

Mid-Year Chairman's Report June 2020

by Samuel Graham

By way of a brief introduction about myself to those I haven't met, I am married to Rachel, and we have 3 school- aged children; Travis, Adele and Toby. We are in the dairy business with my parents, Ron and Brenda, who began the Beaulands stud. We currently milk 450 Australian Red Cows at Nowra, on the South Coast of NSW.

It has been a pleasure to chair the Australian Red Dairy Breed over the past 5 months. Within a few weeks of taking on this role I received a phone call from Genetics Australia, informing us that they had just sent their biggest export order of Australian Red semen to China. I could only be thankful to all the past Chairmen, Presidents, Executive Officers, Board members and Committee members who have tirelessly worked hard to ensure the growing success of our Breed and the tremendous cattle we are developing.

This exciting news was shortly followed by the NHIA results, again showing the growing foothold that UU coded semen is establishing within the Australian market. I really would love to thank every farmer in Australia who is not only using these great genetics, but also encouraging their neighbour, discussion group, social media followers or whoever it is, to discover the benefits that the Australian Red Breed has to offer their herd.

As a Board, we farewelled Greg Goulding in January as he stepped down from his position as Chairman. Thank you Greg for leading the Board so well over the past few years, and the admiration many members have for you was on display during the AGM, when members had the opportunity to publicly acknowledge the efforts and skill set that you have put into this role. We really appreciate everything you have achieved over the past 3 years and we wish you all the best in your new role as Chairman of National Herd Improvement.

Despite the change in leadership and the pandemic that we are in, we have been privileged to have a fairly smooth transition as the current Board members, Brett Davies, Paul Cocksedge and myself, welcomed Meaghan Douglas to be part of the leadership team.

My highest priority as ARDB Chairman will be to ensure that an Australian Red Genomic Index is available to the Australian dairy industry and that the Index will be used appropriately as soon as possible. Our breed has poured a considerable amount of resources, in terms of time, finances and labour into this concept, and I would like to see it come to fruition. The Index will be of a lower reliability than the other two major breeds, but it will allow us to, if I can borrow a term coined by Dr Les Hansen (USA), "weed out the stinkers" in our cattle breeding programs. For example, if used correctly, we will be able to have greater confidence in the team of progeny test bulls we select, knowing that we have not selected bulls that have the weakest chances of obtaining a strong proof. Please be aware that it will not immediately reveal the new top Australian Red bull, we will still have to use a team of genomically selected progeny test bulls to ensure the growth of our breed in the future.

To this end, the Board has already made contact with Dr Matt Shaffer (DataGene) to ensure that an Australian Red Genomic Index is a priority for DataGene. The Board will begin working with Peter Williams (DataGene) in July to form a steering committee that will receive regular updates in how the Australian Red Genomic index is developing. Many individual farmers have faithfully collected red tail hairs and sent them in for genotyping. Thank you all for your patience and hard work in this area in the past, please continue to keep good records, herd record, and collect these tail hairs as

they are requested in the future. This is a huge team effort, and the Board really values the input that every farmer puts in, ensuring we have as much data as possible to put in to the index.

Apart from our other usual business activities, we have also conducted a classification workshop with Holstein Australia and developed a model cow image.

I would like to particularly thank Paul Cocksedge for organising and hosting the classification workshop. And also thank Paul's daughter Julia, for the work she did in designing a red cow image that was requested by Leanne Monks (DataGene). The red cow image was designed from a magnificent photo of Fairy Vale 368 Annie owned by Terry and Shannon Blasche, who generously allowed the ARDB to use this image.

As a board we would also like to thank and continue to acknowledge the tireless efforts of Graeme Hamilton as Company Secretary and Frank Kelly as Treasurer. And we would also like to recommend the products of the companies that provide sponsorship to our breed, Genetics Australia (semen sale royalties), Viking Genetics (semen sale royalties) and AUZRED Genetics (Progeny test bull breeder donations). Without this generous financial sponsorship, we would be extremely limited in our capabilities.

It was with great disappointment that we have had to cancel our Mid-year meeting, but we hope that we are able to catch up with you face to face in Warrnambool for our January AGM.

Best regards and enjoy milking your Australian Reds,

Samuel Graham

Chairman's Report by Samuel Graham

January 2021

It has continued to be a privilege to chair the board of the Australian Red Dairy Breed.

The board has endeavoured to lead our organisation forward during the current pandemic. But let me first offer my sincere apologies to those who may have felt disconnected from our breed during this time, as we have had to move away from our many in-person activities, including our AGM, to on-line platforms, which I know does not suit everyone.

My highest priority has been ensuring the release of a red genomic dataset to the Australian industry. I can report from our December meeting with DataGene that they have successfully established a model to create the first Australian Red genomic dataset.

The first official Australian red genomic release will coincide with Datagene's ABV release in April 2021. It is extremely important to note that this genomic index will be a combination of a genomic dataset on four traits (worth about 60% of the index) and a generated parent average for the remaining traits (worth 40% of the index). The reason for this is that due to the smaller size of our breed, we only have a limited data set for some of the other non-production traits which is not sufficient to generate a genomic value for those traits. The Animal Evaluation Model will use parent

average data for these non-genomic traits along with actual animal and related animal performance to allow us to be able to calculate an overall index for both BPI and HWI.

