FIL

THE DAIRY FARMER

FARM INNOVATION / HYGIENE/ ANIMAL HEALTH / MARKERS / NUTRITION **MAKING YOUR JOB EASIER**

IODOSHIELD ACTIVE* A PROACTIVE SOLUTION TO TEAT CARE

FIL has once again set the bench mark for animal health products with the launch of Iodoshield Active this autumn. Recent advances in the understanding of udder health have been captured in a revolutionary teat spray formulation offering superior teat health for modern dairy herds. **NZ Patent Application No. 556391*

The release comes soon after two other innovative products aimed to make the job easier and more profitable for Kiwi dairy farmers. Last year saw the release of FIL's Back Pack Tailpaint Applicator for the mating season and the easy to use sachet detergent-sanitisers Impact Red and Impact Blue.

UNIQUE FORMULATION

Iodoshield Active continues this strong innovation drive with a formulation containing the unique medicinal properties of honey and quality skin care components.

The complex formulation has done away with the need for adding emollient. The recommended dilution rate will maintain premium teat health at all stages of lactation. From the outset FIL aimed to create a teat spray product that would deliver improved teat health.

EXTENSIVE DEVELOPMENT

As expected from the company renowned for delivering products farmers can trust, Iodoshield Active has been extensively field tested on dairy herds to ensure what was created in the laboratory delivered on the farm. "I do not know of any other teat spray product that has been subjected to tests this thorough," said Trevor Gulliver, FIL Business Development Manager.

"These included whole herd evaluations of teat condition, based on the National Mastitis Council's protocol for teat scoring."

The trials included eight herds across the North and South Islands.

In a separate trial, a 700-cow herd was divided in two, with one herd (the control) on an existing Iodine based teat spray, the other (trial herd) using Iodoshield Active.

Each of the cow's teats were inspected for dryness, chaps, teat end damage and recorded accordingly. The scoring was undertaken using recognised National Mastitis protocol and was done under veterinary supervision.

There was no extra emollient added to either teat spray. This trial lasted for five months, from calving until the end of November 2007.

RESULTS SPEAK FOR THEMSELVES

The results revealed a marked improvement on average herd teat condition in the Iodoshield Active mob to a perfect "5" against the conventionally treated herd's average of 3.5.

"We had our farm trialists complete a comprehensive survey on iodoshield active's effectiveness, monitoring time taken to work, somatic cell counts, herd temperament and average teat condition at the start and end of the trials," Trevor.

The farmer feedback has revealed results that exceeded even FIL expectations. Iodoshield Active delivered noticeable improvements in teat condition within 7-10 days of application, and significant on-going improvements in teat appearance and moistness. Somatic cell counts were also reduced.

"Our farmer trialists found even with extra emollient added to the standard iodine spray, it simply could not match the effectiveness and adherence of iodoshield active," says Trevor.

As the average size of New Zealand dairy herds approaches 400 cows, labour time per cow is becoming less, placing greater demand on animal health products like teat sprays to protect herd health proactively.

"We know we have come up with a product that has been proven in those herds. It will meet demanding expectations in the most demanding conditions," says Trevor.

WHAT'S INSIDE:

2 Bound to Succeed candidates announced

3 Secrets to a good dairy conversion

4 Late lactation milking management

5 Multiple choices for sharemilkers in dairy surge

A WORD FROM FIL:

We are all approaching the 2008 season with a real sense of excitement at FIL. It will be the first season that we manufacture from a purpose built factory in Mount Maunganui, whist supply to our customers in the South Island is handled by our capable team from a new spacious store in Timaru. Our new branding will shortly start appearing on FIL products in your local stores and hot on the heels of the release of the Impact detergent sanitisers last year, we are now very excited to be releasing Iodoshield Active.

After two years of extensive trialling on-farm we have a unique formulation of essential skin care components with the added medicinal properties of honey. This combination is providing superior results in teat health, so much so, that our trial farmers have been reluctant to return to the teat sprays they previously used!

I have confidence that, like them, you will see outstanding results from this product and wish you all the best for 2008 season.

ARTHUR JORDAN
Director

FIL

SPONSOR OF

AgricultureITO
Industry Training Organisation

"Bound to Succeed"

BOUND TO SUCCEED BUILT ON RURAL RELATIONSHIPS:

FIL'S COMMITMENT TO HAVING YOUNG RURAL TRAINEES DEVELOP INTO INDUSTRY ROLE MODELS & PROFESSIONALS CONTINUES TO UNDERSCORE BOTH IT AND AGRICULTURE ITO'S COMMITMENT TO BOUND TO SUCCEED.

The 21 day course now in its fourth year has established a track record of helping build leadership skills among the dedicated, hardworking dairy workers that are the future of the industry. It also represents the long term relationships and trust that so often form an integral part of the agricultural industry in New Zealand.

FIL company director Arthur Jordan says his company remains completely committed to a programme that benefits everyone in the industry, not only the recruits fortunate enough to attend Outward Bound.

"The Agriculture ITO shares this long term commitment FIL have for Bound to Succeed. This was reinforced earlier this year when FIL was confirmed as having on-going sponsorship and naming rights for Bound to Succeed," says Arthur.

Tony Wilding, Chairman, Agriculture ITO says the course sits well alongside the organisation's work with Young Farmers of New Zealand and their leadership and development programme.

Running in modules over 10 days through the year the course aims to help talented young farmers become better equipped to manage the challenges of employing staff and being role models for the agricultural industry.

Agriculture ITO also runs Future Farmers. The initiative is assisted by funding from the Alma Baker Trust. The scheme identifies young people in the rural community who would benefit from the experience of visiting high profile farms, and receive assistance with career goal setting and achievements.

Tony says the work here plays a critical role because many of the social networks that used to exist in rural communities are less common today.

"It is a case of the opportunities still being there, but the support network for many young people working in the country is reduced, and Young Farmers is seeing a turnaround, with its role becoming invaluable in this respect."

