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## BEL GROUP OVERVIEW

February and March have been big months at BEL Group.

February saw our BEL Management Awards followed by an Advisory Board meeting as well as budgets and operational plans for next season being drafted. March has flown by with Performance Reviews, budgets being finalised, BEL Awards, our staff survey and preparation for Autumn Calving.

I was really impressed with the quality of your feedback through the Staff Survey and have provided for you a summary of the themes you came up with in this Newsletter. Your feedback has been extremely helpful and has resulted in some changes being planned.

The BEL Group Advisory Board have been considering a proposal to change the senior management structure of our business. This is all about BEL Group maturing as a business and looking towards the future. The objective of this work has been to consider what leadership model will best take BEL Group forward in the next five years while building a succession pathway and ensuring that our teams are well supported.

As a result we have advertised for a Business Manager and are in the process of this recruitment currently. Although the title is that which

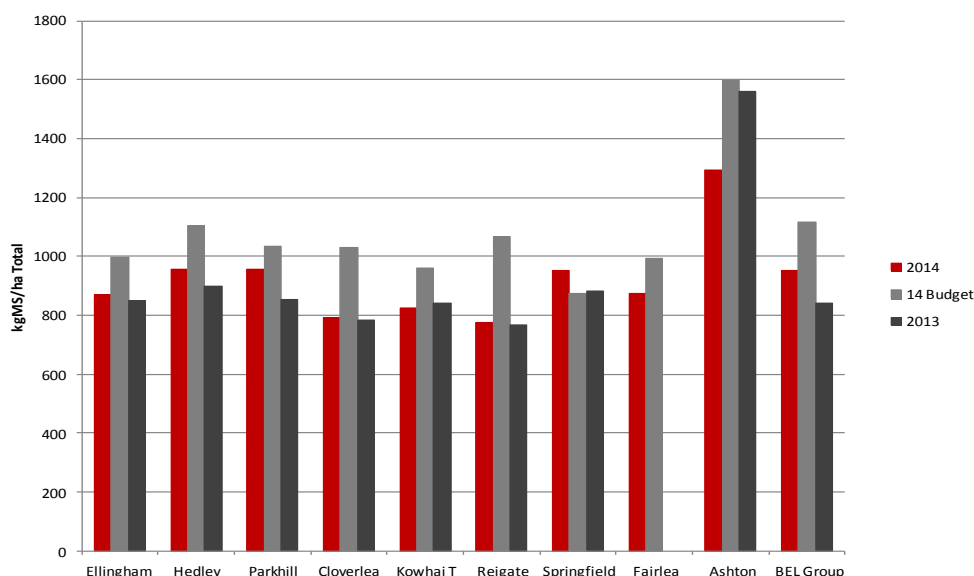
Justine carries at the moment it is not Justine's job. Justine is moving towards a part-time Chief Executive Role with BEL Group and Campbell will be continuing in his role across the farms. So the new Business Manager will be picking up a large chunk of what Justine does day to day and a large chunk of what Rachael does day to day. Rachael is planning to move into a Financial Manager role once the new Business Manager is up and running, probably December or January.

This restructure is an exciting opportunity for BEL Group and we are looking forward to the positive changes it will create for BEL Group as a business.

Business performance has continued to be strong. Total milk production is 5% below budget to the end of March and we expect to now hold this to year end with final milk production being around 2.99mkgMS compared to a budget of 3.09mkgMS.

Milk price is significantly ahead of budget and our YE forecast expenditure is 3 – 4% over budget with some additional projects being completed to address water supply at Longrow and Springfield and feed purchases being completed but the feed itself will be carried through to next year.

YTD MILK PRODUCTION BY FARM  
KGMS/HA



## BUSINESS MANAGER UPDATE

The upshot of this good business performance is that our bottom line surplus is strong and the Advisory Board is going to be considering budgets for next year that involve reinvesting a proportion of this surplus back into on-farm infrastructure. Our projects lined up for next year include:

- ◆ People strategies that will see cows per person reduce from 200 – 220 cows/person on farm to 180 cows/person on farm.
- ◆ Proposals to build staffroom facilities that will enable on-farm teams to have more space to have their breaks, meals and meetings.
- ◆ Proposals to build some new houses to increase the number of family homes available for people living on farm.
- ◆ Replacing some tractors, silage wagons and motor-bikes.
- ◆ A range of specific on farm development proposals from effluent systems to dairy shed projects to water system upgrades, drainage projects and access projects.
- ◆ A planting project to plant trees strategically to enhance the presentation of farms.
- ◆ Workplace safety program implementation on farm.

The Advisory Board meets on 23<sup>rd</sup> and 24<sup>th</sup> of April to consider our business plan and budgets for next year. After this meeting there will be final adjustments made and all budgets will be confirmed after Fonterra announce their forecast milk price in early to mid May.

Rachael Riddell has lead the project team to produce this years Farm Management Plans and Budgets, this is a first time lead role for Rachael and she has done an excellent job producing accurate budgets for all farms to a very tight timeline. This is another example of BEL Group growing people through their career path.

I have been really encouraged by the Development Programme this year. I managed to join this group for their workshop with Lee Astridge in early April and was very impressed with the engagement and active learning that was taking place. This group is making real in-roads into taking the theory they are being presented and applying it into their daily work on-farm. This type of commitment to application of training is what everyone needs to be committed to in order to get the most out of their training and the opportunities that BEL Group provide to grow your skills. So if you are attending one of our in-house training programmes over the coming months make sure you take a leaf out of the Development Programme book and when you get back to your farm corner your Farm Manager and start planning for how you are going to practice what you have learnt every day!

I am looking forward to our Workplace Safety program taking shape over the second half of 2014. This program is a really active outworking of BEL Groups values around people in our business. Lynda has thrown herself very energetically at this work and I'm sure her energy will be infectious as she brings workplace safety to you on-farm. There will be some changes to how we manage our incident reporting, ACC claim processes and general management of accidents and incidents on farm as a result. These changes will ensure we can be more proactive at addressing issues for you in your workplace.

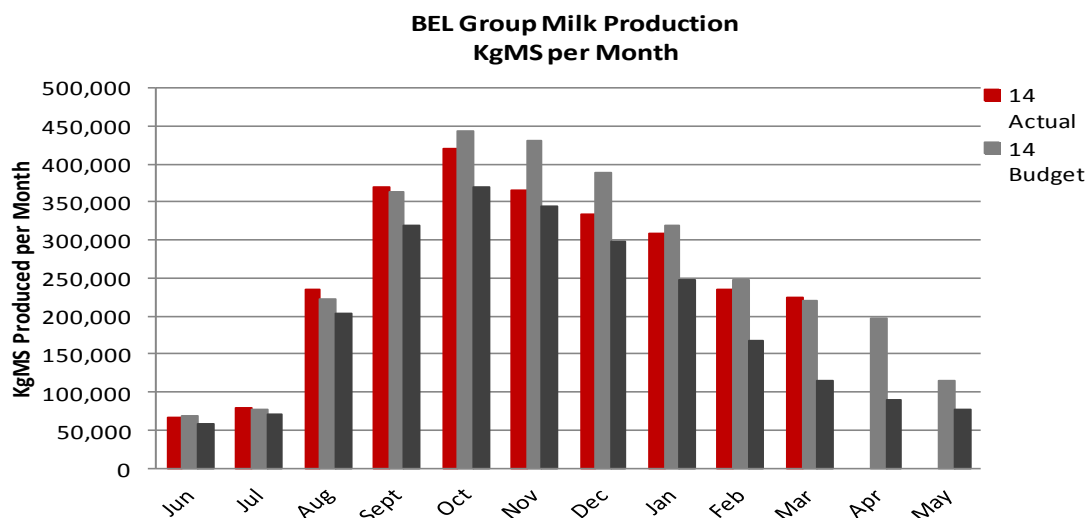
BEL Group is also working with No8HR and a small group of leading farm businesses on a Game Changer project where we are looking to challenge the way we do things as an industry. This project is aimed at really challenging us to think big and bold to work out how we can lead the dairy industry to different ways of doing great things for our people and our businesses.

