



STRUCTURAL ASSESSMENT By Dr Reon Holmes B.V.Sc.



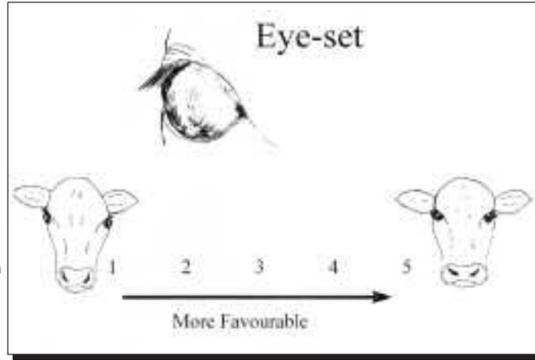
The Beef Class Structural Assessment System scores a range of physical attributes of cattle. All Wirruna catalogued bulls are presented with this structural assessment information, independently examined and scored on the clients behalf.

eyelids, the third eyelid and the eyeball itself. Eyelid cancers account for less than 20% of all eye cancers. Eyelid pigmentation has some effect on reducing the incidence of eyelid cancers but has no effect on the other 80% of eye cancers.

Part of the selection strategies to reduce eye cancer is to select bulls that have eyes that are well-hooded. That is, they are set in so that the sensitive tissue within the eye is less exposed to ultraviolet radiation. Eye-balls that are protruding, on the other-hand, are prone to eye cancer.

The scoring system is simple, where a score of 5 is ideal, 4 & 6 show slight variation from ideal, 3 & 7 are acceptable for most commercial operations, but seedstock producers should be way; 2 & 8 are low scoring and require careful consideration and 1 & 9 are culls. For Eye-set, a score of 5 is best and 1 is worst.

If observing cattle while they are in a relaxed state, often well-set eyes exhibit eyelashes angled downward and poor eye settings have eye lashes angled skywards.



Whiteface cattle as a breed are genetically susceptible to eye cancer. Wirruna have been keen to develop a system for scoring eye-set (or hooding). Often there is an over-emphasis upon eye pigmentation and eye-set can be dismissed.

Eye cancers occur on 3 distinct areas. These are the

“80% of eye cancers don't involve the eyelids. Therefore selecting for pigmented eyes will have little effect on reducing the incidence of eye cancers”.

Catalogue on the Web www.pollhereford.com.au

Hereford Prime is Australia's largest independently owned beef brand.

HEREFORD PRIME CEO – Andrew Negline

Another year fast comes to a close at Hereford Prime. As with many meat processing companies it has been another tough year in more ways than one. In May this year we ran out of US quota leaving us high and dry in that market. Following some intense lobbying in Canberra in August 2002 we secured provisional quota to soldier on. The good news is that Supermarkets on the East Coast of America have shown support and more product is now on the way. In the domestic market our custom has never been strong and since September many of our loyal customers were ordering beef through until January 2003 given the uncertainty of the drought.

2003 will be an exciting year with our kill already commencing at Cargill Foods Wagga Wagga. Cargill are a professional outfit and we look forward to working with them. We will also open an office in Wagga to support the growing business in the South and we look forward to meeting anyone who has time to drop in and see us.

All the best for the New Year and I look forward to working with you in 2003.

Andrew Negline
CEO Hereford Prime
Ph 0428 367 292



Production at Casino continues to be strong and this last three months has seen us achieve our highest weekly kills in the history of the company. Sadly this was supported by the drought.



Offer to Spring Calving Herds

The Wirruna herd calves in Spring and sells 18 month old bulls each Autumn.

As a service to clients who also calve in Spring and consequently do not require their new bull straight away, Wirruna offer payment and delivery arrangements that may assist your program.

Our offer is for any bull/s purchased at our Helmsman sale you may:

- 25% down-payment** Pay 25% of the purchase price up front.
- 75% at delivery** Pay a further 75% of the purchase price upon delivery before your next Spring joining.

We look after your bulls for 6 months or so and cover insurance while they are at "Spring Valley". We will then arrange delivery at a time that suits you.

2003 Bull Sale - 20 February 2003

There will be 55 bulls offered at our 'buyer friendly' Helmsman sale on Thursday 20th February 2003.

This year's catalogue includes some Wirruna Sires, specialised heifer bulls, growth bulls and carcase improvers. If you require a catalogue please either ring Ian or fill out the cut-out slip provided to fax or mail to us.

Should you be unable to attend our sale, we do have arrangements such as telephone bidding and placement of pre-sale orders. We are very interested to discuss these arrangements and any other requirements that you may have.

