

March 2009

John Wyld

Chairman NLIS Ltd.
Chairman, Victorian Ministerial Advisory Committee



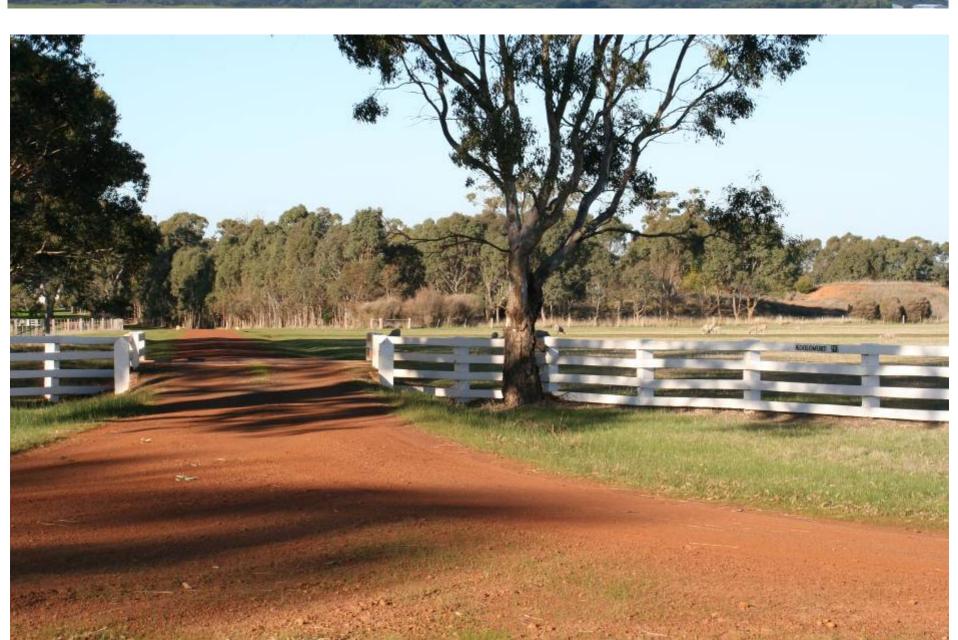


m.s. "*Chindwara*" B.I.S.N.Co.Ltd.