Over February and March I was out and about speaking at various conferences. Both Lee Astridge and I presented to the Dairy Australia, which was a fun opportunity. I also attended the Dairy Womens Network conference where I handed over the title of Dairy Woman of the Year to Charmaine O'Shea. My Global Womens Breakthrough Leadership Programme also got underway, my prize from winning the award last year, so I'm enjoying the challenges that I'm being presented with. It is a great opportunity for me and I'm enjoying bringing what I learn back to BEL Group and taking risks with doing the same things different ways and trying completely new things out!

So there is a lot going on out there on farm as well as behind the scenes in BEL Group as we start running towards the new season.

For those of you that are moving on to new opportunities in June we wish you all the very best. For everyone else we are looking forward to a really exciting year in BEL Group. The business is performing and maturing in a way that is going to mean good things for all of us.





### STAFF SURVEY RESULTS

Thank you to everyone who completed our recent staff survey. About half of you sent in a survey and feedback and the quality of this information has been extremely helpful.

My big themes from the survey are:

#### WHAT YOU THINK IS IMPORTANT FOR FEELING HAPPY, VALUED AND WANTING TO STAY AT BEL GROUP

##### Time Equals Value

Your top three items when ranked on “Very Important” or “Somewhat Important” to making me feel valued at work can all be addressed by more time with your Managers or other experienced people in the business:

- ◆ Getting honest feedback about my performance
- ◆ Opportunity to train or learn new things
- ◆ How much responsibility I have
- ◆ Getting to put my ideas forward at meetings or to my manager

##### Being valued and having good conditions to work in = being happy

Feedback, Training and Increasing Responsibility that contributed to being valued at work were also ranked in the top few items for what made you happy at work. On top of these the other top ranked items to make people feel Happy at work were:

- ◆ Knowing there is potential for career progression
- ◆ Having a comfortable house
- ◆ Having good gear like motorbikes, tractors and wagons

##### Staying is driven by dollars and responsibility

When asked the question about what is important to making you want to stay at BEL Group “How Much I Get Paid” got ranked as number one, followed by “How much responsibility I have”.

##### Being valued, happy and wanting to stay is driven by time, communication and conditions at work

Your feedback shows us that you want a focus from Operations and Farm Managers on:

- ◆ Quality feedback
- ◆ Communication processes including team meetings, plan updates, planning sessions, review sessions and discussing what is going on in the farm unit and the wider business.
- ◆ Training and using training to enable increases in responsibility will ensure you are happy, valued and wanting to stay at BEL Group.

## STAFF SURVEY RESULTS CONTINUED

The good news is all the systems and supporting processes for this to happen are in place so all it takes is a commitment and focus from everyone to do what is in our Job Targets for People and Leadership and we will be providing what you have said is most important.

As a business we also need to continue to positively lead our ongoing:

- ◆ Investment and improvements in standards and comfort of housing.
- ◆ Planned, and communicated plans, to upgrade and maintain good quality machinery and equipment.

Again this is good news as we have these plans, budgets and systems in place so it is now a matter of improving our communication with you about the details of what is happening each year and each month so that you can see what is planned, what is happening and what progress is being made.

### THE BIG THEMES ABOUT MOTIVATION AND REWARDING YOU FOR RESULTS

#### Mangers giving you time and recognition is top of your list

The survey asked “If BEL Group were going to reward you for RESULTS and EFFORT at work which of these things would motivate you the most”.

The biggest motivator was “Getting access to more one to one time with my Manager”.

The next three biggest motivators were:

- ◆ Getting recognised with an Award (BEL management awards, top individual and top team awards).
- ◆ Getting thanked by my Managers Manager
- ◆ Knowing that business profits get reinvested into farms, housing, better gear.

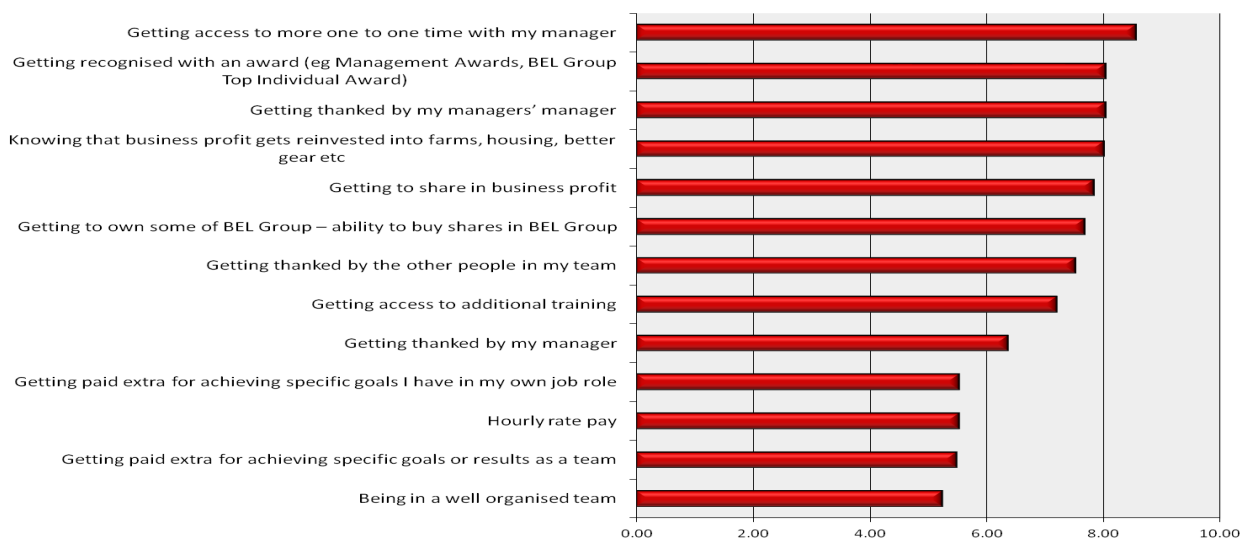
All of these four strategies are in place across the business today. At our April People Leadership Workshop with Lee Astridge of No8HR Managers were reminded about the importance of your one: one time, team meetings and on-the-job training. So look out for their efforts in these areas!

