



farming people

# HRL news

Hazlett Rural Limited

## Coalgate yards coming right



Redevelopment of the Coalgate saleyards is close to completion.

The entire yards are now covered by floodlights, all the NAIT tag-reading technology is there and the carpark has been upgraded with a hard clay and gravel surface. There's even a boot-washing station.

Two outstanding projects are a toilet block and a roof over the drafting races at the loading end of the sheep pens. Jeremy Gould, chairman of Canterbury Central Saleyards Ltd, the 50/50 joint venture between HRL and Timaru-based Peter Walsh & Associates that owns the yard says this is the "... last stage of our multi-stage development plan."

"We've embarked on a period of investment in the yards and have sought to constantly improve the facilities for the benefit of all stakeholders. The lights, for example, have been put in for the agents drafting stock and the transport companies. We've sought to provide a facility that meets everyone's expectations.

"There will be other projects, but we've now developed the yards to a level that we're very happy with in terms of the ability to present stock to best advantage on behalf of our clients.

"I'd also like to say here how much we appreciate the support of the local townspeople in our efforts to get the operation up and running smoothly for the benefit of the central Canterbury farming community. There's been some



The Hororata school ladies: (L-R) Jenny Carter, Lucy Cookson, Carey Blue and Sonia Booth.

road sealing around the yards and that, together with the huge tidy-up of that site, means that there has been a community benefit, but it's been more of a win-win, really — and we're pleased to see sale days have now become something of an event for the township!

"We're also pleased that we've been able to put something back in providing the opportunity for Hororata and Glentunnel schools (that take turns in selling food and drinks on sale days in alternate months) to raise funds for themselves as well."

There's a new face at the yards, too. Alister Brown has found himself too busy with other jobs, so the part-time job's gone to Ron Poskitt, a semi-retired local



CCSL chairman Jeremy Gould.



New saleyards manager Ron Poskitt.



and generally decent bloke who's been a shearer, a policeman (for 15 years) and a farm manager — and who also has the very handy attribute of living only 200 metres away from the yards!

Ron's brother Graham is manager of Blenheim's saleyards which is how he came to hear about the vacancy.

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## FROM THE GM

**It's a rather confused sheep and beef industry out there at the moment. Many farmers seem to be losing confidence in the meat sector, and that in turn seems to be hampering decisions, when in fact there have been — and remain — quite good trading opportunities out there. There's going to be a shortage of stock over the next wee while.**

We are in for a better year, on the back of the drought in the North Island. But those looking for an overnight improvement in the world market situation for lamb are going to be disappointed. We are going to have to wait until the European economy comes right, and for a really sustainable high-value future for lamb we may have to wait until the Chinese and other emerging markets mature to the point where you have them competing with Europe for a niche product, the volume of which New Zealand produces over 50%.

I attended the Meat Industry Excellence (MIE) meeting here in Christchurch in April to see if there's anything in this movement for reform of the industry. We know that the red meat industry in its present state is not sustainable and I sense that farmers are generally more exasperated with the meat processing sector than they have ever been before. Although I must say I wonder if it's the volatility of the past years that's upsetting farmers rather than actual returns which, if you average them back over the past five years or more, might not be as poor as they appear (and they do tend to fluctuate in the same patterns as dairy, it has to be said — there have been times when things haven't been that flash in dairy as well). Nevertheless, if radical change was ever going to occur in the red meat sector, it seems that now is when it will happen.

Change won't happen overnight, but it will happen, as Rachel Hunter famously said. The movement for change wants it by the start of next season. It simply ain't going to happen. The Fonterra merger took seven years, remember.

I can't help thinking the industry might be looking in the wrong place for change. There are three distinct dimensions within the industry: production, processing and marketing.

On the first, I think we're on the right track. Farmers well know that they have to continually improve their productivity if they are to protect their incomes, and they are doing plenty to achieve that. That they are producing increasing tonnages of meat from a diminishing number of animals is proof of that — and as David has said before in this publication, evolving genetic and other technologies will continue to offer them plenty of scope to keep improving.

As far as processing goes, the companies keep assuring us they're right up with the play and that their facilities are right up there with the world's best in terms of technology and efficiency. I'm happy to take them at their word on that one. Whether we have too much processing capacity is another matter.

