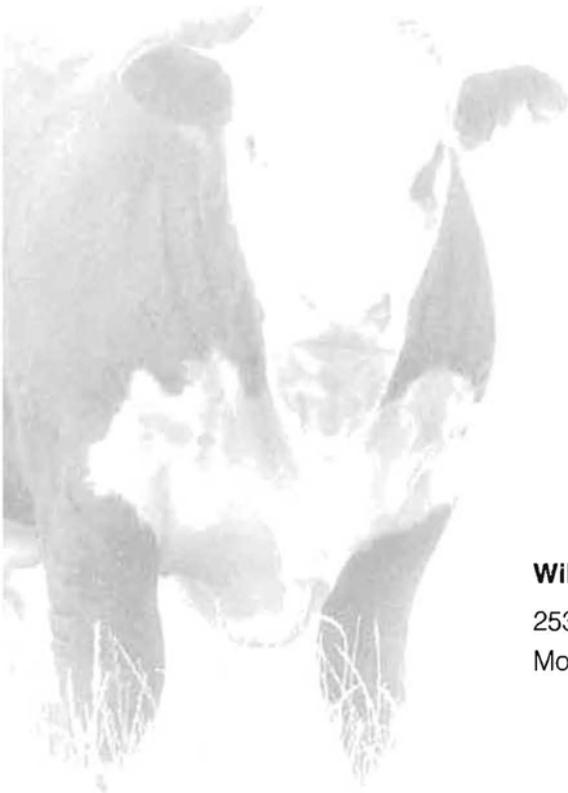


# Kellogg Rural Leaders Programme 2010

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## Project

A Strategic Plan for the New Zealand  
Hereford Association



**William Morrison**

253 Mangahoe Road | R.D.1. | Hunterville 4781 | New Zealand  
Morrison Farming | [ardofarm@xtra.co.nz](mailto:ardofarm@xtra.co.nz) | +64 6 322 8236



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# Acknowledgments

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The production of this Kellogg Project has been a three dimensional process; the work, the research and the understanding.

The work is now done. However, as this project is a Strategic Plan, the work might only be beginning.

The research has incorporated my life's experiences with Hereford cattle. I acknowledge all the cattle industry people and Hereford breeders who have given their time and thoughts. I specifically thank Natalie Campbell, C.E.O of the New Zealand Hereford Association.

The understanding needs to be continual. Over the last 12 months, I have had a tremendous insight into agriculture, trade and international food production through:

- My partnership in Morrison Farming.
- The Kellogg Rural Leaders Programme.
- The continual development of Ezicalve.
- Touring Japan with the JENESYS Trade Delegation.
- Restructuring Meat & Wool as vice-chair of the new Western North Island Beef & Lamb Farmers Council.
- Visiting a number of Maori Incorporation farms and businesses.
- Participation with BRIG (Beef Returns Improvement Group) based at Hunterville.

These groups and experiences have provided depth to my understanding. I thank the people that I have met and worked with. I look forward to growing my understanding and the opportunities that will arise in the future.

*Reference from Beef & Lamb NZ Farmers  
Council Executive Chairman*

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*Lake Station Ltd*

Malcolm McConochie  
Lake Station  
RD 2  
Nelson 7072

11 November 2010

To Whom it may Concern:

**'A Strategic Plan for the New Zealand Hereford Association'**

In accordance with William's wishes I have read and given consideration to his document 'A Strategic Plan for the New Zealand Hereford Association'. It is my opinion that this is an authentic work which does not, in any way, copy or mirror any such previous documents. It is original, as to my knowledge, no such plan did or does exist.

I would also like to take the opportunity to congratulate William on a very positive and balance approach to the future of the Hereford breed. As a past treasurer and president of the New Zealand Hereford Association (NZHA) I find it to be a honest and refreshing look at the future of Herefords as a breed and a business. I am sure it will be difficult for some Hereford Breeders to accept but it is very worthy of serious consideration as NZHA look to the future. It will be young breeders like William who shape NZHA in future years.

It has been a pleasure to read this document for William and I hope that this document will be presented to NZHA and that they give it the due consideration it deserves.

Yours faithfully

A handwritten signature in black ink, which appears to read "Malcolm McConochie". The signature is written in a cursive style.

Malcolm McConochie

## *Why produce a Strategic Plan for the New Zealand Hereford Association?*

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Throughout my life, I have had a personal and financial interest in pedigree Hereford cattle. As a child, I was infatuated with the beautiful red and white cows and enthralled by their pedigrees. As a teenager, I inadequately led Herefords around a show-ring and tried hard to figure out how I was going to make money doing that. At present, Morrison Farming annually derives over \$600,000 from Hereford cattle and Ezicalve annually sells over \$1 million worth of breeding bulls and semen and has ownership or partnership in over 10,000 beef cattle.

