

**MINUTES OF WORLD HEREFORD COUNCIL MEETING HELD IN
ARMIDALE, NEW SOUTH WALES, AUSTRALIA. MARCH 29TH 2004
DELEGATES BUSINESS SESSION MEETING**

Item 1.

The President of the of the Australian Hereford Society, Mr. Ian Galloway, extended a warm welcome to all in attendance. He firstly announced the observers and guests in attendance:

Mr. Warren Clark - General Manager Designate of the Australian Poll
Hereford Society Ltd. as from June 2004
Jan Wills – New Zealand
Ian Watson – Hereford Prime Australia
Laurie Patterson and Jeff Brown, New Zealand.

Item 2.

Introduction of the WHC Member Countries, their Delegates and Advisors

Each of the countries introduced themselves. The list of the World Hereford Council Members were as included in the Business Papers for the meeting.

The Presidents of the Australian Hereford Society and the Poll Hereford Society welcomed all members firstly to Australia. Mr. Galloway commented to the delegates that the Australian Hereford breeders were passionate about their cattle which were a dominant force in Australia and the white-faced cattle still command 20% of the Australian purebred cattle population. Lynn Vearing said that he was pleased to see the distance that people had travelled to attend an event that was so important to the Hereford Association. He said that it was still necessary to work on the positives about the breed.

Item 3

Approval of the Business Agenda

Moved by United States (RIAG Huffhines), seconded by Argentina (Maximo Ayerza) that the Business Agenda be approved. Carried.

Item 4

Review of the Voting Procedures

Duncan Porteous referred to the ballot – tab 10 – Each member country – all countries sitting there were current members with the exception of Chile who are Observers and also Mexico – the remainder of the countries were considered to be full-fledged members. The voting rules are as per the Constitution:

“Voting to be on a country basis, each country to be entitled to four votes. In the case of a country that has two separate Associations the four votes will be shared between them”.

Item 5

Adoption of the Minutes of:

13th World Hereford Conference, 29th March, 2000, Buenos Aries, Argentina
14th World Hereford Conference Planning Meeting, 17th & 18th March,
2002, Armidale, Australia.

Duncan Porteous advised that there was one correction in the minutes of the Planning Meeting held in Armidale – Mr. Nils Valle of Norway was omitted from the list of participants so this had to be added to the minutes.

Moved by Bill McIndoe, seconded by Don Richardson that the minutes of the first meeting be adopted. CARRIED.

MOVED L. Feeney, seconded Andrew Mackay that the minutes of the Planning Meeting be adopted. CARRIED.

Item 6

Business Arising from the Minutes

Point 1. Common international animal registration and animal ID numbers

Duncan Porteous referred to the technical report prepared by Stacy Sanders to be reviewed and discussion was welcomed on this.

Ian Galloway said that the situation was that there was a need to approve that this organization move towards an international numbering and tagging system.

Lynn Vearing - The Australian industry was being forced by the Government to use the electronic tagging system in the ear. This will be mandatory in Australia.

United Kingdom – Michael Church (replacing Richard Bradstock) – with the EEC system already have a system which is unique to every animal a passport for each animal with each country having a country code.

USA – Craig Huffhines – the original goal of having a unique international identifier was for the purpose of cross-continent evaluations. USA are well on their way of moving in that direction and the scientists at ABRI and AGBU feel that there are ways in which we can cross-reference the respective databases without introducing an additional data field and management field within our respective databases.

Argentina – agree with USA

New Zealand – going the same way as Australia. Perhaps a country suffix relating to the country they come from could be used to recognize which country they are from.

Larry Feeney, Ireland – Where part of the problem has arisen when semen was moved from the country of origin to a new country they were given a new identity. It should be recorded with the country of origin id.

Propose that the identification used when semen or animals are moved is the id of the country of origin and that the id not change when the animal leaves its home site. The animal name

General discussion followed regarding the various problems in each country regarding identification.

Larry Feeney spoke to the motion – At the moment we can accommodate the EU id system which is that each country in Europe has a couple of letters in front of the number – the herd is identified by the number of digits at the beginning of the number and the last 6 digits identify the animal.

Pablo Zerbino (Uruguay) this situation here is not a decision for politics but rather a technical decision. Daniel Musi (Argentina) felt that this issue could not be addressed without appropriate time for implementing the system. Some of the system could not be adopted from just a fixed date – a time of perhaps 2-4 years to reach the same point of time in the different computer systems.

Amendment to the proposal: Lynn Vearing (Australia). In principle this is the right way to go but until the technical advice or data to implement this feel that to put a motion through that cannot be implemented because of technical difficulties cannot be done.

The President referred to the motion and put it to the meeting as follows

Moved by L Feeney (Ireland), seconded by David Morrow (New Zealand) that the identification used in the country of origin i.e. name and registration also be the same identification used by the importing country database and this proposed for approval at the 15th World Hereford Conference. CARRIED.

