

SPRING 2021

Hazlett News

A newsletter for clients and mates of Hazlett Limited

The meshing of two family businesses

Meshing Hazlett with Peter Walsh & Associates strengthens a relationship that goes back long before the two companies started up. A lot of the people in both companies have worked with each other from their earliest days in the stock and station world.

It is a privilege for Hazlett management to be a part of bringing the two teams together. Extremely pleasing too is the fact that Peter and Karen Walsh will continue to be part of the business – and that their son Bill, a commercial lawyer for a major bank who was closely involved with the process of bringing the companies together, will take a seat on the Hazlett Advisory Board.

Peter Walsh & Associates, in advising its clients of the development which took effect on July 1st, said the company's succession planning identified Hazlett as being the company which is closest in culture to itself.

Peter Walsh started his business with Hamish Lane in early 2002 after a career with PGG. He feels a deep personal connection with the Hazlett people having worked with Denis Hazlett at PGG years ago. He had huge respect for Denis and he sees much of him in the younger Hazletts.

Having had a "... wonderful time amongst wonderful people...", Peter is now happy to pass on the baton to younger and more energetic operators, and will assume a kind of ambassadorial role in the new business.

He is confident it will stay on the right track: "The livestock business today needs young energy with old ethics. We had a saying in our company 'Always play with your cards face-up' and there's a good background of that in this wider grouping. The energy's there, they produce, they provide and they back what they do. And that comes from the leadership."

Chairman of the Hazlett Advisory Board Graham Brown sees the development as "... a logical progression for what were already two very capable businesses."

"There are tremendous synergies that will see the expanded company go from strength to strength. We now have a team that includes many of the best livestock agents in the South Island, an expanding livestock presence in the North Island, and growing funding, agriculture supplies and insurance businesses, all of which are backed by the best systems in the industry. I am sure our farming clients are going to enjoy the benefits of this expanded business."



HAT PIC

Guess where?

We asked our people to identify

1. Where the picture was taken
2. What river the view is looking towards
3. What stations are on both the left & right

Answers and winner on the back page.

The Hazlett Whānau - there are now quite a few of us!





CLIENT PROFILE

The Reveley family

Fighting Hill, Windwhistle

Where the decisions are made.

On Vivienne's knee is Hannah, aged 4; Daisy, 2, is hanging on Mum. Fred, 6, was at school when we visited. Emily is expecting their fourth child next month.

Steady progress in the Rakaia Gorge

When independent stock agent Les Clement joined Hazlett about 12 months ago, he brought a stable of clients into the company that included the Reveley family of Fighting Hill Farm at Windwhistle.

Anthony and Vivienne have been clients of Les ever since he came to Darfield with Wrightson-Dalgety, many years ago now. The change to Hazlett seems to have been seamless and changeless for them, with Anthony commenting: "As long as they look after us, nothing will change!"

They do applaud however one change wrought by Hazlett and PWA over the last decade and that's the Coalgate saleyards: "... turning it into a very popular venue that's been a great asset for our business and the community."

The family has been on Fighting Hill since 1965. Over the past 15 years or so, Anthony and Vivienne's son Hamish and his wife Emily have been gradually taking over the reins, such that Anthony says nowadays he only does the tractor work and is the one who gets "... sent down the road." The family makes all the major decisions together but "... they do most of the work."

The farm is 560ha easy rolling hills, half of which is workable, but the farm is characterised by a lot of rocks around the paddocks. Anthony has grown barley in the past to feed ewes but nowadays the cropping is largely greenfeed.

The 2100-strong ewe flock is Romney and Border-Romney, with Hamish and Emily having introduced Border Leicester rams to the Romneys that Anthony had always run. The ewes attract a lot of comment for their size. The farm finishes its own lambs and they go away at 20-21 kilograms.

Today Anthony thinks he would go the Border way if he had his time over again.

Straight plantain and red clover paddocks feature prominently in lamb finishing - "really good, we won't change that," says Emily. They have tried summer brassicas but Fighting Hill is quite a wet property and they struggle to plant early enough to provide the fattening opportunities over summer before autumn kicks in.

As well as keeping lambs until they are finished, they keep all ewe lambs for a year, giving Hamish and Emily a chance to see how

they fare through a winter before selecting replacements. Emily: "We do graze our cull hoggets off in the spring to get rid of them quicker, but we try to be as self-sufficient as we can be."

