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Campbell Farms Angus
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Robert, Sarah, Jacci, Kaitlin and Tony

BEEF WEEK FIELD DAY

4th Feb. 2005 9am - 5pm

Our Beef Week open day on 4 February provides you with an ideal opportunity to look at the heart of our seedstock operation. Mature and young stud females, including embryo donors and heifers will be on display. We will also have a comprehensive selection of bulls and females to be offered for sale on 4 April 2005 on view. We have a particularly strong selection of spring calving cows with calves at foot, including Focus calves for you to see, plus our home-bred progeny tested sire Emulation V536.

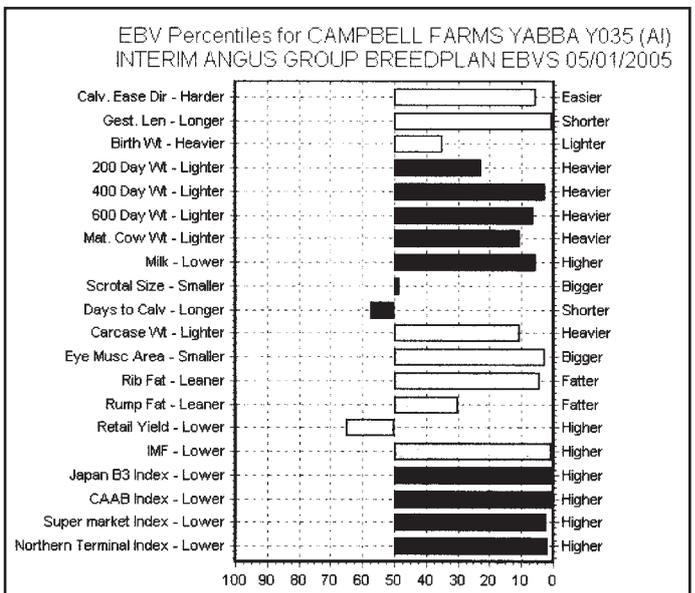
Drinks and light refreshments will be available all day. Come and browse in a no-rush, no-fuss opportunity day. We will be delighted to welcome you and answer any questions you may have on Angus breeding.

[Location map back page]

Angus Young Sire Program

Identifying and proving Australia's best young bulls, selected on performance, structural soundness and genetic diversity.

Our Spring 2004 newsletter introduced the new Angus young sire program to commence in 2005. What we didn't know then was that one of our young bulls – Yabba Y035 – is a potential candidate. He is by Te Mania Ulong out of an 036 home-bred heifer. Scanning and structural scoring in late October confirmed that he is indeed outstanding – see bar chart. Final selection of the 12-15 bulls to be used throughout Australia this year will be made in the next few weeks. We will keep you posted.



Reflections on Argentina

'Is Argentina a threat to the Australian beef industry?' That was the question posed by Resource Consulting Services principal Terry McCosker when he led a group of Australian beef producers on an AgTour to Argentina in August.

Below is a summary of Terry's impressions of the Argentinean tour.

It is possible but not probable that Argentina could threaten the Australian beef industry but it would necessitate a major shift in their export policies or a change in government and attitude.

It is possible because:

- Suitable grazing land is available and there is plenty of it.
- Sixty-two percent of the herd runs on 50-60 million ha of humid Pampas straddling latitudes from Tasmania to central NSW with well distributed rainfall of 800-1200mm pa.
- A further 23% of the herd grazes the humid sub-tropics NE of the Pampas where rainfall is 1200-2000mm pa.
- Both the Pampas and sub-tropics are easily improved and productive.
- The high quality herd of 54 million head comprises mostly Angus and Hereford.
- Despite a significant movement of land into cropping, Argentina has maintained its cattle inventory.
- Feeding cattle is on the increase and grain production could be increased significantly. Cattle production could be increased quickly through feedlotting if prices were adequate.
- The currency – Argentinean Peso - is worth P2 to the Aussie dollar or P3 per \$1US.
- Only 10% of Argentine beef is exported and there are plans to export significantly more beef to the US within two years.
- Distance to markets is relatively short and one of the main ports (Rosario) is 400k inland.
- Cost of production is similar to Australia's top 20%, but freight to the USA would be cheaper.
- Processing costs are very competitive at 10-20 US cents/kg dressed weight.



*Some typical weaner steers being fattened on wheat in Argentina.
(photo courtesy of Terry McCosker)*

However Terry feels Argentina is probably not a threat to Australia for the following reasons:

- Beef prices are well below parity prices but grain prices are at world parity levels.
- Gross margins from beef production (top 20%) are US\$100-150 /ha while those of soya beans and grain vary from US\$200-300 (and up to \$700 for rice).
- This difference, together with zero till technology and roundup ready cultivars, has led to a very significant move from cattle to cropping in the Pampas over the last 5-7 years. Between 25 and 27million ha of the Pampas are now devoted to cropping.
- Politics and the economy in Argentina will prevent it from becoming competitive for some time to come. A good example of this is a 20% export tax on crop exports, just because they are profitable. Beef only has a current export tax of 5% but most producers expect this to go up if beef prices increase.
- Despite agriculture contributing 54% of GDP, the rural sector appears to have less influence in politics than in Australia.
- Internal transport is much less efficient than in Australia.



