Dear Producer

(For your convenience, the Afrikaans version follows the English news.)

In this week's news:

1. Clarity on the off season premiums

2. Contract premiums into the daily producer price

3. Modifications to the new contract periods and quota allocations

4. Otjituuo FA markets to Meatco for the first time

1. Off season premiums

During the recent Farmer Liaison Committee meetings (FLCMs) in Tsumeb, Otjiwarongo and Gobabis, producers raised a number of questions regarding 0 fat grades during the off season. To clarify this matter, Meatco would further like to state the following:

1. All fat grades (1 – 6) will qualify for the off season premium;
2. All fat grades (5 + 6) will be made equal to the medium grades and receive the same price;
3. Only the following 0 fat grades will be made equal to the medium grades (and receive the same price) and will receive the off season premium:
    a. A0 grades above 210 kg with a 3+ conformation;
    b. AB0 grades above 220 kg with a 3+ conformation;
    c. B0 & C0 grades above 230 kg with 3+ conformation.

In other words:

- All 0 fat grades with a conformation 2 or less are excluded and
- All 0 fat grades of age A lighter than 210 kg, age AB lighter than 220 kg and age BC lighter than 230 kg are excluded from receiving the off season premium, irrespective of their conformation.

The off season & free range premiums for 2009 are:

Month	**Off season premiums 2009**	**Free range premiums 2009**
September	Peak Season	N$0.10/kg
28 September – 9 October 2009	N$0.30/kg	N$0.20/kg
12 – 15 October 2009	N$0.60/kg	N$0.20/kg
15 – 31 October 2009	N$0.95/kg	N$0.20/kg
November	N$1.30/kg	N$0.20/kg
December	N$1.30/kg	N$0.40/kg

January	N$1.60/kg	N$0.40/kg
February	N$0.60/kg	N$0.20/kg

For more information, kindly contact Meatco Senior Manager, Mr. Vehaka Tjimune, on 061- 321 6415 or 081 268 3503 or alternatively send an email to vtjimune@meatco.com.na

2. Contract Premiums into daily price

This message flows from the e-news article a few weeks ago to producers when Meatco announced that contract premiums are going to be incorporated into the daily price as from October 1, 2009.
In our announcement we stated that only producers who signed contracts will benefit from that. This was incorrect. In fact:

- All producers delivering cattle to Meatco will benefit from this arrangement, irrespective of whether a producer has signed a contract or not.

3. Modifications to new contract periods and quota allocations

Before the recent FLCMs in June, there were four periods during which producers could sign contracts:

Contract signing	**For which period**	**Quota allocation**
November	January - March	15 December
February	April – June	15 March
May	July – September	15 June
August	October - December	15 September

A few modifications were made at the Otjiwarongo and Gobabis FLCMs that has brought the following changes into effect:

Contract Signing	**For which period**	**Quota Allocation**
1 - 30 November	January – April	15 December
1 – 31 March	May – August	15 April
1 – 31 July	September –	15 August

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What has then changed?

- The producer will have an opportunity to sign contracts three (3) times as opposed to four times
- Slaughter period has increased from three (3) months to four (4) months periods.
- Quota allocation run will be based on merit points and not on a first-come first-served. This means that all producers will have an equal opportunity to compete for a slaughter place through their merit points. Hence, the allocation run will only be done on the specified periods closer to slaughter periods.
- Producers are still able to sign contracts for the rest of the coming year, those who prefers to sign contracts in advance, but will have to wait until the specified dates (e.g. 15 Dec, 15 April and 15 August) for the quota allocation run. Only then will they be able to know.

4. Otjituuo FA markets to Meatco for the first time

The Otjituuo Farmers' Association (FA) recently marketed their first cattle to Meatco. Three producers from the area loaded 34 cattle together, which were slaughtered at the Okahandja abattoir on 1 July 2009.

Otjituuo is situated about 70 kilometers east of Grootfontein, where farmers own some 35 000 head of cattle. The FA has been active for no less than 23 years and today boasts with a member count of 2,000. Of these nearly 400 are women.

Previously only selling their cattle at local auctions, the FA recently decided to test Meatco waters after hearing about the competitive prices paid to producers. During the 2008/9 financial year, Meatco paid a premium of nearly N$183 million above the equivalent South African price to all its producers.

The Otjituuo producers mainly farm with Brahman-Braunvieh and Brahman-Simmentaller crossbreeds. The average carcass mass of the load was 270.96 kg, which earned the three producers an average of N$4,577.33 per head of cattle.

Your next e-news will be sent on Wednesday, 22 July 2009.

Geagte Produsent

In hierdie week se nuus:

1. Meer duidelikheid oor die afseisoenpremies
2. Kontrakpremies word deel van die daaglikse

3. Veranderinge aan nuwe kontrakteperiodes en kwota-allokasies
4. Otjituuo BV bemark vir die eerste keer na Meatco

1. Afseisoen-premies

Tydens die onlangse skakelkomiteevergaderings in Tsumeb, Otjiwarongo en Gobabis het produsente verskeie vrae gehad oor 0-grade gedurende die afseisoen. Om meer duidelikheid rondom hierdie onderwerp te skep, wil Meatco graag die volgende staaf:

1. Alle vetgrade (1 – 6) sal vir die afseisoen-premie kwalifiseer;
2. Alle vetgrade (5 en 6) sal gelyk gemaak word aan die mediumgrade en dieselfde prys ontvang;
3. Net die volgende 0-grade sal gelyk gemaak word aan mediumgrade (en dieselfde prys ontvang) en vir die afseisoenpremie kwalifiseer:
    d. A0-grade bo 210 kg met 'n bouvorm van 3 of meer;
    e. AB0-grade bo 220 kg met 'n bouvorm van 3 of meer;
    f. B0- & C0-grade bo 230 kg met 'n bouvorm van 3 of meer.