The relationship Agriculture ITO enjoys with FIL continues to be a rewarding for both parties. Most importantly it continues to see a high calibre of farming and leadership talent emerge from the three week Bound to Succeed course.

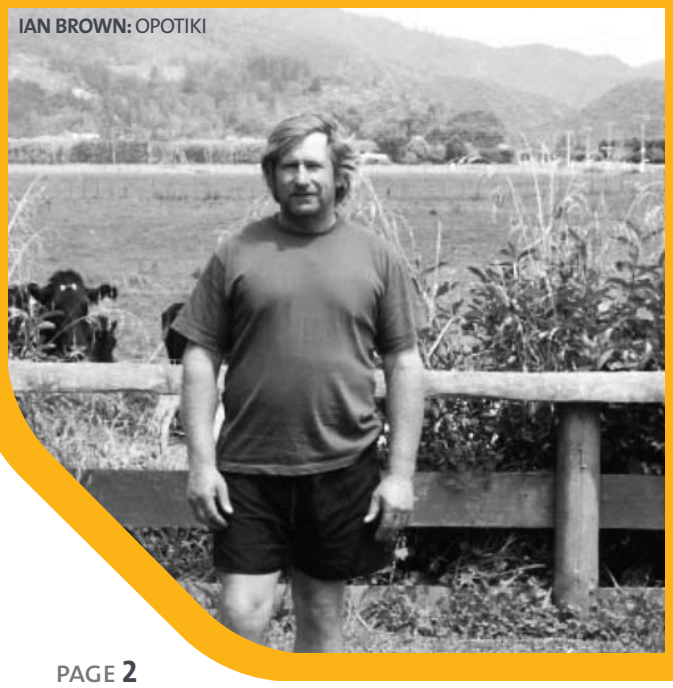
"I have always been highly impressed by the young people going through, and the contribution Bound to Succeed makes to their careers and their personal abilities will be enjoyed by the whole industry over time," said Tony.

Both Arthur and Tony look forward to seeing the uccesses enjoyed by the next intake of students due to set off on the course in April.

REGULATOR INSURES MAIZE SILAGE QUALITY:

THE DAIRY BUSINESS GROWS HALF THE MAIZE IT REQUIRES & BUYS IN THE OTHER HALF FROM AROUND THE REGION.

With a million tonnes of dry matter equivalent to go into the stack this year in maize silage, Ian Brown needs to know the quality will be consistent throughout. Ian is a director and shareholder in the family dairy business that milks 1350 cows near Opotiki in the Eastern Bay of Plenty.



IAN BROWN: OPOTIKI

The Browns' have been using FIL's maize silage stabiliser Regulator for the last four seasons, and remain impressed with the quality results.

"FIL's area manager Allan Clark suggested we try Regulator to help stop the stack over heating, and it has done the job well."

Quality remains high throughout the stack and losses are kept to a minimum.The farm runs three herds through its 60 bale rotary shed, with the maize silage fed out on feed pads.

Despite the jump in costs over recent years for fuel, fertiliser and seed, maize still represents excellent feed value and will be more invaluable than ever in the dry year currently being experienced. Ian has been using FIL products for many years and says like all FIL products, Regulator has delivered all that was promised of it.

CANDIDATES' PERSISTENCE SHINES IN SELECTION:

THIS YEAR MARKS THE FOURTH INTAKE OF AGRICULTURAL STUDENTS

They were selected for the challenging Bound to Succeed course at Outward Bound camp in the Marlborough Sounds. Past participants have often talked about an experience as life changing as it is unique, pushing mental and physical capabilities to the limit.

As the key sponsor of the Agricultural ITO course, FIL believes Bound to Succeed is vital to encouraging, developing and enhancing young talent within the dairying industry – not only to run the farms of the future, but to be industry leaders in the years to come.

This year will be no exception, with 27 students off on the course in April, keen to meet some challenges away from the daily demands of their farm work Persistence was a trait judges selecting candidates for this year's Bound to Succeed course at Anakiwa have found very common in candidates. Emma MacDonnel from Otago typified that persistence. After missing out on selection last year she was back this year, and was chosen. "She is a motivated young person showing plenty of potential, we have seen her confidence grow in a year and she has undertaken a lot of training. Emma will benefit a great deal from the course challenges," says one of the Otago Agriculture ITO judges, Karyn Walker.

In North Canterbury another young woman Kasey Morris showed a determined approach to getting farm work that captured the attention of Agriculture ITO judge Chris Peat."She literally went door knocking to get some work, coming straight down from the North Island after doing a lot of dairy farm work up there, we admired her determination."

Up in Taranaki Daniel Retgein is the candidate judge Ian Armstrong felt would most benefit from the Bound to Succeed course."He is relatively new to farming. We felt he had a good idea of what he wanted to achieve, but just needed the course to give him a bit more encouragement and show him the path to get there," says Ian.

Further south in Westland the competitive nature of Rachel Heberly will see her hold her own on the challenging course at Anakiwa."She is known as a hard worker, and a student who is really going well in the dairying industry, she'll do well on Bound to Succeed," says Agriculture ITO judge Peter Langford.

THE 2008 PARTICIPANTS OF AGRICULTURE ITO'S BOUND TO SUCCEED PROGRAM SPONSORED BY FIL ARE:

Michael Webster
Roseanne Hitchman
Sally Fletcher
Benjamin Cooley
Daniel Retigen
Richard Webby
Laim Kelly
David Johnson
Cain Eason
Ruben Connelly
Tracey Ashton
Jared Davies
Mark McCone
Jeffrey Don
Sam Brooker
Craig Budgen
Clint Easton
Martin Orange
Dion Mcgaveston
Rachel Heberly
Kasey Morris
Emma Macdonnel
Andi Jane
Josh Takao
Scott Laurie
Garick Ashford
Jenna Milne

SECRETS TO A GOOD DAIRY CONVERSION, TIME & PLANNING

So you have made the leap and bought the block of land for a dream conversion that dream can quickly turn to a nightmare if you don't take the time to plan out the multitude of tasks that will take it from bare dirt to a profitable dairy operation.

