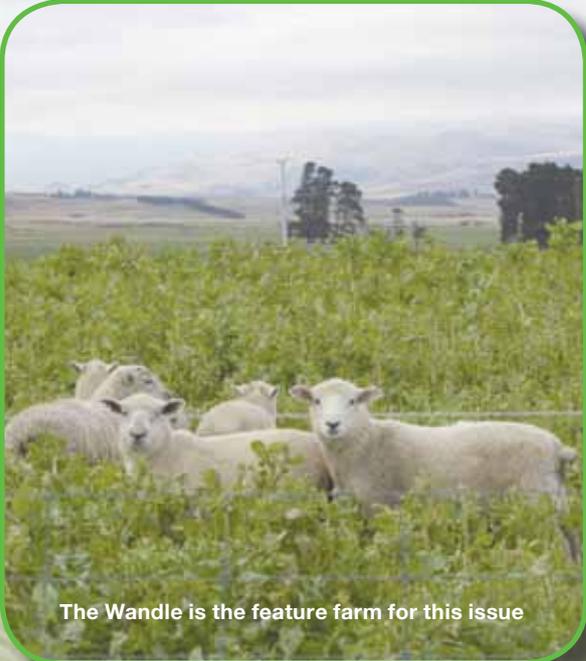




# THE SOUTHERN STAR

News and Information for Lone Star Farms

JUNE 2013



The Wandle is the feature farm for this issue

## IN BRIEF

By Tom Sturgess



Well, through the first cycle of tugging for most of our farms. As Boyd notes, let's control what we can. Nice wording. What does this usually mean? This year it meant three things...first one was preferential feeding of low condition ewes in the face of the wide spread dry...think this, plus Androvax, may get us an extra 4,000 lambs this year. Second - planning ahead, acting timely and locking in on markets when and where it made sense, protected most of our revenue streams. Third - all the farms working together, taking stock from one another, for the benefit of the company overall. Best to all of you and yours; here's to a focus on forward planning, proactive action and timely monitoring. I look forward to seeing you on your farm.

Tom



## A season of many halves!!

By Boyd Macdonald

For our southern farms, the year was shaping up to be a very good season right up until the end of January when the drier conditions took hold. We expect this in the environments we farm, however some earlier autumn rains would have capped things off nicely. The North Island has been a different story. The spring went from cold and wet, to cold and dry in the space of what felt like a fortnight and the well-publicised drought took hold and continues. Golden Bay and Nelson properties have few complaints.

Lamb and beef prices have continued their slide as we pay the price for the procurement battles of last year. Our hope - a better result and more accurate predictions from our processors in the future.

What is the learning from a season like this?

1. Concentrate on what we can control. We can't control the weather or price, so let us focus on our production and maximising lambing%, stock growth rates, stock condition and pasture utilisation.
2. Identify the opportunities and risks early and act on them.
3. A changeable season accentuates the need for thorough planning and regular reviewing of these plans. Feed budgeting, lamb selling policy, stock policies, staffing resources and the financial budget, have all had to be reviewed, altered, analysed and debated regularly to maximise or minimise the possible effects.
4. Protect next year's production. This limits the financial impact to the current season and hopefully prevents or minimises the impact affecting the next season's or two's production.

Do we always make the correct call? The call is always made with the aid of the best information we have on the day. With the benefit of hindsight there are always going to be decisions we would like to change. This is why reviewing decisions or policies at this time of the year is vital before we head into compiling our plans, policies and budgets for the upcoming season.

The review process enables us to take the learning that we need to and improve our plans and policies. This will not only protect and improve our productivity it will also enhance our staff welfare and deliver continuous improvement for us all.

## FEATURE FARM: THE WANDLE

### AT A GLANCE:

**The Wandle, Middlemarch, Strath Taieri, Otago**

**Bought: June 2009 A 2,272ha valley floor and hill breeding and finishing property**

**Altitude: 220-1000m asl**

**Rainfall: 500-700 ml**

**Manager: Jon McClean (since August 2011)**

**Stock on hand (April 2013): 2100 MA ewes (Perendale/Romney)**

**4500 hoggets**

**210 breeding cows**

**270 R2 steers**

“Full-on” best describes Jon McClean’s first 18 months in the driving seat at The Wandle. He more or less hit the ground running on arrival in August 2011 taking on management of a major irrigation, stock water and pasture development project over 1500ha of The Wandle’s developed country.