My family have been members of the New Zealand Hereford Association since 1960. Over that period our Hereford herd's growth has paralleled the growth of the family farming business; from 10 pedigree Hereford cows, our herd currently exceeds 600. This beef breeding herd contributes exactly half of Morrison Farming's current annual income. Half of this income derives from the sale of beef and half from the sale of breeding bulls. I established the Ezicalve brand 2 ½ years ago. It was established to differentiate and market our Hereford bulls by implementing a unique quality assurance.

Morrison Farming and Ezicalve depend on New Zealand Hereford Association services, specifically performance recording. To assist with continued growth, Morrison Farming and Ezicalve require a strong NZHA and a successful membership - strong businesses need strong industries. In the absence of a Strategic Plan, there is no NZHA direction or even quantification of the NZHA's current position.

I am highly uncertain of the future of the New Zealand Hereford Association. This concerns me because the NZHA's future will have significant influence on the business futures of both Morrison Farming and Ezicalve. This leaves me with three clear options:

1. Do nothing. Put up with this uncertainty and carry the associated risk.
2. Eliminate the uncertainty by assisting the NZHA to develop and implement a Strategic Plan.
3. Alleviate the uncertainty by eliminating dependence on the NZHA.

The New Zealand Hereford Association's development and successful implementation of a Strategic Plan will provide all members and associates with a much greater degree of business certainty.

# What is the New Zealand Hereford Association?

The NZHA is the association of members who breed registered Hereford cattle and maintain their pedigree information. Its rules are governed by the World Hereford Council. All registered Hereford cattle can be traced back (in entire pedigree) to the original animals in the original English Hereford herd book established in the 1860s.

The New Zealand Hereford Association is governed by a Board comprising 12 elected representatives (7 North Islanders and 5 South Islanders). It is administered by a C.E.O. (breed manager) with administrative support provided by Performance Beef Breeders (PBB is a commercial organization established by the main beef breeds in NZ, to provide administration for most of New Zealand's Beef Cattle Breed Associations. The NZHA has a quarter share ownership in PBB.

At the beginning of the 2010-2011 NZHA financial year, the NZHA had 307 Hereford breeding members. They registered 19,414 two year old and mixed age Hereford cows. Each member pays an annual subscription of \$115 and cow fees of \$20 per breeding cow three years old and over and \$8 per two year old heifer. New members pay an entry fee of \$575. The main annual expenses for the NZHA are administration (this includes performance recording) followed by marketing and generic promotion.

### Hereford Calves Registered by the NZHA

Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Calves	12,662	12,920	12,456	12,797	12,762	12,943	13,446	13,813	12,617	

The NZHA describes membership and cow numbers as stable, although these numbers prove difficult to ascertain. Calf registrations decreased by 9% from 2007 to 2008, with no figure available for 2009.

Key events and opportunities provided by the NZHA to its members include:

- Pedigree database maintenance.
- Processing of performance recording data and the provision of Estimated Breeding Values (EBVs) under contract from ABRI, Armidale University, Australia.
- Hereford Prime Beef, a fully owned subsidiary of NZHA, is a high quality branded beef programme running nationwide.
- Beef Expo including Hereford's National Show and Sale – 30 to 50 Herefords are entered in this multi-breed event in Feilding. Animals are predominantly 2-year-old bulls. Held in May, animals are shown and then auctioned.
- The Annual Hereford Magazine – This is a glossy "coffee-table" presentation of 150-200 pages. It is predominantly membership advertising, supported by editorial and some technical information.
- [www.herefords.co.nz](http://www.herefords.co.nz) – This web-site comprises technical, animal performance, membership and general Hereford information.
- The Annual Herd Tour – Hosted in March by a different club every year. Approximately 100 participants bus around host properties viewing Hereford cattle for 3-4 days.
- The Red-Rag - A bi-monthly newsletter (10-16 pages) is distributed to NZHA members.

All NZHA members align to a geographical club. These are the clubs, and their percentage of total membership:

Northland	12%	Hawke's Bay	3 %
South Auckland	39%	Wairarapa	5 %
Taranaki	9 %	Nelson/Marlborough/West Coast	3 %
Eastland	2 %	Canterbury	10%
Central Districts	6 %	Southern	11%

The NZHA membership is very diverse, ranging from South Island high country station owners, to dairy farmers to urban hobby farmers. Herd sizes range from 1 cow to over 600 cows.

New Zealand Hereford Association

Strategic Plan 2011-13

**“Achievable Collective Progress”**



## New Zealand Hereford Association Strategic Plan 2011-13

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New Zealand Hereford Association Mission Statement – To provide New Zealand’s beef producers with the genetics and industry leadership, that is demanded to add value and increase market opportunities.