Trudy Laan is a farm consultant with Perrin Ag Consultants in Rotorua. She says her company is too often called in to sort out the stress and mess resulting from conversions done too quickly, or without a good ground plan from the start.Having been involved in the conversion of thousands of hectares of land in the Central North Island, Perrin Ag Consultants has established a reputation for smoothing the path to dairy conversion.

Often the pitfalls are more obvious than realised, says Trudy. She suspects the recent wave of forest to farm conversions may have slowed, but coming hard on its heels is demand for the contractors to build the infrastructures those conversions require. Follow up servicing is also under pressure and in many cases companies have had to take on extra staff, often without significant experience.

Pressure is on most suppliers and builders, with some booked up for the next two years. Long time frames have become essential for a smooth conversion. She recommends a minimum of 18 months, rather than the six buyers often inflict on themselves.Even if the builder is lined up, the components a farm dairy requires, including steelwork, plant and electrics all require contractors to fit those time frames. Building and resource consents to do the work are almost invariably lost in council labyrinths. Often there is lack of communication on who exactly is supposed to put the consent form in, delaying work further.

"We know of very few conversions done in six months, but those that were had all their ducks lined up well before January 1st."

NORTH ISLAND CONVERSIONS BRING CHALLENGES:

The hilly conversion country of the Central North Island brings its own challenges when moving from trees to cows. It is a world away from switching on the flat plains of Canterbury or parts of Southland.

"Pumps often have to be bigger to move effluent further up gradients and hills, while your water pressure will often need to be stepped down if you are using gravity feed from the farms' high points."

Trenching high density alkathene can result in little slack being left in pipelines for when joints blow or fail, while reduction valves may also have to be considered if the pressure is too great.

KEEP A GOOD DAIRY A PRIORITY:

Too often the farm dairy is left at the end of the budget when it should be put as the centre piece of the conversion. Often it is a better option to reduce the initial area cleared for pasture and keep funds available for a good dairy. If the remainder of clearing is done at a later stage when the herd is on the farm then this can see better utilisation of feed grown earlier.

"Many will want to get all the clearing done with the contractors still there, but the contractors will come back if they are paid and a sizable amount of work remains."

Trudy says it is far better to build a quality dairy and effluent system to service a smaller milking area to start with. Putting pressure on the dairy budget has resulted in conversions with piece meal components, effluent systems too small to cope with spring rain off mucky yards, and inadequate vat stands for future expansion. Problems can begin to radiate out quickly from here early on in the conversion lifespan.

"If you pick gear based on price rather than ability of a local technician or pump company to service it you will have on-going expensive issues with more distant companies to keep the dairy operational."

The boom in dairy conversions has brought plenty of new players into the dairy shed business and Trudy advises clients to be wary of poor design that cannot be undone once the concrete is poured and the steelwork welded.

CONVERSIONS BRING STAFF PRESSURES:

New conversions can bring unexpected pressures on staff that may have anticipated managing a property full of new gear with few equipment breakdowns.

"Invariably there are breakdowns and teething problems and this in itself requires particularly mature staff who are not too fazed by problems and have a good mechanical knowledge."

Trudy has witnessed enough conversions where the owner is dealing with "hot milk and cold water" to know even the most well planned operation is not immune to teething problems. Staff availability could influence the decision on where to begin a dairy conversion also. More remoter areas less accustomed to dairying may provide some cheaper land, but will also present the greatest labour challenges.

PLAN WELL AND ENJOY THE CONVERSION LEGACY:

Farmers she has helped oversee conversions for have relished the challenge of setting up a property exactly as they wanted it, particularly if they have had years of working on someone else's property, or putting up with someone else's layout. Discussing the complexities of a conversion with those who have been involved in many can change a farmer's keenness to go ahead however.

"It really depends on the person. If they opt to go for a fully converted farm, it can't be looked on as a failure. In fact we prefer them to come to us first to discuss things at least that decision will then be an informed one, knowing the problems that will lie ahead.

"If they change their minds then, rather than embarking on something that becomes less than enjoyable, that is a good decision."

She says for those that opt to go ahead by having some outside advice, this can range from full scale project management, to just getting advice on those areas they require some assistance in.

"Just make sure you give yourself plenty of time to plan the work before working the plan."

BEEN THERE & DONE THAT

FIL established its early business and reputation on the production of high quality tail paints, and this continues today. However two products that have been around for almost as long are the high quality spray marker dyes Been There and Done That. Both deliver outstanding visibility over challenging spray environments, but suit different use situations. Contractors and farmers alike are assured of quality and complete visibility with products developed specifically for New Zealand spraying conditions.

BEEN THERE:

FIL's innovative chemical development team came up with a dye that has done away with a high acid level, often common in markers, but bringing problems for the equipment it passes through and the ability of the sprays they are mixed with to perform to maximum specifications.

KEY BENEFITS OF BEEN THERE:

- Highly compatible with herbicides commonly used in New Zealand
- Well suited to acidic bore water situations, where pH is already lowered
- Available in contractor and farmer friendly container sizes, 1,5, 20 litre packs
- High visibility red dye stands out in all conditions

DONE THAT:

FIL have recognised the challenge using a red marker dye can present for the 8% of males who are colour blind, and Done That covers those users by providing a highly visible blue marker to mix with all spray types.

Recent years have seen strong growth in use by operators of amenities such as parks and golf courses, thanks to its non-toxic formulation and low quantities required for knap sack sprayers.

