



Weddel's World

★ WESTFIELD
 ★ TOMOANA
 ★ PATEA
 ★ KAITI - in conjunction with
 Gisborne Sheepfarmers
 Freezing Co. Ltd.

QUARTERLY NEWSLETTER
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BEST N.Z. LAMB SEASON EVER

New Zealand farmers look set for their best ever lamb season following the optimistic opening schedule set by W. & R. Fletcher (N.Z.) Ltd, and the continuing high prices on the British market.

Fletcher's, who by tradition announce the opening schedule, set record prices for lambs, averaging out at about \$13, the highest ever offered to New Zealand farmers and about 50 per cent higher than the previous year's opening quote.

This return included a premium of 6.4 cents per kilo for early lambs and an average skin value of \$3.50.

The situation further improved for the meat export industry with the Government's decision devalue the dollar by 7.5 per cent following the devaluation by the Australian government.

The general manager of W. & R. Fletcher, Mr Mark Hinchliff, said the New Zealand government had no alternative but to devalue otherwise the country's main foreign exchange earner, meat, would have been placed at a serious disadvantage against Australian meat exports which form our major competition in many markets.

Following the devaluation pre-Christmas schedule meant an average return of about \$15 a lamb, including the skin, with the general returns per kilo for all meat grades averaging out at about 80 cents a kilo or better, but this is subject to a cream off of 5 per cent.

However the devaluation will have a converse effect on imports in the new year when the effect is felt from higher processing charges, resulting from higher costs for imports such as oil, and resultant increases in freight charges. But overall general returns should be higher than the previous year.

Mr Hinchliff said that the company was faced with several problems in setting the opening schedule because despite the very firm prices in Britain the delicate state of the pound sterling had meant that net returns to New Zealand were fluctuating daily by considerable margins.

He said Fletcher's had to take into consideration that a drop in the value of sterling by two cents, which had happened several times just prior to the setting of the schedule, would have meant a drop of 1.5 cents per kilo in lamb prices, or about 20 cents a carcass.

However with the apparent steadying in sterling following increased confidence by the major lending sources such as the International Monetary Fund, coupled with devaluation and the stock situation in Britain, the position looked bright for both farmers and the New Zealand economy.

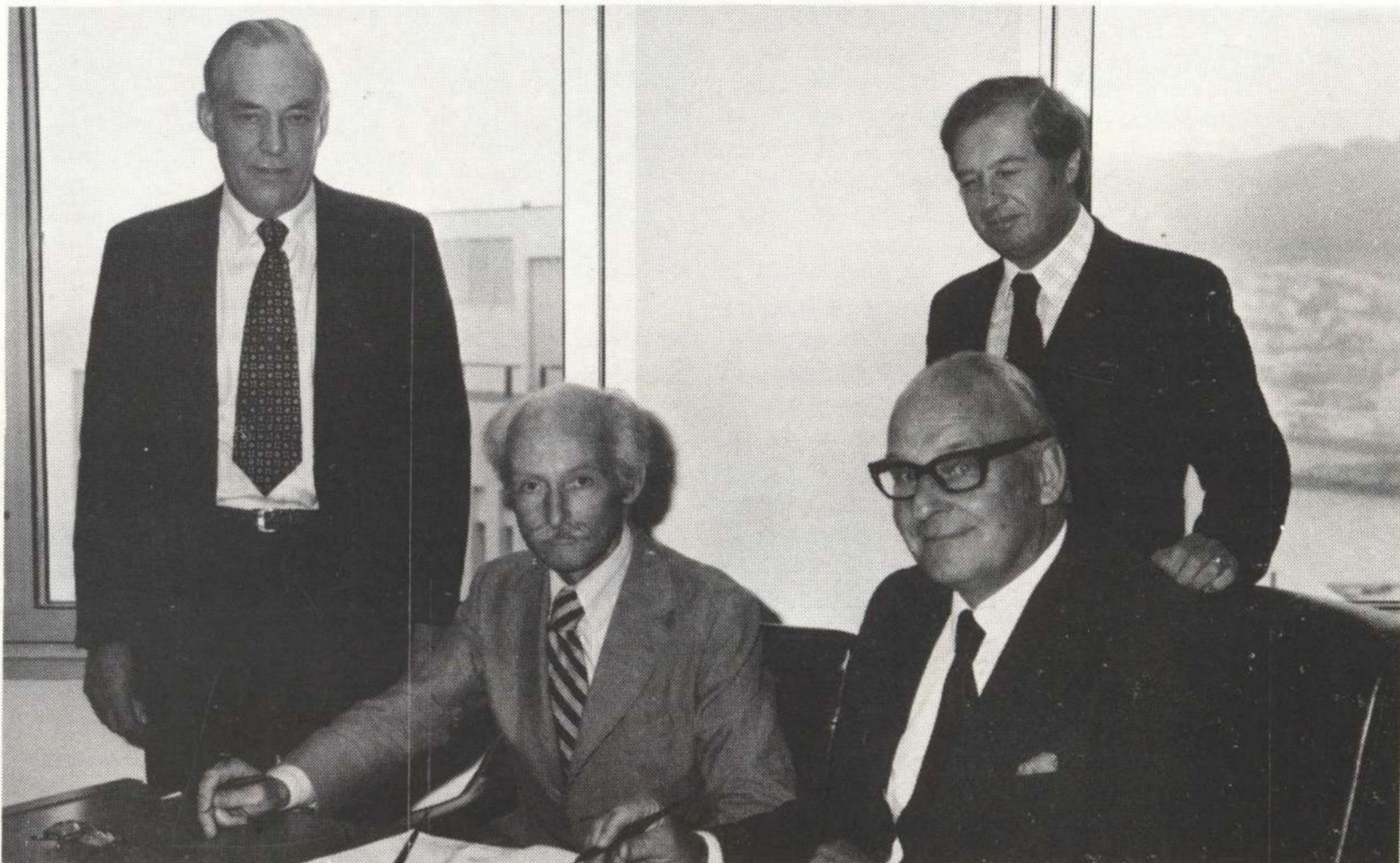
Mr Hinchliff said the market for the rest of this year looked firm as the domestic kill was expected to be smaller following the dramatic increase in the British sheep slaughter rate as a result of last year's drought.

