for the Pakarae block. The trial period is up and as of 5th July Robbie will officially be the Pakarae unit manager and will move down with his family to Pakarae.

I have reviewed Robbie's old position of shepherd general at Rototahi and we will look to fill that position in the next couple of months. However the role will now be spread 50% Rototahi and 50% Puatai.

Whangara farms has been busy over the last two months with shearing and scanning of the ewes, shearing ewe hghts ,sheep and cattle stock audit, set stocking early ewes, stock rotations and ongoing repairs and maintenance.

Looking ahead we will be scanning the Tongataha ewes and ewe hghts, vaccinating and set stocking all ewes and cows, dipping all cattle and carrying on with our repairs and maintenance programme.



CLIMATE:

MAY:

Rainfall – B5 136mls, Rototahi 262mls, Puatai 165mls, Pakarae 140mls, Tongataha 210mls
It is amazing how quick things can change, we have gone from being extremely dry to very wet in the space of a few weeks. The Whangara country is now green but still short with pasture covers around 1550kgDM/ha, Tongataha on the other hand has covers around 2000kgDM/ha.



JUNE:

Rainfall – B5 112mls, Rototahi 143mls, Pakarae 116mls, Puatai 135mls, Tongataha 230mls
We have just been through another wet month and the Whangara country is getting pretty saturated, and this is starting to affect our feed utilization. Tongataha on the other hand has been getting plenty of rain but because the country is mostly pumice it's been draining away, however it has also had a good dump of snow and a few hard frosts which have definitely slowed the pasture growth.
Pasture covers have fallen Whangara 1450kgDM/ha and Tongataha 1850kgDM/ha.



STOCK ON HAND:

JUNE 1st '10

	WHANGARA	TONGATAHA	TOTAL
SHEEP	31,825	8,340	40,165
CATTLE	4,096	1,093	5,189

JULY 1st '10

	WHANGARA	TONGATAHA	TOTAL
SHEEP	29,522	7,529	37,051
CATTLE	3,661	1,313	4,974

SUMMARY:

Our sheep numbers are still ahead of where we were last year due to the better scanning % and higher ewe numbers. The cattle numbers were pretty much on par with last year in June but are 300 behind in July. There have been some stock movements up to Tongataha from Whangara with 658 lambs, 165 R2yr trade heifers, 86 R1yr bulls moving up there to be finished and 245 R2yr VIC heifers up there for 8 weeks grazing.



STOCK TRANSACTIONS: (up to 1st July)

SALES:

Lambs	2267	15.3kgCwt
MA Ewes	1136	22.6kgCwt
2TH Ewes	235	20kgCwt
R2yr Bulls	111	254kgCwt
R3yr Steers	46	266kgCwt
R3yr Bulls	134	266kgCwt
R2yr Heifers	135	195kgCwt
MA Cows	20	200kgCwt
R1yr Bulls	208	175kgLwt
Breeding Bulls	4	412kgCwt

PURCHASES:

R2yr Bulls	103	356kgLwt
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LIVESTOCK:

❖ SHEEP

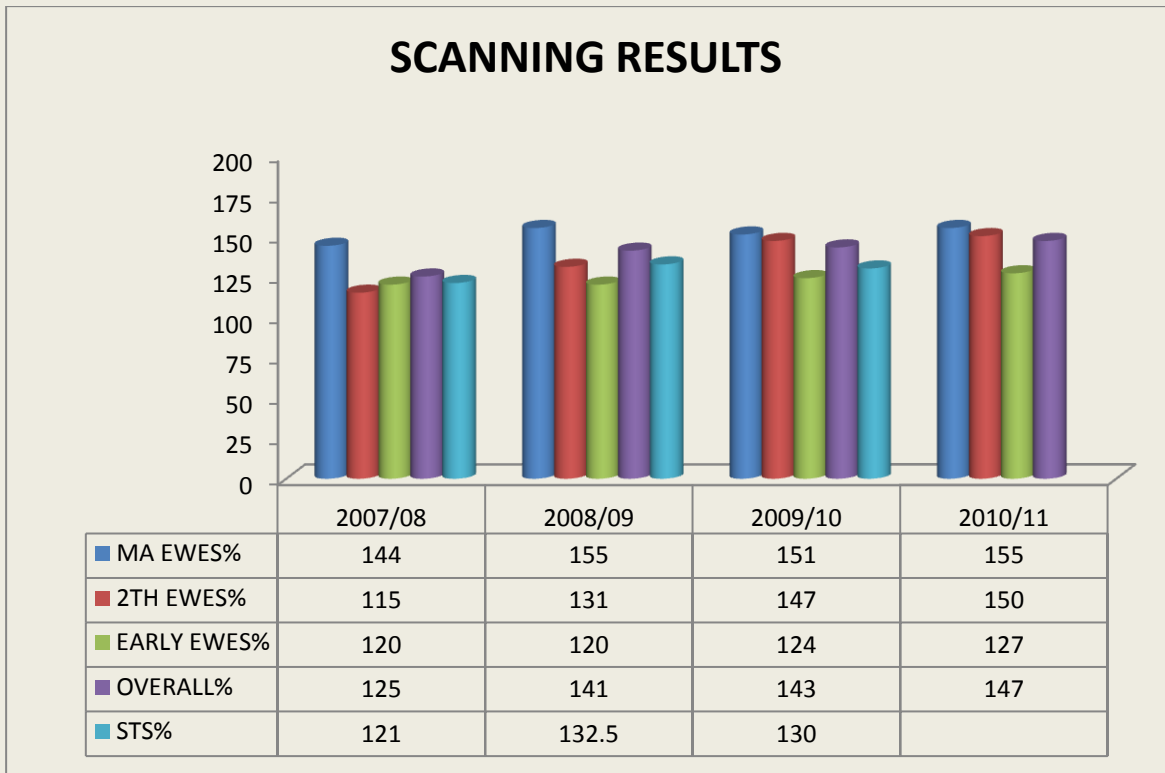
The early ewes have scanned; vaccinated and set stocked. They scanned 127% which was a lift of 4% on last year. These ewes are due to start lambing around the 5th July.