KEY BENEFITS OF DONE THAT:

- Easily washes up with soap and water, no lingering mess or stains
- Superior mixing ability to other marker dyes
- High visibility under all conditions
- A real alternative for colour blind users
- no blockage of nozzles and "gunking up" in containers

LATE LACTATION MILKING MANAGEMENT IN THE DAIRY, STILL PLENTY TO FOCUS ON!

HOW DO YOU GET MORE OUT OF THIS CURRENT LACTATION? BY MAKING SURE MASTITIS IS KEPT IN CHECK.

David McDonnell BVSc MACVS

The prevailing weather conditions around the country have advanced many decisions such as early pregnancy testing cows for culling, and/or drying off cows with low production, Body Condition Score (BCS) and Bulk Somatic Cell Count (BSCC).

The focus on good milking technique and milking hygiene tends to be affected by the malaise of late lactation as a 'drift' in priorities takes hold. Firstly, keep yourself and staff motivated with the same vigilance in milking technique you employed at the start of the season.

WHAT DO WE MEAN BY THAT?

1. **Clean cluster application and removal with minimal air admission.**
2. **Evenness of cup alignment on the cow's udder.**
3. **Avoid under and especially over milking.**

The reason for this is the declining milk volumes in late lactation may not be sufficient to 'flush' any bacteria that were inadvertently propelled into the gland cistern due to sloppy milking technique.

If milking times are shorter, then adjust milking management to allow earlier removal of clusters. Prolonged periods of clusters on cows that have completed milking may raise the chances of milk impacts causing mastitis.

Secondly, milking hygiene is paramount to prevent an 'explosion' of clinical and subclinical mastitis.

Why is this still important? Milking in late lactation tends to be associated with the transfer of cow related bacteria causing mastitis e.g. Staph. aureus Strep. agalactiae

With declining milk volumes the impact of clinical mastitis on BMSCC is greater. Added to this is the increasing influence of subclinical mastitis after Christmas on the overall BMSCC.

This could mean the difference between supplying milk or fattening cattle for the rest of the season! See Figure 1 for an example of BMSCC data showing an increase during lactation.

SO WHAT ARE THE KEY POINTS IN MILKING HYGIENE?

1. Mastitic milk has been reported to contaminate the teat cup liner for the next five to six cows! Handle known clinical cases last and separately.

2. Teat spraying is well documented that it does work – reducing new cases of clinical mastitis by 50-90%. In addition, it also controls the organism Corynebacterium bovis that leads to moderate increases in BMSCC. Proper postmilking teat sanitation of cows with an efficacious germicidal teat spray will control the spread of this organism from cow to cow. Milk cultures by veterinarians in late lactation are useful to assess teat-spraying effectiveness. The whole teat barrel should be covered using on average 20ml/cow/milking.

3. Teat condition. Ensure teat skin is not chapped, cracked and broken with sores that may harbour mastitis causing bacteria e.g. Staph. aureus , Strep. dysgalactiae. Mastitis infection rates increase with damaged skin. Use teat sprays that soften or condition the teat skin. Glycerine is a product that draws water onto the teat skin surface (a moisturiser in cosmetics called a 'humectant') to keep it soft and supple.

Lanolin on the other hand is an 'emollient' that serves to coat the teat skin and prevent water loss from evaporation. This is important all year round, especially in cold, wet, windy and muddy conditions.

Cows that have good teat condition, incidentally, have a higher milk yield and shorter milkout time too. It is thought that this may be mediated by stress interfering with the milk let down reflex from chapped teat skin.

To conclude, in order to protect the remaining nucleus of milkers from the ravages of late lactation mastitis, pay attention to milking management in the farm dairy, even though many other factors outside the dairy seem more important.

DAIRY COMPANY BMSCC TREND

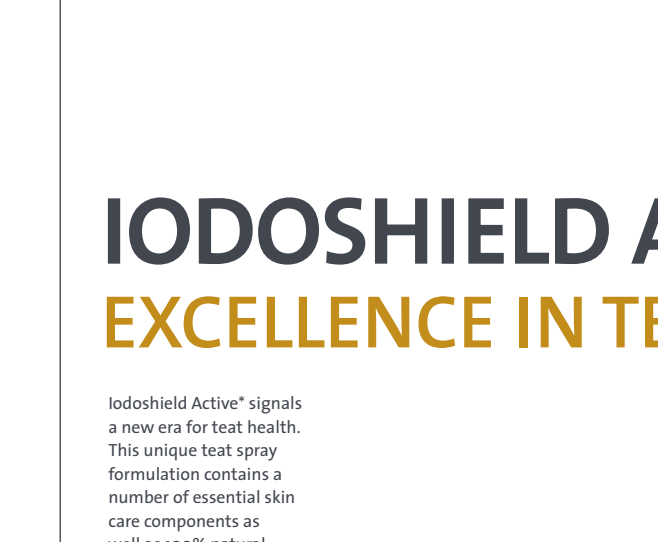


FIGURE 1

REGULATOR:

PROTECTING THE FRESHNESS AND APPEAL OF VALUABLE MAIZE CROPS TO LIVESTOCK IS ESSENTIAL

Protecting the freshness and appeal of valuable maize crops to livestock is essential given the time, energy and cost taken to grow and harvest. Despite the higher fuel and input costs from fertiliser and sprays this season, maize still represents excellent value for its energy content.For well under 1c/kg dry matter, that crop can be maintained in optimum condition with the addition of Regulator chemical preservative.

The level of microbial activity in the maize stack is reduced which in turn helps keep typical aerobic spoilage out of the stack. Regulator is typically applied by your contractor at harvest to ensure an even distribution throughout the silage profile, but it can also prove a useful preventative additive when re-sealing a silage stack.