Bill Dangar (Australia) felt that there needed to be some authority to investigate each countries identification programmes and then progress with the proposal. Daniel de Mattos (Uruguay) agreed with the proposal but said that this was not a trivial situation here, as it was not just changing the software to allow for a longer or shorter number to be recognized. Each country has to do research on the historical database changes.

Moved Daniel de Mattos (Uruguay), seconded by Horacio La Valle (Argentina) that ABRI be asked to suggest solutions to be implemented by each country.

Point 2. Goals and Objectives from 2000 Conference

Duncan Porteous referred Delegates to the Objectives and Goals: saying that some had been achieved, some were in progress and some had to be dealt with:

Objectives:

1. To assure the herd books of all member countries are in order and properly record the ancestry of the breed
2. To increase the popularity of Herefords and Hereford influence cattle

3. To encourage all countries raising Herefords to be active members of the Council
4. To encourage and facilitate worldwide trade of Hereford Genetics
5. To encourage communication and co-operation between all member countries so that the Hereford breed's popularity and genetic influence will continue to grow worldwide
6. To be a resource center and provide, through the use of the World Hereford Council Website, the opportunity for producers to source the genetics and the management information they require to help them raise a quality product more efficient.
7. To encourage more applied research including identifying of genetic markers and sharing of this information in order to provide our members with improved selection tools
8. To create a stamp for the WHC as certification of all branded beef programs
9. To help develop an international carcass EPD program for countries working with branded beef
10. To expand the role of the council and generate revenue through sponsorships, endorsements and services

Goals:

1. To have at least a 3-continent genetic evaluation available to our producers by 2004
2. To have all countries exporting Hereford beef establish a common nomenclature that identifies the country of origin and the eating quality specifications
3. To have all countries transferring data, documentation and other relevant information by Internet
4. To have some genetic markers for identifying various abnormalities and for meat quality for our consumers by 2004
5. To have at least 60% of the members using a unique international numbering system
6. To encourage all countries to share their research that is beneficial of the breed and the producers
7. To have all countries using predominantly DNA Genotyping for parentage qualifications by end of 2002
8. To have the communiqué Global Horizons posted on our Website (www.herefords.com)
9. To expand the 2002 planning committee meeting to include reports from various Council working committees
10. To generate new sources of revenue through new services, sponsorships and special activities

Responsibility:

1. The World Hereford Council and its members are ultimately responsible for assuring that the breed is achieving its greatest potential
2. Assuring that all breeders have access to the tools and information, that can assist them in

- a. Providing the beef production chain with optimum efficiency
- b. Provide the consumer with a healthy and enjoyable eating experience, every time
3. To encourage all segments of the industry i.e. cow calf producer, feeder, packer, processor, and consumer to be considered an integral part of our business.
4. To provide encouragement and leadership to all Hereford producing countries
5. To facilitate open and continuous communication.

Mr. Porteous said that in the goals No. 8 was not achieved and he apologized for that.

The President, Mr. Galloway, referred to these Goals and Objectives and said that these would be left on the table for discussion later in the meeting for additions or deletions.

Item 7.

Audited Statement for 2000-2003

The Chairman asked Duncan Porteous to go through the Financial Statements.

Mr. Porteous said that the Auditors Report stated that there had been a clean audit. He referred to the Statement of Income and Retained Earnings for the four years.

The Administration expenses are basically the salary paid to the Secretary General of the WHC. Professional fees are the accounting fees. The Office fees were for a new computer purchased. Travel in 2000 was the traveling to Argentina and the 2002 was the traveling to come to Armidale for the planning meetings. The equity at the end of 2003 was \$26594 – Canadian Dollars.

In reference to Balance Sheet – at the end of 2001 money was invested. Accrued liabilities for 2002 were some salary not paid in the previous year and accrual of the audit fee. Unearned revenue – countries paid in advance.

John Cameron (United Kingdom) in regard to the nature of the investment equity we have to accept that at certain times the rate of investment returns will be low but need to have this investment in a secure stock.

Duncan Porteous advised that it has been the policy of the Secretary General to invest in safe securities and said that Lynn Vearing as Chairman of the Finance Committee will deal with this issue.

Moved Canada (Don Richardson), seconded USA (Dale Venhuizen) that the audited Financial Statements be approved. CARRIED.

The Chairman asked Mr. Lynn Vearing to report on the WHC Finance Committee meeting held on 27th March, 2004.

Mr. Vearing referred to Point 2 on the supplementary sheet for the Finance Committee – *Future Role of Finance Committee – Moved by Don Richardson,*

Seconded by Lennart Andersson that the Finance Committee act as Executive Committee through to the next Conference. The Secretary General will report regularly to the Executive Committee. All financial matters are to be approved before payment by the 15th Conference Chairman/Organizing Chairman.

This motion was put forward at this stage there was no security in what could be paid out. Don Richardson spoke to his motion, which was to alleviate the worries of the Secretary General in relation to having someone else responsible for initialling the invoices etc.

Larry Feeney (Ireland) referred to the Constitution that all Committees should be disbanded at each World Hereford Conference.