*Cows calving onto maize stubble in Argentina.
(photo courtesy of Terry McCosker)*

- Argentina has no major strategic trading partner in the US or Europe, making FMD trade barriers easy to maintain, unlike Australia which is powerfully aligned with the USA, the UK and Japan. It is interesting to note that Uruguay, which now has the same FMD status as Argentina (vaccinated negative) has resumed exports to the USA, Japan and Korea within 2 years of an FMD outbreak, but Argentina can not gain the same access to these markets.
- The processing sector in Argentina is fragmented with almost no foreign investment in the sector but as mentioned above, is competitive on cost.
- Argentina's population of 39 million has a culture of eating beef consuming approx 65kg/head/annum. Maintaining a low local beef price for consumers is a politically sensitive issue.
- As a result, Argentina exports only 10% of production, which is an export volume of some 300,000 tonnes per annum.

**“Could not have asked for a better Tour Manager (Jorge Cazenave)
– his knowledge of agriculture was extensive and
he greatly added to the value of the trip.**

Inga Gibson, Hughenden QLD

*Article courtesy of AGTOUR Australia

PO Box 723, Spring Hill Q 4004

Ph: (07) 32 369 889 Fax: (07) 32 369 678 Email: enquiry@agtour.com.au Website: www.agtour.com.au

The Net Feed Intake EBV

– a new measure of feed efficiency



Commercial beef producers readily understand that feed efficiency is economically important but difficult to assess. Past research into feed conversion ratio (calculated as weight gain per unit of feed intake) simply selected animals that would grow to be the biggest and resulted in selection for increased mature size. As we all know, some animals are too big to be efficient producers. A new measure of feed efficiency is Net Feed Intake (NFI). This estimates the amount of feed an animal eats and converts to weight, under or over that expected for its current weight and stage of growth. A surprising variation has been detected and geneticists have established that

it is inherited at quite a high level (similar to growth, fatness and marbling). Efficient converters retain their fertility and have a slight tendency to be leaner (better retail yield) and have slightly less marbling although this is not always the case.

While previously assessed by feed test over 70 days, a new blood test is now available for use on young cattle just prior to weaning. We are testing some of our young bulls via this system.

EBV figures commonly range from plus 1 to minus 1 kg/day (Breed average is close to zero). Because an efficient animal eats **less** than expected to meet its requirements for weight and growth it will have a **negative** (minus) NFI EBV. An **inefficient** animal will have a **positive** (plus) NFI EBV.

Steers from efficient converter sires (-0.5 NFI EBV) on good feed ate 12% less feed and grew 17% faster than steers from inefficient converter sires (+0.5 NFI EBV). Conversion efficiency is equivalent on grass and in feedlots and on both green feed and dry feed.

The obvious benefits from using negative NFI EBV sires are the ability to turn off more Kg beef per hectare and projected feedlot premiums for steers from negative NFI EBV sire lines. It is a worthy piece of genetic information that astute breeders will turn to their advantage.

SIRES FOR APRIL SALE BULLS

Sires of the 50 bulls (19&24 months) we will have for sale provide strength and versatility, plus plenty of outcross opportunities. Full details will be in the sale catalogue due out in early March. They include:

Shady Brook Explorer USA 015E
 GAR Bingo USA 4192
 C F Emulation VVX 536
 Mitta Valley Titan CJD T63
 Edi Rito S8 CMF S8
 Spring Cove Endurance USA 6360
 Hazeldean Repechage NHZ R93
 Waitapu Jubilee NZE 19
 Te Mania Ulong VTM U41
 C F Trend(315) VVX W538
 BonView Emulation Ext USA 473

On The Lighter Side

Laughing stock: Cattle with a sense of humour.

[Anon]