KEY BENEFITS OF REGULATOR:

- Improved digestibility
- Increased dry matter levels
- Extended stack life
- Maintained protein content

APPLY REGULATOR WHEN:

- Stack shows signs of heating, indicating nutrient loss
- Silage is left uneaten, indicating palatability loss
- Stacks show signs of surface waste on storage and during feeding period

IODOSHIELD ACTIVE +

EXCELLENCE IN TEAT HEALTH

Iodoshield Active* signals a new era for teat health. This unique teat spray formulation contains a number of essential skin care components as well as 100% natural New Zealand honey.

"The results from this product speak for themselves. After a couple of weeks continued use, teat condition improved dramatically. Teat health for the herd now is the best we have ever seen."
Henry and Alison Van Hout, Waikato.

*NZ Patent Application No. 556391

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FARM INNOVATION / HYGIENE / ANIMAL HEALTH / MARKERS / NUTRITION

MAKING YOUR JOB EASIER

MULTIPLE CHOICES FOR SHAREMILKERS IN DAIRY SURGE:

A YEAR MAY OFTEN BE A LIFETIME IN POLITICS, BUT IT IS USUALLY JUST A SMALL STEP IN ONE DIRECTION IN THE CYCLICAL BUSINESS OF FARMING.

However rapid changes in global commodities have meant a five year plan set with good intentions of following through may have to be revised within a season to capitalise on the opportunities now emerging.

Nowhere is this more necessary than for sharemilkers, with the bulk of their assets in the volatile livestock business.

Only a year ago few sharemilkers would have anticipated their herds doubling in value as the payout approached $7.00/kg milk solids while the Kiwi dollar sat firmly around US77c.

The opportunities that present themselves as a result of this will appeal strongly to a sector of dairying renown for their hard work, a sector increasingly looking outside the square to attain land ownership.

Invercargill accountant Campbell Hay of Malloch McLean says he has not seen any sharemilkers exiting the industry entirely, lured by the high value of their livestock assets, but is seeing more considering equity investment options.

The ability to retain herd ownership and use it to lever into an equity partnership is proving an attractive opportunity. It enables previous sharemilkers to enjoy the best of both worlds.

"They are getting to achieve their goal to own some dairy land, keep the cows and often receive remuneration for being the equity partner-manager on the property."

Generally most properties are around the 600 cow size and the structure gives the manager-partners the opportunity to more closely control on-farm costs and labour. Campbell says this pattern is increasingly popular and eclipses the traditional route of selling down in herd size to finance a smaller farm.

WATCH OUT FOR THE TAX BOGEYMAN:

Long time accountant to dairy farmers, Bruce Harris advises sharemilkers to carefully assess their herd valuation options before trying to capitalise on any boosted livestock values.

He says anyone considering exiting some stock in a years time still has the chance to take advantage of the positive tax benefits that can exist.

"If you were considering selling out and had the herd in their books at $1000 a head, that valuation (through the IRD) may increase to $1600 next year. If you are in the herd scheme you would pay that tax on the increase, but when you quit the herd you could see them go for $2000 a head, and not pay tax on the difference."

He strongly advises anyone thinking about capitalising on herd values to seek good advice, rather than being "caught out" by a big tax bill.

Investment vehicles provide multiple options

Andrew Watters, director of Feilding-based farm syndication company MyFarm knows better than many the conundrum that high cow prices can present sharemilkers.

He and his wife Alison faced a similar situation in 2001 with cow prices hitting $1300 a head and the payout topping $5/kg milk solids.

As a past Sharemilker of the Year Andrew acknowledges that traditional pathway has been invaluable for him and Alison to achieve ownership, but he sees many other options opening up almost annually as dairying surges forward.

"The shortage that remains in the industry, other than cows, is good people and there are opportunities out there in many shapes and forms."

The cow shortage heavily reported at present could prove to be a more volatile quirk in the market soon ironed out by increases in AB and carry-overs. This makes the decision to stay fully committed to the sharemilking by expanding a herd a riskier option this season.

Supposing a sharemilker increased his or her herd by 200 cows, costing $2500 each, if the market assumed even a level above traditional values of $1500 a head in two years time, the capital loss of $200,000 would be barely equalled by the extra cash earnings, even if payouts stay high in the $6.20/kgMS to $6.90/kgMS range next season. Selling some or all of a herd and investing the funds in land, via an equity partnership offers a lower risk option. But Andrew acknowledges that leaving the good returns of sharemilking behind can be difficult.

The traditional model for equity partnerships has focussed on investment in farms purchased on soil quality, location and the potential to increase production by 20-30%.

"That model has been based more on numbers than on people."

Newer investment options such as MyFarm's 'Start' aim to help young farmers and recognise the importance of the quality people behind successful equity partnerships. It applies to young farmers with $200,000 to $1,000,000 equity.

"This is an alternative to a 50:50 sharemilking, providing an investment in an equity partnership."

Farmers can form an equity partnership for the same period they would enter a share milking agreement, with remuneration that rewards performance, whilst also receiving investment returns, dividends and a share of capital growth.

Options exist for co-borrowing to allow more debt aggressive young farmers to borrow over the traditional 40% debt level.Farmers who are successful in their partnership can opt to stay beyond their initial contract period and have the opportunity to buy extra shares.

The traditional approach of buying a cheaper first farm that is run down and requires significant capital investment over time as the owner becomes established now has an alternative - in a method that lets farmers generate good cashflows sooner off productive, well developed properties.

"It used to be we had three systems to ownership, now sharemilkers have a bigger tool box to achieve their goals with."

BEEN THERE HELPS KNOCK BACK 'NAKI WEEDS

"I HAVE TRIED OTHER DYES, BUT BEEN THERE HAS ALWAYS BEEN THE BEST. IT LASTS WELL, IF YOU HAVE A JOB YOU HAVE TO COME BACK TO YOU KNOW BEEN THERE WILL STILL BE VISIBLE FOR UP TO A WEEK LATER, MAKING IT EASY TO PICK UP WHERE YOU LEFT OFF."

A broad spread of clients from local authorities to dairy farmers in the Taranaki region assures business is constant for spray operator Toby Annabell, owner of Spray It Limited, based in Hawera.

