

Grassfed kill component shows growth

ONE of the big changes seen in Oakey's operations in recent years is the substantial lift in grassfed kill, relative to grainfed numbers.

While some stakeholders may still regard Oakey as a 'grainfed focused' plant, up to half the facility's total expanded weekly kill is now made up of grassfed cattle, sourced out of the paddock from across tick-free areas of Queensland and northern NSW. That has risen from a grassfed proportion of only about 20 percent a few years ago.

The company now competes in the direct-to-works marketplace on all descriptions of grassfed cattle from yearling domestic steers and heifers through the grassfed export bullocks, EU grass, and manufacturing cows and bulls.

"I'm extremely happy with how we've been able to push our expansion into the grassfed markets in the past 12 months, but some producers may still not be aware that we are a viable option to quote on grassfed slaughter stock," said livestock manager Kurt Wockner.

"Just this week I had a call from a cattleman who we have not dealt with since 1987. He booked eight decks of grassfed bullocks, so the message about our new operational focus is definitely still getting out – certainly in some areas," he said.

As a result, Oakey's database of active vendors has probably tripled in size over the past two or three years, and the supply catchment area has grown enormously, as illustrated by recent consignments from as far north as Mt Isa and the Barkly Tableland.

Exposure to a far greater supply base is also reflected in the company's efforts to 'put back' into local communities.

Mr Wockner said there were a lot of pluses with supply to Oakey that would appeal to potential grassfed suppliers.

The location was a good hub for cattle from northern, western or southern directions.

"Oakey is the only southern plant with roadtrain access, and we're not in a town area so we don't have a curfew, as such. Cattle can be delivered at flexible hours through the night without annoying anybody."

Travel distance was also important. Oakey can be the difference between needing to spell or not, on cattle travelling longer distances, and there were cost savings in shorter transport

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ABOVE: Oakey livestock manager Kurt Wockner looks over a line of cattle representative of the broader range of grassfed cattle now being processed at the plant. These Brahman export steers, consigned from Keeroongooloo in the Channel country, were mostly number 8s and 7s expected to dress 330kg or better on the rail.



LEFT: Head stockman Keith Voll has managed Oakey's arrival and pre-slaughter yards for the past 35 years. He is pictured with good quality grassfed yearling heifers. The yards are Temple Grandin low-stress curved race designs with non-slip surfaces and feeding into an impressive automated forcing yard area.

distances from the source, as well as considerations over reduced shrink, he said.

"Centres like Augathella and Blackall are within 8-10 hours driver-hours range window, and operators love coming here because there's only two sets of traffic lights to contend with, and cattle tend to travel well, because they don't have to go down the range, stopping and starting. We think that is reflected in lack of bruising and dark cutting, measured against industry benchmarks."

Currently, most of Oakey's grainfed kill comes from the company-owned Whyalla feedlot near Texas, with operational capacity of 50,000 head. Others come from cattle contracted through allied contract feedlots.

While cattle on feed numbers at Whyalla dropped dramatically during the recent industry downturn caused by high grain prices, the rise in value in the A\$ and the subdued demand caused by the global economic crisis, operations are now back to full capacity.

The most noticeable change

in the grainfed stream, however, is the range of cattle on feed. There are now fewer mid-fed British types on programs at Whyalla, and correspondingly more domestic and 100-day feeding programs.

Shorter feeding periods means greater turnover, with Whyalla cattle numbers processed through Oakey now close to 2500 head each week, about half the plant's overall weekly kill requirements.

In line with these moves, Whyalla now also feeds a far broader range of breed types – from straight Angus right through to high-content Brahmans – to fill the new market focus.

"We have no particular prejudice for or against certain breeds. If we think we can feed them and make it work, we will," Mr Wockner said.

Most of the slaughter cattle buying is carried out through Kurt Wockner or Wade Hartwig, with support from Oakey Holdings Whyalla staff Russell Handley and Nik Hannford. Several commission buyers also operate for the company.

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