“The plan was set by Boyd Macdonald and Marty Deans before my arrival and it’s been my job to action it all,” Jon says.

That meant quickly getting to grips with the lay of the land and applying this knowledge to design and sort the detail of two centre-pivots and contouring of land, subdivision, water trough installation and re-grassing.

Grass roots action started at Labour weekend 2011 with the arrival of the fencing team. One year later the development was more or less complete comprising 60 kilometres of fencing, installation of 220 water troughs and two centre-pivots; one 680 metres covering a full circle of 140ha (28 paddocks) and the other 525 metres covering a semi-circle of 60 ha (13 paddocks). Managing it all required careful juggling. Jon says, “There were up to 25 contractors working here at times so spreading my time between them and farming was a balancing act.”

The development has helped drought-proof and provide an improved productive platform for The Wandle’s core business of lamb trading. This season almost 17,000 lambs (12,000 homebred) will be finished on mostly lucerne and rape. The average carcass weight of 17.5kg is down on last year due to the dry and light condition of some of the bought in lambs but the overall liveweight gain per hectare is on par with last year.



The office white board is handy for keeping track of mobs, key dates, weights and tasks

“We’ve managed to take 22kg liveweight lambs to 39kg. They went to slaughter lighter but the margins were still good.”

With the new irrigation up and running and subdivision doubling the number of paddocks from 120 to 245, the emphasis is now on completing the second half of a four-year pasture renewal programme. A two-year direct drilling ryecorn to lucerne cropping rotation is being followed. To date 250ha of pure lucerne has been established and next year close to 500ha will be in the ground for lamb finishing. Of this 200ha will be under centre-pivots and 300ha under K-line irrigation.

“Our overall goal is to end up with 1000ha of reasonably drought tolerant lucerne and pasture,” Jon says.

Stock composition and numbers are still in transition mode due to the final stages of development and a better idea of true carrying capacity won't be known until 2015.

What will be wintered this year in addition to the mixed-age ewes, hoggets, breeding cows and R2 steers is yet to be finalised. Confirmed at this stage are 170 steer calves (half from Barewood Station), 275 dairy heifer weaners and 320 R2 dairy heifer calves. "We'll probably winter 1000 lambs but it could be up to 3000 depending on how many dairy cows we get."

To date they have secured 1000 dairy cows for grazing on kale and silage, there's room for another 400 but that grazing could be taken by lambs or beef cattle. "The drought has given us a few more opportunities."



Regal kale crop destined for either dairy cow or lambs should yield about 10 tonnes/DM/ha

## The Wandle country

The Wandle is bounded by the Taieri River to the east and runs across the Strath Taieri Valley almost to the top of the Rock and Pillar Range in the west. State Highway 87 runs the length of The Wandle's valley floor country; on the road's topside is the mostly dryland pasture lowlands that stretch up into native tussock while across the road is the centre-pivot irrigated land. The popular Otago Central Rail Trail runs 5kms along the eastern side of this block.

The Wandle has some great wintering country but summer and autumn can be long and dry. Another bugbear is wind which can wreak havoc at certain times of the year and is the main reason that crops are direct drilled. Locals know to keep a look out for tell-tale signs of strong winds, in particular 'The Taieri Pet', a cloud formation formed by strong nor-westerly winds being forced upwards and over the Rock and Pillar range. "When we see that cloud we know it's time to batten down the hatches," Jon says. Just how vicious 'The Pet' can be was made obvious in February 2012 with the wind blowing the roof off a farm cottage.