Strategic Aim - Achievable Collective Progress			
<p>To develop a critical mass of New Zealand Hereford Association (NZHA) members who are assisting and inspiring each other to be better farmers, better beef producers and as a result, better beef genetics providers. This will be achieved by supporting the formation of "Progress Groups" and providing these with the required technologies, opportunities and information. These Progress Groups will return leadership. They will also provide the structures that will innovate future brands, quality assurance programs and the value chains that will grow market share for all NZHA members.</p>			
Strategic Areas			
Leadership	Farm	Market	Opportunities
<p>The NZHA needs to identify members who have the skills and ability to progress the Hereford breed. Then provide them with the support and resources they require to achieve progress.</p>	<p>Successful businesses require continual improvement. NZHA members need to be better farmers. Members must desire to transition from being "Hereford Breeders" to become "Leading farmers who are breeding Herefords".</p>	<p>NZHA members need to be market driven. Members need to transition from "taking bulls to a sale" to "identifying and targeting customers and markets with a differentiated product designed to demanded specifications".</p>	<p>Not every opportunity can or should suit every NZHA member. The NZHA needs dynamic groups that are ready to grasp and develop opportunities as they arise. The successful realization of these opportunities will benefit the whole NZHA.</p>
Strategic Requirements			
<ul style="list-style-type: none"> <li>• Implement a strategy that initiates a culture change by quantifying progress.</li> <li>• Provide support, reward and recognition for members and groups that are progressing.</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage the establishment of Progress Groups of like-minded members aiming to achieve collective progress.</li> <li>• Assist to facilitate advisory, analysis and monitoring.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop an effective process to collect, update and communicate market information.</li> <li>• Develop initiatives that breakdown member stereotypes and prejudices towards current markets.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a process where programs and opportunities are allocated to groups, clusters or members.</li> <li>• Revisit all existing programs. Allocate them for re-evaluation and development.</li> </ul>
Strategy Results - 2013			
<p>The four strategic areas are working cohesively and have achieved their above requirements. A positive Hereford culture is developing and a platform has been established from which future opportunities can be realized.</p>	<p>A minimum of three Progress Groups have been established. They have clear objectives and effective working structures. Other members want to join these groups or to establish their own.</p>	<p>The establishment of a workable process to continually collect, update and communicate market information. Members are more effectively and appropriately supplying markets. This is reflected by increases in price and sale numbers.</p>	<p>The programs within the NZHA portfolio, are achieving positive results and growth. Innovations are starting to come from the membership. Progress Groups have the opportunity to develop these future innovations</p>

# Introduction

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New Zealand's sheep and beef farmers continue to struggle. With the global economic crisis stumbling along, the situation on most farms is unlikely to improve within the next 18-24 months. Farmers have slashed spending, livestock numbers are depleted, a drought, an earth-quake, a storm, and sheep and beef farmer confidence is very low.

Change is required if the majority of sheep and beef farms are to regain viability. With little hope of change in the market place, these changes need to happen on farm. The relentless daily workload combined with the mental effort required to reinvent a struggling farm business, continues to prove too difficult for most farmers in this situation. Put simply, sheep and beef farmers are in "Siege" mode. Some are just "running down the clock".

This situation is mirrored exactly, within the membership of the New Zealand Hereford Association. The industry has little spare money to invest in stud stock. The market for beef-herd breeding bulls is cash-strapped and over supplied. Demand for service sires within a continually growing dairy industry is immense. However, Hereford breeders' long held prejudices toward this market, see it treated with little respect. This attitude, combined with NZHA members failure to differentiate their dairy market bulls, results in the production of commodity dairy mating sires. High production costs only to realize a commodity price, further galvanizes their disrespect for the dairy bull market.

For most NZHA members, the answer is – "To work harder to try and do what you have always done, better". This results in NZHA members competing against each other for an ever diminishing stud bull and beef-herd bull market. When this effort results in no more bull sales, members are faced with undercutting or undermining other members product to sell their own, or resigning their membership to cut costs. This market situation is unsustainable. However, it is an issue that continues to be too difficult for the board of the NZHA. Board representatives continue to "scratch heads" and "kick stone" as they try and diffuse the conflicts of an increasingly divergent and largely confused and unsatisfied membership.

Addressing this situation and reversing this down-ward cycle is critical. However, without a strategic plan, any improvements will only result from good luck. To quote NZHA President Geof Brown in the August Red-Rag, "Hereford sales in the USA and Australia have been greatly improved this season so hang in there, our turn must be coming". Any beef or dairy farmer currently confronted with this statement could only reply "How can I afford to pay more?"

