

# Hazlett News

A quarterly newsletter for clients and mates of Hazlett Limited

## Online livestock auctions now reality

Hazlett Limited has signed up as an Accredited Agency for the new on-line livestock auction platform, bidr®.

The system has been developed by, and is owned by a subsidiary of PGG Wrightson. Hazlett is the first firm outside that company to sign on as an Accredited Agency.

David Hazlett says signing was a no-brainer:

"It's a new online sales auction platform that uses cutting-edge technology and when merged with livestock agencies offers farmers a modern and efficient way of transacting livestock, whilst still maintaining the current personal relationships.

"We at Hazlett Livestock are looking forward to helping New Zealand farmers buy and sell online with a system that also offers the support and payment protection that currently exists.

"Exciting times ahead!"

bidr® was formally launched at the National Fielddays earlier this month with Hazlett participating in that event. An excellent website has been created for the platform, that also shows demonstration auctions, giving newcomers a good idea of how it works.

Hazlett conducted its first auction in the middle of last month with 750 bulls in Tarras offered as four lots arranged on behalf of two clients by Andrew Scarlett and Jim Hazlett. Three of the four lots sold at a level slightly above the market and Jim says he was pretty happy with how it went.

Driving the Hazlett involvement with bidr® has been North Island Funding and Procurement GM Tom Mowat who calls it "the way of the future". Operating traditional saleyards could become more demanding

in the future, he says, and while they may never be totally displaced, online selling will grow over time. This development does not affect operations at Coalgate.

"It's a virtual saleyard."

Anyone familiar with Australia's long-running AuctionsPlus will take to bidr® fairly quickly as it is very similar to that system.

An obvious attraction for vendors is that it will be cheaper in that the need to freight stock to yards is eliminated. It's not going to suit everyone, Tom says, "... but people who buy a lot of stock can sit at home and do it all without having trip around the country."

Farmers cannot list animals for sale themselves; this is done by a Licensed Assessor. Livestock reps in Accredited Agencies spend a day of training - ensuring the integrity and accuracy of the data provided - to gain Licensed Assessor status. Online selling gives buyers a good deal more information than if they were, say, buying over the phone.









Hazlett has seven agents so far accredited.

"Everything pertaining to the stock is documented, so there are none of the ifs, buts or maybes that can ensue from the traditional direct farmer-to-farmer sale," says Tom.

The transaction is then finalised as if it were a normal sale at a saleyard, with all the usual protections in place for both parties.

Tom says Hazlett hopes it can eventually conduct bidr® auctions on a regular basis, as it does at Coalgate and Temuka.

### Overview of bidr® Listing and Selling Process

1. Vendor requests to list their livestock for sale on bidr® 
2. Vendor contacts Livestock Agent and requests listing & sale of livestock 
3. Agent creates draft lot in an auction on bidr® 
4. bidr® Accredited Assessor completes assessment of the livestock for sale according to the relevant bidr® Assessment Standard 
5. Agent submits listing, with completed assessment information, to Agency Administration for approval 
6. Agency Administration approves listing and submits to bidr® Administration to approve listing, providing all required information is available and correct. The listing is now visible in the bidr® auction, following approval by bidr® Administration 
7. Potential buyers register with their nominated Agency account to bid in the auction 
8. bidr® auction takes place 
9. Agents, Assessors, Vendors and other bidr® users watch the auction, as desired 
10. Agent contacts Vendor with outcome of the sale 
11. Vendor's agent co-ordinates sale and purchase - finalises transport, tally and weight 
12. Livestock transported to purchaser, and agent provides weight certificate to purchaser's agency 
13. Invoice issued by Vendor's Agency and paid by purchaser's agency - on Vendor's Agency's term and conditions 

## NAIT needs more support

We have a problem with NAIT (National Animal Identification and Tracing) and it's not the fault of the system.

NAIT was put in place for two main reasons. Firstly it is a biosecurity measure.

M.bovis is precisely the kind of incursion that NAIT was aimed at combatting. The current situation with the outbreak is that if you were to draw up a schematic of the progress of control measures to date, your picture would look like a plate of spaghetti. The reason lies in the difficulty in tracing animals.

If NAIT had the total support of farmers it is reasonable to think that control of M.bovis would have been far more straightforward and effective. But it doesn't.

