

# **Marbled Grass-fed Beef**

## **PRIMARY GROWTH PARTNERSHIP PROGRAMME**

### **Quarterly Report - Quarter 2, October-December 2012**

#### **Executive Summary**

All components of the programme progressed broadly to plan in Quarter 2, with activities from a timetable and project outcome viewpoint on track, and expenditure in Production and Marketing Objectives significantly below budget due to timing of expenditure rather than changes to overall costs.

As planned, 1936 dairy cows were artificially inseminated with a selection of Wagyu semen in October to provide the calves required for the ongoing progeny testing programme within the Production Objective, with no further activity against the Genetics Sub-objective planned until calves are born in 2013. A further 473 Friesian and K iwi heifers and cows were also artificially inseminated with Wagyu semen from the same bull to provide sufficient calves in 2013 for the benchmarking programme planned.

A literature review of sexed semen was completed during the quarter, with a proposal to the Programme Steering Group meeting in February recommending further research required on the subject. Within the Production Objective the Efficient Beef Cow programme was initiated in November, with two cohorts of Angus x Jersey heifers mated to Wagyu bulls, and run on two properties with performance benchmarked against Angus heifers mated to the same Wagyu bulls.

The existing Wagyu Producer Group was formally co-opted into the first Grass fed Wagyu Producer Group in December, with members agreeing to pursue Wagyu-dairy matings this year, providing immediate impetus and scale to the Supply Chain Objective. Although co-opted in as a unit, early discussions with producer group farmers point to the benefits of considering the establishment of regional hubs in the future.

Development of the New Zealand market progressed well during the quarter, with the target number of both retail stores and restaurants stocking Grass-fed Wagyu exceeded by end December, record sales achieved in the week leading up to Christmas, and a series of promotional and in store demonstrations completed satisfactorily. Planning for the development of the London market progressed well during the quarter, with a

recommendation on the launch strategy for that market to be considered by the Programme Steering Group in the February 2013 Meeting.