This strategic plan initiates the changes required by NZHA members. It is the NZHA's first Strategic Plan and aims to be simple and achievable. It will facilitate a crucial culture change. It introduces "Progress Groups" and targets the importance of leadership, farm performance and market understanding. Whilst it is not "Flashy", it will provide the New Zealand Hereford Association with the required platform to launch the next, more exciting, more progressive and potentially much more rewarding Strategic Plan.

## Strategic Area - Leadership

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The NZHA needs to identify those members who have the skills and ability to progress the Hereford breed. Then provide them with the support and resources they require to achieve progress.

### The Current Situation:

Stud breeding has always maintained a mystique, as well as a profile for those who achieve the high prices and accolades. Unfortunately, its hierarchical culture has done little to encourage honesty, transparency, cooperation and leadership.

Over the 100 plus years of the New Zealand Hereford Association, members have maintained an informal scale that determines hierarchy and herd status. Members at the top sell the most bulls for the best prices. Most other members aspire to get to the top. For all members, this invariably means that those who are in-front are fair-game and those who are behind are a threat.

The Board of the NZHA are twelve elected volunteers; seven from the North Island and five from the South Island. They have three board meetings a year. There is no Strategic plan. The board makes strategic decisions on behalf of the membership. There are over 300 members with herd sizes ranging from 1 to 600 Registered Hereford breeding cows.

The membership is very diverse. They have very diverse opinions on what Herefords should look like and perform like. They also have very diverse opinions as to what the board of the NZHA should and/or should not be doing. Most directors try to be diplomatic to all NZHA members. Any strategic change or progress is incredibly slow, if not impossible.

### The Recommendation:

The board of the NZHA needs to develop and implement a Strategic Plan. This needs to be realistic and workable and have a structure where progress can be quantified. Clear roles and leadership positions are identified in this Strategic Plan. These roles need to be allocated to people (not necessarily Board Members) who have the ability and desire to perform and make progress. Implementation must have the continuous support of the entire NZHA Board.

This Strategic Plan needs to target an NZHA culture change. It will support leadership and innovation. It will facilitate an environment where opportunities can be developed and the required market changes can be made.

### The Implementation:

Four leadership teams are required to plan, implement and realize the Strategy Results; one team for each Strategic Area. These teams are:

1. **Strategic Plan Implementation Team** – They will ensure that the other three leadership teams are performing and that the four strategic areas are working cohesively. They will also ensure that the necessary support and cooperation continues to come from the NZHA board. This team will consist of three people who have specific leadership skills, understanding of the Hereford breed and its membership dynamic, and a genuine desire to successfully implement the Strategic Plan.
2. **Farm Progress Team** – Their primary job will be to encourage the establishment of progressive like minded member collectives or "Progress Groups". They will ensure that these groups have clear objectives and will provide advice and support. Their secondary job will be to identify progressive NZHA members, tools and techniques and then communicate these to the entire NZHA membership.
3. **Market Information and Development Team** – They will develop a process for

regular collection of market information. They will develop a format to continually communicate this information to the membership. They will provide leadership and support for initiatives that grow new markets.

4. Opportunity Development and Allocation Team – This team will develop a process to allocate all current NZHA programs for review. It will also communicate with the board to ensure that opportunities are supported and progress is continually made.

Each leadership team will consist of people with specific skills and interest in that area. These positions may be suited to NZHA Ambassador Program graduates. They are not suited to Board Members who feel obligated to sit on another committee.

Each leadership team will report progress to the Board.

#### The Result:

The four strategic areas are working cohesively and have achieved their requirements. A positive Hereford culture is developing and a platform has been established from which future opportunities can be realized.

## *Strategic Area – Farm*

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Successful businesses require continual improvement. NZHA members need to be better farmers. Members must desire to transition from being "Hereford Breeders" to become "Leading farmers who are breeding Herefords".

#### The Current Situation:

A high proportion of NZHA members are not primarily farmers. They depend on off-farm income. Their small farms and small Hereford herds are what they do outside of work. They are passionate about Herefords, however, themselves and their cattle are distant from commercial farming realities.

A number of NZHA members are commercial farmers. Their Hereford herds are usually secondary in size and income to a much larger enterprise e.g. sheep breeding and finishing or dairy farming. These members are also passionate about their Herefords. However, if isolated, their Hereford herd would most likely be identified as being not economically viable.

Less than 5% of NZHA members depend on their Hereford herd as their main business or primary income source.

All NZHA members would like to breed and market "Leading commercial beef genetics", unfortunately, the vast majority of NZHA member herds are commercially unviable enterprises.