Mum and Dad have their own ewes as part of the wider flock, while the two generations go 50/50 in the cattle herd, South Devons in what is traditionally an Angus neighbourhood. They have 80 cows plus replacements.

There doesn't seem to be any rush to chase lofty objectives on this place; Anthony has gradually improved the farm and the capital stock over the years, and Hamish and Emily are happy continuing along that track. They are open to new ideas, but Emily says they like to see something proven before they try it. She is a keen attendee of a Windwhistle farm discussion group and says Beef + Lamb are also a good source of information, especially around compliance matters currently. On the subject of compliance, Hamish observes: "It's an anaconda - a big long thing but nobody knows how long."

None of this is to say they don't see ways the farm will be further improved - more trees for shelter are on the horizon for example - but it's very much a case of, as Hamish puts it, "Steady as she goes."

So where does the name of the farm come from? It describes what happens right above the 729-metre hill that dominates the farm when a nor'wester howling down the Rakaia Gorge meets the inevitable southerly change: the clouds crash together and wildly peel upwards as if in conflict - or at least they used to: "When we first came up here, you used to see it a lot but now one or the other seems to give in early." Anthony says the weather has grown milder since they've been there "... and not for the worse, either."

Meeting a farming family like this one pleasantly reminds us that outside the newsmakers of the agriculture world there are the vast majority who don't make the headlines but just get on with the job every day, competently and assiduously making their critical contribution to the New Zealand economy.

The risks just don't go away

After all the recent insurance events you probably don't want us telling you about more risks around the corner but unfortunately that is our job.

A risk that is becoming increasingly top-of-mind is the potential for another alpine fault earthquake. This fault line is where the Australian and Pacific plates come together. It runs 600 kilometres up the spine of the South Island and has ruptured 20 times in the last 4000 years, on average every 250 years. It last ruptured 304 years ago and general consensus amongst researchers is that there is a 75% chance of it happening again within the next 50 years.

Moreover there is an 82% chance that it will be a magnitude eight or higher, and although the West Coast will be hardest hit it will be a South Island-wide event. It is essential that we all plan for this in terms of power backup and essential supplies, amongst other things.

Unlike previous earthquakes, repair costs for buildings will not be open-ended and as such it is critical that we carefully consider the sums we insure our buildings for. We know how long it takes to get repairs done and the price increases that follow a big demand for construction labour and materials. The cost of erring on the high side may not be as much as you think.

Let's hope the researchers have got it wrong, but let's also have the measures in place that help us sleep.



Peter Engel

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Don't worry about trading stock funding

In our last newsletter I highlighted what a great time it is to be a farmer, particularly against the backdrop of increasing commodity prices. For many, as they close out the financial year, I'd predict a decent profit, with probably some tax to pay and a bit of debt paid off as well. All of this is fantastic stuff and something worth celebrating (make sure you do).

The great news is commodities are looking even stronger since I last wrote – particularly lamb and beef, and this bodes well for profitability for the coming season. One impact of strong prices however is that the buy-in cost for trading stock looks set to increase quite a bit from last year; I doubt the market for a store lamb will be \$3/kg – maybe it'll be closer to \$4/kg. For some farmers this will place real pressure on overdrafts (as you buy in) and, as we have talked about before, credit availability continues to be constrained in the banks.

Hazlett can solve this. We have been refining and improving our product offering. Our documentation and process is simple and flexible – most of all it is super easy. So don't spend your time worrying about how you'll fund your trading stock. Let us do that. You concentrate on finishing them and make sure this season is another worth celebrating!

It remains a great time to be a farmer! Talk to our team if we can help.



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Bright horizon for expanded team

The meshing with the Peter Walsh team is an excellent development for us livestock blokes. We've always enjoyed a great relationship over the years with that team.

The Hazlett livestock complement goes from 16 blokes to 42. While it strengthens our company without doubt in terms of our footprint in South Canterbury, and parts further south (seven blokes in Otago/Southland), we have also gained some very high-calibre, vastly experienced, people in all of those places. And they share our ethos of high quality face-to-face service.

It's a huge opportunity for us to build something really special.

And it's happening at a time when we're seeing the highest price ever for lamb which, incidentally, is what happened, albeit at a lower level, when Hazlett opened for business in 2008/9.

Indeed all markets are looking promising for the coming season.