This could be a continuing situation for New Zealand growers and exporters for at least the next 12-18 months as it will take some time and ideal weather conditions to build up British sheep breeding stocks.

But he warned that New Zealand exporters must be careful not to price themselves out of the market.

"Up to now lamb has been a traditional British dish, but if our prices get too high we could find the housewives changing their families' tastes to cheaper products such as poultry and pork.

"If this happens it could have a serious effect on our lamb exports as it could take some time to woo the housewives back to lamb," Mr Hinchliff said.



The signing of a \$10.92 million contract with Wilkin & Davies Construction Co. Ltd for the proposed new six-chain mutton abattoir building at Nelsons (N.Z.) Ltd Tomoana works in Hastings took place in the Wellington head office of W. & R. Fletcher (N.Z.) Ltd on 22nd December 1976.

Seated (from left) in the photo are: Mr P.B. McKinnell (Managing Director, Wilkin & Davies) and Mr M. Hinchliff (General Manager, W. & R. Fletcher). Standing (from left): Mr R.M. Scott (Secretary, W. & R. Fletcher) and Mr I.A. McGregor (Chief Engineer, W. & R. Fletcher).



The annual meeting of W. & R. Fletcher's livestock managers in Wellington with, back row from left, Merv Le Pine (Taranaki/Wanganui/Manawatu), Bill MacMillan (assistant manager, Auckland Province), Jack McCredie (Gisborne/Poverty Bay), Don Thomas (Southland Province), Gordon Ansford (Hawkes Bay Province); front row from left, Athol Harding (Auckland Province), Wally Knight, New Zealand livestock manager, and Alec Gillespie (Waikato/Thames Valley/Rotorua/Bay of Plenty/King Country).

The livestock managers discussed the past year's performance and put forward the prospects for the coming year on projected stock figures and the likely kill for lamb, mutton and beef based on regular reports from their buyers, farmers and agents. The meeting covers all aspects of livestock buying and the projected figures produced allow the company's works to gauge their likely output in relation to current farming trends.

The managers are in daily contact with their buying staff and maintain regular communication with farmer clients and agents to act in the best interests of the farming community.

G-M's NEW YEAR MESSAGE

I take this opportunity of thanking all the members of the staff and employees of the W. & R. Fletcher group of companies for their co-operation and efforts during the past year.