Over the last six years Toby has built up Spray It to three vehicles plus staff covering much of the Taranaki, dealing to gorse, ragwort and blackberry. Boom spraying takes care of weeds in pasture and crops.

The centre piece equipment for his operation is the highly visible, and high speed, JCB tractor he uses for boom spraying over rougher country.

"After seeing a friend's kitted out in Rotorua I decided it was a good machine for us to use, offering good ground clearance and excellent road speed up to 60kph," says Toby.

With the JCB, a Hilux and Toyota Landcruiser Toby has the region covered, with machines well suited to coping with the provinces gullies and steeper sidlings.

Using a high quality dye marker helps keep the cost of weed spraying down and Toby is a long time user of FIL's Been There marker dye.

Been There adheres well to plant tissue, and is not hard on spray gear, offering excellent compatibility with all sprays Toby uses. Sprays include NuFarm's WG600 for gorse control, achieving excellent knock down for a realistic cost. Other than gorse, blackberry and ragwort control, Toby has regular work for the regional councils while the lift in lifestyle block numbers has also provided a good source of new clients over recent years. FIL Business Development Manager Trevor Gulliver says Been There is one of the company's oldest products, and one of its most successful.

"FIL managed to do away with the high acid level so common in many dyes that really plays havoc with equipment and spray constitution. Been There is also a very forgiving spray dye, it can withstand acidic bore water without deteriorating in quality."

Been There is well suited to the bulk contractor market, available in contractor and farmer friendly packs of 1, 5 & 20 litres.

MAINLAND VIEWS

SUN RISES ON WESTLAND'S DAIRYING PROSPECTS:

POSITIVE NEWS IN THE DAIRY SECTOR IS PROMPTING FIRST TIME FARM BUYERS TO CONSIDER THE WEST COAST WITH ITS TEMPERATE CLIMATE, GROWING DAIRYING INFRASTRUCTURE AND AFFORDABLE LAND AS AN OPTION.

Kelly Clark of ANZ-National in Greymouth says the positive news recently has seen prices firm between $18,000 to $30,000 per hectare, or around the $30/kg milk solid mark.She says it is difficult to put an average price on properties on the Coast because of the highly variable nature of farms, in differing stages of development.

Production on average across all farms supplying Westland Milk Products at Hokitika is now 900kgMS/ha and payout has tracked with Fonterra's. Suppliers last season received a final payment of $4.66/kgMS, and new interest is attracted by the proven ability of Westland to match its big brother in payout. Kelly says the appeal to North Island farmers looking to buy their own farm is the lower entry price, and Westland shares priced at $1.50 each. With cow prices cracking all time highs, she is also regularly fielding calls from sharemilkers keen to cash in some of that equity, putting it into affordable land.

"Buyers have been waiting to see what some properties were selling for, and we expect listings to pick up in the next couple of months now those sales are settled and prices are known."

Ian Grooby, FIL's area manager for the West Coast –Marlborough region says there is an air of optimism and definitive growth around the Coast's towns, and much of that is driven by dairying's rise in the region.

He has noticed a big influx in the last 12 months of North Island farm buyers, while existing farming families have been quietly developing previously un-drained areas of their farms and building the scale of their businesses.

"The stability offered by Westland Milk Products has been a big thing here. They decided to step out and go it alone a few years back, and the company is now starting to prove itself, which gives all businesses and farms here a boost."

Other major projects are seeing an influx of people to an area traditionally known for its shrinking population. The Pike River coal project and the Reefton gold mine are both welcome for the skilled tradesmen and families they bring to the area, says Ian. Ian welcomes the growth he has seen in the FIL client base over recent months, re-establishing the company as the leading provider of quality dairy hygiene products and advice in the region.

"Clients particularly appreciate the time I take to drop in and see them, especially in more remote areas like Inchbonnie – it is the recognition that you value them, as much as any advice you may have to offer that they appreciate."

2008 SOUTHERN FIELDAYS

Colin Bishop, South Island Manager and Glen Palmer, Area Manager for Southland at the Southern Fieldays, Waimumu.

WESTLAND DAIRY PRICES TAKE A HIKE:

PRICES TIPPED THE $30/KG MILK SOLIDS MARK ON THE WEST COAST AT THE START OF THE YEAR, A FIRST FOR THE REGION.

PGG Wrightson real estate agent for Greymouth, Greg Daly says he has recently sold an 800 cow property in the Taramakau Valley near Greymouth and also has other farms under offer at similar prices.

He says soil and rainfall amounts continue to dictate the farm values through the province, but prices will also be influenced by the amount of under developed land on existing properties.

"Most places on the coast generally have a bit of undeveloped land that can be put into pasture, and with payout predictions we expect to see more of that going on."

Continuing growth in milk solids off the coast is more likely to come from here than out right conversions which are dictated by what other land is available.

With 87% of the coast in DOC ownership and another 7% owned by Timberlands and Landcorp, there is not a great deal of freehold property left for conversion.

A notable exception is 1,000ha of land near Hokitika being "flipped" to improve soil quality and contour. In true coast style there is a high level of local ownership that includes a vet, bankers, land agents and farmers.

Westland Milk Products continues to record solid growth in milk received from suppliers, up 32% in the last five seasons. Average farm supply of 111,000kgMS is tracking with the national average as existing farms consolidate and improve drainage and pasture types.

Greg says the company's ability to keep pace with Fonterra in payout has increased confidence locally, and interest from North Island farmers, bringing new farming ideas into the region.

Buyer enquiry is widespread and existing suppliers are also looking to upgrade their farms in terms of size and quality. He says the coast continues to get first farm buyers who may ultimately want to move back to their home base, but accepted that it would involve covering a few rungs in the South Island first.

"Much of the wait and see approach taken by potential buyers early in the season is gone, and purchases are being made with confidence about payout future." he says.