This 680 metre pivot irrigates 140ha



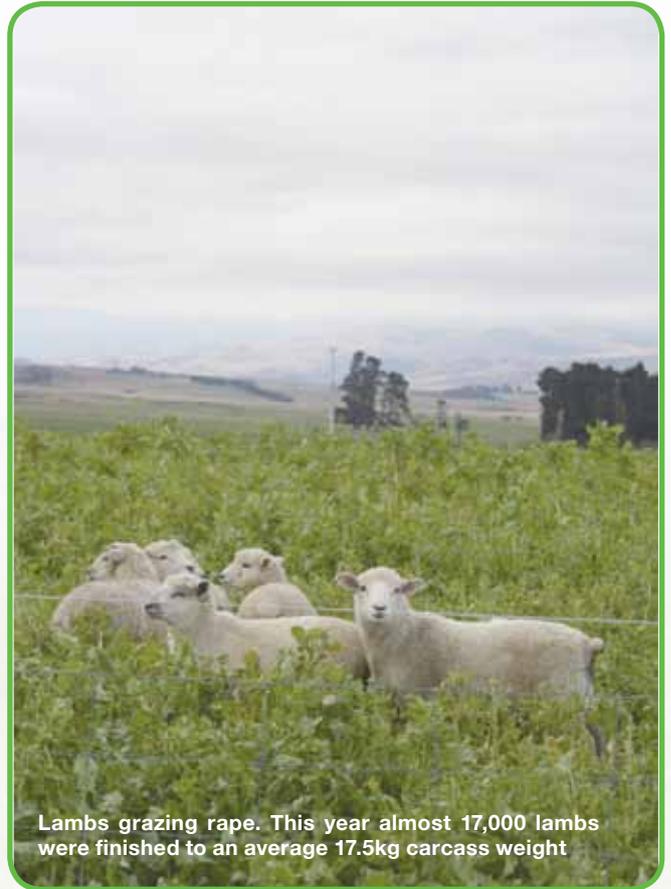
Matt Lawrence, 2IC, arrived at The Wandle at Labour weekend, 2011



Matt Lawrence on firewood duties



Sandpit developments: Bronnie McClean and Toby (4)



Lambs grazing rape. This year almost 17,000 lambs were finished to an average 17.5kg carcass weight

### The farming team

Jon came to The Wandle with 14 years' experience on family-owned farms in the Te Anau basin. His family: wife Bronnie and kids Jake (9), Anna (7) and Toby (4) are enjoying the local Strath Taieri community which is an easy one hour drive to Dunedin.

The Wandle workload is spread between four staff. Matt Lawrence, from Wairarapa, is 2IC and like the fencing gang arrived at The Wandle at Labour weekend 2011. Laurie Kain is the "handyman/waterman", spending much of the summer months shifting the 300ha of K-line and the winter months on feeding out and fence maintenance duties. Telford graduate, Pip Standish, started in early December and new recruit and Experienced Shepherd, Stephen Johnson, started at the end of April. Local Blair Marcus also helps out on a casual basis.

### Future focus

Looking ahead, water storage is the next item on the development agenda. Water for the centre-pivots is taken from the Taieri River but water for the 300ha of K-line irrigation is gravity fed from streams off the Rock and Pillar range.

"We can lose up to 50% of that in the dry weather because we don't have anywhere for the creeks to flow into... we've got to do the figures for water storage to see if it's feasible...it could be that the cost of doing it will not justify the returns."

## BAREWOOD STATION Marty Deans

### 6300 hectares in east Otago

Going into winter Marty and the team are focusing on feed planning. "It's been a challenging summer and autumn period," says Marty. Ewes have been fed silage since March and those with a condition score below three have been drafted off for preferential feeding leading into tugging on May 1st. Plenty of silage is on hand but Marty is planning for 180 days of winter feeding, rather than the usual 120.

"All the staff have taken a very positive and focused approach to getting stock through and being well prepared for mating as can be," Marty said.

Finishing cattle did well over spring. As pasture growth slowed over summer, the 2 year heifers were weaned and sent to The Wandle and Mt Albert 2 months earlier than originally planned. It's been a good result for cattle with only 1.6% dry in the rising three-year-old cows.

A poor December and dry autumn meant that last summer's record lamb finishing weights could not be matched. Given poor store lamb prices, the decision was made to retain lambs but kill them at lighter weights and hold them for longer. Brassica and ryecorn crops were used for lambs over summer but daily weight gain average was back on last year. In February 3000 hectares of ryegrass pastures were sprayed to control Porina. Monitoring (with help from AgResearch) showed infestations of more than 1000 caterpillars/m<sup>2</sup> and one trap caught 24kg of moths one November night. The spray should give eight years of control and Marty believes the return on the \$120,000 investment will be well worth it.

There was plenty of positive staff news over summer. Hemi and Jo Ramsey welcomed a daughter, Anna Mae. James Edgar passed his AgITO Diploma and Daniel Adams won an award for being Otago Modern Apprentice of the Year. Hugh Moore is the new Stock Manager, taking over from Justin Thompson who is now managing Rainbow Station.