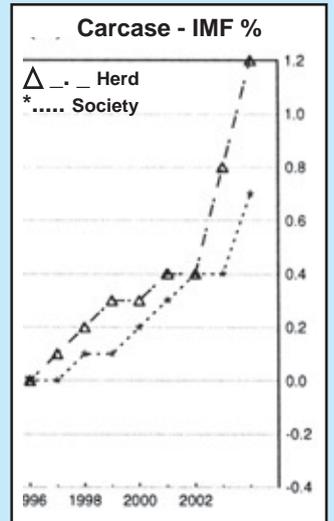
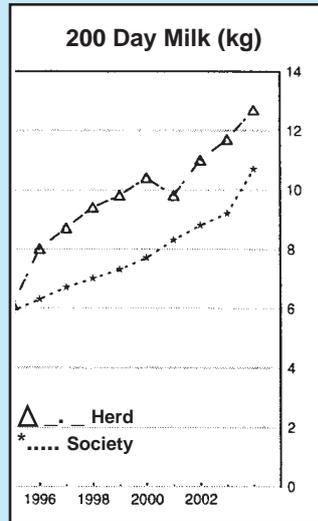
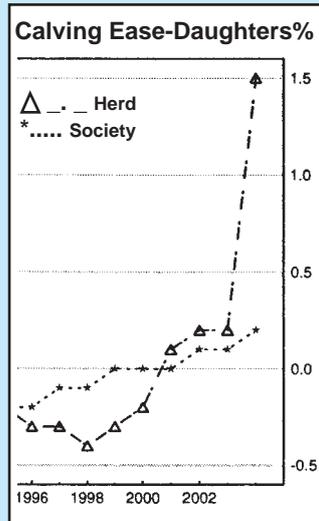
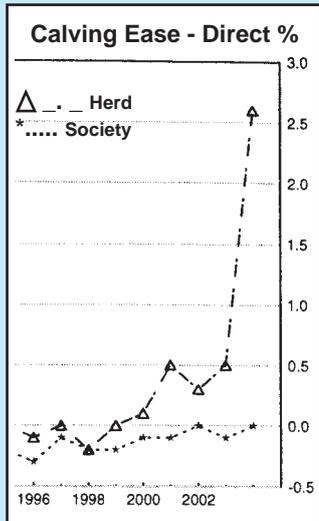
Scientists tell us that the fastest animal on earth with a top speed of 120ft/sec, is a cow that has been dropped out of a helicopter.

[Dave Barry]

A gold rush is what happens when a line of chorus girls spots a man with a bank roll.

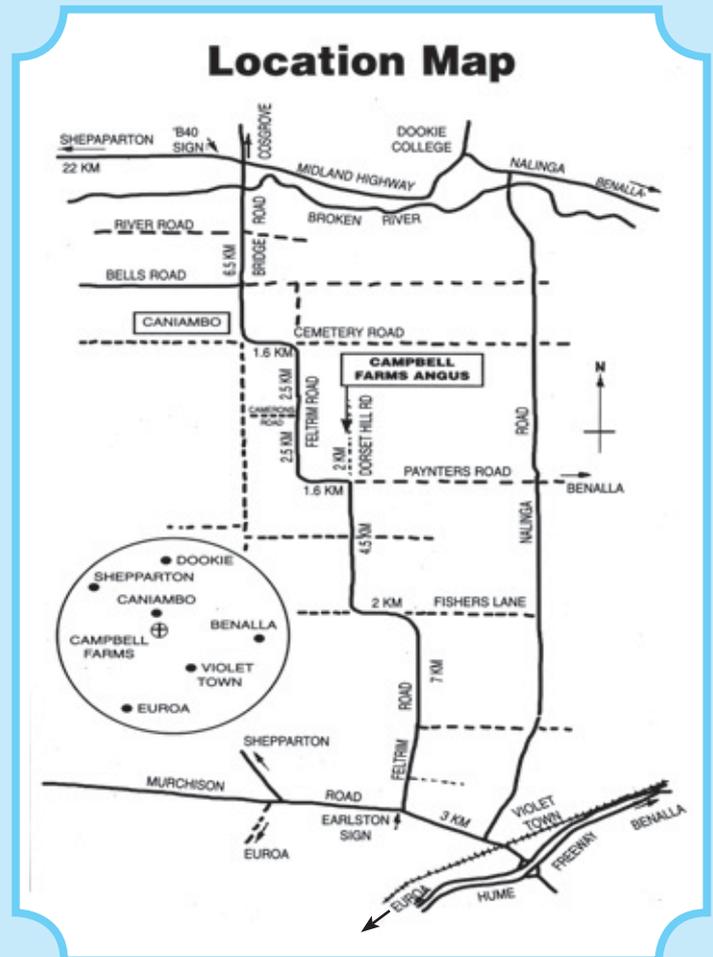
[Mae West]

For Calving Ease, Milk and Marbling – we’re pulling away from the pack!



The performance statistics from our herd documented in the January 2005 Angus Group Breedplan report reveals we are pulling well away from the pack for calving ease, milk and marbling genetics (see graphs) – and we remain ahead too on growth.

These are independently compiled statistics from the Agricultural Business Research Institute of the University of New England, NSW that compare individual Angus Group Breedplan herds to the Angus breed as a whole. We have been pursuing calving ease genetics for our herd ever since client surveys several years ago informed us that it was one of the top 3 issues you believed were important. Structural soundness and good temperament were the other two.



FOR YOUR CALENDAR

**Campbell Farms
On-Property Sale
Monday 4 April 2005
(1 week after Easter)**

CAMPBELL FARMS ANGUS
DORSET HILL ROAD, CANIAMBO
VICTORIA, AUSTRALIA



**ROBERT, JACCI & TONY CAMPBELL
AND FAMILY**

RMB 5678 Caniambo, Vic. 3630
Phone/Fax: 03 5828 9274
Email: office@campbellfarms.com.au
Web: www.campbellfarms.com.au