

AUTUMN 2020

Hazlett News

A quarterly newsletter for clients and mates of Hazlett Limited

Larger livestock footprint for South Canterbury

Hazlett Ltd has strengthened its presence in South Canterbury with the recruitment of another two agents starting last month, the highly experienced Tom Gatrell servicing Timaru – north and Keegan Gray south of Timaru. With Andrews Scarlett and Sherratt, this brings the livestock team in the district up to four.

Livestock GM Ed Marfell said this achieves critical mass in what the company sees as a very important part of the world, realising a plan that awaited the right people becoming available: “We see four livestock reps as a natural footprint for us in South Canterbury.”

“It’s a complete team now and we’re looking forward to it contributing to the whole business unit, with our Agri-Supplies blokes – Colin Scannell and Luke Brice who have been working for us in that district for two years now – and the insurance team working with this stronger livestock team for the benefit of our South Canterbury clients’ businesses.

“With Keegan, who at 23 has already had two years’ drafting experience, on board and our very successful trainees, Alex Jarman in Rangiora/Oxford and Henry Miller in Mid Canterbury, we have some really good young up-and-comers, each of them working alongside experienced blokes who can help bring them through – we’re here for the long haul and we need that young blood coming up through the ranks. They’re an investment in our future.



Peter Engel

“This completes the puzzle for our livestock business really, with all Canterbury districts now having a ‘young gun’ working alongside an experienced rep. They’ll be our leaders of tomorrow and having them on board is very important for the future of the company.”

Meanwhile Nick Percy has departed with Peter Engel taking on the role of insurance general manager. As clients will be aware, Peter brings a wealth of experience in insurance

and finance in the agri sector, including 14 years at general manager level. In a recent letter to clients he restated his commitment to continuing the delivery of “... a high quality, personalised service delivering the best risk protection and claims service, as cost effectively as possible.”

The Quarterly Yarn

Holy Smoke! What’s next???
Man alive, this world throws a lot of curve-balls at us.

In last 12 months we’ve had the Reserve Bank doing its thing to the trading banks, which of course filters down to the consumers, of whom farmers are in the front line. Then we have the new way forward in terms of environment regulation and compliance, which we’re starting to get our heads around – that is great in my view, even if there are some aspects of it we’d like to debate. Then we have massive floods ... and then massive drought!

If that’s not enough now we have animal protein prices wetting their pants – down 25–30% since December. So that has seen a reset in values: we may just have been flying a bit high.

And while we still have mycoplasma bovis chugging away in the background, now we have Covid19 with its apparent ability to jump from human to human with the greatest of speed to contend with.

All in a day’s work!

As hard-working people, we just have to learn to cope with it all. But remember: the reality is that we’re all in this together.

As they say: Honk if you are hurting.



David Hazlett

Rural Bloke

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Relationships with rural insurers important

Most of us take for granted the ability to obtain the insurance cover we want, all the while being also aware of the cost increases in recent years. Access to insurance is not the case in all countries and with ongoing large international claims events, such as the Australian fires, we are seeing the big global reinsurers becoming more and more selective.

Historically Lloyds of London would underwrite hard-to-place risks and price accordingly but we are now seeing, after a succession of tough years, a reduction in their appetite.

Our business is predominantly rural but includes a significant amount of commercial and domestic. One of the concerns in rural insurance is the very small number of underwriters in this market and the lack of appetite from other underwriters to enter it.

Like any sector there is a wide variation in claim rates but on average rural has higher ratios relative to other sectors and we try to balance this with our underwriters by providing them with business from the domestic and commercial areas. It is important that we look after our rural underwriter relationships, as well as our clients, to ensure we are able to access the insurance cover our farming people require in the future.

Having only commenced my new role as GM Insurance in early February I look forward to meeting those of you I haven't already and working with our quality Hazlett Insurance team to ensure you get a great service.



Peter Engel

GM, Hazlett Insurance

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Virus brings market uncertainty but all else looking good

The past couple of months have been difficult in lots of ways, with hot and very dry weather conditions coupled with uncertain markets caused mainly by the coronavirus. There are all kinds of uncontrollable parts to the agricultural industry that affect our daily lives and this is just another challenge to overcome – you certainly can't accuse this industry of being dull.

On a positive note there have been some excellent crop yields reported and fodder beet crops in general are looking good for winter.

The next few weeks are decision time for those planting annual grass and winter-feed crops. Whilst it has been traditional to wait for autumn rains to arrive before planting, it is starting to become more common to get seed in the ground before the rains arrive, thus beating the contractor bottleneck and also helping with plant establishment without the normal weed pressure.

There has been good trial work done over the years on planting into dry land; with the right advice and careful management it may be worth having a conversation with your Hazlett Agri-Supplies rep to see if this is an option for your farm.

Once again thank you for your support and business.



Tom Mowat

GM, Hazlett Agri-Supplies

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Rain, please

As David alludes to in his yarn, we're in a perfect storm – and no doubt the best outcome from it would be RAIN.

It seems a distant memory, late last year, when we'd had those rains in October/November and we were looking for some sunshine, all the while enjoying very buoyant markets.

How the fundamentals have altered!

We have a virus affecting our biggest market, with other markets tightening up in sync, leading to a big correction in values. However, we are still, overall, better off in that regard than this time last year: lamb is still sound but mutton is back, while beef is very low but the impact of that is softened by the 62-cent dollar.