In my view the area that needs closest attention is marketing. Maybe that's where a merging of activity needs to take place. At the MIE meeting we heard there are 23 marketers.

One of the main things to come out of the MIE meeting for me was the view that if any new procurement system was to be imposed on the meat companies, it would have to have a very high degree of farmer support if not 100% commitment.

Some people looking elsewhere for scapegoats like to point the finger at "third party" players like ourselves. In terms of

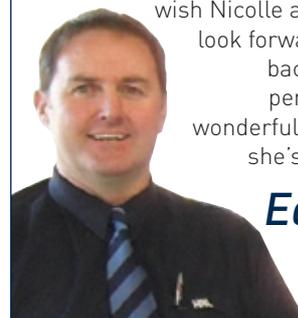
processors, HRL is aligned with Alliance — but not 100%, because not 100% of our clients' output is wanted by Alliance, and anyway some clients prefer other options. That aside, if we weren't doing a good job of marketing our clients' stock (all stock, not just prime), we wouldn't have any clients. Farmers trust us to market their stock for maximum returns, and that's what we do. And they entrust us with their rural supplies, finance and insurance business as well — they can see we are trying to add value to their businesses and that's why they support us.

No wonder dairy conversions continue apace. At least there's a measure of certainty in that industry that producers will be rewarded for their efforts. It's a worthwhile exercise for all non-dairy grass farmers to have a serious look at whether their operations could take some advantage of this in terms of dairy support grazing. All the HRL blokes are finding this is a growing part of their business, and there are opportunities out there if you have an agent who knows what's what.

As I was writing this the news came through that the impasse in China had been broken, so at least that's one obstacle out of the way.

And by the time you read this, our brilliant CCSL saleyards admin person Nicolle Hughes will have had her baby. We all

wish Nicolle and Kyle well and look forward to seeing her back in the role she performs with such wonderful efficiency when she's good and ready.



**Ed Marfell**  
General Manager

## A NOTE FROM DH

**As Ed says in his remarks, everyone's hedging their bets a bit at the moment ... but the reality is: we're in the farming business, this is the sandpit we all chose to play in and nobody's going to come knocking at the door with a better way to generate an income. So we just have to knuckle down and get on with it.**

The aim of the game is to get more money into farmers' back pockets. Everyone's doing their damndest to do that, and certainly we in HRL are doing everything we can to help our farming mates,

and often that's just providing another pair of eyes to see what opportunities are out there. And there are plenty of opportunities out there. I personally think everything's very positive.

Sure, it was a dry summer, but we got the rains — albeit a little bit late — and we've had a fantastic if somewhat late autumn. Winter only just hit us in that last week of May.

There are some fantastic crops around; the store lamb market is recovering; the prime lamb market looks sound enough with some steady-enough contracts about for later this year ranging from

\$5.20 to \$5.70; beef is rallying quietly; the currency has steadied, and dairying has just received another good kick for the coming season.

So let's just harden up and keep chipping away at those debt levels, hold tight and have a good look at the options out there for extra cash-flow ... such as dairy support, cut and carry, and trading opportunities. All is good really!

**David Hazlett**  
Rural Bloke



## CLIENT PROFILE: Broomfield Estate – Managed by Bruce & Andrea Beaton



**Bruce and Andrea Beaton in the woolshed built in 1866 of Onehunga stone. A newer woolshed adjoins this one, but this old blade shed is still well fitted out and Bruce uses it for night pens. It holds around 600 ewes.**

**The 980-hectare Broomfield Estate, just a few kilometres in behind Amberley, is the homestead block of the original Broomfield Station. Some of the original station buildings, with their frameless stone walls, still exist in pretty good nick. The separate homestead kitchen is still there, but the homestead itself is gone.**

The farm has been in the Douglas family since the mid-1800s; managing it for the family's trust are Bruce and Andrea Beaton, with plenty of help from Sarah, 17; Emma, 14 and James, 11. James has become quite the expert in mothering on orphaned lambs.

Bruce has been working on the property for 20 years, the last 13 as manager. There are also two full-timers, Garry Stephens and Gary Ellis who are themselves fairly long servers – and then there's "Grandad", Bruce's father Tom Beaton who helps out at busy times such as shearing and tailing.

