

NOTE – THIS IS A CUT DOWN VERSION OF OUR NEWSLETTER, TO IMPROVE DOWNLOAD SPEED. FOR THE FULL VERSION PLEASE CONTACT YOUR MOSES AND SON OFFICE

Message from the Managing Director

It does not seem that long since we published the last newsletter but as they say- "time flies when you're having fun". Reflecting on what has happened since the last newsletter:

Moses and Son conducted a successful and valuable client satisfaction questionnaire to over 400 clients.

6 mulesing seminars were conducted, attracting 270 wool producers

Introduction to a new animal health initiative with Anthony Shepherd and

Moses and Son continue to look forward to ways to add value and profitability to your operations despite the global credit crisis.

Moses and Son invite you take a few minutes to read the spring newsletter compiled by business support officer Lucy Hicks. Once again she has excelled in compiling this publication.

Market Update: The last few weeks have had many wool industry people looking for answers to why the wool market has reacted in the manner it has. Put simply, the lack of confidence in global financial and economic fundamentals have crippled credit facilities, and as we know, the extensive wool pipeline survives on credit. Whilst there are reports of a reduction in demand for wool based on the global slowdown in retail, the limiting factor will continue to be sourcing credit. In fact there are reports that we are on track to sell more wool than we anticipate to produce in the upcoming fiscal year.

Whilst the currency exchanges were relatively stable this week, over the past 3 months in US terms wool has fallen 38% or approximately 313 USc. In effect the fluctuating currency has devalued stock held by processors, especially the larger Chinese combing mills. Buyers normally finance the shipment to 180 days, and are now struggling to source credit facilities to continue this funding, and the last thing they want is to be in China renegotiating contracts down. At the point of this report exporter principals are currently in China negotiating new business and unfortunately at discounted prices. Whilst the market looks pretty awful at present there is little news on the horizon that would alter this bearish view on the world's fiscal problems. The \$54m questions for wool producers are: Sell or Hold for wool already shorn; Hedge or hope for 2009 clip? I think the take home message is that "in a credit crisis it would be prudent to secure the cash". *Marty.*

Client Satisfaction Survey

Moses & Son places great value on feedback provided by our clients. In June-July '08 we conducted a customer satisfaction survey. The survey, sent to over 400 clients, aimed to gauge the level of satisfaction with Moses & Son service, information and products.

While very happy with the results of the survey, we also discovered a number of areas in which we can improve our service and information flow to our clients. A summary of the results is as

follows:

92% of respondents rated the level of service and information from our technical staff as good or very good.

More needs to be done to make clients aware of the services available through Moses & Son (for example, risk management, animal nutrition and now animal health consultations, see pg 2).

More clients have been receiving the market report, and value the information, however few of our clients visit our website (31.8%).

86.5% of clients surveyed responded that they rate the overall level of service delivered by Moses & Son as good or very good.

This information is invaluable to Moses & Son and is used to set performance targets for our business, and most importantly improve our service to our clients. Moses & Son will continue our commitment to continual improvement and offering you more for your money. We would like to thank those clients that took part for their invaluable and detailed responses.

If you have any comments on the service and products you receive from Moses & Son please feel free to contact us at any time.

Animal Health – Impact of Grass Seeds

Anthony Shepherd - Shepherd Operations

Greetings to all and welcome to my first article on animal health issues. I have taken on an alliance with Moses & Son due to the need for advice on animal health matters. I look forward to a long and fruitful relationship and to assisting Moses & Son clients get the most from their sheep. A brief history of myself. I grew up on a mixed farm on the western side of Crookwell NSW, breeding merinos, 1st cross ewes and Angus cattle. I attended Orange Agricultural College in the late 80's and then worked at Roseville Park Merino Stud, Dubbo and Nap Nap Station, Hay. I then turned my hand to mobile crutching, running my own mobile crutching business out of Wagga Wagga for 5 years. Following this I became involved in The Bioclip Wool Harvesting Company helping to develop the technology from the ground up. It is because of this last 10 years involvement with Bioclip that I have built experience in the field of animal health, which is crucial to the success of using Bioclip.

The area that is close to my heart is the first 12 months of a lamb/weaners life. I always hear, especially regarding merinos, that weaners are always looking for an excuse to die. The way I look at it, if we can take away some of those excuses for weaners then isn't it a good problem having a higher % of weaners left after 12 months?

So the topic I wish to touch on today is grass seed.