#### Payrates don't contribute to discretionary effort

While the item “Getting to share in business profit” was ranked number 5 on the list and “Getting to own some of BEL Group” was ranked number 6 the following items were ranked 10, 11, 12 and 13:

- ◆ Getting paid extra for achieving specific goals I have in my own job role.
- ◆ Hourly rate pay
- ◆ Getting paid extra for achieving specific goals or results as a team
- ◆ Being in a well organised team

**If BEL Group were going to reward you for RESULTS and EFFORT at work which of these things would motivate you the MOST**



BEL Group is continuing to work on the ideas around how we can enable you to 'share in the good performance' of BEL Group which is good news as of all the 'finance' related options this was the highest ranked. At this stage we are looking to make this a focus on our project list for next year with a target implementation date of 1<sup>st</sup> June 2015.

#### THE BIG THEMES ABOUT THE NEW INITIATIVES PROPOSED

##### Wet Weather Gear is highly valued

Increasing the wet weather allowance, whether by total value or by issuing vouchers more regularly, was ranked number one for importance in making you feel valued, happy and wanting to stay at BEL Group. This was followed by increasing rostered days off/getting more flexible rosters, reducing the number of cows per person on farm and themes on bonus payments for performance which in the context of above will need to be represented as profit sharing.

The good news is we are putting forward in our budget to be approved by the Advisory Board in late April:

- ◆ Increased frequency of issuing wet weather gear vouchers.
- ◆ Increased numbers of people on farm targeting 180cows per person on the dairy farms.
- ◆ Increased wages budgets to allow for more full time and more casual staff to enable changes to rosters across the business. Your Operation Managers and Farm Managers will talk details with you once the budget has been approved and go ahead confirmed but feel free to ask what the planned changes might look like for you now!

The ideas around "profit sharing" will be addressed with a project targeted for implementation in June 2015. This will involve more consultation with you through next season as we develop our ideas and come up with options to make this work.

#### THE BIG THEMES ABOUT EXSISTING HR INITIATIVES

##### Annual Remuneration Review and performance review are critical

Reviewing staff salaries every year was number one ranked for importance for making you feel valued, happy and wanting to stay at BEL Group. This was closely followed by completing the Annual Performance review. Other items that featured were having an annual plan for replacing tractors/bikes/wagons and farm development projects, providing farm skills training and providing People and Leadership training to Managers.

We remain committed to all of these processes in our

business and as a result of the survey are reminding and supporting your Managers to continue to build on their performance in these areas of their work.

#### Summary of our actions as a result

As a result of your feedback the following things are happening:

- ◆ Budgets for increased numbers of people working on dairy farms are being submitted for Advisory Board approval.
- ◆ Budgets for increasing the frequency of wet weather voucher issues are being submitted for Advisory Board approval.
- ◆ Budgets and plans for continuing upgrading of equipment and gear on farm have been drafted and we will focus on doing a better job of communicating these to you throughout the year.
- ◆ Management focus will be on ensuring completion of agreed leadership strategies including one:one time, team update meetings, keeping on track meetings, on-the -job and BEL Group training.
- ◆ Communication strategies will continue to be reviewed to ensure the right information is making its way to you on farm.
- ◆ Budgets for a 3% employer contribution, currently only paid to people in KiwiSaver, being included in total remuneration and paid out to everyone has been submitted for Advisory Board approval. Over the next year we will complete a project looking at how we can create a BEL Saver Scheme for people who don't qualify for KiwiSaver or want an alternative saving programme.
- ◆ Budgets to implement "Team Thank You" events and to begin the project to establish a capital fund for employee "emergency" loans have been submitted for Advisory Board approval.

#### In Conclusion

The exercise of completing this staff survey was extremely valuable. It confirmed many things we knew but also brought some new things to the table. The results send a clear message to your team leaders about the importance of their focus and efforts into achieving their people and leadership job targets.

We look forward to getting some new things into action and doing a better job of the things we are already doing that are important to you.

Thank you for taking the time and being courageous about giving us feedback.

## COW BODY CONDITION– LOOKING AT NEXT SEASON AND BEYOND

As the autumn rains start arriving, our farm management system focus starts to change. We now look to set up the herds' condition for next year, yet still maintain concentration on maximizing production to the end of our farming season concluding on 31<sup>st</sup> May.

Our farming system uses a set of decision rules that were developed from research conducted throughout the last 40 years. These rules allow repeatable and sustainable production and profit between years. These decision rules are in place for all key items such as feeding of supplements, rotation management and body condition score at calving.

Recently the farm managers and the development programme participants have reviewed some body condition score research completed in the early 1990's. The purpose of this training was to get to understand "why" we have these decision rules. The trial looked at the length of time it takes for a cow to start cycling again after calving. The two variables that were tested were body condition score and feed intake. The trial was over a short term of 40 days post calving.

If we look at the range of responses there are some significant stories to tell. For example a cow that is calving at BCS 3 and fed 6 kg DM for 40 days post calving takes 56 days to cycle, where as a cow calving at 6 BCS and fed 15 kg DM takes 28 days to cycle. Refer to the table below.

Body Condition score	6 kg DM	9 kg DM	12 kg DM	15 kg DM
3	56	52	49	46
4	50	52	49	46
5	44	41	38	34
6	39	35	32	28

Some of the farm managers and development programme participants comments are listed below:

".... a fat, underfed cow cycles much faster than a thin well fed cow"

"...Body condition score has 1.5 times more impact on days to first cycle than feed intake"

" ...I never realized the significance of body condition score on days to first cycle"

So the condition in which a cow calves affects milk solids produced and days from calving to first heat, which in turn affects the next years calving date and therefore has an ongoing impact on lactation length. The key point is, if we

are not achieving BCS of 5.0 at calving for our mixed age cows and 5.5 for the first and second calvers, we are compromising milk production for the next two years.

What can we do - today?

There are a number of strategies managers can use to get every cow close to her ideal BCS at calving, such as:

**Drying-off low producing, fat cows early.** These cows put fat on their back instead of milk in your vat. When feed is short, herd milk production commonly increases by drying-off the low producing fat cows as the other more productive cows are fed better.

**Ensure heifers are on track for weight and BCS.**

Check every four to six weeks that replacements are gaining enough weight and remedy any shortcomings. Well grown heifers introduced to the mixed age cows during the dry period will compete well as milkers.

**Give the first calvers more time dry than older cows.** Young cows are still growing to reach their mature weight and often have lower intakes. Therefore, they are only able to put weight on slowly, and require more time to get to target condition.

**Split dry herds on BCS and time until calving.** If you dry-off all at once, then it is necessary to split the dry cows into herds based on condition and expected calving date. This allows for preferential feeding to get all cows to target BCS. Even if not enough feed is available to put on extra condition, creating herds is still a good idea, as it protects the younger cows from competition from the older, more dominant cows. If supplement is going to be fed, then feed it to the herd you want to gain the most condition, or that needs to put it on fastest.

**Staggered dry-off based on BCS and time to calving.** The principle here is that every dry cow can be fed the same, but the difference is how long she is dry for. In low input systems, the dry-off decision rules work well. In higher input systems, where dry cows are well fed on a mixture of pasture and supplement, cows that are BCS 4.5 or better only require 50 -60 days dry; cows that are BCS 4.0 or worse need around 80-90 days dry.

