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FROM THE EDITOR

By Andy Cowan

I apologise for the delay in presenting this issue to members. I have a few reasons for this tardiness but none of that would interest anyone. Life goes on!!

This issue presents the Financial Report for the year ending 30/06/06. As you can see, the Association made a loss that year. A lot of work has been done to try to trim more costs. As our membership is the lowest it has been for many years, you can imagine that this is quite a daunting task. The overheads needed to run the organisation do not change all that much regardless of whether we have 500 or 100 members.

At present, farming generally is still very tough. The price of hay appears to be a little cheaper than last year but the price of grain has gone through the ozone layer. With all the external factors – value of A\$, interest rates, drought, US ethanol production and overseas farm subsidies generally – influencing our costs, it is a relief that our industry is cruising along quite nicely. It is the best year we have had since 2001. The research done by Jim Moir in his article on ‘Velvet Returns vs Other Farming Enterprises’ reinforces the relative strength and value of velvet production when compared to beef production. As with most comparisons of this sort, it is important to juggle the figures to suit yourself. In my area, I have generally assumed that the gross margin for a cow/calf unit is about \$150, a bit more than the DPI’s assumptions. This assumes we can run about 1 cow/acre. I can run two red stags per acre and, if they cut 3.5kg each, given Jim’s figures, I would be ahead of the average of the top 20% of beef producers if the price for velvet was anything above \$73/kg. I wish it was always that easy.

So far this year I have been approached by three road buyers wishing to purchase my velvet. If you are considering selling to one of these, I feel it is important to know three things – the price, how you get paid and who pays the levy?? (See article ‘Deer Velvet Levies and Charges’). Establish these facts early on in the transaction – “Possession is nine tenths of the law.”

I would like to thank Tim Hansen and Mandagery Creek Venison for their input to this issue. Tim was part of a discussion on SBS television, “Insight”, and I have included in this issue and excerpt from the program. Tim has also allowed me to reproduce some recipes he uses to promote venison in his business.

I am sure that we all lead busy lives with varying priorities. Any contribution from members to this magazine would definitely make life easier for me enabling me to produce the magazine on time.