Mr. Porteous said that the Finance Committee were aware of that but they were proposing that the Secretary General is reportable to a group of people on an ongoing basis, whereas at the moment because delegates etc change over the period there is no reporting procedure in place. However, Mr. Feeney is correct in regard to the Constitution

Lynn Vearing commented that perhaps a way around this would be to keep the Organising Chairman from the previous Conference as the check balance until the new one is appointed.

Mr. Feeney agreed that it should be either the Organising Chairman of this Conference or else the Chairman of the Organising Committee for the next conference.

John Cameron (UK) totally agreed in principle that there should be authority to support financial transactions undertaken by the Secretary General, however there has to be some flexibility for the Secretary General to have authority up to a certain limit, which the Finance Committee could decide upon so that he can take that action on his own initiative. The general responsibility should be shared by a Committee but it should not be tied down to make transactions difficult to progress.

Following discussion, the motion was put as:

Moved by Don Richardson, Seconded by John Cameron that the Finance Committee act as Executive Committee through to the next Conference. The Secretary General will report regularly to the Executive Committee. All financial matters are to be approved before payment by the 15th Conference Chairman/Organizing Chairman. CARRIED.

Items 3 and 5 would be covered in the Budget Session.

Item 4 – Members Eligible to Vote

Moved Don Richardson, seconded Pablo Zerbino that all countries who have paid subscription fees for 2000 to 2004 or who have committed to pay their “Subscription Fees” are eligible to vote at the Delegates meeting.

Don Richardson commented that in the budget that accounts receivable do not include the payment from the member countries that haven't paid. Duncan Porteous confirmed that subscriptions are done in December and these are due 1st January but these are not booked as a receivable.

Moved by Don Richardson, seconded by Dale Venhuizen (USA) that all countries who have paid subscription fees for 2000 to 2004 or who have committed to pay their "Subscription Fees" are eligible to vote at the Delegates meeting. CARRIED.

The Chairman asked that the Delegates break the meeting to hear the presentations from the applicants for the Secretary General's position.

Jan Wills addressed the Delegates commenting that Herefords were her family's choice of beef cattle. She said that she was responsible for the administration of their family cattle business and was very fortunate to be elected to the New Zealand Hereford Association and then some years later honoured to become President of that Association. Mrs. Wills said that we needed to make the most of the advantages of Hereford cattle for the benefit of the Hereford breeders.

The challenge for the Council is to promote and market those advantages, to give a competitive edge to the Hereford breeders. This is the same challenge facing every Hereford Society in the world today. At the Conference it was emphasized the importance of branded products. Branded Hereford beef products are the ultimate beef eating experience and the success of the breed will be closely linked to the success of branded Hereford beef. Mrs. Wills said that she saw an exciting future for registered Hereford breeders and their cattle with research and technical progress enabling breeders to be more selective in their breeding programmes. She felt that the importance of combining our resources cannot be underestimated and that electronic communications will link us together with a speed never before envisaged and that this is a key component to the ongoing growth of the world Hereford organization.

Craig Huffhines then addressed the Delegates. Mr. Huffhines gave a general background of his initiation into the American Hereford Association. He studied meat science at Colorado State University where he learnt that Hereford cattle inherently had the ability to produce a very consistent and tender product. This was back in 1990 and branded beef was not fully off the ground except for Certified Angus beef.

He said that some of the old traditions and restructured the USA Hereford Association. The Association has now developed strategic plans that are producer driven, a record system that is user-friendly and are now working on international evaluations which will benefit us all and the branded beef programme has been growing at a rate of 50% per year over the past 3-4 years. This year they will record approx. 250,000 carcasses certified through the programme. The AHA vision is to get that branded beef movement and there are two things that our respective organisations deliver to our members and these are the database being our key marketing product and then the branded beef.

Strategies for the World Hereford Council will be to continue to communicate amongst us regarding those two key items, international genetic evaluation and branded beef.

The Chairman extended thanks to both applicants for their presentations.

Meeting adjourned for a short coffee break at 9.40 a.m. and reconvened at 9.50 a.m.

Item 8

Creating a demand for Hereford influence cattle/Domestic and international market opportunities

Panel – **Dr. Pablo Zerbino** (Uruguay) gave a Powerpoint demonstration on marketing as a Producer and as a Society. He gave the main figures of the cattle industry as follows:

- 11.5 million head of cattle
- 3.2 Million people
- 75% purebred commercial Hereford
- 60% of the beef produced is exported
- Beef consumption 63 kg/capita/year

Cow/Calf highlights:

- 4 million commercial cows
- 67% weaning rate
- 27000 bulls replaced each year – 4500 Pedigree Hereford Bulls with / EPDs
2500 Superior non-pedigree Hereford bulls
- Bull sources – National shows, private auctions, private treaty, Kiyu
- Bull utilization – Studs, Multipliers (for sale and own use), Commercial herds.