#### The Recommendation:

Members need to learn how to economically quantify their Hereford herds and rank them as businesses. They need to acquire the tools and technologies that will enable production and economic improvements. They need to be provided with the encouragement and support networks that will enable them to transition from being NZHA members who are focused on appearance qualities of individual animals, to become NZHA members who are focused on the economic performance of whole herd systems.

Members who are interested in improving, need to be coordinated into "Progress Groups". Within these groups, they will contribute different skills and resources and the collective enthusiasm will drive progress.

NZHA's annual "Herd of Excellence" award will continue to promote "whole herd performance". Past and future winners should be used in an on-going benchmarking program.

The combination of Progress Groups and the "Herd of Excellence" will initiate a progressive culture for the NZHA. Members who participate in these programs will receive support and leadership to assist to improve their whole herd performance. This will create momentum that will stimulate further NZHA member involvement.

The Implementation:

The Farm Progress Team will comprise of three members. The aim is to replicate the benefits obtained from programs such as "Monitor Farms" and "Farm Discussion Groups" and combine them with some of the structures similar to "Syndicate Studs" or breeder co-ops.

The Farm Progress Team will devise and implement a concept that will refocus NZHA members toward their farm and whole herd performance. Successful implementation is dependant on **inspiring** and **supporting** NZHA members to become involved. The existing "Herd of Excellence" award and the formation of Progress Groups will be critical to achieve this.

The Farm Progress Team will assist Progress Groups to formulate a structure and objectives. They will assist to identify appropriate advisory and will ensure that the NZHA board and other members are supportive.

The Farm Progress Team will monitor and report progress to the board. They will be responsible for communicating on-farm progress to the NZHA membership by identifying leading science, better tools and techniques and profiling better farmers.

The Result:

A minimum of three Progress Groups have been established They have clear objectives and effective working structures. Other members want to join these Progress Groups or to establish new ones.

## *Strategic Area – Market*

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NZHA members need to be market driven. Members need to transition from "taking bulls to a sale" to "identifying and targeting customers and markets with a differentiated product designed to demanded specifications".

The Current Situation:

Over the last ten years, New Zealand's agricultural landscape has witnessed the comparative rise of the dairy industry and fall of the sheep and beef industry. This has created many opportunities and markets and caused the demise of many others. Most sheep and beef farmers (including NZHA members) have struggled to grasp this change.

The history of NZ Hereford breeding has provided NZHA members with a clear picture for how to breed and sell the premium product. This was shaped like a "price pyramid" with elite stud bulls at the top and beef breeding herd bulls through the middle. All lower quality bulls were sold to the dairy industry, therefore filling the base of this "price pyramid". This has been the accepted marketing format for NZHA members from Cambridge to Cromwell. An individual member's status was determined by their product's position on this "price pyramid".

The recent changes within New Zealand agriculture have collapsed Hereford's price pyramid. The decreased demand and over-supply of beef breeding herd bulls, contributes to continually drive down average bull price. Unsold bulls then flood into the growing dairy mating market. Unfortunately, this is a market that the production specifications of these bulls, are not suited to. Again, this decreases average price as well as damages Hereford's reputation. This situation repeats annually causing continuous market damage, confusion and discontent amongst NZHA members and leaves wide opportunity open to all competitors.

#### The Recommendation:

The NZHA requires a better understanding and quantification of the markets it supplies. Member's perceptions of these markets need to change and their bull production and supply must evolve. This must be driven by the NZHA board with better and more effectively communicated market information and support for members who endeavor to evolve.

Once members are more effectively targeting markets, concepts that incorporate branding and quality assurance can be used to differentiate and add value to their quality registered Hereford bulls.

#### The Implementation:

The Market Information and Development Team will comprise of three people. They will be tasked with sourcing and communicating quality market information. They will work with the other strategic area teams to identify and implement better marketing concepts. Their role will include:

- Quantifying Hereford's markets (along the length of the beef production chain e.g. bull sales, weaner sales, prime beef sales).
- Identifying the market information that NZHA members need to make better production decisions.
- Devising the templates that will be used to communicate this information to members. Communication will utilize a new E-news-letter, [www.Herefords.co.nz](http://www.Herefords.co.nz), the Red-Rag (bi-monthly newsletter) and the annual Hereford magazine.
- Identifying and establishing credible information sources
- Promoting information exchange with potential partners.
- Profiling effective marketers and their techniques.
- Suggesting new markets and marketing opportunities.
- Investigating new marketing options for Hereford and Hereford-cross cattle.
- Communicating any opportunities with the Leadership, Farm and Opportunities Teams.

#### The Result:

The establishment of a workable process that is used to continually collect, update and communicate market information. Members are more effectively and appropriately supplying markets. This is reflected by increases in price and sale numbers.