1976 was not an easy year by any means particularly as far as international meat trading was concerned. We, as exporters, have had to face up to increasingly restrictive policies imposed on us by the principal meat importing countries in regard to beef and the consequent surplus supply has affected the returns to farmers. Fortunately producers have received support from the Meat Board's supplementary scheme worked out in conjunction with the Meat Exporters' Council. There is a feeling in the industry that some of the reduced quotas placed on New Zealand beef were perhaps excessive and precipitate, particularly since New Zealand did not reciprocate with quotas on the major imported goods from the relevant countries.

While we are not out of the woods yet the indications are that the world supply of meat is falling and this will provide a better opportunity to move our production at better prices during the next year or so, while this situation continues. Our advantage as a company is apparent through our extensive marketing outlets whether they be associate companies, Weddel agents or independent agents.

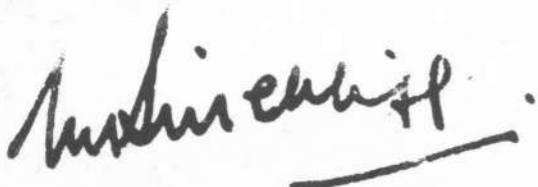
Lamb sales on the other hand have been most encouraging and farmers are receiving returns not anticipated a year ago. The demand for lamb will undoubtedly grow, particularly as we have succeeded in exploiting new and varied markets through the lamb diversification scheme.

While we see this policy as a sound one, we must be careful not to over-exploit it to the cost of our product. It is necessary to have a varied base of markets to consume our meat, particularly as mentioned earlier in case of the introduction of quotas on our products. But we feel strongly that we must not overlook the importance of the United Kingdom market to our economy. Though we have diversified sales to many countries, our dependence on the British market is not lessened and it still remains our most important market. This is not because the U.K. takes 70 per cent of our lambs, and can take more, but because of the fact that in the final yearly analysis of our earnings, the United Kingdom still gives the New Zealand farmer the best overall net return for lamb because it takes all grades.

With world food production per capita continuing to fall, the farmer must now try to produce more lamb to take advantage of this trend. We are sure they can meet the challenge as they have over the years proved themselves to be the most efficient in the world. Apart from being able to sell more lamb throughout the world increased production will have the two-fold effect of stabilising prices. It is to the farmer's advantage to get the best possible price but I fear that should this rise too high, and it is getting dangerously close in Britain now, lamb could meet strong consumer resistance with alternative products being sought. This occurred in the United States several years ago when beef rose to record prices, and customer resistance led to a significant slump in prices for some considerable period.

Overall I think the outlook for the New Zealand farmer, and the country's economy as a whole, is looking brighter, as demonstrated by the growing markets for all of our products as reported in "Weddel's World".

I would like to conclude by offering all staff members and our many farmer clients our best wishes for 1977.



M. HINCHLIFF
General Manager

CHILLED BEEF TO JAPAN



Westfield staff loading out cartons of chilled beef cuts into a refrigerated container for shipment to Japan in November on the Godwit, the first fully containerised vessel to carry chilled New Zealand meat to Japan.

The introduction of a container service on a regular basis between the two countries will provide a valuable boost to New Zealand's meat export trade with Japan, which previously had been operating at a severe disadvantage with its main competitor, Australia, which has had a regular container service with Japan for some time.

INCREASING OKINAWA TRADE

A top level Okinawa delegation representing all the island's meat importing and distribution outlets recently visited New Zealand to familiarise themselves with production techniques and supply opportunities.

The group of 13 businessmen was led by Mr C. Taminato, manager of the Okinawa Importers Association, and accompanied by Mr Craig Hickson of the New Zealand Meat Producers Board.

The delegation had talks on the growing meat trade between New Zealand and Okinawa in Wellington with the general manager of W. & R. Fletcher (N.Z.) Ltd, Mr Mark Hinchliff, and the company's export sales manager, Mr Bruce Bishop. It also visited meat works around the country before going on to Australia.

New Zealand's meat exports to Okinawa have grown significantly recently with the supply of beef cuts nearly trebling from 1974 to 1975 to 2,500 tonnes. The figure seems certain to further improve for 1976.

New Zealand supplies the major part of Okinawa's beef requirements as the standard of the meat and the type of cuts supplied are fully suitable to the market, and Fletcher's makes up more than 30 per cent of this supply.