We have the opportunity, at this point in time, to have a significant impact on the next two seasons production. Make sure if you see someone out there condition scoring your herd you give them all the assistance they need. Its an important piece to the jigsaw.

## BEL GROUP AWARDS 2014

On Tuesday the 4th of March, BEL Group held their annual awards for Top Team, Team Player of the Year and Development Programme Participant of the Year, for the 2013-14 season. All staff gathered at Ashton Farm for a BBQ and the awards then followed, they were presented by General Manager Campbell Chard and Business Owner Andrea Barry.

### Development Programme Participant of the Year

Recognising...

- ◆ Actively drives their IPP and completes the training goals they have set for themselves
- ◆ Gets involved with farm team meetings
- ◆ Asks questions of Manager to help learn how to do jobs more efficiently and practise new skills
- ◆ Reads BEL Group training folder, Handbook and other current material
- ◆ Attends all Development Programme workshops
- ◆ Actively completes programme homework and reports
- ◆ Regularly meets with "buddy" to discuss progress against target for IPP and discuss workshops or homework/readings
- ◆ Gets involved in the BEL In-House training programme

The Development Programme Participant of the Year was awarded to Daryl Spooner



### Team Player of the Year

Recognising...

- ◆ Bringing forward ideas to do things better, more efficiently and with less hassles.
- ◆ Gets involved in any on farm review meetings and brings forwards ideas on how to do things better
- ◆ Asks questions of Manager to help learn how to do things more efficiently
- ◆ Responds to requests for feedback or input into BEL systems
- ◆ Asks for help when unsure
- ◆ Makes sure always completes own jobs and tasks to standard all of the time
- ◆ Looks after their own things- house care, lawn, are on time for work
- ◆ Reads BEL handbook and other current material
- ◆ Knows their own job and how it fits in to whole farm plan
- ◆ Know the BEL Group farm management targets
- ◆ Attends all team meetings
- ◆ Willingness to help out team in crisis or emergency
- ◆ Looks for the effort that was made by others rather than focussing on mistakes
- ◆ Is generally well liked by the team because shows a good work ethic, considers others and always helps rest of team with what needs doing
- ◆ Makes an effort to attend BEL Group BBQ's and team functions

The Team Player of the Year was awarded to Holly Gough



## Team of the Year

Recognising..

- ◆ Efficiency in use of farm resources
- ◆ Good use of each team members specific skills to compliment each other and achieve farm goal
- ◆ Team understanding of goals, standards, procedures and rules
- ◆ Teams that enable mentoring of newer and less skilled team member
- ◆ Team cohesion and enjoyment- a happy team
- ◆ Ability to meet performance targets and correct performance deficiencies
- ◆ A team that monitors performance at both the individual and team level

The winners for the Team of the Year is Springfield Farm



## DEVELOPMENT PROGRAMME UPDATE

The development programme has welcomed four new participants to the programme since the June 2013 intake for the 2013-14 season. Daryl Spooner, Arsenio Mugot, Sampath Gamage and Zaka Ullah have joined Rhoxes Tumagos, John Leech, Rodel Ramos and Lisa Smith on the programme.

Lee Astridge had a great session in February with the group looking at getting the most out of a performance review and what makes them go well. Among the list of priorities for a well run performance review was having an organised review that followed the process, allowed an open discussion and ended in a clear action plan going forward. Now that you've completed your BEL Group performance review, take the time to reflect on how it went. What three key areas do you need to work on over the coming season? How will you move you through your job targest and reach BEST or achieve the 'next steps' over the coming season? Do you have a clear plan for this

season? What things did you learn in the process and what will you do differently to help your review go even better next year? Don't just file the summary away when you get it back – make sure you think about it carefully and put some key dates in your calendar. Start planning now for how you are going to achieve your targets - include them in your IPP. Failure to plan is planning to fail!

George Phillip from ASB again joined the group for a second finance based workshop and we looked at the different types of investment options for savings as well as a snapshot of the BEL Group budgeting process, and monthly farm and consolidated reports. Now is probably a good time to combine that personal cash flow budget you created after the first session with an investment plan. If your budget resulted in a surplus, what are you planning to do with it? What is your long term goal and what investments can you make now that will help you reach that? Managing your finances takes more than setting a budget and forgetting about it. Go back and review your actual spend against the budget you set for yourself and hone in on the variances. Did you keep to the budget? If not, why not? What changes do you need ot make to ensure you will? Do you need to make some minor adjustments to the budget to make it more realistic and achievable? Remember that setting the plan is one thing, you need to follow it to succeed and reach your goals.

Cam took the group for the latest evening workshop at Longrow focussing on Summer Management. The group looked at the BEL Group system and management over a dry summer. How did you get on with your home-work? What decisions have you seen made on farm, for what reasons were they made and was was the result?

## Upcoming Development Programme workshops:

- ◆ Autumn Management – 2<sup>nd</sup> April
- ◆ People for Performance with Lee Astridge – 9<sup>th</sup> April
- ◆ People for Performance with Lee Astridge - 7<sup>th</sup> May
- ◆ Winter Management – 14<sup>th</sup> May
- ◆ Fertiliser and Feed – 11<sup>th</sup> June

## MEASURING YOUR SUCCESS

March and April are when formal Performance Reviews happen in BEL Group. These follow your regular 'Keeping on Track' meetings and set you up for further success as you progress with your career.

The award-winning Good, Better, Best framework used in BEL Group to map not only your job requirements but also your progress in getting to the Good requirements for your role and beyond is unique for a number of reasons:

- ◆ It forms the basis of everything you need to know about your job
- ◆ It is clear around where you are at any stage in your career and what you need to focus on
- ◆ It helps you and your manager make good decisions about what you need training on
- ◆ It helps you and BEL Group determine what are the next likely career steps for you and what's a reasonable timeframe for this

At this time of the year it is inevitable that people are considering what career move might be appropriate for them. For us at BEL Group it is important that your next career move is one that is good for you as well as being good for the group.

Over the period from January to May BEL Group looks at potential internal moves at all levels within the business and inevitably there will be discussions around this as members of the BEL Group team are offered opportunities within the Group over the next period. For many, the performance review process is an opportunity to constructively discuss any opportunities and, if you didn't have that discussion then, make sure you take some time to talk to your manager in the next few weeks so that they clearly understand what you're looking for.

If you are in the position where you have been or are offered the role you are looking for next year, congratulations. If BEL Group aren't able to offer you exactly what you're looking for listen carefully to the feedback you're given as this is where the real value is. Feedback, as I've referred to before, is the 'breakfast of champions.'

Every champion has a story to tell about when they were let down, didn't get what they thought they deserved or weren't lucky like others were....and the thing every champion has in common is their response to this...to rise up to the challenge, take the feedback on board and show people what they're made of....

Good luck and go well.