## Strategic Area - Opportunities

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Not every opportunity can or should suit every NZHA member. The NZHA needs to identify dynamic groups that are ready to grasp and develop opportunities as they arise. The successful realization of these opportunities will benefit the whole NZHA.

### The Current Situation:

The Board of the NZHA continually look for new and exciting opportunities for the Hereford breed. Unfortunately, these opportunities are never realized effectively. The diplomatic nature of the board combined with the widely differing understanding and opinions from the membership, means that opportunities end up:

1. Being diluted to a point where they become ineffective: E-Herefords.
2. Never being able to be updated or changed: Eprinex Low Birth Weight Dairy Sires, Herefords Beef Expo, Benchmark Sires and Dams.
3. Running out of input because they are managed by a volunteer board member: Early-Bird semen, SFF Aged Hereford Beef.
4. Being discarded because they only suit a minority group of members: The Red-Rag guest editorial, Internet Forum, Ezicalve.
5. Self destructing because they created too much conflict between opposing member groups: North Island Super Sires, The Nomination/Wildcard concept.

The NZHA currently have a number of concepts in their portfolio. The harsh reality is that all are achieving well below their potential. NZHA concepts usually have a life-span of 2-3 years before they become ineffective and redundant.

There is an entrenched mind-set that "opportunities will create advantages for some members, therefore they must create disadvantages for other members". This leads to continual undermining of new concepts, when continual growth and development is required.

### The Recommendation:

Allocating current programs and future opportunities to member groups or individuals and allowing them the freedom to develop these into workable concepts. Successful development and management of any concept will result in growth, which will then necessitate the involvement of more NZHA members. Successful examples of this include Hereford Prime and Ezicalve.

A number of opportunities, ideas and concepts will fail. This is no different to the current situation. Members have a much greater chance of succeeding if they are allowed to work under their own esteem, with their own goals, time-frames and member networks. Making these groups or individuals responsible for the costs and allowing them to benefit from the profits, will provide extra incentive for them to succeed.

Reviewing and developing current NZHA programs will deliver more progress, in this strategic term, than chasing over-ambitious projects and unattainable opportunities.

### The Implementation:

The Opportunity Development and Allocation Team will comprise of three people. They will be tasked with devising a process to:

1. Allocate all NZHA's existing programs, for re-evaluation and/or development, to member groups or individuals.
2. Allocate new and potential opportunities to the appropriate member groups or individuals.

The Opportunity Development and Allocation Team will provide support and a positive and progressive communication channel between members and the board. They will oversee allocated projects to ensure that progress is continually made.

#### The Results:

The programs within the NZHA portfolio, are achieving positive results and growth. Innovations are starting to come from the membership. Progress Groups have the opportunity to develop future innovations.

## Summary

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All members of the New Zealand Hereford Association are concerned about their economic futures. The current hardships within New Zealand's sheep and beef industries mean that, for many NZHA members, these concerns extend to the future viability of their farming businesses.

The New Zealand Hereford Association's members have been determined to maintain their Hereford breeding philosophies, programs and Association during a time of immense change within New Zealand agriculture. This has positioned many in a situation where their product is not required, let alone demanded, by the industry. Current Hereford sale numbers and prices are proof.

NZHA members need to sell more product (primarily breeding bulls) for better values. This is no longer a member desire, it is a member necessity. To justify the added costs associated with NZHA membership, the NZHA needs to add value for its members. The present reality is that the majority of NZHA members are not achieving values high enough to justify their membership costs.

Maintaining the status quo is an option for the New Zealand Hereford Association. Indications are that this option is unsustainable. Progress will depend on fate.

The NZHA and its members require a clear path forward. This can only be achieved with the development and implementation of a Strategic Plan.

This Strategic Plan offers that clear path forward. It is realistic, workable and progressive. It refocuses the NZHA's attention on four fundamental requirements:

1. Developing Leaders.
2. Improving Farming.
3. Understanding the Market.
4. Realizing opportunities.

This Strategic Plan introduces the concepts of Leadership Teams, Progress Groups, Market Information and Program Allocation. While these may appear radical within the NZ Hereford culture, they are simple and logical techniques used successfully by many industries and businesses.

The successful implementation of this Strategic Plan will provide the New Zealand Hereford Association with the required platform to launch the next, more exciting, more progressive and potentially much more rewarding Strategic Plan.

"The world continues to evolve. Those that cannot evolve with it, become extinct."  
*Charles Darwin.*

# Strategic Plan Cover Note

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Morrison Farming  
"Ratanui"  
253 Mangahoe Road  
R.D.1.  
Huntermville 4781  
New Zealand

24.10.2010

This Strategic Plan, for the New Zealand Hereford Association 2011-13, titled "Achievable Collective Progress", has been developed as a part of a Kellogg Rural Leaders Project.