The flat-to-rolling farm, along with 140 hectares leased from Pegasus Bay winery, carries 7000 Coopworth-Texel cross ewes, 2000 hoggets and 250 cattle. Some 30–40 hectares are cash-cropped, typically for barley. A further 200–240 hectares are cultivated each year for winter feed and pasture renewal.

It's early country, with lambing starting in mid-July; the 90% that are finished on the place are gone by the end of November. "They've got to be gone by the time we start shearing in the first week of December."

There's no irrigation so the setup seems relatively straightforward. One aspect that is being significantly tweaked, though, is the pasture regime. Bruce has gradually increased the area of lucerne from 30 hectares to 150, and the plan is to double that again over the next three years. They confidently expect 10 years out of the stands they're now establishing.

The lucerne is utilised in terms of three "cuts": the first being a rotational graze by the ewes and lambs, with the second, an actual cut, for silage; the third "cut" and any dry matter subsequently available go to the ewe hoggets.

Andrea and Bruce both commented emphatically on how much better the lambs look off lucerne than off ryegrass.

Alongside that transition is another equally important one from ryegrass to fescue. The deep taproot gives far greater persistence than AR grasses which have given them problems in that regard over dry summers in the past.

"Fescue is a lot like lucerne in the way you have to rotational graze it so it fits into the system better."

A lot of what's happening in this regard Bruce sheets back to the work of legume specialist Professor Derrick Moot at Lincoln University: "He's a very good man. He's made a few visits here and helped me on my way."

Bruce and Andrea also credit a number of others which they call a team that includes, as well as all of the above-named, farm consultant Geoff Dunham who "...brings a huge wealth of knowledge to the business; he's really helped the business grow over the 12 years he's been with us ..."; David Young of Christchurch, a Douglas family trustee who is also the enterprise's accountant and "a key part of its management" – and Travis Dalzell of HRL.

"Travis has been here 20 years. He drafts all of our lambs and he finds the best money for all our stock when we send them away. That's his role here. We don't mind where they go. Our job is growing the lambs; his job is to sell them.

"When he told us he was changing companies, we told him to just keep doing the job he was doing, no matter which company he worked for. But with Ed Marfell and the others from Pynes who used to help us with our lamb sales going to HRL, it made sense for us to keep on with the same team."

One instance where having a good livestock team on your side, Bruce says, is when a summer dry bites and there are still hoggets' lambs and other tailenders still on the place, "David Hazlett and Travis can always find a home for them ..."

"Those guys are what they say they are, and they do what they say they're going to do."

# Nic McMillan

## Livestock bloke

**Nic came off a family farm in Waipara. He lives in Amberley and joined HRL at the end of September 2011. He looks after a stable of clients in the Rangiora-Oxford district.**

He entered the industry in CRT's merchandise division where he stayed for two years before moving to Rural Livestock where he put in eight years (minus six months out for some OE along the way). He started with that company as a trainee in the district in which he now works, and then progressed to having his own clients in the Darfield area.

Obviously Nic's career has been centred on sheep and beef but he says that "more and more" dairying in his area is widening his brief somewhat. "There's a big pocket around Oxford and down those straights around West Eyreton — Tram Road, South Eyre Road and North Eyre Road."

Coming to HRL has been a positive move, Nic says: "It's really good to be back in a smaller team. Everyone's like a big family

in this company. Everybody helps everyone else. And we have a great management team. The family-orientation of the company is the most important thing."

Not only is Nic the first to join HRL from the company he previously worked for, but he's also the first bloke who's not somehow tied up with rugby, although he's a very keen follower, of course. He keeps active in snow skiing, water skiing, running and swimming — the last two regularly, and mainly for enjoyment rather than competition.



### The Blokes' Diary ...

<b>July 4</b>	Coalgate	<b>August 29</b>	Coalgate
<b>July 11</b>	Coalgate	<b>September 5</b>	Coalgate
<b>July 18</b>	Coalgate	<b>September 12</b>	Coalgate
<b>July 25</b>	Coalgate	<b>September 19</b>	Coalgate
<b>August 1</b>	Coalgate	<b>September 26</b>	Coalgate
<b>August 8</b>	Coalgate		
<b>August 15</b>	Coalgate		
<b>August 22</b>	Coalgate		

**Richard Spencer from Cheviot, aged three, knows who's going to be marketing his lambs when he grows up to be the boss!**

**The Spencer family has asked that the \$250 donation goes to Cheviot St John.**



# HRL

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