KIYU Hereford Bull Performance Test Station

- 28 years of technology innovation and adaptation for the beef industry
- Launched platform of the Hereford Society for technology demonstration
- Ranking bulls on soundness, EPDs and performance on the pasture based test
- Kiyu Bull auction reference the bull market each season

Marketing as a producer

- Utilization of objective information in the shows, auctions and at the farm level own herds offering certified bulls
- Participation in regional, national and international shows
- Consumer oriented marketing solutions
- Concentrate marketing efforts in a major sale during the season

Marketing as a Society

- Programs developed for the Hereford breeder:
 - Nationals Cattle Evaluation since 1969
 - EPDs program since 1993
 - International Hereford Evaluation since 2001
 - Certification of commercial bulls and heifers, the “H” brand

Central Performance Test Station]

Youth Programs

Cattle sale system developed in 1999 by Hereford:

Implementation of “on screen” virtual sales with national TV Cable coverage

National certification by the society of cattle for virtual sales

2 virtual auctions/mo with 350000 head in average

Increased revenue and reduced costs for the producer

Allowed investment from outside the sector by developing a reliable marketing tool

Strategic Partners – INAC

INIA

Colorado State University

University of Georgia

SGS (Certification Company)

RMS

Commercial Partners – supermarkets

Thanks were extended to Pablo

David Prothero – United Kingdom

Historically in the UK have until recently concentrated most of the marketing and promotional activities on the production end as seedstock producers coupled with some input on the commercial of the breed and its process. Back in the late 1960s it was evident that most material produced in relation to beef production in the UK revolved around the Hereford and as a result was used in the 1970s and early 1980s as one of the main marketing tools of our competitors using the Hereford as a benchmark

This put tremendous pressure on the Hereford breed and did so for many years and trying to counteract this negative publicity has only been successfully overcome of late but only as the commercial sector. Producers had to find out for themselves what Hereford breeders were claiming to be the benefits of using our breed was actually true. It is extremely important to use every means available to keep the profile of the breed in front of that potential customer base.

UK Hereford has also been forced to take a more pro-active stance on the end production and that is Hereford Beef. Entering this part of the market chain has been very difficult mainly in trying to identify a suitable outlet on a national basis, which came in the 1990s in a marketing scheme to supply Hereford beef to a small prestigious supermarket chains. As a result the profile of the breed has been considerably enhanced. Marketing is now from farm gate to plate. Revolving around the end product the main problem that we face is consistency. To be successful in marketing we need a product with a greater degree of consistency. It is the variability of the breed, which causes the most problems. Need to see a greater effort from the seedstock end of the chain in producing a consistent type. Until this is achieved no amount of marketing and promotion will in the long term be successful.

The electronic means of relaying our message is certainly becoming more important with a rapidly increasing use of the computer network in seeking out information on our breed both from the pedigree and commercial sectors.

Thanks extended to David Prothero.

Don Richardson (Canada)

As an Association we must position our breed in the most desirable light so as to attract both commercial and purebred participation. As an Association we are responsible for the generic Hereford advertising the type that defines the what and the why. The what being the Hereford cattle and the why defining the benefits that Hereford cattle can bring to any operation. The message must be national in scope. The message must be used to build confidence and pride amongst our members. When breeders are proud of their advertising programme it helps build unity, confidence and optimism within the breed. The attitude of members carries over to positive sales.

The national body must be responsible for the development of these marketing tools so that breeders can sell their product both home and abroad. Electronic media is very important and a web site is necessary.

How do we create a market as a breeder?

1. Identify your product (bulls or cows)
2. Identify the market (local or national)
3. Give product an identify (herd or farm name)
4. Participating in field days and shows, sponsorships and youth
5. Advertise to the buyers direct
6. Direct contact marketing
7. Essential for breeders to use Internet
8. New members are essential for continuation of the Association – breeders must sell memberships
9. Retain your customers

Thanks to Canada for their presentation.

Bruce Robinson (New Zealand)

Four years ago the New Zealand Hereford Association set up a strategic plan.

Marketing and promotional initiatives

1. A major focus for the New Zealand Hereford Association is the marketing and promotion of the breed i.e. the active marketing of NZ Hereford genetics and live animals.
2. To target superior and well respected Rural Journals and newspapers on a regular basis
3. Annual NX Hereford's magazine and the member newsletter

4. To co-ordinate on an annual basis, a series of on-farm Beef Field Days targeting the commercial beef industry. Incorporating well-respected and informative industry related speakers
5. Promotional NZ Hereford static displays are available from the Association for all major cattle events/private bull sales throughout New Zealand
6. Hereford Prime promotional focus - this is a huge focus for New Zealand Herefords
7. Hereford Dairy Beef Semen marketing initiatives to promote the sale of suitable Hereford Dairy Sire semen to the NZ Dairy industry in which we are market leaders.
8. Working in conjunction with New Zealand Agresearch companies to identify gene marketers that will offer New Zealand Herefords a marketing edge over our competitors i.e. tenderness and milk
9. Developed business partnerships with two major agrisponsors at a national level
10. National beef Expo encompassing four major breed is seen as the most high profile event on the NZ beef calendar
11. Website this is regularly updated and this tool has taken off – Internet Solutions through ABRI

This is a basic overview of what New Zealand Hereford Association has set up as their marketing programme.