## HADLEIGH Dan James

### 1496 hectares near Masterton

Hadleigh has been owned by Lone Star Farms for just over one year and what a year it has been. Dry conditions started in spring and drought bit hard late summer. Dan, with Boyd Macdonald, put in place three main strategies to cope with diminishing feed supplies: grazing off-farm, purchasing supplements and sale of capital stock.

Of the 14,000 capital stock units, 700 older ewes were sold with 1100 lambs at foot. Then 1200 ewes were sold to The Wandle (Otago) and Puponga (Golden Bay). Between October and January 1200 ewe hoggets were grazed off farm and from January 160 cows with calves and 1500 ewes were grazed off farm near Woodville. Stock trucks took 1400 ewe lamb replacements south to The Wandle and the hoggets will return when feed allows.

Baleage and grain were fed to ewes from early March to tugging which started April 1st. Ewes were condition scored and those below 2.5 drafted out of the main mob to give them more scope and less competition. As of early April covers were only 800kgDM and Dan is working to have pasture covers of 1400kgDM at lambing.

Dan said a major benefit of having a range of farm locations owned by the company is being able to move stock to farms with feed without having to sell on a low. Staff had a break from the dry with Natalie spending two weeks working at Caberfeidh Station and Richard on holiday in Australia. Dan and Andrea will take a break this winter.

## CABERFEIDH STATION Andrew Harding

### 6000 hectares in the Hakataramea Valley

The number of stock on the South Canterbury property peaked at an impressive 60,000 stock units this January. This is well up on the historic average of 33,000. With more mouths to feed Andrew Harding and the team have been very busy. In fact staff numbers have had to be increased from eight to a planned eleven staff. Stu Jamison, Nick Stanger and Kate Coldicott are new permanent members of the team and currently four casual workers are also helping out. The workload is divided into a trading stock team and a breeding team.

Unlike last year where 300 hectares of lucerne were sold as standing feed, this year Andrew decided it was best used as feed for finishing lambs. Affordable store lambs were sourced from the North Island (16,000 bought pre-Christmas) and finished over summer. As at mid-April 7000 lambs were still to be finished.

While a good margin has been achieved it hasn't been plain sailing. The previous Autumn produced ideal breeding conditions for slugs so come Spring, lucerne, brassica and irrigated blocks were heavily infested with these pests. In some cases three doses of slug bait were required.

"They were so thick you could see them everywhere," Andrew said.

Andrew credits the staff with sticking to the job this summer and coping with a high workload. Sixty-nine kilometres of stock water pipes have been laid and 146 troughs installed. Looking ahead feed covers are currently about 1000 kilograms of dry matter (kgDM) per ha below where they should be. In response silage is being fed (in some cases 30% of the diet) and budgets have been done expecting an April to September silage-feeding season. The positives are that ewes are in magnificent order and that the heifers weaned 230kg calves and all went back into calf. Andrew is picking ewe prices to rise in Spring so has decided to hold on to 1000 ewes that would normally be sold.



## QUARTZ RANGE Len Rapley

### 700 hectares (420 effective) in Golden Bay

Autumn finds Quartz Range in good shape. Len Rapley was pleased to report pasture covers were excellent and ewes all up to target tuppung weights. The two-tooths were all over 60kg and the mixed-age ewes over 63kg. Lambs have recovered from grass staggers which knocked them somewhat during March.

The summer saw stock bought and sold according to feed conditions. As feed covers dropped in November cattle were sold. By January feed covers were high enough to buy in 50 rising two-year-old heifers. They will be carried through winter to use the surplus feed.

As the high rainfall property runs an all-grass wintering system pasture covers and quality requires close monitoring. The high rainfall means winter crops can be difficult to establish and it is more cost effective to winter on grass than feed supplements.

Quartz Range is still on the market but it is business as usual for staff. Terry Ponsonby, Shepherd, had good success at the 2013 Takaka Dog Trials. He qualified his huntaway Stoney for the South Island Championships. Len and Dot enjoyed a holiday for 10 days in March at their bach at Lake Alexandrina, Tekapo.

## RAINBOW STATION Justin Thompson

### 27,700 hectares inland Marlborough

The combined areas of Rainbow Station and Raglan cover 27,700 hectares of high country. Justin Thompson started as Farm Manager November 1st, moving north from Lone Star Farms' Barewood Station. Making the shift much easier has been the commitment shown from existing staff Trevor Lloyd and Amy Silcock and new casual staff member Kevin Keehan.