Lee Astridge  
No8HR

## NEW ROLE AT BEL GROUP- WORKPLACE SAFETY COORDINATOR

Hi I'm Lynda, I've recently moved back to sunny Hawke's Bay from New Plymouth where I spent the last 4 ½ years. Previously I was working at Dow AgroSciences in their Health and Safety team in New Plymouth. This role gave me a really good understanding of health and safety systems and processes that help prevent workplace injuries. I'm excited to be able to help BEL group implement their Workplace Safety Programme. Prior to working in Health and Safety I was involved in Sales for a relocation company and was living overseas. I have a Bachelor in Business Studies and am currently studying for a Graduate Diploma in Occupational Health & Safety. I am currently living in Napier with my Husband, two children aged 9 & 11 years old, one crazy boxer dog and the sweetest cat.



## WORKPLACE SAFETY -ACTION-

We are currently working through a Workplace Safety Project Plan in conjunction with the Senior Leadership Team and ACC to understand what we need to do and how best to approach the changes we need to make to reduce workplace injuries. It will be a journey for all of us over the next three years as we work toward our goal of Tertiary status. As you can imagine, EVERYONE within BEL Group is going to be a valuable part of the changes, that will gradually take place over the short and long term. We are going to be looking for one person to represent each farm, or farm group, to be more involved in this project. If you are interested in learning more about Workplace Safety and transferring it to your farm, please talk to your Farm or Operations Manager about being a Workplace Safety Representative. You can also nominate someone who you would like to see in the role too.

Being a Workplace Safety Representative will mean learning more about identifying hazards and suitable controls. You will learn about the Health and Safety Act and what that means as an employee and employer. It will mean coming to Workplace Safety meetings, providing feedback and input, learning about the key areas of workplace safety and how good systems and safe behaviours help our work mates and ourselves go home safely every day.

Please respond to Lynda Dykes Workplace Safety Coordinator by 23 April 2014. The first meeting and training session is scheduled for 29 April 2014.

# Commodities Weekly

## Commodity exports closing the trade deficit

28 November 2013

ASB

### Fill your boots

- ◆ Dairy prices post a 5.2% fall in March 19 auction.
- ◆ As buyers fill their boots with the extra volumes on sale.
- ◆ The good end to the NZ production season has boosted dairy supply and is putting downward pressure on prices.
- ◆ However, this downward price pressure appears confined to this season, with demand for next season's product still solid.

#### Event Results

Stream	Product	% change in index since last event	Annual % change in index	Weighted Average Price US\$/MT
Milk Powder Stream	Whole Milk Powder (WMP)	-5.8%	-13.1%	4,439
	Skim Milk Powder (SMP)	-1.7%	11.8%	4,584
	Anhydrous Milk Fat (AMF)	-10.7%	3.0%	4,578
Mixed Stream	Butter	-4.4%	0.9%	4,534
	Butter Milk Powder (BMP)	4.6%	15.2%	5,253
Cheese & Casein Stream	Milk Protein Conc.	3.7%	n.a.	8,837
	Cheddar	-4.1%	7.0%	4,641
	Casein	-10.7%	25.4%	10,533
	GDT Price Index	-5.2%	-4.4%	n.a.

### Buyers are filling their boots with extra late season milk

Buyers are filling their boots with the extra late season milk. March auction volumes are up 14% from February when normally at this time of the season volumes are nearing their lows. Not surprisingly, overall prices have fallen a tad under 10% over the two March auctions.

The extra volumes on offer have allowed buyers to bring forward their purchases.

As a result, prices are lower for the near-dated contracts, compared to the later-dated ones.

However, these price movements appear temporary, in line with the temporary boost to supply – we can't see any signs of lower demand at this stage (nor a sustained lift in global supply for that matter).

#### Comment

The March 19 auction saw a broad fall in dairy prices, with the GDT price index down 5.2%. Six of the eight prices we monitor fell. Benchmark WMP

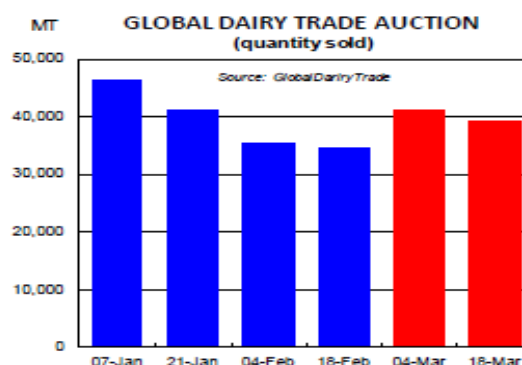
prices fell 5.7% in line with the overall fall, while AMF and casein prices recorded falls over 10%.

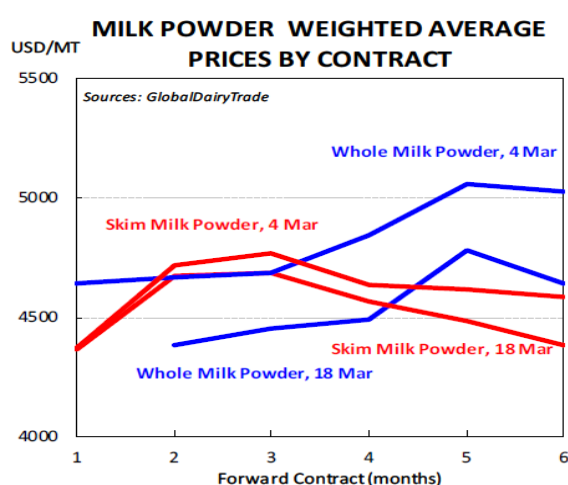
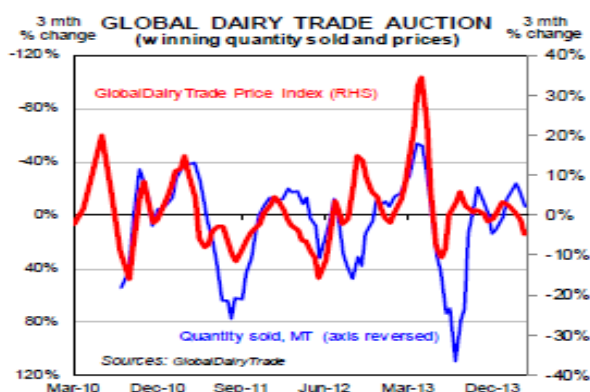
At the same time, volumes on offer have spiked as late-season New Zealand milk production has exceeded expectations. March auctions volumes are up 10% from February, whereas in the previous three seasons, auction volumes have fallen between 13% and 47% over the same period. While the headline falls are not surprising, some of the detail tells an interesting story; at this stage, much of these details hint at this downward pressure on prices being temporary.

The extra volumes (and lower prices) are allowing buyers to bring forward their purchases, however it appears that they are not confident that the fall in prices is permanent. For example, prices for WMP contracts for delivery in 2 to 4 months have fallen to circa US\$4,400; but further out prices are higher at circa US\$4,700 for the contracts for delivery in 5 to 6 months.

Moreover, while WMP prices dipped at this auction, SMP prices fell by much less – this indicates that the extra late-season milk coming from New Zealand is the dominant factor rather than any tail off in demand (or a sustained lift in global supply). New Zealand (and Fonterra) is the dominant WMP producer, while the SMP market is much more competitive globally. That's not to say that more production and lower demand aren't on their way – however, that's a story for next season. Also, we keep a watchful eye on demand, particularly on developments in the Chinese household sector.