Ian Galloway – Australia

Here in Australia we have 24 million head of cattle and 19 million cattle. 55% of our product is exported. Basically the Australian situation was in the early 1900s was that it was a Shorthorn herd. The Herefords came into Tasmania in the 1870s and built up and the Hereford cattle took over from Shorthorn right through until this day. The Shorthorn numbers are back to about 4% of the national herd and today we need to watch in temperate Australia the Angus cattle because they have taken over much of our market share. They have lifted from 3% to 10% of purebred cattle and are still on a roll. This extends to the Japanese market and they require marbling and the Angus cattle marble better than the Hereford do and the Shorthorn marble better than Angus and the Wagyu cattle marble even better.

We need to make sure that all steers marble 2 or better because Korea and Japan which is about 14% of our export market require marble score 2 or above.

Looking at the national scene, 55% of the nation's cattle are in Northern Australia. These cattle have to be heat tolerant and there is a tick problem. Australia is one of the few countries that run fullbred Brahman cattle as commercial females. Today the Australian Brahman cow is a very efficient cow. The Charolais bull does a wonderful job over a very ordinary Brahman cow. The Charolais bull dies after two years because of the environment but the progeny is so good that they come back and buy Charolais. This is the basic problem in the north.

With the Hereford influence there we have to be very careful in relation to skin type, hair type and general constitution. 22% of our purebred cattle are Hereford. Hereford cows is noted for her fertility and durability. Australian Hereford

Association is looking at the crossbreeding factor and also looks at the composite situation. The Hereford breed always been well known for its meat eating qualities. The weight gain in feedlots is also to our advantage.

The export situation is in Japan and Korea. Live export – with a lot of tropical cattle out of the north and temperate cattle out of the south.

The Hereford Prime situation in Australia is exciting and Ian Watson will cover this. As an Association we need to work from the base up and that is the commercial cattle and this is what we are focusing on.

Thanks to the panel for the explanations on their respective countries.

Panel – Marketing

Ian Watson – Branded Beef

Invited Duncan Porteous to elaborate on the concept.

The concept from the Conference in Uruguay was to work together to promote a common and unified branded Hereford product worldwide. As a result of that meeting we have been expanding the programmes around the world and believed that at this meeting to bring ourselves up-to-date on what is happening and expanding it over the next four years.

Argentina – Maximo Ayerza

Carne Hereford SA was presented in our last Conference in Argentina. The idea of the company was to integrate all the chains. Carne Hereford was the initiative of the Argentine Hereford Association and 53 breed investors.

The objectives were:

- To place Carne Hereford as a superior product
- To reach consumer's satisfaction
- To line up the whole chain to follow the same objective
- To increase the income of the members
- To improve the image of the Hereford breed

Strategy

- Hereford trademark is 100% certified tenderness
- To create a new beef category with consumer's benefits
- To generate alliances of exclusivity with leader chains in Argentina and other Countries
- To ensure a control from the ranch to the retailer

The Tools that we used were adopted the same tools that Australia were using in the Hereford prime programme.

- PACCP quality system
- MSA beef grading system
- Traceability system

Benefits distribution system
Promotion at the selling points

Hereford Main Drivers of the programme

The Breed
The Rearing Process
Stress Management
Quality Control Process

Vertical integrated process

Genetic control
Rearing
Fattening
Slaughter
Deboning
Packing

Traceability system

Lot number – traceback the lot number and if there is any type of problem it can be traced back
Web system – traceback by putting in the number and trace back where the cattle came from

Annual Slaughter (Steers) – In 2003 36,000 steers

Market Share – most of the exports are to Europe

Retailer partners – Metro – Germany are a supermarket chain

- Fairfax Meadow from the UK
- Norte – supermarket chain in Argentina
- Chile – joint venture with DNS a supermarket chain
- Carne Hereford in Uruguay

Thanks to Argentina.

General discussion followed on the Argentina and Horacio L Valle commented on his dealings with Carne Hereford and advised that he was very happy with the outcome.

Brands within countries

Maximo Ayerza - Hereford regional South American brand covering Chile, Argentina and Uruguay.

Breed Attributes – temperament, low stress, better colour, tenderness, marbling level.

Background – Certified Hereford Beef

- Canadian Hereford Beef
- Hereford Prime
- Carne Hereford SA Argentina
- Carne Hereford del Uruguay SA

Branding – retailers brand, private companies brand, beef brand

A new concept – reliable product

Based on free range

Vegetarian diet
Natural conditions
Animal welfare
Beef Safety
Consistency quality

An opportunity – food safety, the new game

- winning the confidence of customers and consumers is a new challenge

Food Safety initiatives

John Cameron – United Kingdom

Spoke to the meeting on promotion of branded schemes in a generic sense. There are 2 main objectives as far as any branded beef programme is concerned. Firstly, you need to get the customer to ask for and continue to ask for your particular branded beef programme and you have to ensure that the customer, in doing so, feels that they are getting value for money and that it is value at a price where the producer is getting a premium for that product.