Whilst it is an academic exercise, this Strategic Plan outlines a clear path forward for the New Zealand Hereford Association Board and membership. This path is realistic, workable and progressive.

This document remains my intellectual property. Any unauthorized use, replication or imitation of this Strategic Plan, its contents and any of its ideas will be treated as a breach of my intellectual property rights.

I am enthusiastic to discuss possible adoption and implementation of this Strategic Plan, with the Board of the NZHA, if it is their desire.

It should be noted that the situations addressed by this Strategic Plan are generic to many of New Zealand's sheep and beef breed Associations. As a result, this Strategic Plan, its recommendations and its implementation may be as relevant to the New Zealand Shorthorn Association, as the New Zealand Texel Sheep Breeders or the New Zealand Simmental Association.

William Morrison



## Appendices



## New Zealand Hereford Association's Current Programs - 2010

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### Appendix I

The New Zealand Hereford Association currently coordinates a number of different programs. This is how these programs, and current infrastructure, might be categories within the four strategic areas proposed in the Strategic Plan.

#### Strategic Areas

Leadership	Farm	Market	Opportunities
<ul style="list-style-type: none"> <li>• The Board, 12 elected members.</li> <li>• President.</li> <li>• CEO</li> <li>• The Clubs, 10 geographic areas</li> <li>• The Ambassadors Program - 6-10 development people per year, from each club.</li> <li>• Future Beef, A junior "Show Ring-craft" program.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Herd of Excellence annual award.</li> <li>▪ Herd of Excellence winner Field-day</li> <li>▪ Annual Herd Tour.</li> <li>▪ Ambassadors Tech Tour.</li> <li>▪ Clubs – Internal activities.</li> <li>▪ Annual Magazine.</li> </ul>	<ul style="list-style-type: none"> <li>• Beef Expo</li> <li>• Breeders' Sales</li> <li>• E-Herefords – 1 online sale</li> <li>• www.Herefords.co.nz</li> <li>• Red-Rag – Bi-monthly newsletter</li> <li>• Annual Magazine</li> </ul>	<ul style="list-style-type: none"> <li>• Hereford Prime</li> <li>• www.herefords.co.nz</li> <li>• Beef Expo</li> <li>• Super Sires</li> <li>• Benchmark Sires &amp; Dams</li> <li>▪ Herd of Excellence</li> <li>▪ Livestock Shows</li> <li>▪ Performance Recoding (EBVs &amp; Indexes)</li> <li>▪ Silver Fern Farms – Aged Hereford Beef</li> <li>• Ezicalve</li> <li>• Eprinex Dairy Sires</li> <li>• Dairyman Hereford Lift-out</li> <li>• Sponsors</li> <li>• Advertising</li> </ul>

## New Zealand Hereford Association Strategic Plan Implementation 2011-2013

### Appendix II

Here is how the New Zealand Hereford Association's infrastructure and programs will look in 2013.  
**Bold type** indicates the developments as a result of the Strategic Plans successful implementation.

#### Strategic Areas

Leadership	Farm	Market	Opportunities
<ul style="list-style-type: none"> <li>• The Board, 12 elected members</li> <li>• President</li> </ul>	<ul style="list-style-type: none"> <li>• Herd of Excellence</li> <li>• Herd of Excellence winner Field-day</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Develop "Hereford Market Update" – A standard format</b></li> </ul>	<ul style="list-style-type: none"> <li>• Hereford Prime (an example of an NZHA program that is successfully</li> </ul>

- CEO
- **Strategic Direction Implementation Team - three appointed people**
- **Farm Progress Team - three appointed people**
- **Market Information and Development Team - three appointed people**
- **Opportunity Development & Allocation Team - three appointed people**
- **Post-Ambassador Progress Group**
- **External advisors/facilitators appointed by Progress Groups**
- **Progress Group leaders**
- The Ambassadors Program
- Future Beef
- The Clubs

- **South Island High-Country Progress Group (example)**
- **Ezicalve Progress Group**
- **Post-Ambassador Progress Group**
- **Waikato Small Herds Progress Group (example)**
- **Red-Rag: Progress Groups' Info updates. Herd of Excellence entrants farm info.**
- **www.herefords.co.nz**
- **Progress Group info updates. Progress Group info archive. Herd of Excellence info archive.**
- **Progress Group invitation / workshop days.**
- **Combined Progress Group Tech Tours.**
- Annual Magazine:
- **Progress Group profiles and info transfer.**
- Ambassadors Tech Tour.
- Annual Herd Tour.
- Clubs – Internal activities.