SEASONAL CLIMATE OUTLOOK

WARM LATE SUMMER; DRY SOILS AND LOW RIVER FLOWS IN MANY KEY AREAS

Summer may feel longer this year because above average temperatures are likely to continue through to April over the entire country according to NIWA's National Climate Centre.

The centre says there is only a 10–20% chance of below average temperatures in all regions and sea surface temperatures around New Zealand are expected to remain close to or above normal.

The centre expects dry conditions to persist in many areas. Soil moisture deficits currently are extreme (more than 130 mm of soil moisture deficit) in Auckland, Waikato, King Country South Taranaki, Wanganui, northern Manawatu, from northern Hawke's Bay to Wairarapa, and central Marlborough to central Canterbury. Even parts of Southland have unusually low soil moisture levels for the time of year compared with normal. These areas require good quantities of steady rain over several days to soak into the soil and revive pasture and river flows.

The centre's rainfall outlook is for normal rain over several parts of the country, with above normal in Northland and a 50% chance of below normal rainfall over much of the South Island. Given existing low soil moisture levels and stream flows, NIWA's hydrologists conclude that below normal soil moisture conditions and stream flows are likely to continue in the west, south and east of the South Island. There is only a 10-20% chance of above normal soil moisture or river flows in all districts.

The centre says the conditions are associated with the current moderate to strong La Niña. For the tropical cyclone season (through to May 2008), there is still a significant chance of at least one more ex-tropical cyclone passing close to the country. The regions most at risk are the north and northeast of the North Island.

THE OVERALL PICTURE:

TEMPERATURE:
Sea surface temperatures around New Zealand are expected to remain close to or above normal. Air temperatures are likely to be above average across the country.

RAINFALL, SOIL MOISTURE, AND STREAM FLOWS:
Rainfall is expected to be normal over the North Island and north of the South Island, and below normal elsewhere. Normal or below normal soil moisture and river flows are likely in the North Island and the top of the South Island. In the remainder of the South Island below normal soil moisture and river flows are very likely.

BACKGROUND:

CLIMATE AND OCEANS:
Late summer mean sea level pressures are expected to be higher than normal over and south east of the South Island, and lower than normal to the north, with easterly or northeasterly anomalies onto the North Island, and lighter than normal winds across the South Island.

La Niña conditions during January 2008 indicate a moderate – strong event, with below normal sea surface temperature (SST) anomalies extending from west of Fiji to the South American coast.

All climate forecasting models indicate these conditions continuing into autumn 2008. The chances of El Niño re-emerging before autumn are at or below 5%. La Niña typically brings more easterly and north easterly winds over the North Island, and lighter than normal winds over the South Island.

REGIONAL PREDICTIONS FOR THE NEXT THREE MONTHS:

NORTHLAND, AUCKLAND, WAIKATO, BAY OF PLENTY:
Above average temperatures are likely with normal rainfall likely overall, but wetter in the north. Soil moisture and stream flows are likely to be normal or below normal.

CENTRAL NORTH ISLAND, TARANAKI, WANGANUI, MANAWATU AND WELLINGTON:
Above average temperatures are very likely. Normal rainfall, with normal or below normal soil moisture and stream flows likely.

GISBORNE, HAWKES BAY, WAIRARAPA:
Above average seasonal temperatures are likely. Normal rainfall, and normal or below normal soil moisture levels and stream flows are likely overall.

NELSON, MARLBOROUGH, BULLER:
Above average temperatures are very likely. Normal rainfall, with below normal soil moisture and river flows likely.

WEST COAST, ALPS AND FOOTHILLS, INLAND OTAGO, SOUTHLAND:
Above average temperatures are very likely. Below normal rainfall soil moisture and stream flows are very likely.

COASTAL CANTERBURY, EAST OTAGO:
Above average temperatures are likely. Below normal rainfall, soil moisture and stream flows are likely.

More info can be found on NIWA's Website at:
www.niwascience.co.nz/ncc

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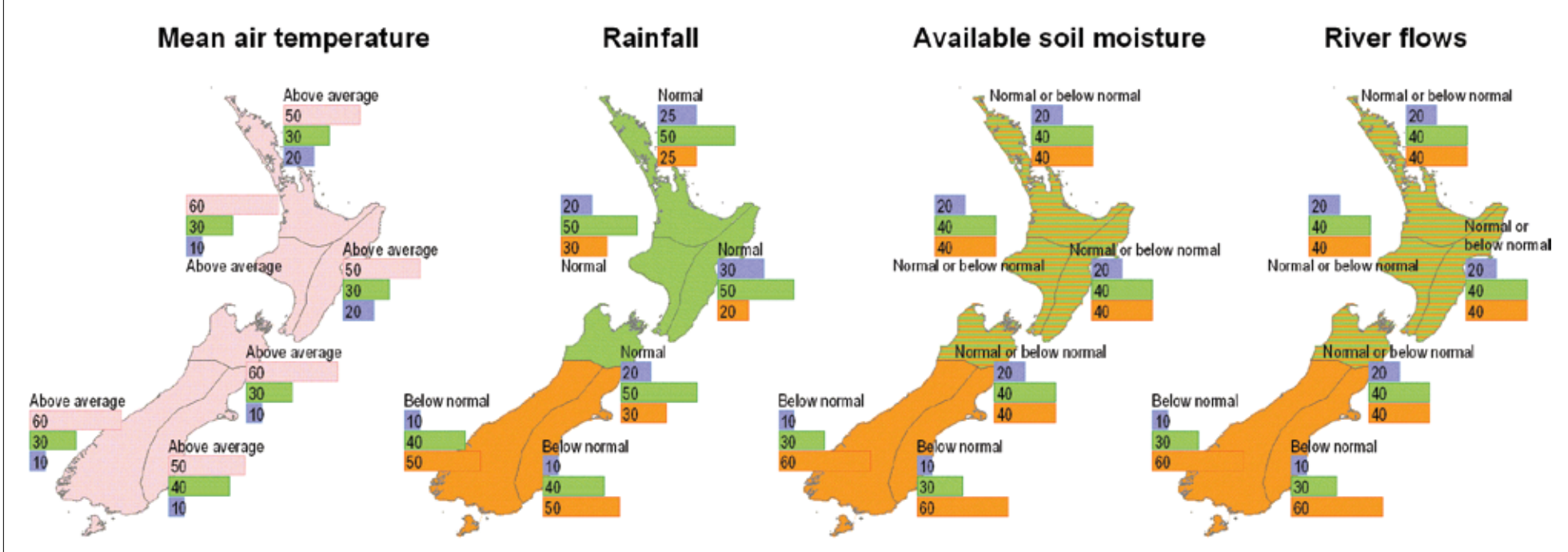
OUTLOOK FOR FEBRUARY TO APRIL 2008:



Key to maps (example interpretation)

Below normal

Upper tercile: 20% chance of above normal 20
Middle tercile: 30% chance of normal 30
Lower tercile: 50% chance of below normal 50

In this example the climate models suggest that below average conditions are likely (50% chance of occurrence), but, given the variable nature of the climate, the chance of normal or above normal conditions is also shown (30% and 20% respectively).

FREEPHONE 0508 434 569 **WWW.FIL.CO.NZ**

DAIRYING IN ORUAITI ADJOINS COASTAL GEMS:

SOME MIGHT SAY ALLAN LESLIE IS FARMING WITH HIS FEET IN THE BEST OF BOTH WORLDS RUNNING A DAIRY FARM DURING ONE OF THE INDUSTRY'S BEST PERIODS IN ONE OF THE COUNTRY'S TOP SCENIC SPOTS.

Allan and his partner Annette Garrett farm in the Oruaiti region between Kaeo and Mangonui in the Far North. Their 350 cow operation is only moments from the acclaimed Whangaroa Harbour, New Zealand's deepest, and deep sea fishing mecca.

The couple have farmed on the property for 17 years, and enjoy the small community for its relaxed family lifestyle that has been a great place to bring up their two children Jadin (14) and Vania (9). The couple feel the community members share many of the same family focussed values that have built a strong network around the local Oruaiti school.

FIL has shared a long association with the community that now has around 10 dairy farms in it and Allan has been purchasing product off the company for 17 years. Since Allan moved into the region farm numbers have consolidated from 20 smaller farms. Unlike some regions that are experiencing significant influxes of non-locals, the Oruaiti region has seen farms remain largely within local ownership.

FIL has recognised the strong community focus around the school and the Whangaroa Golf Club down the road. The company sponsors the annual Oruaiti School golf tournament by donation of product for the school auction. Some areas farming in Northland can prove a challenge climatically, last year witnessing one of the biggest weather events of the year with the March and July floods that caused millions of dollars of damage. However this summer saw the eastern corner of Northland one of the few parts of the country where there has been sufficient rainfall.

The La Nina influence that left most western districts parched through summer delivered some timely rainfall right through January. "Basically anything you get after Christmas here is a real bonus," says Allan.

Local real estate agent for Harcourts is Peter Lawton and he says few dairy farms come up on the market. The most recent was a 183ha property on the market for $3.2 million at Mangonui. He says much of the real estate activity is small blocks and coastal properties around the Taupo Bay, a long time favourite of holiday makers. The nearby Kahoe Farms Hostel is run by the fifth generation Northland family the Johansons offering the chance to swim in natural rock pools on the farm or kayak on the Kahoe River through mangroves to the Whangaroa Harbour.

The steep bluffs and volcanic rock formations around Whangaroa make it unique among New Zealand harbours, while its history is both colourful and violent.

Ship building yards once flourished on the harbour's banks from 1850 to 1909, while it was also the scene of New Zealand's most notorious shipwreck, the burning of the Boyd by local Maori in 1809.

Today the harbour is more famous than infamous for its deep sea fishing, with the historic Kingfisher Lodge and Whangaroa Gamefish Club as the base. The world renowned Mangonui fish and chip shop is a perennial favourite with visitors and locals alike. Allan says he has stuck with FIL over the years because of product consistency and quality, and the great support offered to the community.

"I am a great believer if you have good success with anything, then why change?"

FIL's territory manager Brian Salvigny says visiting the Oruaiti district is what makes his job particularly rewarding. "You get to deal with some great people farming in a spot surrounded by some of the country's most stunning beaches and harbours."•

FROM LEFT: VANIA, ANNETTE, ALLAN & JADIN

FIL HAVE GOT THE COUNTRY COVERED.

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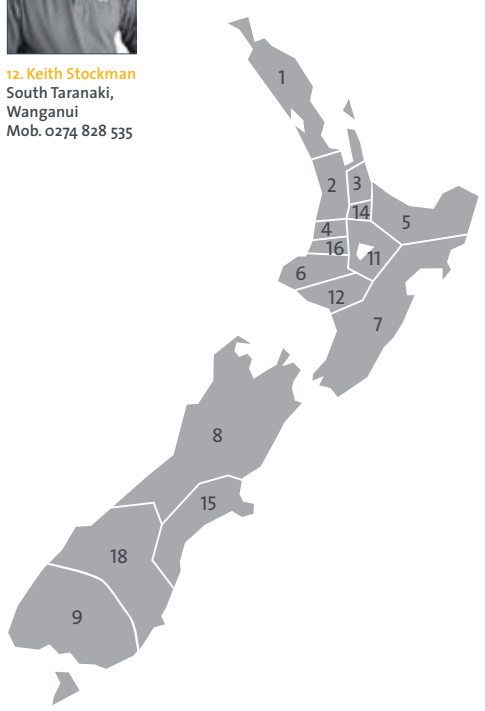

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