Ian & Richard Locke



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AWARDED NSW SEEDSTOCK PRODUCER OF THE YEAR 2002



WIRRUNA NEWS

Newsletter
Summer 2002/03

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EDITORIAL – EVERY REASON TO BE POSITIVE

The inherent ability of the Hereford cow to survive and reproduce under the toughest environmental conditions is the key to why the breed is so widespread in Australia. "There is nothing like a drought that can highlight the benefits of the Hereford".

In the US, the American Hereford Association reports a swing back to Herefords (Horned & Polled). Craig Huffhines, the Executive Vice President, quotes market-share data where the use of Hereford bulls over cows in the US has increased from 14% in 1998 to 18% in 2001. That is a 28% increase over the 4 years.

For all those suffering the drought conditions, I hope that you can minimise the costs (financial and other) as much as possible and still be ready to go when the season breaks.

It seems that the US Herefords may be moderating from the extremes that turned many people away. Birthweights and calving ease are huge industry concerns and turning the US cow base around is like turning the good ship "Queen Mary". It takes time!

We have every reason to be positive about the future in the beef industry. On the supply side, the USDA reported the seventh year of contraction in the US Cattle inventory to July 2002, with drought also being experienced in North America. 2002/03 will also lead to lower numbers, below its previous cyclical low of 104.6 million in 1990. Steve Radakovich from Iowa visited Australia last year, he stated that he and many in the US didn't believe that their cattle inventory can return to previous highs because the competition for land resources in the US was so strong. For example, urban people are paying more for land to shoot & hunt, beyond the economic returns of cattle ranching.

For the commercial breeder, the important aspects to focus on are:

- Understand what drives the profit in commercial beef herds and don't be distracted from them.
- Recognise Hereford cattle for what they are. They are not designed to be terminal Euro Sires so don't turn them into such.
- Never compromise the breed strengths of reproductive efficiency, feed efficiency and temperament.
- Do not over select for milk.
- Concentrate on moderate size, problem free cattle that meet consumer demands.
- Select cattle for balance traits. Breed average is far closer to optimum than trait leaders.

Although demand for world beef has suffered with disease and food health concerns, Australia has performed strongly because of our competitive advantage over other major producers. Our clean-green image, competitive exchange rate, closeness to key markets, market access and low cost efficiency gives us an enviable position. This is setting a strong backdrop for beef prices when the drought breaks.

Wishing you and your family an early break to the drought and a prosperous New Year in 2003.

Ian Locke

American Herefords report demand for Hereford Bulls up 28% in 4 years

Dates for Diary:

- Beef Week Field Day
Wednesday 5th Feb 2003
- Bull Sale
Thursday 20th Feb 2003
- NSW Seedstock Field Day
Around Spring 2003

AWARDED NSW SEEDSTOCK PRODUCER OF THE YEAR 2002

EBV TALK

The Wirruna Bull Sale catalogue for February 2002 saw the introduction of Selection Indexes. We consider these indexes to be very important tools for our clients and the commercial beef producer appears quick to adopt the system.

There is conjecture on whether the \$Index is a true indicator of relative profitability, nevertheless, any valid attempt to better balance traits selected and make the system simpler can be of benefit and we are better to work with the scientist and economists to improve the system than dismiss it.

The Selection Indexes are designed to allow bulls to be compared on a basis of how much profit (\$Index) they will generate, per cow joined, in a commercial herd. There are now five Hereford market specific selection indexes:

- Domestic Supermarket Trade
- Hereford Prime
- Short-fed (100-150 days) feedlot trade
- Long-fed (220) days heavyweight feedlot trade
- EU Market

The \$Index is the perfect extension of the Breedplan EBV's as it is the tool for knowing how much emphasis you should give to each of the available EBV's when selecting sires. An index gives you a single EBV (in \$\$'s) based on the relative importance of those traits to optimise profit in a commercial, self replacing herd.

In the 2002 sale catalogue, our heifer bulls had, on average, higher index values to the growth bulls. This result was interesting because the \$Index value made many prospective growth bull buyers question their relative emphasis on the growth traits.

Cow herd profitability is greatly influenced by fertility aspects and stocking rate. Therefore the \$Index gives greater emphasis to the Maternal and fertility traits, Calving ease, Days to Calving, Mature Cow weight and Fat EBV's. Net returns of the steer progeny are also influenced by sale weight and carcass attributes, again we have the EBV's but these factors are given less emphasis. Further to the EBV's, typical production parameters, prices and costs underlie each index. Where a sire has greater 600 day weight, an increase in feed (pasture) requirements for progeny (replacement females and steers) are factored in as a cost.

These \$Index values are more accurate when the full complement of growth, maternal, fertility and carcass EBV's are available for inclusion.



APPOINTMENT TO ABRI BOARD

In June 2002, Ian Locke was appointed to the Board of the Agricultural Business Research Institute (ABRI) located in Armidale.