The second objective is to ensure that we do whatever is necessary to achieve the first objective and to ensure the integrity of any beef programme. It takes a long time to build up the consumer confidence.

Any particular scheme must incorporate six major aspects:

1. Quality, taste and appearance
2. Consistency in the product
3. Presentation has to be right
4. Animal welfare and health
5. Food safety (hormones)
6. Traceability can be used to an advantage

Common logo must incorporate the major word of Hereford.

We must inherit a culture and earn the customers loyalty. There is always competition for our product. We have to recognize that demand preference from the customer can change very easily. Finally we have to learn to work with our wholesalers and retailers as a team.

Craig Huffhines – USA

There are basically three strategies.

1. Conform to the commodity demand. We develop brands that our cattle can fit into.
2. Develop a breed specific programme with an association label attached.
3. Private label specification programme

Find something that you can “hitch your wagon to” and aggressively produce cattle that will fit those specifications.

Laurie Patterson – New Zealand

The high point for Hereford Prime New Zealand is having a system, which actually works and is growing steadily. Hereford Prime New Zealand won the inaugural Meat New Zealand Steak of Origin Beef Competition that was the search for the perfect steak. The competition had 26 entries and the main opposition was Angus. These were cut to 4 and we had two entries in the best brand and the Angus didn't make the top four. This award offers huge advertising and promotion opportunities.

Ian Watson commented on the very active Irish and Uruguay brands and thanked all those who made presentations.

Meeting was adjourned for a short coffee break and reconvened at 11.17 a.m.

Item 9

International Linkage Project – Dr Bob Freer

Dr. Bob Freer made a presentation to the Delegates on the Global Evaluation for the Hereford breed.

Angus have gained market share by having obtained carcass information and used that information.

Global evaluation is possible, feasible and affordable and proven benefits for all participants, i.e. each country can benefit. There are two options available – adjustment factors that is short term and combined evaluation, which is medium to long term.

Dr. Freer believed that it was possible to report to the next WHC to have our first global evaluation report on the table then if we start now. The way to progress this is to form ourselves into 3 regional databases – USA/Canada/South America, Australasian and perhaps bring South Africa into that as well and there would be a proviso on the EU one as there is a lot of ground work to be done here.

The first step would be to look at the countries that wish to participate, then the logistics of the project management with a global evaluation sub-committee for the 3 regional populations. The sub-committee would consist of (and meet by email):

- chair/project manager
- 2 scientists (preferably one being Dr Hans Graser from AGBU)
- ABRI – 1
- Regional members (7)
 - USA/Canada 1+1
 - Australia 1
 - Sth Africa 1
 - Sth America 1
 - New Zealand 1
 - UK/Europe 1

Regarding implementation we would need to set up the participating countries to develop combined evaluation and data structure model and a processing center. The cost and funding to set up and develop this would be A\$50K (excluding processing) and the time frame would be to have it set-up the participating countries 2004-05,

develop model in 2005, select processing center with a trial run 2006-07 and operational run in 2007-08.

The Chairman asked for each country to comment on this global evaluation project.

Argentina advised that they had been working with Uruguay and is now processing their information in Australia and this week had decided to go ahead with a pan-American evaluation with North America, Argentina and Uruguay. They believe it is time to go ahead now and approve a timetable and not wait for the next WHC to make a decision and therefore support the decision.

Uruguay – the best way to try and generalize information for a global evaluation to expand the breed. For 2004/05 decided to provide our breeders with information from Georgia University. We feel that if we make significant changes in the short term it would be confusing for the producers and therefore we have decided to stay with Georgia for the next 2 years but also incorporate data with ABRI in order to go ahead with this way in 2006.

Brazil – backing what Dr. Bob Freer has said and would want to participate in the global evaluation.

Chile – commented that they have just started their performance recording and therefore do not have the data for including in a project like this.

United Kingdom – this proposal must find support in principle. Two issues to be raised however firstly would need to have time to consult with other countries in the EU area and secondly feel it would be prudent to draw up a business plan as to the degree of costs involved. We would need to go back to our Boards to get the go-ahead for this project.

Dr. Freer commented that this would certainly need to be discussed with the other EU countries, and said that it was not essential that we all start at the same time. We can put together a business plan.

South Africa said that they would certainly support such a system but would have to go back as they are using a quantitative genetic division of ARC but would appoint a geneticist on such a committee to take it forward as we want to part of this international genetic evaluation system.

New Zealand very excited about this project and support it.

Australia - Bill McIndoe applauded this but with putting it in place with the interchange of semen and genetics from each other country. There is a concern that when we go down this road the various country requirements could well keep it back from full development.

Dr. Freer said that there are certainly problems in exchanging of genetic materials in some countries. He said that he would not be prepared to approach any government to change their quarantine laws and this is not needed. If we have 3 global evaluations we can provide indirect links. The challenges are not insurmountable.