This means our red genomic values will be different to the red genomic values that you are probably familiar with from the Nordic countries, like Viking Red and Norwegian Red genomic values, which are calculated entirely from a larger genomic reference population. How this looks in practice, for example, if we test a young animal, is that the reliability of that animal's red genomic dataset will be lower than a proven bull, it will be lower than the genomics of Nordic countries, and it will also be lower than Australian Holstein and Jersey genomic reliabilities. But it will be of significantly higher reliability than our current option; a parent average of our unproven bulls and heifers.

The purpose of understanding this is to ensure Australian farmers do not use red genomic information blindly, but as another tool in helping them select future bulls, and future replacements for their herds. If we can learn anything from past mistakes made from using genomics, it is do not put "all your eggs in one basket", and I would strongly encourage anyone, when using genomic selected bulls in the future, to use a team of bulls, to spread the risk, rather than using the highest rated genomic young sire.

It does beg the question, have we released a red genomic dataset too early? I am sure we can debate this question for many years to come, but I believe it is an essential tool in today's competitive market to ensure our breed remains viable. I also believe it provides us with an invaluable starting point for our breed to improve the reliability of our future genomics, as we continue to add more quality information from herd recording, classification and farm records into the dataset. Without this starting point we would get left further behind the accelerated genetic progress that genomic testing has brought about.

I am more than willing to discuss this issue further with any of our members who may still have questions, so that we can all best use the information that we will have in front of us in 2021.

The board has also spent time meeting with AB companies that market UU coded bulls to understand how we can best work together to promote Aussie Reds, to discuss the upcoming red genomic release, and to encourage those AB companies that anticipate marketing Australian genomic selected bulls to always publish the genomic bulls index with their reliability ratings to help the Australian industry understand the limitations of these values. These AB companies include Genetics Australia, Viking Genetics, ABS and Auzred XB. The board has been delighted with the response and the support that each of these AB companies has given to our breed in various ways.

The interest in UU coded genetics continues to grow in Australia, and we saw this demonstrated again in the recent release of the NHIA results (see table below). During the last financial year over 70 000 units were sold in the domestic market. The late Bill Thompson, who founded the Australian Red Breed in 1985, was told that UU coded semen would never make a dent in the competitive Australian market, and that it would not even reach 1% of the total domestic market share. It is so pleasing to witness the growth of UU coded semen, which now accounts for over 3% of the total Australian domestic market. From small beginnings, I believe this is an exceptional result, and a testament to the strength of our breed. They are a very profitable breed of cows which is paramount to the breeding decisions of commercial dairy farmers, and this is driving the growth in our semen sales. Key qualities that drive profit of our medium sized cattle are their superior fertility, easy calving, lower cell counts, high protein production, good feet and legs, quiet temperament, and that they are able to perform so efficiently in a wide range of conditions (be it a drought or a flood). The

challenge for all of us remains to continue this momentum and look for further growth opportunities to cement our position as one of the main three breeds in Australia.

Breed	2016	2017	2018	2019	2020
Holstein	1516992	1609595	1733733	1521883	1735095
Jersey	270795	281648	301945	287231	268265
ARDB (JU coded)	48210	58512	67151	65797	72341
Illawarra	14540	11216	16845	10841	9603
Brown Swiss	12545	11832	11481	8982	7040
Montbeliarde	2736	1972	1770	2061	1166
Ayrshire	13671	8427	7251	6647	5808
Guernsey	6043	3707	5012	4781	4098
Kiwi Friesian	48475	41375	43278	43207	43626
Other	6091	4721	7990	5791	7022
Total Units Sold	1940098	2033005	2196456	1957221	2154064

Whilst other board activities will be detailed in each board members reports, I did want to make a special mention of the Australian Red Photograph Competition that was put together following the decision to cancel our annual On Farm Challenge. I was blown away by the awesome response we received. The numerous photographs of brilliant cows certainly gave Dad (Ron Graham) a very challenging judging job. It was a testament not only to how many great cows we have in our breed, but how willing our members are to promote our Australian Red Cows, even during the challenges of the current pandemic. It is hard work and takes significant time to photograph cows, but I really appreciate the efforts of our numerous farmers who were part of the competition.

Finally, I cannot speak highly enough of the ARDB Board members, Brett Davies, Paul Cocksedge and Meaghan Douglas. They have led like champions, and helped to shape the growth of our organisation in so many unseen ways. We are really going to miss the input of Paul on the board, who has diligently led the technical and interbreed portfolio for the past four years. Thankfully, his knowledge and passion for our breed will still be utilised, as the board has appointed him to be our liaison officer with DataGene in 2021.

As a board we would again like to thank the tireless efforts of Graeme Hamilton as Company Secretary and Frank Kelly as Treasurer during 2020. Graeme Hamilton has decided to relinquish his role at the 2021 AGM, and we wish him all the very best in his future endeavours. The board has decided to appoint Holstein Australia as our Company Secretary, to continue to provide the professional services that Graeme has efficiently done in a voluntary capacity for the past four years.

It was again with great disappointment that we had to cancel our in-person AGM. But I sincerely hope that we are able to catch up with you face to face for a Mid-Year meeting in 2021.

Best regards and enjoy milking your Australian Reds,

Samuel Graham