Another overseas visitor was Mr Peter Grimditch, sales manager of associate company William Angliss and Co. Ltd of Australia, who had talks on the Pacific islands trade with Fletcher's executives in Wellington, before going on to Fiji.

ASIAN MEAT PROMOTIONS

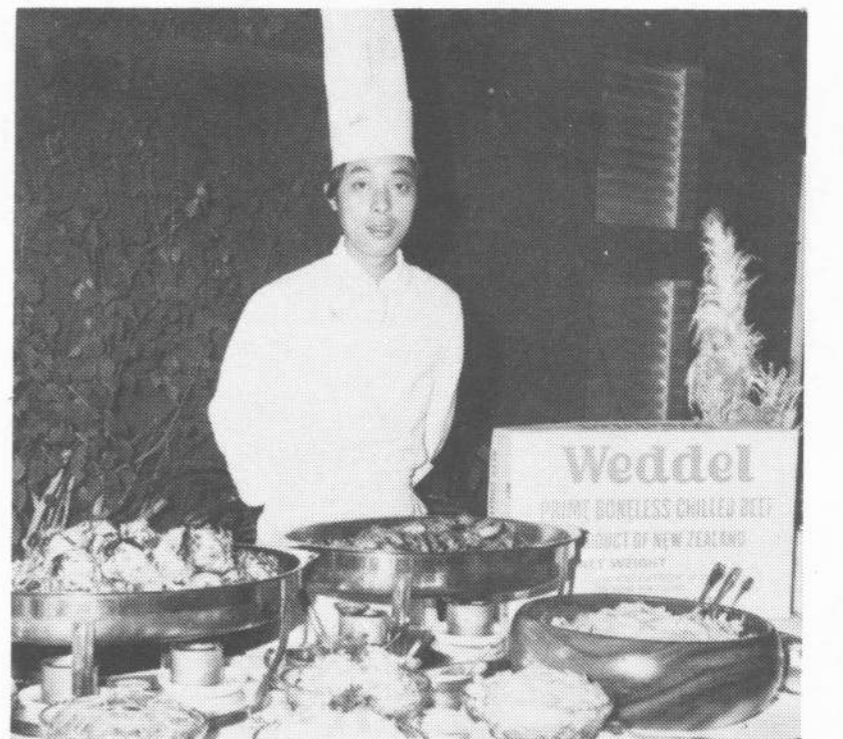
W. & R. Fletcher's (N.Z.) Ltd recently supplied all the meat used in two joint promotions of New Zealand quality export meat in Hong Kong and Singapore.

The promotions were run by the N.Z. Meat Producers Board and Air New Zealand in conjunction with shipping companies and the Weddel agent companies, the Hong Kong Refrigerating Co. Ltd and the Malayan Refrigerating Company.

Delegates to both promotions were given talks on the variety of cuts of beef and lamb supplied from New Zealand, backed up by displays of chilled Weddel meat, and details of freight methods available, all of which aroused considerable interest at both seminars.

After the Hong Kong seminar a barbecue dinner was held for about 70 people.

In conjunction with the Singapore promotion, cooking demonstrations of New Zealand meat were held in local supermarkets, arousing a good interest amongst shoppers.



A hotel chef in Hong Kong stands behind a tempting display of New Zealand meat dishes at the recent trade promotion.

THE NON-GOLD WATCH AFFAIR

The recent evening function to mark the 40 years' service of company secretary Mr Bob Scott; the head of the cost department, Mr Eric Williams; the manager of the Auckland Meat Company, Mr Claude Greenough; and Fletcher's sales manager for New Zealand, Mr Jack Kent, turned out to be a non-gold watch affair.

Unfortunately someone wasn't told about the function and went home blissfully with the keys to the safe in his pocket — thus making the watches totally inaccessible for the official presentation.