The extra production will see global dairy prices lower next season compared to this season's sky-high level. Although, we expect prices to remain very high by historical standards. All up and given the temporary nature of supply developments, we maintain our farm gate milk price forecast for next season at \$7.80/kg per kg of milk solids





## BALLANCE

With autumn fertiliser application well under way on most of the dairy farms, and dry stock farms, all of these mixes that are being applied have selenium added as part of their annual applications. Selenium is a vital trace element for animal health, but not for pasture growth.

### Where is selenium deficiency most likely?

Many areas of New Zealand have the potential to suffer from selenium (Se) deficiency, but the most at-risk locations are the pumice soils of the Central Plateau, the peat soils of Waikato and the Hauraki Plains, the coastal sands south of Wanganui, and the light stony soils of Horowhenua, Hawke's Bay and Wairarapa. Most soils in the South Island are either marginally Se deficient or have the potential to be Se deficient.

### Deficiencies in animals

Se is not needed for pasture growth, and applying Se will not result in a pasture response. However, in order to support animal health, pastures must contain 0.03 mg Se/kg DM - this level will prevent Se deficiency in grazing livestock.

The Se content of pasture is influenced by the Se content of the soil and also by plant species. Browntop

naturally contains more Se than ryegrass, which in turn has higher concentrations than clover. This is important to remember when developing hill country, as the improvement in pasture quality can induce Se deficiency in stock. Symptoms of Se deficiency in animals vary with the type of stock involved. In cattle, calves may be born weak, premature or dead, or suffer from poor growth or white muscle disease. Adults show decreased milk production, infertility and placenta retention.

### Soil and herbage Se analysis

Soil may be considered to be Se deficient if the concentration of Se is below 0.05 mg/kg. A more accurate picture of stock Se intake can be gained from herbage sampling. Mixed herbage samples (500 g) should be collected in early autumn (April) from two or three paddocks of the same soil type. If the concentration is below 0.03 mg/kg remedial action will be required. Sampling should be repeated in spring (October). The concentration of Se in pasture varies throughout the year (see Figure 1), so it is important that samples are taken as prescribed.

### Blood and liver biopsies

In order to confirm Se deficiency in animals, analysis of blood and liver samples is essential.

- ◆ Take blood samples from at least three animals in autumn
- ◆ Take liver samples from at least three animals or collect the liver at the time of slaughter

### Supplementing pasture

If herbage analysis shows that pasture Se is below 0.03 mg/kg then the land should be supplemented with Se fertiliser. Choose one of the following maintenance application programmes:

- ◆ Sodium and barium selenate (fast- and slow-release Se, e.g. Selcote Ultra) - apply 0.5 kg/ha in spring or autumn annually
- ◆ Sodium and barium selenate (fast- and slow-release Se, e.g. Selcote Ultra) - apply 1 kg/ha in spring or Autumn every two years

### Treating animals

Se-deficient animals may be treated with a bolus, an injection or a drench. However, it is essential that Se deficiency is diagnosed first and advice sought from a veterinarian. On no account should animals be treated if pastures have been top-dressed with Se

**James Parsons**  
**Ballance**

## DAIRY OPERATIONS TEAM UPDATE

### PAGET ROAD

As April begins we are beginning to feel the effects of summer more than in the previous months. The recent winds have undone much of the good that came of the small amounts of rain we had. However the temperatures are very much in the warm zone and the effects of the autumn fert are very visible and helped along by dewy mornings.

With maize on hand and now being fed out we are in good position to finish the season strongly on most farms. Some high producing empties have sold to the Ashcott Road farms and most others have been culled or sold into the Dry Herd.

This last month we welcomed Asanka back from Sri Lanka, He left here a single man and come back a married man. We also welcomed Sampath's wife Sashika and daughter Gayara to Springfield.

For the month of April we will be making improvements to water systems at both Springfield and Longrow. This will involve alternative sources and more storage, which accounts for new water tanks that people may have seen appearing.

Finally a thank-you to Jim Barnes who has been re-grassing our turnip areas and has been in each paddock on the day that the spray withholding period expired. This has enabled much of that area to get away to a good start and will help in setting us up for next season.

Paul Phippen  
Operations Manager Paget Road

### ASHLEY CLINTON

The season is entering its last quarter and it is probably the driest it's been all year with cyclone Lusi not offering as much rain as predicted, 30mm in total. This has given us the chance to put fert on half of the farm. Silage stacks are open and in full swing, emphasis on stack management and reducing waste both in the paddock and at the stack.

On Hedley we have started to feed fodder beet to the milker's to stretch out the grazing round and feed and by day 4 showing a difference in the vat. PDs have been completed with good results on both farms, Hedley 7% and Ellingham 6%, good work team. This will make a quick calving next season. Empty and cull cows will be leaving farm and farm managers will need to monitor BCS weekly on the remainder of the herd. All turnip paddocks have been planted with grass germinated well, thanks to Jim getting there the day after

the cows have finished grazing them. We have also planted 3 Ha of winter oats on both farms to graze with our fodder beet in the winter. Teams, stay focused for the next 2 months and finish the season well.

Anthony Williams  
Ashley Clinton

### ASHCOTT ROAD

As I write this Ashton has just had 42mm of rain and Fairlea 2mm, such is the nature of weather as we enter Autumn.

Ashton has been building on strong summer production and is currently running 18% ahead in daily production, Fairlea is still tracking well ahead of budgeted production also despite sitting at 5cows/ha under the pivot with the dry land offering very little to feed supply.

All maize has now been stacked and wrapped and all winter crops are planted and out of the ground.

Both farms are currently well into Autumn calving and focusing on improving on last years winter milk production whilst keeping as many spring girls going as long as possible .

Doug Dolan  
Operations Manager Ashcott Road

## BUSINESS SERVICES UPDATE

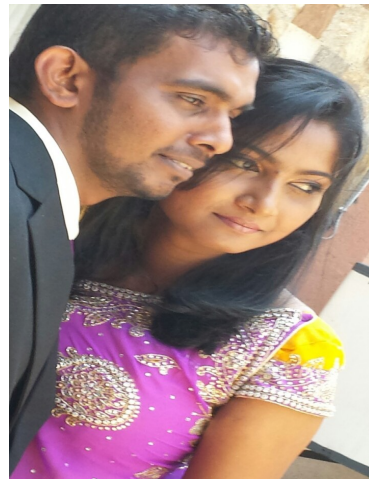
We've got big changes in progress at Business Services, now and in the future. Recently we welcomed Lynda Dykes to the Business Services Team in the role of Workplace Safety Coordinator. Lynda has come to us from a Dow AgroSciences with a sound Health and Safety background which she is already making excellent use of in this role. Lynda has been busy putting together a plan for the BEL Group Workplace Safety Programme which is looking excellent! We are really excited to have her in the role and to start BEL Group on the journey toward Tertiary Status in the ACC Workplace Safety Programme.