OSPRI, which manages NAIT and TBFree, is requiring everyone who is registered with NAIT to re-register so that NAIT numbers can be more accurately linked to specific properties. It is an improvement, arising from the recent review of the system, that we should all be supporting.

In response to 95,000 letters sent by OSPRI to registered farmers, only 35,000 have re-registered. That was at time of writing and it could be slightly higher by the time you read this, but it is still pathetic.

The other main reason NAIT was put in place was for the T in the name: traceability. That word is set to become ever more critical in maintaining access to markets. In other words, it is aimed at helping farmers to continue selling their produce to the world. That such a system does not enjoy universal support among New Zealand farmers is bewildering.

OSPRI reckons around 34% of farmers are consulting its help-line for the re-registration process, which suggests that the re-registration process is not that simple. It also means that some are trying hard to get it done, which is laudable. But the efforts of those diligent ones are diluted considerably if a large number of their fellow farmers do not also go to the trouble of grasping the technological nettle and getting it done.

It should also be said, while we are at it, that many farmers are also failing the NAIT system in two other key ways: either by not completing the animal-tagging process by registering the animal and its tag number in the NAIT platform, or by failing to register acceptance of tagged animals that have arrived on their properties. Both cases undermine the effectiveness of the whole tracing system.

In my view OSPRI is taking a very reasonable approach in educating farmers about their NAIT responsibilities and have put on extra staff to accomplish that. But that patience will run out. The fines for non-compliance have been increased and the time will come when OSPRI will decide that enough is enough and that some people will need to be made examples of.

In regards to markets, things are looking pretty rosy for the next few months. We've got a dollar that's down a bit, we're entering the quiet time of the year stock availability-wise, dairy finished its season on a firm note and, with the exception of parts of South Canterbury that are a little dry, conditions are looking good as we face the winter. Let's say the glass is half-full at this stage!



**Ed Marfell**

GM, Hazlett Livestock

027 462 0120 / emarfell@hazlett.nz

## New grass needs more rain

As the autumn rush draws to a close it is a good time to reflect and review how the season has gone and it's fair to say that every region/province is reporting very contrasting results.

Dryland farmers in most areas have had good new grass establishment but the lack of follow-up rain post-first grazing is of real concern, especially in the North Island.

Winter feed crops are now being inspected and on the whole the fodder beet and kale are looking to yield similarly to last year, with recent warm weather helping those crops which were a bit behind.

The blokes are currently busy working with their farmer clients on fencing, water jobs and starting to catch up regarding the feed options for next season. With calving coming up the team will be on hand for all your needs from feeders to milk powder and meal.

Fingers crossed for a mild winter! On behalf of the Hazlett Agri Supplies team, thank you very much for your business over the past few months.



**Tom Mowat**

GM, Hazlett Agri-Supplies

027 462 0190 / tmowat@hazlett.nz

## Important changes to EQC Act coverage

Important changes will affect customers who renew or take out a new residential or rural insurance policy from 1 July 2019.

Changes to the Earthquake Commission's EQCover will come into effect on that date. Those with residential home or contents insurance, residential cover as part of a rural policy, and commercial customers with residential aspects to their policies are affected. They mean:

- The \$20,000 EQCover for domestic contents will be removed. In the event of a natural disaster, residential contents will now be covered solely by their insurers.
- EQCover for domestic buildings will increase from \$100,000 to \$150,000 (ex GST). In the event of a natural disaster, insurers will cover losses above \$150,000 (up to the policy sum insured), if required.
- EQC levies will stay at 20c per \$100 of cover, but this table shows how the levy changes:

	Current cap of cover	Post-1 July cap of cover	Current maximum levy	Maximum levy post-1 July	Maximum difference in levy
Dwellings / Residential units	\$100,000	\$150,000	\$200	\$300	+\$100
Contents	\$20,000	\$0	\$40	\$0	-\$40
Overall	\$120,000	\$150,000	\$240	\$300	+\$60
Levy rate	20c / \$100 sum insured up to the cap, regardless of 'riskiness' of the asset insured				

EQC will now also accept claim notifications for up to two years after an event (previously three months), effective from now rather than 1 July. Talk to one of the Hazlett Insurance team if you have any questions or visit the Earthquake Commission website ([www.eqc.govt.nz](http://www.eqc.govt.nz)) to find out more on why EQCover is changing.