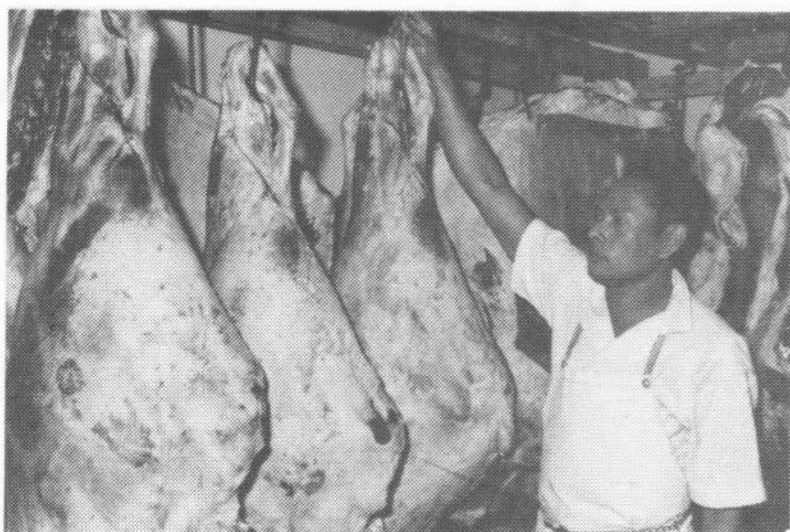
N.Z. MEAT ONLY



The window tells the story ... signs in Fresha Meats butcher's shop in Suva push home the message about New Zealand meat. Below one of shop's butchers inspecting Weddel chilled arter-beef after its arrival by airfreight from New Zealand.

Fresha meats, one of Fiji's largest butchers, sells only New Zealand beef, bought almost exclusively from W. & R. Fletcher's, and also imports a complete range of lamb cuts and offal.

Trade with the Pacific island has grown rapidly over the past few years, with a regular weekly air-shipment of beef, mainly quarter sides, which are butchered locally, and lamb.



This made the evening a truly unique one, allowing many opportunities for humorous remarks and amply demonstrating Mr Scott's security arrangements.

Those expecting just a brief speech from Mr Scott were very pleasantly surprised as he drew into his reserve of saved words over the years and entertained everyone with an expansive and amusing speech. One of his light-hearted suggestions for a company improvement was that each newcomer should be presented with a gold watch on a lend-lease basis so that by the time they reached retiring age or forty years' service they would have already paid for the watch!



Mr Scott in the full flight of his speech.

Mr Williams reminisced about his days at Smithfield in the early 1960's and an event that brought a radical change in company communications between London and New Zealand. The New Zealand telexes had arrived mutilated and when he was asked what he was going to do about it Mr Williams got the inspired thought that as his wife had brought a Wellington telephone directory to London with her, he would ring Mr Bob Scott in New Zealand. Having been routed out of bed Mr Scott then rang through to Auckland and arranged with the Post Office to re-run the telexes and thus restore the situation. It was an unheard of practice in those days to consider telephoning New Zealand from London!

Mr Greenough spoke of his early misgivings when the Auckland Meat Company was purchased by the Fletcher group, but added that they were soon allayed as it became apparent that he would be allowed to run his job as if it were his own business and he soon felt part of the "family" and was happy to be so.

Retirement of Stockfoods Pioneer

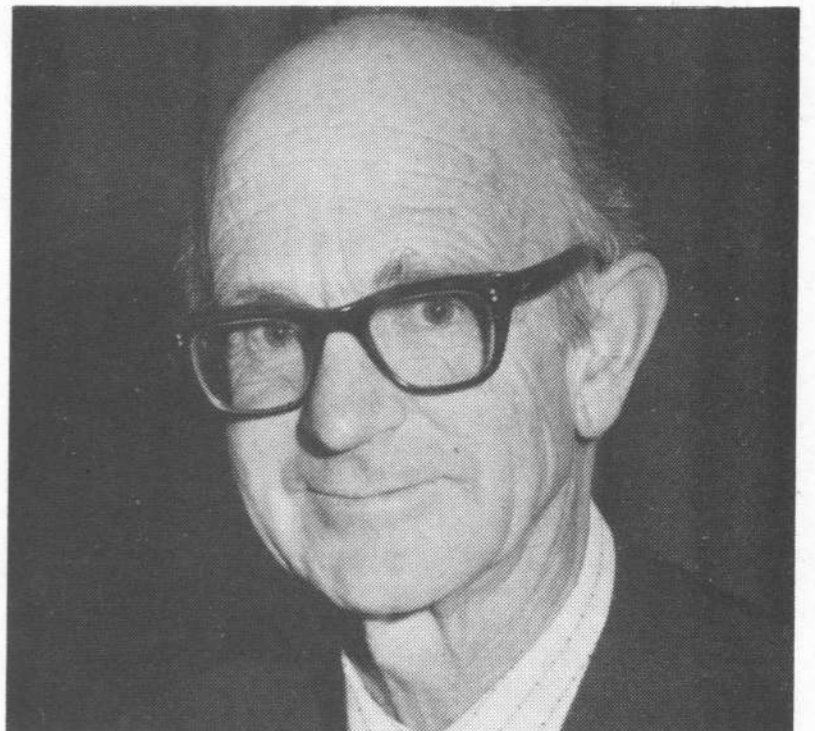
The retiring sales manager for New Zealand of W. & R. Fletcher (N.Z.) Ltd, Mr J.B. (Jack) Kent, was a very unusual recruit to the industry 41 years ago when he joined the W. & R. Fletcher group as its only domestic sales representative.