We always have to be conscious of the fact that what goes up must come down, but I believe that with the diminished livestock population generally, the days of the market falling disastrously out of bed are gone. I've been reading about disappointment over the possibility of the lamb schedule dropping from \$9 to \$7.50 by Christmas. If you'd said to farmers three years ago that the schedule would be \$7.50 at Christmas time, they'd be over the moon. Yes there will be corrections, but I believe the floor is higher now than what it was previously.

Irrespective of that, my view would be: don't keep expecting a rising market; rather, get better at what you do so that you can make hay when the sun shines. And anyhow, the drought last year and the dry autumn remind us that Mother Nature will always have the last say.



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Dealing with the ever-changing environment

With winter drawing to a close it's time to switch focus to Spring and beyond. In most cases across the two islands we have experienced a milder than expected winter with the exception of the two severe weather bombs, in Canterbury and more recently Marlborough.

We have been busy over the winter months training the blokes with the latest AG-World technology and working with our supplier tech teams to ensure we are proactively looking for better/different ways to grow crops, grass and cereals.

Plenty of work has also been done by the team looking into grazing/harvesting options to ensure that farmers can continue to be productive and thus profitable through the ever-changing regulatory environment. We understand that we and other similar companies have a much larger role to play in the future of New Zealand farming to relieve some of the burden of the country's costs that fall to farmers.

It was great to see the Groundswell protests getting some mainstream coverage; hopefully recent and current actions planned can bring peacefully some sense and order to some of the big decisions being made that impact the wider rural communities.

Most chemical supplies are short and the indications are that prices will rise across the board into the Spring. We have been able to lock in some product at today's pricing but quantities are limited – please contact your Agri-Supplies rep to discuss.

I hope everyone has a warm and prosperous spring. Thank you for your support and business.



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STAFF PROFILE



Sam Matson

Rural Bloke, Darfield

Sam joined Hazlett a couple of months after Craig Miller left us, four years ago now, taking over Craig's role as livestock broker in the district surrounding Darfield - ranging from Lake Coleridge through to Arthur's Pass and the Central Canterbury plains: "...a good balance of country with breeders/breeder-finishers in the high country and foothills, with the finishers and traders on the plains."

Sam lives in Darfield where his family had farmed years back, but he was born and raised in Christchurch. Upon leaving school in 2004 he headed to Southland for 18 months of shepherding before attending Lincoln University where he graduated with a B.Com Ag. He took his degree into Silver Fern Farms, working for four and a half years in South Canterbury and then moved to North Canterbury for a further four years.

He always enjoyed regular work contacts with the Hazlett team and he was an obvious choice to fill the Darfield role.

Sam is married to Annabelle and they have their first child due in November.

"A bit old and broken down" to play rugby nowadays, he has spent his first three post-playing seasons coaching the Darfield club's Colts team.

Honk if you're hurting

Wow, two weather bombs hit us, one on the East Coast and another on the West Coast. What next? It's absolute evidence that the agri sector must continue to hone its skills and strategies in resilience.

What a strange world. Who would have thought we'd be watching Olympic Games with no spectators?

Who would have thought all sectors of our agriculture industry would thrive to the heights that they are when the world is under attack by a virus? This serves only to demonstrate the uniqueness of our very own Aotearoa.

Honk if you are hurting.



David Hazlett
Rural Bloke

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Hat Pic Answer: Mt Peel Station, looking towards Rangitata River. Whiterock Station on left, Tenehau Station on right. JON WAGHORN guessed correctly and has asked that the \$250 donation go to Starship Hospital.

Hazlett Directory

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

The Bloke's Diary

Weekly Sales

Blenheim	Each Monday
Coalgate	Each Thursday
Temuka Prime Cattle & Sheep	Each Monday
Temuka Store Cattle	Each Thursday
Charlton	Each Thursday
Lorneville	Each Thursday

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

Special Sales

September 17	Strathview/Craig Lynn Cattle
September 21	Minzion Station Cattle
October 1	Cheviot Cattle
October 13	Blenheim Cattle
October 14	Coalgate Beef Competition
October 15	Culverden Cattle
November 15	Highfield Lamb
November 16	Glenmark Lamb
November 17	Banks Peninsula Lamb
November 23	Glenelg Lamb
November 30	Eskvale Station Lamb
December 3	Red Oak Ram
December 8	Temuka Dairy Calf
December 9	Temuka Beef Calf
December 9	Glenloe Ram
December 10	Stoneylea & Courtenay Ram
December 13	McDonald Downs Lamb
December 15	Mt Somers Station Lamb

Hazlett
People Together

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