**Nick Percy**

GM, Hazlett Insurance

027 462 0028 / npercy@hazlett.nz



Bruce Turpie in the barn that's key to his system.

## CLIENT PROFILE

# Bruce and Susan Turpie

## Kolmar Dairies, Lyndhurst

The Turpies moved to Kolmar in 2008 and initially ran the 411-hectare farm as an arable unit until 2012.

Bruce had seen some big open-lot dairy/beef systems on a potato growers' trip to North America and he started thinking about dairying possibilities for Kolmar in 2010.

Its free-draining lismores consisting of ten inches of topsoil and a foot of clay over shingle, along with virtually the whole farm being watered by three centre pivots drawing from 200m-deep wells, appeared to make it an ideal candidate.

"We drilled a third well, converted half the farm and in March 2012 we milked our first cows."

About two thirds of the farm is in grass - around 240 hectares - and the rest is in the arable cropping that the Turpies had always done.

Milking their 1450 cows on a conventional grass-based platform would have taken up the whole farm, and the key to running them on a smaller area is a 730-bed barn measuring 160 metres by 35.

The cows are run in two main herds, autumn and spring calvers respectively. Well, four herds actually because the young stock in each group are run separately. Between the first of August and the 20th of May, one of these pairs spends each night in the barn and is the first to be milked in the morning, after which they go outside. Then the other mobs come in for milking and are put in the barn until afternoon milking.

Obviously, the autumn calvers are milked through the winter: "We have a winter milk contract and have to milk about half the

cows through the winter to fulfill that. We also do a small calving in November and May to capture any carryovers to give them a second chance, so we're basically calving four times a year."

Nothing over eight years old is bred. The cows are mainly Holstein, selected almost entirely on production. Bruce is constantly on the lookout for traits that suit his system and so tries different blood from time to time, with Jersey, Swedish red and Montbeliarde being examples.

"We're looking for a three-way cross based on the black and white. We're after a tough cow as they're doing 110% of their body weight in milk solids so we're expecting a fair bit out of them. They walk nearly a kilometre from the farthest away paddocks to the milking shed, so they need good legs and feet, for example.

They are fed silage from maize and lucerne as well some PKE. Fodder beet also figures in the mix.

The barn system effectively doubles the carrying capacity of the dairy platform but Bruce wouldn't consider keeping the whole herd inside all the time: "It just doesn't stack up. You'd need an \$8 payout to make it work." And he doesn't know of anyone in Canterbury who is trying to do it.

Bruce spent some time looking at feed-pad operations in the Waikato before working out his system. Keeping supplementary feed at under 50% of the total diet, the operation achieves 8-9kg of feed dry matter to one kilogram of milk solids. "That's the way we rate the business. A lot of farmers spend around a dollar a kilogram of milk solids on supplementary feed; we're about double

that but then we're doing 600-620 milk solids per cow so that's the trade-off. And we're getting more money for our winter milk - you couldn't do this without a winter contract."

The enterprise, which is supported by a 130-hectare run-off near Geraldine, is at about optimum size, Bruce reckons: "We don't want to grow anymore. You have to be careful not to have too many mouths around the place, and it's a case of finding the sweet spot between numbers and profitability. Once you get over a thousand cows, every extra 100 is a challenge."

Having an arable operation alongside is a big help, especially with the ability to put greenfeed in between crops. Nowadays it's mainly wheat and barley with maize, oats and triticale as options - last year was the first time ryegrass wasn't sown for a long time. Bruce was growing annual ryegrass but a glut, and difficulty in getting contracts for 40-hectare paddocks, have seen an end to that for now.

Helping Bruce and Susan to keep on top of everything is the couple's eldest, Sarah, 27, who is the operation's full-time business manager. Georgina, 24, is teaching in England; 19-year-old Richard is an up-and-coming seam bowler who played for Canterbury A last season and is currently taking wickets in English county cricket.

The farm supports a staff of 15. There are three houses on the farm and other staff live in accommodation rented in Methven. Attracting labour is an issue, as is retaining them - most are immigrants on visas that allow them to stay only three years. The present farm manager is Nepalese whom Bruce promoted from Zi/c: "He's a really good worker. You need a manager who's prepared to work the same 6/2 roster as everyone else."

The six days on and two off roster ensures everyone gets a weekend off every now and again.