Mr Kent had just graduated from Wellington's Victoria University as a lawyer, but after his long and successful career he is not sorry that he has never practiced as he feels he has had a far more interesting career involved in the country's most vital industry, agriculture.

Mr Kent's first task was to sell the remaining stocks of Moose linseed cattle food after the manufacturing company closed during the depression, and he was also responsible for sales of canned meats, sandwich pastes and similar products from the Westfield cannery.

He was soon given the challenge of developing the company's livestock feed production, something he has been actively involved in ever since. The first significant progress in this field came with the importing and installation of New Zealand's first California pellet mill in the early 1940's.

It was about this time that he was appointed stockfood manager with an impressive team of one sales representative, K.W. (Ken) Truscott — a far cry from today's computerised plant at Westfield and sales network which makes up one of the largest stockfood operations in New Zealand with a staff of some 80 overall.



Mr Kent is not sure whether his biggest thrill came from the sale of the millionth Molactrate Block, a product he had conceived, patented and established in volume sales — or perhaps a world record production of butterfat from a cow fed on his ration recommendation.

He has also been actively concerned with the organisation side of the industry and last year was vice-president of the Feed Manufacturers Association, a group he helped set up two years ago. He says he is sorry that his retirement prevented him becoming president of that body this year. Mr Kent also served as chairman of the Stockfoods Committee of the N.Z. Agricultural Merchants Federation.

Perhaps his prime outside interest over the years has been boxing, having won the New Zealand Easter tournament as a lightweight while at university, and then taking the Wellington open welterweight title, beating Billy Paris, who won the national title the following two years.

Now as an administrator he has been chairman of the New Zealand Boxing Council for the past three years and was the official New Zealand delegate to the World Boxing Congress held in Montreal just before the last Olympic Games.

Mr Kent also used to play rugby and is still a keen follower of the game, and amongst his other interests are debating; he is a member of the Wellington 22 Club, and was also for 13 years a member of the National Council of the Society of St Vincent de Paul.

LIVESTOCK CORNER

"Any time — Any place — Any where"



Well known Raetihi (King Country) identity Laurie Birchall pictured in one of his more unusual buying operations, obviously demonstrating his adherence to the company motto inscribed above. Laurie, a long time livestock buyer for W. & R. Fletcher (N.Z.) Ltd, is helping load hoggets destined for the Auckland Meat Company's local trade. The sheep are from Tom Traenor's "Tongahoi" station situated on the Taranaki side of the uppermost reaches of the Wanganui River and the only way deliveries can be made is by boat. The farm is serviced by Dave Davies' jet barge which can accommodate 50 woolly or 80 shorn sheep at a time. Laurie was recently awarded the R.S.A. gold star in recognition of his long standing service to that organisation. He has been a committee member in Raetihi since 1959, previously serving on the Waverley R.S.A. committee.

YOUTH AWARD

The 1976 Federated Farmers' farm cadet travelling scholarship has been won by Clifton Tombleson, of Pukehou, Hawkes Bay.

During his six month farming study course in Britain, Clifton will concentrate on herd improvement, animal breeding in particular, and will also study the latest farming developments in Britain and the European Common Market, particularly developments in farm machinery and their uses.

The scholarship, which was initiated in 1970, is jointly sponsored by W. & R. Fletcher (N.Z.) Ltd, who meet the winner's living expenses in Britain, and P. & O. N.Z. who provide a free return sea passage.