USA – In USA the competition is Angus breed and they have a huge database. This global evaluation would be a huge plus for US Herefords but would need to talk to the Board.

Canada would give full support to this after being discussed and agreed upon by the Board and reviewed and agreed upon.

Poll Herefords Australia. Considerable money has already been spent by Hereford and Poll Hereford Societies and there is full support of this project.

Scandinavian countries – linked to the UK and they can speak on our behalf.

Ireland commented that there would be a problem with using BREEDPLAN. They are taking in huge volumes of information from the crossbreeding in the commercial herds. In the last 12 months 250,000 calving ease records and information from the crossbreeding operation and the slaughter plants. Therefore, they would have to think about this.

In summary the Chairman felt that in principle the feeling was that the meeting was prepared to take on the initial project with the set-up of it. Dr. Freer commented on Ireland's situation and he felt that it would perhaps be necessary to make a presentation to each Board to field all the questions and comments.

It was resolved that the International Linkage project was supported in principle that a business model be developed and approved by participating countries by December 2004 and that the new Secretary General follow this up.

Dr. Bob Freer went through the timetable for this project. There was a need to start the set-up immediately and go into 2005 each country understands sufficiently to make a commitment or otherwise. Within the next 6-9 months to set up the process then commission the development of the model by mid 2005 and have trial runs in 2006/2007 and have the first run in 2007/2008.

David Prothero (UK) requested Bob Freer to forward a summary of this timetable to each country for their respective Boards and a deadline for a reply and this was agreed to by Dr. Freer.

Uruguay felt that there was a need for a statement from each participating Association. Dr Freer felt that it was necessary to get the papers out to each Association together with a Business Plan and this is to be done by the end of the year.

South Africa would like to appoint a geneticist to the sub-committee to help sell the project and this was felt that it would not be a problem.

Moved David Morrow (New Zealand) seconded Daniel de Mattos (Uruguay) that it be left with Dr. Freer to co-ordinate and progress the world genetic evaluation project and to have the Secretary General to co-ordinate the political actions among the participating Associations.

The meeting was adjourned for lunch at 12.30 p.m. and reconvened at 1.30 p.m. by the Chairman.

The Chairman said that the voting for the position of Secretary General's position would need to be considered and the scrutineers are Pablo Zerbino Vanrell and Larry Feeney.

Item 10

Reciprocal export documentation required

The Secretary General referred to the tables in the papers listing each country's requirements to register progeny from imported animals, DNA markers being used and blood typing requirements. This information is now critical if we are working towards an international world global evaluation.

Discussion followed with Argentina commenting that they still require blood typing. USA advised a correction that USA do require DNA on donor dams. United Kingdom also advised a correction on DNA required on donor dams and the AI sires.

Duncan Porteous said that if the countries could forward him an update on these tables and a new list would be circulated with the minutes of the World Council meeting. Various queries regarding the necessity of DNA and blood typing etc. were fielded and following further discussion it was :

Moved Lynn Vearing (Australia) seconded Bill McIndoe (Australia) that regarding Item 10 section (c) that we continue to work towards a common set of rules and registration requirements between all World Hereford Council members. CARRIED.

The Chairman requested that all corrections to the various tables be advised to the Secretary General.

Item 11

Discussion on the future role, goals and objectives of the World Hereford Council

The Secretary General said that this item was included this on the Agenda to give the new Secretary General and the delegates the directions for the next four years.

The Chairman felt that there should be more communication between CEOs. The Secretary General referred to the web site – should this be expanded or linked to the breed associations around the world? Craig Huffhines referred to the web site and that there is a great deal of data that could be on the web site and this could be better utilised with the email addresses of each country to receive and forward respective newsletters etc. and he would refer this to his Board. Canada concurred with adding email addresses.

Moved Craig Huffhines, seconded Don Richardson that email addresses be added to the web site. CARRIED.

John Cameron referred to Item 8 of the Objectives and it was agreed that this would cause market confusion and it was agreed to delete this objective.

Andrew Mackay (Australia) felt that Item 2 of the Goals be deleted. and this was agreed to by the members.

Duncan Porteous felt that it would be beneficial to set up a structure for an ongoing group of delegates to keep the communication lines open between countries. Larry Feeney agreed that at the next planning committee meeting this be put on the agenda.

The Chairman concurred with this and felt that a newsletter from the WHC could be looked at by the new Secretary General and also Duncan Porteous asked each country to identify who was responsible for the branded beef programme and for the marketing programme and this would assist the Secretary General.

Horacio La Valle summarized the feelings of the countries that communication was a priority and that if the various member countries had information they felt could be conveyed to other members this would be of great benefit to all and would push the Hereford breed ahead.

The Chairman thanked Argentina for this summary and reiterated that this interaction was what it was all about. Larry Feeney felt that the new working group could look at research papers as presented at the World Conference and put them on the web site.