The ABRI is a commercialiser of technologies for livestock industries, best known in the beef industry as the provider of the world class genetic evaluation system – BREEDPLAN.

A TICK FOR THE SOCIETY

In the past, we have often questioned what value we have got out of the Australian Poll Hereford Society (APHS). Further to being the keeper of records; from our vantage point, the APHS appeared to excel in its role as an organiser of various social get-togethers for its animal fancying members at shows around the countryside, teaching its junior members correct hoof trimming techniques and awarding 'Sire of the Year' accolades to animals that should not be released to the commercial beef industry. If it wasn't for Breedplan and Bob Freer's influence through Taurus Technology we may well have not bothered registering bulls.

When the Society is on the right track, however, it is important to give them credit and encouragement. There is clearly a much greater focus of the society on commercial beef producers and taking the role as a service organisation giving its members the tools (and taking away the impediments) to better service the commercial participants in the industry. This is evidenced by the appointment of a commercial liaison person, Mr James Walters, who has been focusing on a commercial package for commercial members. (COMPAC at the Australian Poll Hereford Website is worth a look).

Much of this change in direction has been forced on the society by the economic fundamentals. Significantly, the development of the business plan of the proposed amalgamation of the Hereford & Poll Hereford Societies has appeared to set the future path of the APHS. As we now know, the proposed amalgamation failed to get the necessary votes in October 2001. In fact, it was absolutely trounced by the Hereford members with a 60% vote against the merger (APHS 10% against). It is unfortunate that within the membership of the Hereford Society, 15% of the voters sell 85% of the bulls, and according to many of these bull breeders, most larger producers voted for the merger. As 1 member equals 1 vote, however, the weight of numbers (and inventory fees paid) doesn't carry an equal weighting in voting power.

It seems incredible that one set of genes (the Horned & Polled gene) effectively separates the breed and we have to have two societies. Especially given Breedplan measures any economically important traits on an equal Hereford base.

Anyway that decision is now made and with declining registrations and the Hereford board at odds with its members the next opportunity

(if any) for the Hereford Society to merge may not be so mutually equal. The fact that Hereford registrations for the calendar year to Nov 2002 is down nearly 17% from the same period last year (Poll Hereford registrations are down 4.2% for the equivalent period) is a worrying trend for the Hereford Society. Note that the drought should impact equally on both Societies.

To the credit of APHS, they have looked at the opportunities that the amalgamation offered and taken on many of the components of the business plan. APHS has encouraged a full commitment to the Breedplan system, with an 19% increase in Breedplan usage over the last 2 years (compared to 1% increase in Hereford Breedplan usage). Other initiatives such as encouraging semen of proven bulls to be available to commercial beef producers at low cost, lowering various fees and providing good electronic systems for data transfer and simpler fee structure are all to be commended.

The APHS has adopted a name change, now described as APHS Performance Herefords. Although the society cannot solicit the business of Hereford breeders it has an open registry for both polled & horned genes, and therefore Hereford Breeders may choose to register their cattle with APHS. Already 6 Hereford breeders have made the switch and with a significantly cheaper membership fees and a far more progressive board there is talk of more.

In order to keep breeders who have also used Polls, I understand that the Hereford Society have recently decided to now accept Polled genes in their register. This change of heart only highlights the wasted opportunity that the amalgamation offered.

Around the world, the Hereford (polled & horned) represents a huge gene pool in beef cattle. Now that the Australian genetic evaluation system, Breedplan, is being adopted by the weight of Hereford organisations around the world (North America, South America, South Africa, NZ, and parts of Europe) this gene pool will be evaluated on the same base. I believe that we are on the cusp of a revolution in the genetics as more 'high accuracy' sires appear in our breed. Also, Australian genetics will begin to be heavily demanded overseas.

The 14th World Hereford Conference is to be held in Armidale on 26th-29th March 2004. This will be a significant event to jot down in your calendar.

Ian Locke

Key points:

- The failed amalgamation of the Societies (APHS & AHS) was disheartening for many whiteface breeders
- To their credit, the APHS have adopted many of the positive aspects of the amalgamation business plan
- We are seeing a far greater focus on the commercial breeder, removing impediments and providing better tools for seedstock breeders to meet the needs of the commercial industry.