**Bruce has a close working relationship with Hazlett's Marty Amos and he appreciates the fact that Marty and Geoff Wright occasionally pitch in around the yards when there's a job to be done.**



## STAFF PROFILE

# Andrew Scarlett

Livestock Bloke,  
South Canterbury

Andrew is an experienced livestock bloke who hails from, and still lives in, Beautiful Valley about halfway between Geraldine and Fairlie. He had worked as a livestock agent in the district for a number of years before joining Hazlett three years ago. He initially joined David Hazlett's finance & procurement operation but now works as an agent in the wider Hazlett livestock team. He concentrates on sheep and beef, sometimes dabbling in dairy, and covers the whole of South Canterbury. Andrew played in the South Canterbury Heartland rugby team for a few seasons three or four years back and was the team's captain for much of that period.

"I enjoyed that. I got to have a look around places in New Zealand that I wouldn't otherwise go to." Nowadays he plays for the Mackenzie seniors and hopes to do that for some more years before Golden Oldies beckons.

Andrew and Katey were married in February; they have a little boy, Ted, who has just turned one and as we were going to press a scan revealed that another is on the way, due in November.

The couple lives on land leased from Andrews' parents. Andrew is careful not to get too involved in running his own stock but Katey is running a couple of other leased blocks for dry stock, mainly dairy grazing, so it's still a fairly busy household.

## Hazlett Directory

### FUNDING & PROCUREMENT

Phone 03 929 0317

Email [hrrfp@hazlett.nz](mailto:hrrfp@hazlett.nz)

### AGRI-SUPPLIES

Phone 03 358 7988

Email [admin@hazlett.nz](mailto:admin@hazlett.nz)

### INSURANCE

Phone 03 358 7246

Email [insurance@hazlett.nz](mailto:insurance@hazlett.nz)

### LIVESTOCK

Phone 03 358 7988

Email [admin@hazlett.nz](mailto:admin@hazlett.nz)

Please visit [hazlett.nz](http://hazlett.nz) for contact details of our people.

## The Quarterly Yarn

It would be wrong to make a comment on the affairs of the day just now without mentioning the mosque shootings in Christchurch. I don't believe it was an attack on any religion as such so much as an attack on human society.

Its aftermath showed that we in Canterbury are determined to demonstrate that we are trying to be one people.

You might suggest that is a pipedream at the best of times but when tragic adversity like this strikes, it is a prompt to check our own barometers and just ensure that we really are living the values that we talk.

Which brings us the rural/urban relationship: we all need each other!

And that brings me to a final thought: it is great to see the Government putting mental health high on the priority list in its recent Budget.



**David Hazlett**

Rural Bloke

027 235 5300 / [dhazlett@hazlett.nz](mailto:dhazlett@hazlett.nz)

## The Bloke's Diary

### Upcoming Sales

<b>Coalgate Weekly Sale</b>	Each Thursday
<b>Temuka Prime Cattle &amp; Sheep Sales</b>	Each Monday
<b>Temuka Store Cattle Sales</b>	Each second Thursday

For all sale dates, please visit [hazlett.nz/whats-on](http://hazlett.nz/whats-on)

<b>Weekly Lower Nth Is bidr® Auction</b>	Tuesdays from 7pm
<b>Weekly Upper Nth Is bidr® Auction</b>	Wednesdays from 7pm
<b>Weekly Sth Is bidr® Auction</b>	Thursdays from 7pm

For all bidr® sale dates please visit [bidr.co.nz](http://bidr.co.nz)

### Special Sales

<b>July 10</b>	Temuka In Lamb
<b>July 18</b>	Coalgate In Lamb
<b>September 27</b>	Hazlett Surplus Goods

## OUR HATS

These Year 10 Rolleston College pupils, (l-r) Brock Wearing, Isaac Brown, Tate Hawker and Sam Maccoll, were tasked with a dairy farm design, complete with a setup cost spreadsheet and justification of their plan, and then a Health and Safety risk assessment of it. This was part of their Grow NZ course, a broad semester-long overview of farming in New Zealand starting with soils and ending with a unit on animal behaviour. For their class-winning effort, these blokes received a Hazlett hat and some chocolate milk. We are told they really enjoyed the project and the work they presented was first-class. They chose the Westpac Rescue Helicopter and Make-A-Wish for the \$250 donation.