It's hard to focus on that, though, when the entire North Island and the South Island's east coast from Marlborough to Mid Canterbury are as dry as chips. In one way, you could say it's just a return to typical eastern South Island summer conditions that we should be farming for, but that's no comfort for the North Island.

I drafted this three weeks before you are seeing this, so you will know by now if the critical three weeks leading up to the annual calf sales brought relieving rainfall – I sincerely hope so. It will also be essential for building up that essential feed bank before autumn makes way for early winter.

So the three things I'm hoping for on behalf of all our farming folk right now are: rain, rain and more rain!



Ed Marfell

GM, Hazlett Livestock

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Mount Nessing

South Canterbury



CLIENT PROFILE

James Simpson with his lambs, three weeks after shearing.

James and Katie Simpson, Mt Nessing

Mount Nessing is about 1100 hectares in South Canterbury. As the Simpsons are farming it, it's three blocks with a range of topography from steep to rolling to flats, from 1400-odd metres asl down to 400.

Canterbury farmers often make the news for doing something new or different so it's refreshing somehow to talk to somebody with a more traditional kind of operation, with sheep and beef enterprises running capital breeding females and replacements. Well, that's half the story, anyway.

So there are 3000 Romney ewes with around 1000 hoggets coming on as replacements, and 150 Hereford cows with about 25 heifers.

The bull calves are sold as weaners, but about 600 weaner calves – straight beef, no dairy – are bought in the autumn and kept until the beginning of October when they go off via an on-farm sale. They are carried through the winter on, mainly, some 35ha of fodder beet.

James does a similar thing over the summer with woollies, buying in lambs – white-faced, of good type and free of antibiotics (to catch the processors' premiums for that) – that builds his numbers up to around 8-9000. They are fed on rape, which James calls his 'irrigation'.

The challenge in all of this is for Mt Nessing to make a decent margin on these animals with, James emphasises, everyone else in the chain achieving the same thing. From

the feed management point of view the pressure is mainly, besides the obvious one of getting the fodder crops established on time, around getting new pasture established after the crop so paddock utilisation isn't compromised.

That was a major driver for, about four years ago, buying an easier 200ha block a couple of kilometres west of the home farm: it gave

the operation some additional flexibility in funding all the pasture renovation which, as everyone knows, isn't cheap these days.

James has one employee to help him, while Katie keeps the books. Like everyone else James is looking at all the work looming around environmental compliance, and wondering if that's another full-time job as well. As for potential future employees, there's Ted, 9; Ben, 7; and Fergus, 3.

The tie-up with Hazlett is about as South Canterbury as you can get: James and Andrew Scarlett played rugby together and they've been arguing the toss ever since.

HAT PIC



This is Ted Stevenson. Ted's family farms The Gums in Cheviot (they paid the top price for a ram at Jimmy and Penny Butters' ram sale run by Hazlett in mid-January). The Stevenson family ask that the learning centre Ted attends, The Champion Centre, receives this quarter's \$250 donation.

STAFF PROFILE



Catherine Wilson

Funding &
Procurement
Administrator

Catherine has been involved with things rural all her life. She grew up on farms in South and North Canterbury, and upon leaving school she spent ten years with another rural servicing company, starting as office junior and working her way up through the ranks.

She joined Hazlett in May 2017, taking on 20 hours a week as she juggles work with looking after Blake who's four and Jade who's nearly two, although juggling might be too strong a word as she enthuses: "This place is fantastic for being family-friendly."

She says she really enjoys her work, which involves "... everything from livestock sales to agreements and funding lines ...". Her considerable experience is obviously a big help but "... there's always lots more to learn in this industry."

Last December Catherine, husband of five years Matt and the kids moved to a 4.5ha block just out of Cust ("... really enjoying being back in the country ...") where they're currently addressing the fencing before taking on a few head of cattle.

Matt is a tanker driver for Fonterra which involves serious shift work so at home Catherine often finds herself running things both inside and out, but her obvious excitement at being back in the country overrides any challenges that might present.

Hazlett Directory

FUNDING & PROCUREMENT

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Please visit hazlett.nz for contact details of our people.



Hazlett
People Together

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The Bloke's Diary

Upcoming Sales

Coalgate Weekly Sale	Each Thursday
Temuka Prime Cattle & Sheep Sales	Each Monday
Temuka Store Cattle Sales	Every Second Thursday

For all sale dates, please visit hazlett.nz/whats-on

Weekly North Island bidr® Auction	Wednesdays from 7pm
Weekly South Island bidr® Auction	Thursdays from 7pm

For all bidr® sale dates please visit bidr.co.nz

Special Sales

March 20	Culverden 1st Calf Sale
March 26	Cheviot Northern Calf Sale
March 27	Cheviot Southern Calf Sale

April 3	Culverden 2nd Calf Sale
April 6	Castle Ridge Station Calf Sale
April 9	Whataroa Calf Sale
April 16	Coalgate Calf Sale
April 17	Culverden 3rd Calf Sale
April 23	Coalgate High Country Calf Sale
April 24	Culverden 4th Calf Sale

May 7	Temuka In-calf Sale
May 15	Hazlett Surplus Goods Sale