Met ander woorde:

- Alle 0-vetgrade met 'n bouvorm van 2 of minder is uitgesluit en
- Alle 0-vetgrade van ouderdom A wat ligter is as 210 kg, ouderdom AB wat ligter is as 220 kg en ouderdom BC wat ligter is as 230 kg sal nie vir die afseisoenpremie kwalifiseer nie, ongeag die bouvorm.

Die afseisoen- en vrywei-premies vir 2009 is:

Maand	**Afseisoen-premie 2009**	**Vrywei-premie 2009**
September	Drukseisoen	N$0.10/kg
28 September – 9 Oktober 2009	N$0.30/kg	N$0.20/kg
12 – 15 Oktober 2009	N$0.60/kg	N$0.20/kg
15 – 31 Oktober 2009	N$0.95/kg	N$0.20/kg
November	N$1.30/kg	N$0.20/kg
Desember	N$1.30/kg	N$0.40/kg
Januarie	N$1.60/kg	N$0.40/kg
Februarie	N$0.60/kg	N$0.20/kg

Vir meer inligting, kontak gerus Meatco se Senior Bestuurder: Voorsiening, Mnr. Vehaka Tjimune, by 061- 321 6415 of 081 268 3503. Alternatiewelik, kan u 'n e-pos stuur na vtjimune@meatco.com.na

2. Kontrakpremies word deel van die daaglikse prys

Hierdie boodskap volg op die e-nuus artikel ‘n paar weke gelede toe Meatco aangekondig het dat kontrakpremies vanaf 1 Oktober 2009 by die daaglikse prys gevoeg gaan word.
Die aankondig lees dat net produsente wat ‘n leweringskontrak geteken het hiervoor in aanmerking sal kom. Dit is verkeerd. Inteendeel:

- Alle produsente wat bees na Meatco lewer sal voordeel trek uit hierdie ooreenkoms, ongeag of hy/sy ‘n kontrak geteken het of nie.

3. Veranderinge aan nuwe kontrakperiodes en kwota-allokasies

Voor die onlangse skakelkomiteevergaderings, was daar vier periods waartydens produsente leweringskontrakte met Meatco kon onderteken:

Teken van kontrak	Vir watter periode	Kwota-allokasie
November	Januarie - Maart	15 Desember
Februarie	April – Junie	15 Maart
Mei	Julie – September	15 Junie
Augustus	Oktober - Desember	15 September

‘n Paar veranderinge is aangebring by die vergaderings op Otjiwarongo en Gobabis wat die volgende tot gevolg het:

Tyd van ondertekening	Vir watter periode	Kwota-allokasie
1 - 30 November	Januarie – April	15 Desember
1 – 31 Maart	Mei – Augustus	15 April
1 – 31 Julie	September - Desember	16 Augustus

Wat het dan verander?

- Die produsente het nou die geleentheid om driemaal (3) per jaar kontrak te teken, teenoor die vorige vier (4) keer;
- Die slagtydperk het nou van drie (3) maande na (4) maande vermeerder;
- Die kwota-allokasie sal gebaseer word op merietepunte en nie op ‘n eerste-kom-eerste-bedien-basis nie. Dit beteken dat alle produsente ‘n gelyke kans sal hê om vir ‘n slagbeurt volgens hul merietepunte mee te ding. Dit is daarom dat die kwota-allokasie slegs op die bogenoemde datums sal plaasvind. Hierdie datums is nader aan die slagperiodes;
- Produsente wie verkies om kontrakte vooruit te teken sal steeds ooreenkomste kan teken vir die res van die komende jaar, maar sal moet wag tot op die spesifieke allokasie-datums (bv: 15 Desember, 15 April en 15 Augustus) om te weet wanneer hul slagbeurt is.

4. Otjituuo BV bemark vir die eerste keer na Meatco

Die Otjituuo Boerevereniging (BV) het onlangs vir die eerste keer bees na Meatco bemark. Drie produsente van die omgewing het saam 34 bees gelaai wat op 1 Julie 2009 by die Okahandja-aanleg geslag is.
Otjituuo is sowat 70 kilometer oos van Grootfontein geleë en produsente hier spog met ongeveer 35 000 bees. Die BV is al 23 jaar aktief en het 2,000 lede. Hiervan is sowat 400 vrouens.
Die BV het hul bees voorheen net op veilings vekoop, maar onlangs besluit om Meatco se waters te toets toe hulle gehoor het van die kompeterende prys wat Meatco betaal. Meatco het in die 2008/9 finansiële jaar ‘n premie van nagenoeg N$183 miljoen bó die ekwivalente Suid-Afrikaanse prys aan produsente betaal.
Die Otjituuo-produsente boer hoofsaaklik met Brahman-Braunvieh- en Brahman-Simmentaller-kruisings.
Die gemiddelde karkasgewig van die vrag was 270.96kg en die produsente het gemiddeld N$4,577.33 per bees ontvang.