As I write this article grass seed, be it barley grass, spear grass and/or wire grass, may be infecting your sheep and causing a negative impact on your wool production factories (your sheep!). Many sheep in the reading area would be weaned in August/September (at 12 weeks old), so now as a 4/5 month old merino weaner, they would be going into a potential grass seed problem. It is especially important up to the first 5 months of their life, as they are in their final stages of setting their secondary to primary wool follicle ratio (S/P ratio). Any severe stress can affect the lay down of the S/P ratio. The lower the number of secondary fibres to the primary wool fibres, the lower the density of wool on the sheep. A lower density will produce a lower wool cut long term. The genetics may have been there to realise a higher S/P ratio but due to a stress (grass seed) the potential isn't reached. What else does grass seed do? Grass seed can cause **death** to weaners, through fly strike (grass seed punctures skin, causing weeping and abscesses), tetanus and bacterial infection.

When a merino weaner is dealing with a stress (like grass seed infection) other important areas such as wool growth and weight gain are put on hold while the animal diverts its energy to fight the stress of grass seed. This is costing you money. Additionally, grass seed infection affects the value of your wool clip with higher VM and stain from infected fleece (see the photo above).

In the last 2/3 weeks on farm with clients, I have found evidence of continual increasing problems with grass seed in weaners' eyes. This indicates to me that if they are getting grass seed in the eye then the body is in the early stages of being infested.

Be aware of the problem and if you haven't already, get your weaners into clean paddocks if possible. If the problem is unavoidable then maybe the only short term solution is to shear/Bioclip the weaners. We can avoid grass seed problems by setting up long term management solutions. We will address this with workshops for next season.

For further information please contact your Wool Technical Officer. Remember "prevention is better (and cheaper) than a cure".

Anthony Shepherd from Shepherd Operations can be contacted through your Moses and Son Wool Technical Officer.

Severe Grass Seed Infection

The weaner in these photos was bioclipped in December around Cumnock, Central NSW. A picture tells a thousand words! Ask yourself, "does grass seed affect the development of young merino weaners?" This is avoidable.

Note: if the weaner was mechanically shorn the grass seed would be cut in half leaving the head of the grass seed in the skin, which would look like black spots on the sheep. The other half of the seed would be in the wool.

¹Source: Bruce Hancock and Heidi Schuster (Nov 2004) MLA Winning against seeds

A guide to completing The National Wool Declaration (NWD)

The National Wool Declaration (NWD) has been in use since July this year. The NWD allows for information on mulesing status, dark & medullated fibre risk and chemical residue status to flow through to the buyer and the end stage processor.

However, if the NWD is not completed correctly it is useless. So, here are the top ten things to remember when completing your NWD.

1. Take care to ensure the mobs and bale numbers match the Classer's Specification. This assists when the clip is being entered and the status is applied.
2. Make sure all bales are included in the declaration! If you declare for the vast majority of your wool, but accidentally miss one or two bales, lots containing these bales will be not declared.
3. Remember that the owner/manager **MUST** sign the declaration in order for it to be valid. Moses & Son staff will contact you if we receive a NWD that has not been signed.
4. The NWD is applicable to **ALL BREEDS**. There are many crossbred growers with non-mulesed sheep, so why not declare it?
5. Ceased mulesing (CM) is a property level declaration, that applies to any property on which surgical mulesing is not conducted. For example, a breeding property that has stopped or a property that only buys sheep in and does not mules any on farm.
6. Better Choices is a quality scheme, and can be declared in the catalogue and in your brand on all of your lots, however PR (Pain Relief) can only be declared on the NWD to

- mobs that have actually received pain relief when they were mulesed.
7. Moses & Son can't complete the declaration for you! If your declaration is incomplete or incorrect Moses & Son staff will contact you to complete it correctly, as we can not make a declaration on your behalf. However, all Moses & Son staff can assist you with completing your NWD.
 8. The declarations will be audited at a rate of 2%. A false declaration will have commercial consequences.
 9. The mulesing status you receive is printed in the sale catalogue, and also on the test certificate of your wool, so this information is available to buyers and processors.
 10. If you have **ANY QUESTIONS**, contact your Moses & Son Wool Technical Officer or anyone at your local branch and they will be happy to help.

Mulesing Seminars

In July, Moses & Son hosted a series of seminars aimed at informing our clients about the challenges, changes and options for Mulesing in the future. The seminars were well attended, and it seemed that the vast majority of those attendees came out of the seminar with a more positive outlook on this crucial issue.

The key presentations of the seminar related to:

- The alternatives to mulesing currently being developed and what retailers are saying;
- Pain relief for mulesing;
- Declaring your mulesing status;
- Improving your sheep's profitability through the right genetics, and;
- Testing your sheep for worms.

Moses & Son are committed to providing free seminars to our clients that address the crucial issues at the time and provide an opportunity to improve your profitability and production. Currently we expect the next series of seminars will be held early in the New Year.

When surveyed at the seminar, 100% of respondents rated the seminars as good or very good!

Maiden Ewe Competitions 2009

The Annual Moses & Son Temora Maiden Ewe Competition will be conducted on the 6th of MARCH 2009, with the Bruce Moses Memorial Shield once again up for grabs.