The new organisational structure will also mean some big changes for our team, but they are all positive. We are all looking forward to the change as it will mean we have an extra set of capable hands within our team! As we near the end of our busiest months, the arrival of our new Business Manager should coincide with the quieter months allowing them to get off to a solid start.

The Business Services Team has been busy with many training events and awards functions over the summer. We enjoyed change in format for the BEL Group awards held in March, thank you to everyone for your nominations and coming along to make it a success. Having everyone there to celebrate the success of our Top Team, Team Player and special award for Performance and Contribution really helped to make it a special event and show support to the winners. Congratulations to our very own Holly Gough who has done a super job over the last year as part of the Business Services Team. Holly's hard work and dedication has certainly not gone unnoticed and the awards have provided a great avenue to give extra credit where it was due.

What's coming up?

- ◆ We are putting final touches on the 2014-15 documents: BEL Policy Handbook, Communications Plan, Delegations Manual and On Farm Manual. May is always a busy month of printing and collation!
- ◆ Preparations are underway for the End of Season Function and Welcome Day.
- ◆ Performance Review summaries are being started as we receive performance review documentation.
- ◆ Remuneration Reviews will take place in the first week of April.
- ◆ We are putting the last touches on the Farm and Consolidated Budgets which will go to the Advisory Board which are meeting in April.
- ◆ The Workplace Safety Plan is getting underway - watch this space!



(Above) Asanka Lakmal whom works at Kowhai Terrace on his wedding day in February, Congratulations Asanka



(Above) Workshop taken by Hamish Quinlivan about the use of Dry Cow Therapy at Cloverlea Farm on Tuesday the 25th March

## OUT AND ABOUT IN BEL GROUP



Andrea Barry helping out with some fencing



(Above) The effluent pond starting to take shape at Meadows Farm on Paget Road

## FROM PAYROLL & HOUSING



### Upcoming Stat Holidays:

18 April - Good Friday  
21 April - Easter Monday  
25 April - Anzac Day



### **Reminder About Applying for and taking Leave**

Just a friendly reminder that if you are intending to take any Annual Leave, and/or Lieu Days, (including leave of only one day), that these days must be **applied for using a Leave Request Form, and be approved before the leave is taken.**

### **MINIMUM PAY-RATE IS INCREASING:**

The adult minimum pay-rate is to increase from \$13.75 per hour, to \$14.25 per hour excluding Holiday pay, as of the 1st of April 2014. (New rate is \$15.40 including Holiday pay). Any BEL Group wage staff member who was previously being remunerated at the rate of \$13.75, will be automatically changed to this new minimum hourly rate of \$14.25. The first payment at the new rate will be made for hours worked during the fortnight ending on the 13th of April.

### **BEL GROUP FIREWOOD:**

Firewood is generally available to staff for a cost of \$20 per standard trailer load, which is deducted from your wages, upon notification to Payroll from your Operations Manager. This firewood is heavily discounted when compared to a commercial rate, and there is a limited amount of firewood available each year. This means that if there is no BEL Group firewood available, you will have to look elsewhere for supplies.

If you are wanting to purchase BEL Group firewood, you should see your Operations Manager so that the following can happen:

- ◆ You are able to organise the pick up the firewood from a location where firewood is best available.
- ◆ You can let your Operations Manager know how many loads you are wanting.
- ◆ Your Operations Manager will be able to inform payroll of how many loads you have picked up, and need to be charged for.

**NOTE:** Due to the generosity of BEL Group in providing an amount of firewood at this greatly discounted rate, any abuse of rules pertaining to the BEL Group firewood, such as on-selling it to someone else, or collecting of firewood without first talking to your Operations Manager may result in disciplinary action, or the unavailability of future stocks of firewood.

### **SMOKE DETECTORS IN BEL GROUP OWNED HOUSES:**

All BEL Group houses are equipped with smoke alarms. These are provided by BEL Group and as such, are BEL Group property, but you as a tenant are responsible for replacing batteries to ensure that the detectors are working properly, and are able to alert you to the danger of fire in your house.

- ◆ If you have a faulty smoke detector, or there are detectors missing from your house, please inform your Farm Manager as soon as possible so that a new unit can be purchased for you.
- ◆ Failure to have BEL Group provided smoke detectors fitted in your house, will show up on the quarterly housing inspection reports. So if you do not wish to be charged for a new detector, please ensure that all smoke detectors are in place at all times.
- ◆ Failure to leave working smoke alarms in your house when you vacate it, will result in a charge to replace the smoke detector, and or the batteries ( depending on what is missing).

**ON FARM WORKPLAN**

ACTIVITY	APRIL	MAY
<b>EFFLUENT (RECORD USE OF APPLICATION IN EFFLUENT DIARY)</b>	Effluent Irrigation Scheduled Calibrate Effluent spreader	Effluent Irrigation Scheduled
<b>FARM BUILDING MAINTANANCE</b>		Road fences repaired
<b>FINANCIAL</b>	Farm Budget Update	2014 budget approved
<b>HOUSE AND SECTIONS</b>	Lawns mowed weekly Clean gutters	Lawns mowed fortnightly Winter R & M
<b>MILK AND COLOSTRUM SUPPLY</b>		
<b>PEOPLE</b>	Remuneration Reviews Manager Plan 2014 Staff Orientation Remuneration Reviews completed	Performance Reviews Confirm plans for next season
<b>RAINFALL AND SOIL TEMPERATURE</b>	Daily Soil temp and rainfall	Daily soil temp and rainfall
<b>REPAIRS AND MAINTANANCE</b>	Fencing Drains and cleanings Re-fencing of crop paddocks	
<b>STOCK RECORDS</b>	Autumn Calving to MINDA BCS Herd	Tag Replacement Stock Pre mating heats for winter mating
<b>SUPPLEMENT &amp; FEEDING</b>	Feeding out Maize silage Review winter grazing plans	Feeding out maize silage Complete winter feed budget
<b>WEEDS (FLUSH GEAR WEEKLY WHEN IN USE)</b>	Drains sprayed	Gear serviced
<b>EVENTS/MEETINGS/REVIEWS</b>	Unit Managers Meeting DOT Meeting Senior Leadership team Meeting	Unit Managers Meeting DOT Meeting Senior Leadership Meeting
<b>CALVING</b>	Repair to calf sheds Colostrum to calves Dehorning	Check spring calving spread Spray sheds with ecosafe
<b>MASTITIS &amp; SCC</b>	No penicillin treatment of MT cows Zinc in troughs	Teat spray 14 days after last milking
<b>MINERALS</b>	Liver sample of 10 cows Mag dusting on WMF	Copper sulphate in troughs
<b>TREATMENTS</b>	DCT	DCT
<b>REPRODUCTION</b>	Order your tail paint supplies for Mating Winter milkers	Tail Paint all Winter Milkers RED
<b>SEASONAL RISK</b>	Milk Fever Facial eczema	Milk Fever and Nitrate poisoning
<b>STOCK MONITORING</b>	Monitor LW of Heifers at grazing BCS profile fortnightly	BCS Profile fortnightly Monitor LW of Heifers at grazing