The main mobs of MA ewes and 2ths have had the rams taken out and have all been shorn and scanned. The ewes are now on rotations multiples and singles with the tail end ewes taken out, drenched and given as much priority feeding as we can.

The 2th ewes scanned 150% which was a 3% lift on last year, and given that they were 3kgs lighter at tupping I was really pleased with this result. Also the dry rate was only 4.4% compared to 8% last year. The MA ewes scanned 155% which was a 4% lift on last year.

Overall we scanned 147% across all our Whangara ewes, which is an increase of 4% on last year. The dry ewes have been sold 1136 at \$70 and 235 2ths at \$70.

These ewes will be vaccinated and set stocked in late July and are due to start lambing mid August.



The Tongataha ewes have been shorn and are due to be scanned 12th July. This will be the first time these ewes have ever been scanned so it will be interesting to see how they go, although with a historical average lambing % of 105, I am only expecting 130-140%. There may be the opportunity to buy some in lamb ewes to boost our numbers if our scanning % is too low.

These ewes are due to lamb 10th September so will be on rotation until late August then vaccinated and set stocked. All the ewes are in good order although we have had to tighten them up a bit as winter has kicked in and our feed covers have dropped.



The 6500 Whangara ewe hghts have been drenched and set stocked across the wetter B5 country, with the tail end grazing the new grasses on B5 and Pakarae. They are in good condition but will be only on maintenance for the next couple of months.

The 1800 Tongataha ewe hghts have been shorn and run with the ram, and will be scanned in late July. The inlamb hghts will be kept with all the dry hghts killed as lambs or marketed as capital stock depending on values.



We have sold 2267 lambs at an average of 15.3kgCwt. Most of the lambs were sold on the store market as that market has still been well ahead of the schedule price. The 658 lambs that were transferred up to Tongataha have also nearly all been sold after increasing their value by \$20.

❖ CATTLE

The MA cows at Whangara and Tongataha are in winter mode cleaning up behind the ewes with 380 cows being fed hay near the beach on B5. The plan is to set stock the cows into their calving paddocks late July at Whangara and mid August at Tongataha. The cows are in good condition but will only be on maintenance up till se stocking.



The in calf R2yr heifers have been moved to Tongataha for 8 weeks grazing and will come back and calve at B5. There is a transport cost involved with this but we had run out of options and there are areas at Tongataha that we weren't going to get to with the cows up there so it has worked well this season.

The R3yr bulls and steers have all been sold and we have our winter number's on Puatai. The 12ha of winter rape on Puatai has been valuable with nearly 8 weeks grazing for 130 R1yr bulls and also the 4oha of swedes/kale at Tongataha which is grazing 440 R1yr bulls and heifers.

The R1yr cattle are all on maintenance and are still about 20kgs behind target but I am confident we will catch this up through the spring.



We have killed 450 head of cattle this period, 134 R3yr bulls 266kgCwt, 46 R3yr steers 266kgCwt, 111 R2yr bulls 254kgCwt, 135 R2yr heifers 195kgCwt, 4 Breeding bulls 412kgCwt and 20 MA Cows 200kgCwt. We also sold 208 R1yr Freisan bulls store 175kgsLwt and purchased 103 R2yr Freisan bulls 356kgsLwt.

We have again struggled to get the weight on the trade cattle and consequently the weights have been behind where we budgeted, however the money has been well ahead. We have moved a number of trade cattle up to Tongataha, 165 R2yr heifers and 86 R1yr bulls. These cattle will be finished there, the heifers through late winter/spring and the bulls next summer.