Item 12

Finance Committee Report

Lynn Vearing referred to the Finance Committee meeting held on 27th March, 2004. He referred to Point 3 of his report regarding Subscription Fees and said that it was felt that the registrations and the fees paid against it accordingly wasn't weighted fair enough when looked at the bottom end. It was felt that the subscription fee beginning January 2005 to be as follows:

Registrations	Subscription Fees
Over 30,000	£2,100
10,000 to 30,000	£1,200
5,000 to 10,000	£ 550
Under 5,000	£ 450

General discussion followed and Uruguay and New Zealand spoke against the motion.

Each country was asked what their registration numbers were and these were given to the Secretary General.

Don Richardson said that the rationale behind the motion was to offer stability in the revenue.

Moved Don Richardson (Canada) seconded Lynn Vearing (Australia) that the subscription fee beginning January 2005 be accepted as per the motion from the

Finance Committee. The motion was carried with 2 against the motion namely Uruguay and New Zealand.

With regard to point 5, following general discussion and explanation by the Secretary General regarding conference costs, it **was moved Lynn Vearing, seconded Don Richardson that the World Hereford Council continues to collect a portion of the Conference Registration fee to cover World Hereford Council costs at each Conference. The WHC portion of the registration fee is to be set at the Pre-15th Conference Planning Meeting “2006” by those member countries attending the meeting. CARRIED.**

The Budget as presented for the meeting papers by the Finance Committee was endorsed by the meeting and it was **Moved Bill McIndoe, seconded Andrew Mackay that this budget be accepted. CARRIED.**

Item 13

Constitutional Amendments New Zealand

David Morrow (New Zealand) spoke to the Constitutional amendment in relation to Rule 19a “That the WHC Secretary General position be subject to process of reappointment, every four years, at each subsequent World Hereford Conference. The reasoning for this is that we believe that the member countries need to take more ownership of this organization and have more involvement.

The resolution was opened for general discussion

It was **Moved D. Morrow (New Zealand) seconded Bruce Robertson (New Zealand) that the WHC Secretary General position be subject to process of reappointment, every four years, with a maximum of two terms, at each subsequent World Hereford Conference. CARRIED.**

Item 14

Appointment of Secretary General January 2005 to December 2008

The delegates voted for this position and after confusion regarding members voting rights a re-vote was carried out and the scrutineers appointed, namely Larry Feeny and Pablo Zerbino, proceeded to count same.

Item 15

Invitation from the Scandinavian countries – Denmark, Finland, Norway and Sweden to host the 2008 World Hereford Conference.

Lennart Andersson from Sweden gave a presentation to the delegates showing the four countries to be involved on the next World Conference to be held in Copenhagen in mid June 2008. Following the presentation it was **Moved Bill McIndoe, seconded John Cameron that the World Hereford Conference be held in Scandinavia. CARRIED.**

Item 16

Suggested programme and topics for the 2008 Conference

This will be left up to the Planning Committee and the Nordic countries to prepare.

Item 17

General Business

Geoff Taylor from Australian Hereford Society flagged a matter identify valuable genes in commercially recorded cattle which is a sub-register and it is becoming highly desirable to look at transferring cattle from there into the full register. Under the current Rules of the Constitution this cannot be done as it is a closed register. He referred to Rule 16 – Pedigree Records – part © and (d) which was different to the copy he had in the Australian Hereford office and enquired from the Secretary General if there had been a change.

Duncan Porteous said that he was not aware of any, but would have to investigate the matter further.

Geoff Taylor expanded on the requirements and following general discussion and comments from South Africa and their support of the AHA and UK felt it could be an item to be placed on the agenda for the World Hereford Council in 4 years time. Geoff Taylor hoped to have something discussed at the planning meeting in two years time but it was agreed that it would need to come to a full meeting for a decision to be made.

Lynn Vearing commented that with the new ID system coming throughout the world regarding traceability of individual animals, breed societies would need to look at this change. It was agreed that a detailed resolution would be prepared to be put to the mid-term meeting to be forwarded on to the Council meeting.

Bruce Robertson (New Zealand) re sponsorship to generate some money for the genetic evaluation project that perhaps a company like Murial could be approached in this regard. The Chairman felt that this was a great idea and will look into this.

The Secretary General requested that all those who presented overhead talks to please email them to him so that they can be distributed electronically to the countries and put up on the web site.

The Scrutineers handed the results of the ballot for the position of Secretary General and it was announced that Jan Wills had been appointed. This was greeted with acclamation and Jan Wills accepted the position with great humility and hoped that she could emulate Duncan Porteous. Congratulations were extended to Jan and also to Craig Huffhines.

Larry Feeney advised that in mid August 2005 there was a European Conference in Ireland.

Moved Larry Feeney, seconded Craig Huffhines that for the future it be one member one vote. CARRIED.

As there was no further business, the Chairman declared the meeting closed at 3.40 p.m. and thanked all for the efforts and attendance. A special thanks was extended to Duncan Porteous for his term as Secretary General and Duncan Porteous in turn thanked Jan Wills and Craig Huffhines for their willingness to accept the position.