The competition will cater for both short and long wool sheep, and the sheep will be side sampled and weighed on the day by Craig Wilson.

For more information, or if you would like to participate in the Maiden Ewe Trial in 2009 please contact your Wool Technical Officer.

John Wiencke	0428 695 943
John Nixon	0428 437 069
Andrew Miller	0427 432 650

The West Wyalong Maiden Ewe Competition will be held at the end of January 2009. More details will be available closer to the time of competition.

For more information, or for entries, please contact your West Wyalong WTO.

Ross Loudon - 0428 664 647
Ralph Clarke - 0428 237 437

Zero Classing Has No Class With Exporters

By Andrew Miller, Wool Technical Officer

You may have read the letters published in The Land a month or two back, that were penned by wool buyers in regards to a certain brokering house and an individual representing that house. The crux of the original letter involved returns on wools which were not classed or skirted and how growers were saving money, according to the broker, going down this track. With so much market uncertainty, unstable currency and a sick world economy, it comes as no surprise that we still get queries as to the benefit of the "No Skirt - All In" type of preparation.

Whilst I fully understand growers looking for cheaper alternatives in the current economic climate, my advice is simple Don't !!

Now, before I start to sound like I am just bashing some of our competitors and taking the moral high ground, I will explain the rationale behind my comments.

Back in the 1990's a private company consisting of woolgrowers based on the Tablelands, came up with a scheme of midside testing fleeces and putting together container loads of wool based on these tests. These wools were classed on the midside result, were not skirted and the belly wool was put in with the unskirted fleece in the bale. Most importantly, there were very tight parameters placed on the wools to become eligible for this scheme, i.e. very low to little VM. Remember; these were tableland types which were going direct to a mill which dictated the specifications before any fleece was shorn.

Fast forward a few years and this company is sold to a large woolbrokering house. The next thing we know, this product is pushed NSW wide. Volumes of these wools starts to rise along with the ever alarming VM contents of these wools and the whole thing is on the nose with most of the export trade.

Time passes and segments of the market seem to be accepting of this form of preparation, in particular the crossbred and XB lamb market. There was one change, getting rid of the belly wool from these lines. Before I sound like I'm on the pedestal, Moses & Son has advised on, and sold, a number of these clips in the past. As stated earlier - segments of the market were accepting of this and this was reflected in the price received by growers.

So, what's changed? In a nutshell Demand.

Its no secret that world textile markets are bearish (sorry to use a cliché, but using the word 'depressed' sounds too damn depressing). Throw in an Australian dollar that's like my kids on a trampoline and we have a wool market which is uncertain. This uncertainty stems from a huge fall in the AUD which has left buying houses shipping wools which are relatively dear compared to those purchased with the AUD at 61 cents. "So what?" you say, "that's trading for you". The problem arises that this places greater pressure on exporters, mills will reject dearer containers or will discount these containers on the grounds of poor preparation etc in order to claw back some of the price differential. **Exporters I have spoken to say unclassed or poorly classed lines are the last thing they would consider shipping at this point in time.**

As one large exporter recently said "We are just not willing to take a risk with unskirted/unclassed wools. Given that credit is hard enough to come by, we will not take a chance exporting these types only to have them rejected by the mill and end up doing our backside" (he actually used another word but you get my drift).

For any further information please contact Andrew Miller on 0427 432650.

Stain and flyblown wool

It might seem a little strange that anyone would want to write about something as trivial as fly blown wool, however read on, we may be able to save you from a hefty discount or costly re-handling fees.

The task of removing stains at shearing or crutching is a time honoured practice that is required to meet the Code of Practice for classing Wool in Australia. Over the past year we have noticed that there has been an increase in the amount of fly blown wool appearing in the shearing stain lines.

Whilst it would be seem logical to put all the s%#t wool together it can impair the competition severely and reduce prices up to half the value. Invariably the wool removed from flyblown sheep is usually damp which creates another problem known as spontaneous combustion more commonly experienced in damp hay bales.

So a message from the Moses and Son warehouse Managers: Greg Williams; Ivan Coggan; Trevor Nixon and Paul Curtin; "let the fly blown wool dry and keep it separate from all other wool types". In this tough economic environment every cent will count!

Wool Shed clean out and Wool buying service

Don't leave bits of wool around the shearing shed for the rats and birds to nest in!

Missed consigning your bulk class bales? Want to cash in your lambs or crutchings?

| On farm pick up | Door sales @ Temora |
| Prompt Payment | Friendly Service |

Call Sid Stanmore 0428 692533 or 69774314

Have you subscribed to our **FREE** weekly wool market reporting service??

Moses & Son offer a comprehensive and up to the minute market report available to clients via the website and a free weekly fax service. If you wish to view the market report on the web site go to www.mosesandson.com.au.

If you would like to be added to the weekly email or fax list simply call the office or just send an email to: lucyhicks@mosesandson.com.au