**BEL GROUP****General Information**

	BEL GROUP CONTACTS LIST			
		PHONE	FAX	EMAIL AND POSTAL
General Manager	Campbell Chard	021 285 2629	06 858 9538	campbell.chard@clear.net.nz
Business Manager	Justine Kidd	021 895 878	06 858 8921	justine@jmkconsulting.co.nz
PA to Business Manager	Karin Klevfors	021 759 825		karin@jmkconsulting.co.nz
Business Services		All Invoices to 386 Mill Road, Takapau 4286		PO Box 63, Waipukurau 4242.
Business Services Manager	Rachael Riddell	021 759 178		rachaelriddell@live.com
Business Services Administrator	Holly Gough	06 858 8921		hollygough@live.com
Business Services Administrator - Finance	Nikki Johansen	06 858 8921		nikki-belgroup@vodafone.co.nz
Accounts	Andrea Barry	021 759 170		pabarry@xtra.co.nz
	Office	06 855 6596		
Engineering	Shane Mackie	021 285 3011		lisa.shane667@xtra.co.nz
	Sean Nairn	021 759 805		Deliveries to: Ashton Farm, 901 Burnside Road, Takapau
Veterinary Services	Hamish Quinlivan	021 759 784 0274 866 984	06 855 8975	hamishq@inspire.co.nz
Dairy Farms		All Invoices to 386 Mill Road, Takapau 4286		
Reigate				
525 Snee Road 340 Ha - 1050 Cows	Mike Oakly	021 759 156		mikeandkathy@xtra.co.nz
Operations Manager Ashcott Road	Doug Dolan	021 759 165		dougsfarm@farmside.co.nz
Ashton				
901 Burnside Road 600 Ha - 2350 Cows	Doug Dolan	021 759 165		dougsfarm@farmside.co.nz
Fairlea				
1056 Aschott Road 464 Ha - 1300 Cows	David Mochrie	021 759 154		themochries@xtra.co.nz
Operations Manager Ashley Clinton	Anthony Williams	027 627 8677		antwilliams99@hotmail.com
Hedley				
Ashley Clinton Road 200 Ha - 700 Cows	Chris Wroe	021 759 173	06 855 6442	bell.wroe@windowslive.com
Ellingham				
Ellingham Road 125 Ha - 400 Cows	Peter Borges	021 759 174		peterlucio@hotmail.com
Operations Manager Paget Road	Paul Phippen	021 759 162 0274 732 026	06 855-8062	paulhippen@gmail.com
Springfield				
408 Paget Road 330 Ha - 1200 Cows	Craig Chapman	021 759 164		chappies1@xtra.co.nz
Cloverlea				
680 Paget Road 288 Ha - 900 Cows	Shane Moses	021 759 616		smoses74@gmail.com
Kowhai Terrace				
603 Paget Road 368 Ha - 950 Cows	Reetesh Prasad	021 759 163		reeteshprasad@yahoo.com
Parkhill				
680 Paget Road 266 Ha - 900 Cows	Doug Maulder	021 759 161		tuitui@xtra.co.nz
Dairy Support		All Invoices to 386 Mill Road, Takapau 4286		
Dairy Support Manager	Peter Kroot	021 759 172		petekroot@gmail.com
AgWorks Manager	Jim Barnes	021 759 160		jim.barnes@xtra.co.nz
Dairy CHB - Turners				
705 Burnside Road 78 Ha - 400 Cows	Todd Cuttance	021 759 153		caroltodd60@hotmail.com
All Invoices for Dairy CHB to be mailed to 142 Porangahau Road, Waipukurau 4200				

All Invoices for Dairy CHB to be mailed to 142 Porangahau Road, Waipukurau 4200

## NEWS AND EVENTS

### LOCAL & INDUSTRY NEWS AND EVENTS

18th April– Vintage Car Club National Easter Rally

26th April– Waipukurau Boot Sale

4th May– Ranui Farm Park Open Day

31st May– Waipukurau Boot Sale



### BEL GROUP EVENTS

#### April

1st– SLT Meeting

2nd– Unit Managers Meeting

9th-10th– Lee Astridge W/S

16th– Feed Budgeting W/S

16th– DOTS Meeting

**18th– GOOD FRIDAY**

**21st– EASTER MONDAY**

24th– Staff BBQ at Ashton

**25th– ANZAC DAY**

**30th– SLT Meeting**

#### May

7th-8th– Lee Astridge W/S

14th– Unit Managers Meeting

15th– DOTS Meeting

22nd– End of Season Function

23rd– SLT Meeting

#### June

**2nd– QUEENS BIRTHDAY**

4th– Unit Managers Meeting

11th– Staff orientation day

18th– DOTS Meeting

26th– Staff BBQ at Ashton

27th– SLT meeting

### ACC

If you have need to go on ACC for any reason it is important that you quote “BEL Group” as your employer **HOWEVER** if you work for any of the Longrow farms - Parkhill, Cloverlea, Kowhai Terrace or Reigate you will need to quote

### WEBSITE LOG-IN

All staff are welcome to access the BEL Group Website and resources. Should you require a login and password, please contact the Business Services Office on 06 858 8921.

You will need to have an email address to have





**BEL GROUP VISION** Setting the standard for dairy farm business management

**BEL GROUP MISSION** We grow our business and support the aspirations of those who work with us.

BEL Group provides secure, enjoyable employment and growth opportunities by sustainably and repeatedly producing 900kgMS/ha over all BEL Group farmed land with an operating margin of >35%.

As at June 2013 this equates to 2.9million kgMS from 3250ha.

PO Box 63, WAIPUKURAU 4242

[www.belgroup.co.nz](http://www.belgroup.co.nz)

[www.facebook.com/BEL Group](https://www.facebook.com/BELGroup)

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**Veterinarian**

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Hamish Quinlivan

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**Turners**

Todd Cuttance 021 759 153

**Operations Manager— Ashcott Road**

**Doug Dolan** 021 759 165

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Doug Dolan 021 759 165

**Fairlea**

David Mochrie 021 759 154

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**Springfield**

Craig Chapman 021 759 164

**Kowhai Terrace**

Reetesh Prasad 021 759 163

**Parkhill**

021 759-161  
Doug Maulder

**Cloverlea**

Shane Moses 021 759 616

**Operations Manager—Ashley Clinton**

Anthony Williams 027 627-8677

**Hedley**

Chris Wroe 021 759-173

**Ellingham**

Peter Borges 021 759 163

**DAIRY SUPPORT**

**Manager**

Peter Kroot 021 759-172

**AgWorks**

021 759-160

## Be Responsible

Take personal responsibility for the results and outcomes we achieve.

Seek better ways to do things.

When things go wrong put your hand up for help.

## Performance Counts

Focus on the end point then the process.

Monitor and respond to results.

Know what your targets are, have a plan to achieve them, adapt the plan to get the result.



## Improve As We Go

Plan - Do - Review

Seek and accept feedback about ourselves.

Look for opportunities to do things better - more efficiently, better results, better team work.

Don't settle for the status quo - if you have an idea, ask the question.

## Work Together

Share information to help each other achieve individual and collective goals.

Be ready to help your neighbour.

Assume others are doing the best they can - when it goes wrong talk it through.

Know your job, make an effort to understand other peoples.