Clifton has spent all his life on farms, his parents running a 625 acre property in Bennydale in the King Country. After gaining his University Entrance at Wanganui Collegiate, he attended the Waikato Technical Institute where he is now completing his fourth year cadetship, studying farm management A and B by correspondence.

His main hobbies are rugby, rowing, tennis, polocrosse, skiing and deer stalking.

BRIGADE WINNERS



The Tomoana Voluntary Fire Brigade made a clean sweep of the annual interworks fire brigade competition held at Nelsons (N.Z.) Limited.

The team, pictured above proudly holding their trophies, was made up of (from left) coach Syd Taylor, Leon Davidson, David Gray, Basil O'Shaughnessy and Garry Minton.

The Tomoana squad won the Patea Trophy for the four man featherweight pump, the Westfield Trophy, four man laying line of hose, Tomoana Trophy, four man hose and standpipe, Albion Trophy for aggregate points and completed the afternoon by taking the relay event.

The Westfield brigade was second and Patea third.

The interworks fire brigade competitions have been held for 19 years and, apart from keeping standards keen, are aimed at keeping the relations between the three brigades high.

Each works nominates an event taken from the New Zealand fire brigades competition programme for the tournament.

The trophies were presented by the general manager of Nelsons, Mr Michael Sanders, who also presented the following long service awards to Tomoana firemen: two year gold bar, fireman Dave Willis for 29 years' service; two year silver bars, chief fire officer Neil Wood, 23 years, deputy chief fire officer Syd Taylor, 23 years, third officer Rowan Hawkes, 19 years, station officer Bill Tieman, 17 years, fireman Reg Unwin, 17 years, fireman Basil O'Shaughnessy, 13 years, fireman Leon Davidson, seven years; and a five year medal to fireman Bill Johnston.

TOMOANA'S PRIME TROPHY



Nelsons (N.Z.) Limited won the coveted Charles Douglas Memorial Cup for the best trade exhibit at last year's Hawkes Bay A & P Show for the second successive year.

Proudly displaying the cup outside the winning Tomoana exhibit are from left, Gwyn Rusbatch, Fletcher Sales, Michael Sanders, general manager of Nelsons, and Gavin Garner of Nelsons.

The trophy was presented by the Agricultural Adviser at the British High Commission, Mr C. Haines, in the presence of the Trade Exhibition Judge, Mr Jack Blake, and the president of the Hawkes Bay A & P Society, Mr Eric White.

The Tomoana works has an impressive record in the trade competition having won the Charles Douglas Memorial Cup six times in all, although there was a gap of six years before the two most recent successes.

OBITUARIES

The death occurred in December of Mr Sam Snushall who retired from W. & R. Fletcher's in 1967. Mr Snushall joined the group as a buyer for the Patea Freezing Company and later moved to Gisborne where he was livestock manager. His next posting was Invercargill in 1955, and there he set up the group's livestock buying operations for Southland. Our condolences to his family.

Condolences also to the family of Mr Jack Burns, a former buyer for W. & R. Fletcher's in Tauranga, who died recently.



A ceremony was held in Auckland recently to present gold watches to five shop managers of the Auckland Meat Company to mark their forty years of service with the group.

Pictured during a pause in the evening are (from left) Mr S.T. Humphreys, Mr E.L. Matthew, Mr P.H. Johnston, assistant general manager W. & R. Fletcher (N.Z.) Ltd, Mr N.E. Carson, Mr C.C. Greenough, general manager Auckland Meat Company, Mr J.J. Rich and Mr G. McCown.

COMPANY PROFILE

Mr R.B. (Robin) Reid, the works superintendent of W. & R. Fletcher (N.Z.) Ltd, started his career with the company as a production clerk at Nelsons (N.Z.) Ltd in 1958. After gaining experience in all facets of production he was transferred to the Wellington head office in 1970 with responsibilities covering works operations and new development. Mr Reid, as a member of the N.Z. Meat Industry Codex Committee, has been closely associated with New Zealand's negotiations with the EEC member countries, the United States and other major meat importers on the framing of the new international hygiene standards. This association has involved Mr Reid in the planning of the upgrading of the group's four works to meet the new hygiene standards when they come into force later this year. Mr Reid is married (incidentally his wife's name is also Robyn) with four children. His main outside interests include boating, fishing, golf and coaching primary school rugby teams.