- **newsletter emailed to members fortnightly.**
- Beef Expo:
  - **Progress Group sale classes**
  - **Breeder Initiated classes**
- Breeders' Sales
  - **Progress Group sales**
  - **Progress Group clients' sales**
- E-Herefords
  - **Beef Expo E-Herefords**
  - **Spring E-Herefords**
  - **Commercial E-Herefords**
- www.herefords.co.nz
  - **Hereford Market Update**
  - **Beef & Lamb industry statistics**
  - **Dairy NZ industry statistics**
- Red-Rag – Bi-monthly newsletter
  - **Marketing profiles & Innovations**
  - **Hereford Market Up-date**
  - **Beef & Lamb Industry statistics**
  - **Dairy NZ industry statistics**
  - **Guest Editorial**
  - **Industry Opinions**
- Annual Magazine
  - **Industry Leader Profiles**
  - **Marketing profiles & innovations**
  - **Market Reports**
  - **Industry statistics**
  - **Industry leader opinions and predictions**
- Advertising
  - **Use generic Farmers Weekly ads to advertise Hereford cattle for sale that week.**
- **Media and Promotion. Progress Groups will attract media attention and will enable valuable promotion.**

- independently run).
  - **Progress Group Supply Chains**
  - **www.herefords.co.nz**
  - **E-Herefords**
  - **Web partnerships for E-trading**
  - **Return and revitalize Forum**
- Beef Expo
  - **Progress Group sale classes**
  - **Breeder Initiated classes**
- Super Sires (an example of an NZHA program that is successfully independently run).
- Benchmark Sires & Dams
  - **Allocate and revitalize**
  - **Sire of the Year Competition**
  - **Dam of the Year Competition**
- Herd of Excellence
  - **Allocate to the "Farm Progress" leaders**
- Livestock Shows
  - **Allocate and revitalize**
  - **E.g. The Canadian All-Stars Competition (national show circuit point scoring)**
- Performance Recoding (EBVs & Indexes)
  - **Allocate to all leadership roles.**
  - **Utilize additional tools e.g. Takestock, Racemate.**
  - **Use for market differentiation.**
- Silver Fern Farms – Aged Hereford Beef
  - **Progress Group Supply Chains**
  - Ezicalve (an example of a NZHA program that is successfully independently run). **Open for growth**
- Eprinex Dairy Sires
- Sponsors
  - **Align to Progress Groups.**

## *Letter to the President and C.E.O. of the New Zealand Hereford Association*

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Morrison Farming  
"Ratanui"  
253 Mangahoe Road  
R.D.1.  
Huntermville 4781

24.10.2010

The President and C.E.O.  
The New Zealand Hereford Association  
P.O. Box 503  
Feilding

Hello Geof and Natalie,

During 2010 I have been a participant in the Kellogg Rural Leaders Programme. This is an internationally acknowledged leadership and business development course, annually available upon selection. It has been run by Lincoln University since 1979.

The course, for 2010's twenty participants, involves:

- Phase 1 - Ten days intensive study, lectures and tutoring at Lincoln University (last January).
- Phase 2 - A project of choice, undertaken through the course of the year (almost completed).
- Phase 3 - Two days project presentation at Lincoln, followed by three days networking in Wellington (commencing November 22nd).

For my project, I began investigating the question – "Breed Preservation Vs Business Evolution – Are Breed Societies relevant in New Zealand Agriculture?" I used the New Zealand Hereford Association as my case study.

My project resulted in the development of a Strategic Plan for the New Zealand Hereford Association for 2011 to 2013. Whilst the project is an academic exercise, I have designed this Strategic Plan to be the most relevant, workable and progressive document suitable for the current New Zealand Hereford Association.

This Strategic Plan is completed and, while the days and hours are running out, I am due to have my project finished for the late November presentation at Lincoln University.

I am happy to answer any questions you may have.

Yours faithfully,

William Morrison

5 November 2010

Dear William,

Thank you for your letter letting Geof Brown and myself know of your work for the Kellogg Rural Leaders Programme.

We took the liberty of tabling your letter at the Council meeting last week. Council were very interested in the work you have done and would be keen to see a copy of your strategic plan and accompanying paper if you are happy to provide a copy to us.

Your work is timely as Council is also working on developing a strategic plan. They would appreciate seeing a copy of what you have done if you're happy to share it, with the thought of possibly incorporating some of your suggestions (if appropriate) to their own plan if you were comfortable with this.

Council wishes you good luck with your presentation at the end of November and we look forward to hearing further from you when convenient.

Yours sincerely



Natalie Campbell  
General Manager  
NZ Hereford Association.