COMPAC:

New package designed for commercial breeders who want to improve their breeding and marketing operations

- Feedlot specs
- Commercial semen register
- Hereford Prime Grid

Website:

www.pollhereford.com.au
• Click on COMPAC

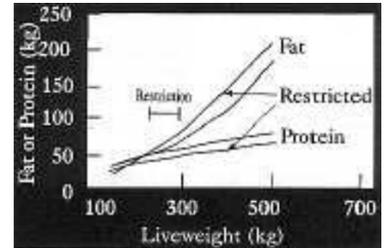
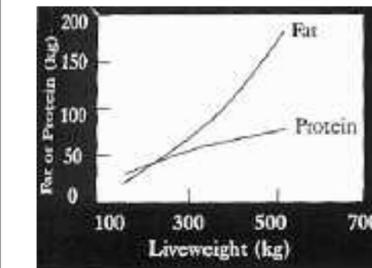


DROUGHT STRATEGY – EARLY WEANING

In southern beef systems, early weaning of calves at about 6 months allows for increased carrying capacity, particularly when coupled with Spring calving. As a drought strategy, weaning earlier at 3 to 4 months is a very useful management practice as the cow can be turned out to rough feed and quality feed resources can be better allocated to the calf.

Full rumen functionality is achieved at 10-12 weeks of age and calves by then average around 100 to 150 kgs. The important factor to early weaning is to keep the calf growing at acceptable growth rates (>0.6kg/day) until it reaches 250kg.

Research carried out by the Beef CRC (*How growth affects carcass and meat quality attributes - Hutton Oddy*) has demonstrated the large influence that early growth rate (through nutrition) can have on subsequent growth and carcass composition. Fig 1. shows the pattern of protein (muscle) and fat deposition of well grown cattle. As an animal grows, bone growth is followed by muscle growth and fattening occurs as the animal matures.



A growth setback later in life (> 250 kg liveweight) reduces fat & protein in the short term, however, given a later feed flush, compensatory weight gain allows animals to catch up to their genetic potential of muscling with a delay in the laying down of fat (see Fig 3). This results in a higher carcass yield.

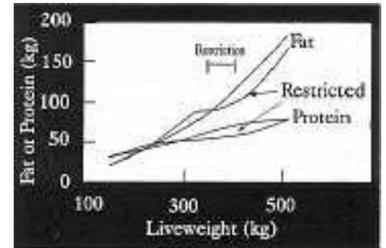


Table 1 reveals the feed requirement savings between a lactating cow with 150 kg calf (cow & calf supplemented with silage to grow at 0.5kg/day) and the cow & calf split (calf only supplemented with silage to grow at 0.5kg/day). There is a 23% saving in feed utilised and a 31% savings in energy (& DSE) requirements.

In summary, early weaning enables less feed to be consumed to achieve the same calf weight gain. This allows you to carry more stock or as drought strategy the same stock for longer on limited feed resources.

Table 1. Source	Supplement	Feed Intake (kg DM/day)	Wgt Gain (Kg/day)	Energy (ME)	DSE Equiv.	Protein (Crude %)
Spring Cow (Lactg)	20kg Silage	9.6	-0.02	88	13	15%
150kg Calf on cow	/cow/day	3.5	0.5	43	6	15%
Sub Total		13.1		131	19	
Spring Cow (dry)	10kg Silage	5.3	-0.93	43	6	12%
150kg Calf (weaned)	/calf/day	4.8	0.5	47	7	16%
Sub Total		10.1		90	13	
% saving resulting from early weaning		23%		31%	31%	

In British breeds calving in Spring, only 25% of calf's energy requirements (at 4 mths old) come from the lactation of the dam, by 6 months this reduces to 8%

Consider entering our benchmarking program for this year

Key points:

- Selection index - Draws together many EBV's into a single \$Index EBV
- Tends to work against bulls with extreme EBV's
- Like EBV's this should not be treated as the only tool in your bag

Website:

www.pollhereford.com.au
• Animal enquiry & Sire selector

Wirruna Benchmarking Service

Do you wish to better understand what drives Profit in commercial beef herds?

Are you interested to join our Benchmarking group?

Participants benefit from a Group Benchmarking Day in February each year and a winter bus trip to high profit beef enterprises.

For further information contact Ian Locke.
☎ (02) 6036 2877

EBV	Relative Emphasis applied to each EBV in the Selection Index			
	Super-market	H'ford Prime	Short-fed	Long-fed
Calv ease (dir)	27%	26%	24%	19%
Calv ease (mat)	16%	15%	14%	11%
Birth Wgt	-3%	-1%	-2%	-2%
200 D Milk	2%	2%	1%	0%
200 D Growth	1%	-0%	0%	1%
400 D Growth	15%	0%	0%	-1%
600 D Growth	15%	16%	13%	18%
Days to Calv	-7%	-10%	-16%	-11%
Scrotal Size	0%	1%	2%	1%
Fat Depth	10%	5%	6%	3%
EMA	3%	2%	1%	1%
Retail Yield %	9%	10%	10%	7%
Mat Cow Wgt	-4%	-8%	-6%	-12%
IMF%	N/A	5%	5%	12%
Breed Average \$Index-2001	\$21	\$20	\$19	\$21
Born calves				