A review of stock policies has seen the moving of two-tooth ewes off the harder Raglan country to the better quality Rainbow pastures. They have been preferentially feed on lucerne, fescue and improved ryegrass and clover pastures.

A dry November and December saw a decision made to bring the lamb weaning date forward and sell all lambs under 34kg. They went south to The Wandle as store lambs. "This was the right call as the amount of feed for lambs was not there at weaning," Justin said.

By mid-January the farm pastures experienced exceptional growth rates so Justin was able to purchase 650 store lambs. Ewes and finishing cattle did well with all ewes at their target condition score of 3 or 3.5 at tugging. The Run Cows were recently pregnancy tested and 91% were in calf. The heifers did exceptionally well with 97% of them in calf. Justin puts this down to weighing the heifers early November and preferentially feeding them for a month prior to the bull going out in December.

Justin is expecting winter to be tight especially as crops were later going in due to weather hold ups. An autumn dressing of super-phosphate and strategic nitrogen has been applied to help boost pasture growth. Trevor is fully recovered from a knee injury following a run in with a ewe and Justin is back up and around after ankle surgery in autumn. The effort from other staff in picking up the work load has been greatly appreciated.

The station has had plenty of visitors through the Rainbow access road and hosted several school and farm discussion groups over summer.

Congratulations to Amy on recently winning the Nelson/Tasman AgITO Trainee of the Year title for this year.

## PUPONGA Darryl Heaps

### 400 hectares near Farewell Spit, Golden Bay

Darryl has made two key stock policy changes this autumn. Extra breeding ewes have been purchased to winter-over instead of trading lambs and two-year-old in-calf heifers will be wintered over instead of the usual steers.

The idea behind it is making more money through producing extra calves and expectations of higher lamb prices next season. Both options will still provide flexibility.

"We plan to sell more finished lambs but we could sell in-lamb ewes or ewes with lambs at foot if required," Darryl said.

The 750 ewes came from Hadleigh (Lone Star Farms). A current goal is improving hogget lambing percentage (currently 65% lambs/ewe mated). This autumn has been fantastic and hoggets weighed 38kg average in early April. The ryecorn drilled early April has rocketed out of the ground and will probably be ready by late May. It will be grazed with winter lambs then with ewes and lambs in spring.

Lambing percentage for the ewes (including two-tooths) was 135%. Darryl has really focused on making sure ewes were weaned at their following tugging weight goal.

"The benefits are really apparent in a dry year. Not having to play catch-up with ewes is often the difference between store lambs and selling prime."

Puponga had a busy tourist season with lots of visitors after Christmas. Fishing has been productive with a good supply of snapper in Golden Bay over summer. Ben Cook caught an impressive 250lb boar up the gully behind his house in March.

## MT ALBERT STATION Scott Paterson

### 12,500 hectares at the head of Lake Wanaka

Scott was very impressed with how staff coped with an exceedingly wet lambing time at the west Wanaka property. Around 530mm of rain fell over the first four weeks of lambing, dashing hopes of a good lambing percentage after the record 171% pregnancy scanning. "Staff did very well getting stock and vehicles safely across high rivers," Scott said. "It was a credit to them."

Neil Anderson joined the team in October as a shepherd bringing with him invaluable experience in mechanics. He started an AgITO course this year. Hamish Murray returned to Mt Albert as a full-time shepherd after completing his degree at Lincoln University. Paul Campbell was employed over summer on a casual basis and will return to Canada.

In response to fewer lambs at tailing, Scott decided to retain more lambs after weaning and finish them to prime weights. This summer 75% of lambs were sold prime at an average of 18kg carcass weight. Usually only 60% are finished prime. As summer pasture covers peaked at 2200kgDM, an extra 200 yearling cattle were purchased to utilise the feed. This took the fattening cattle total to 470 and all of them will be sold to the feedlot by the end of July.

Ewes were condition scored early February and the lighter 20% preferentially fed. This was to ensure all ewes are over condition score three at tugging May 1st. The Headwater Rams reached the targeted 85kg by sale day in February (a 220 grams/head/day growth rate from November to February).

Autumn has been very mild with only three frosts by late April. Staff have been busy in their weekends getting maimais built for the opening of duck shooting season. Mt Albert hosts around 25 shooters made up of staff, friends and neighbours. In February Mt Albert hosted the PGG Wrightson Southern Regions conference, which was held in the woolshed.