DEVELOPMENT:

❖ WATER SYSTEM

The Puatai water system has been completed with six 30,000 tanks and 110 troughs. The system is working well and we have started fencing off some of the swamps and waterways. This will be an ongoing job and will be done in conjunction with the subdivision programme.



The goal of the subdivision programme is to have all the better area of the bull unit, approximately 400ha, subdivided with single and double wires into iha cells by early spring. This will allow us to maximize our live weight gain per ha and give us more flexibility through the winter/spring.

Unfortunately with the wet weather and the start of lambing we haven't been able to continue with the Rototahi stage of the water system. We will begin that stage around September weather permitting.

❖ TONGATAHA

We have now been running Tongataha Station for nearly two and a half months now and things have been going well. Final settlement was the 30th June so now we are the official owners and have the debt to prove it.

The focus for me over the next 2-3 years is to pay back as much of that debt as we can and get ourselves in a situation to take advantage of any other opportunities that might come our way.

We have already utilized the block to take finishing stock that otherwise would have been sold store and to graze our in calf R2yr heifers after a dry autumn.

❖ INFRASTRUCTURE:

We have been continuing our ongoing repair and maintenance program across all the blocks, with the focus on fences and yards.

We haven't been able to fence off the Pakarae River as planned due to getting too wet, however as soon as the weather clears this job will be completed.
We will also be subdividing the Puatai block into iha cells with single and double wires as mentioned earlier.

We are looking at purchasing a new seed drill. The one we are trialing is a Duncan Renovator direct drill with two seed boxes, one for seed and the other for fertilizer. This will mean we can spray out a paddock and then just drill straight into it in one pass.

The thistles have started a lot earlier this year especially on Puatai and we will have the helicopter flying as soon as the weather breaks. We are budgeting \$60K again on weed and pest and this will be spent across the blocks targeting variegated thistles and blackberry.



SUMMARY:

I was reading through my last report and noticed the comment “we need substantial rain”. Well we have certainly had it, nearly 500mls in the last two months!!! The country has gone from being bone dry to extremely wet with a lot of water lying around and the biggest challenge is feed utilization.

The feed covers at Whangara are around 1450kgDM/ha which is 200kgsDM/ha behind where I would like them. This has resulted in the need to apply some Urea to boost those covers heading into lambing and we are planning to fly on 100 ton as soon as the strip is dry. We will be focusing on the ewe lambing areas on B5 where the pasture covers are the shortest and the set stocking rate is the highest, and also on the R2yr heifer calving paddocks.



TONGATAHA

The covers at Tongataha are at the other extreme with pasture covers over 1800kgDM/ha, although pasture growth has definitely slowed after a good dump of snow and some hard frosts. Since taking over Tongataha we are been able to unload some trading lambs and heifers off our Whangara blocks and also graze the in calf R2yr heifers. We are still planning to run a terminal ewe and cow system with all progeny finished in one winter, as well as some summer lamb finishing. Once we have completed a full season we will know what the farm can do and this may change.

The new staff have settled in well and are growing into their positions. I have been “micro managing” them and providing as much support and training as they need. The unit manager’s all have monthly stock reconciliations, farm reports and feed budgets to complete each month for me, and over the next year will be up skilled to run Farmax programs for each of their units.

Robbie has been a bit of a revelation and has really stepped up to the mark. The difference around Pakarae is really noticeable and everyone down there is positive.

The staff restructure has freed me up a lot and allowed me to start looking more strategically at the business in particular the profitability of all the systems being run on Whangara Farms. Farmax has definitely helped with this analysis and by my next manager’s report we will have a detailed annual report from Farmax on the 09/10 season. It has also given me the time to look at my own personal development and identify areas where I need to improve, and then plan to attend those courses.



TONGATAHA

The livestock on across all the Whangara Farms blocks are in good condition although as winter continues some will be pushed a bit to get through. It has been a difficult season with a dry summer followed by a dry autumn and now another very wet winter.

The ewe scanning at Whangara was encouraging as the mating weights were 3-4kgs lighter than last year and we still managed a 4% increase on last year. This should continue to lift as the new genetics continue to make their way into the ewe flock. The early lambing flock system is going to come under some serious analysis, as this year according to Farmax we didn’t make much money out of it.

The Tongataha ewe and ewe hgtts scanning will be very interesting next week, and we may need to go out and buy some in lamb ewes to maintain our budgeted numbers.

The cows and heifers are all good order going into calving and we have good pasture covers in all the calving paddocks. The trade R1yr and R2yr cattle are all on maintenance except for some of the R2yr heifers at Tongataha which we are finishing through the winter.



The Country Calendar programme aired on the 3rd July and I thought it came across really well. I would have liked it to be more focused on the farm than me but I was pleased that all the staff were on it at some point and that it portrayed Whangara Farms in a good light.

Overall it has been a very busy and challenging period for everyone on Whangara Farms. The climate is having a big influence on a lot of our decision making and is becoming a restriction on us reaching our full potential, especially at Whangara.