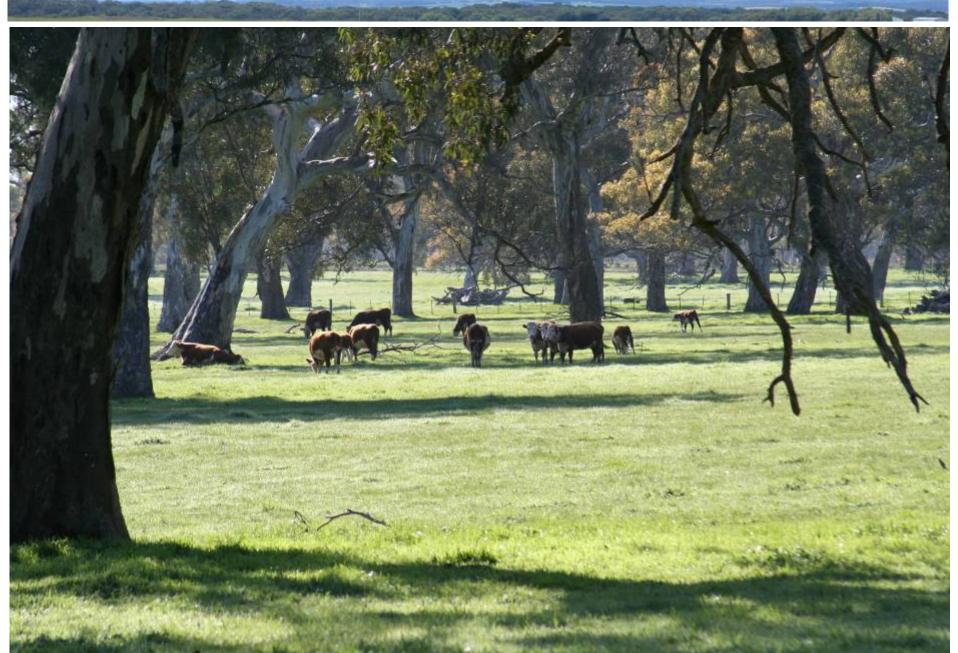












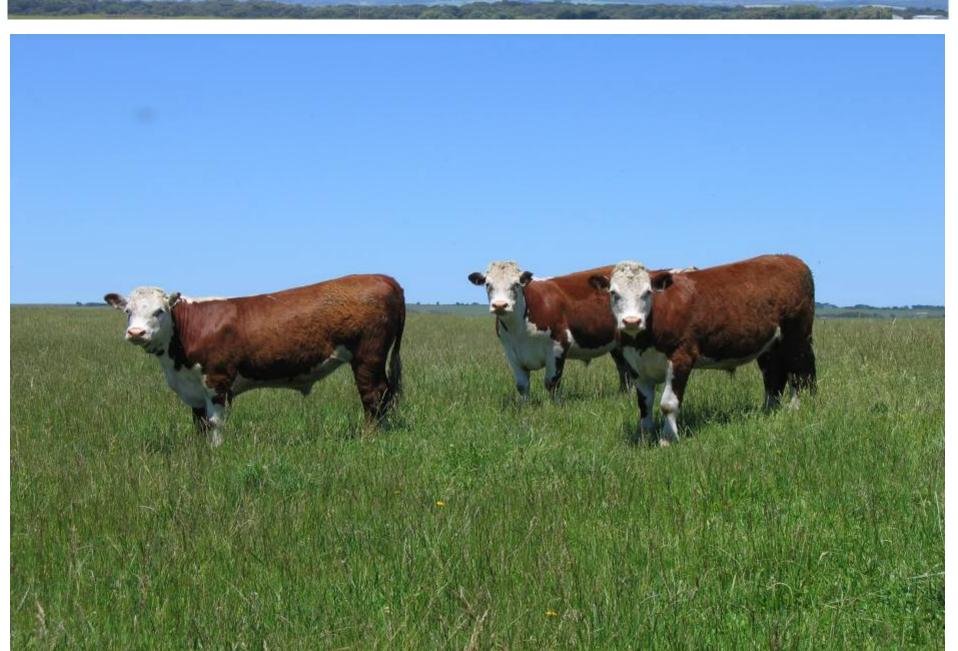






























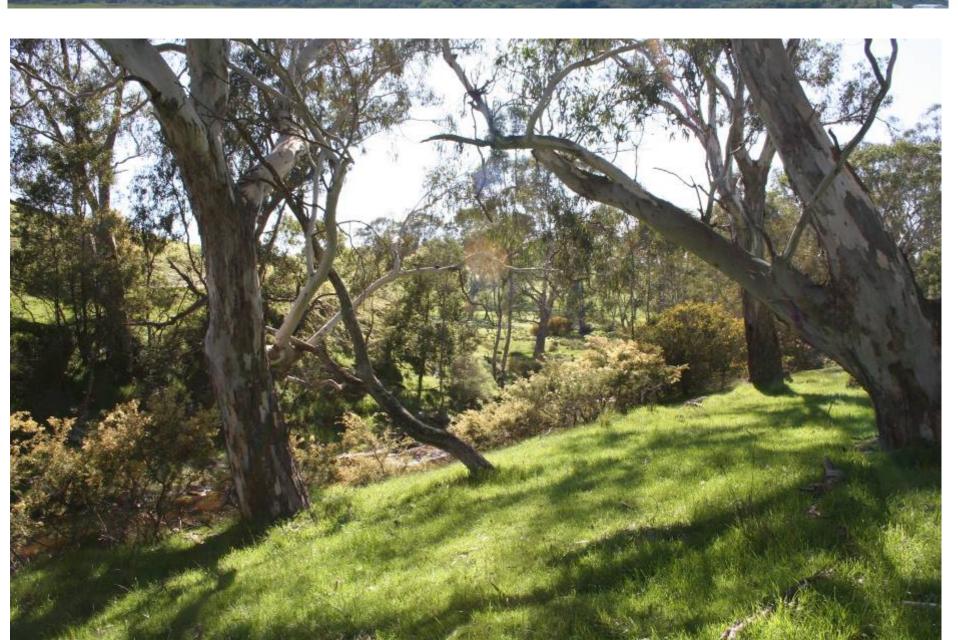






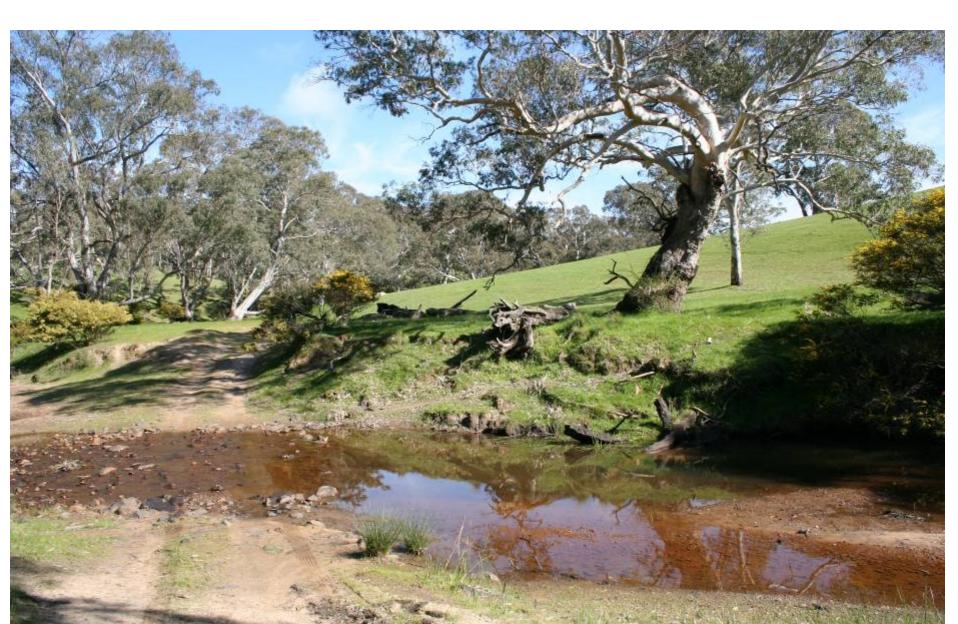
















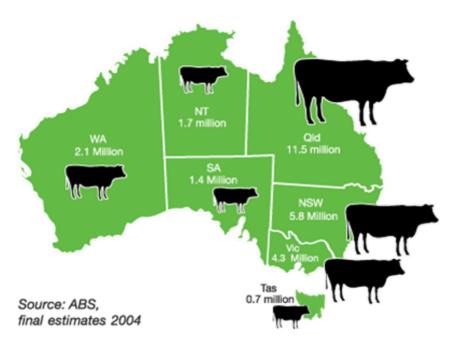
Australia's Cattle Industry

Dairy Cattle	2.5 million
Beef Cattle	25.2 million
Cattle producing properties	180,000
Cattle exported live	869,545
Cattle slaughtered p.a.	8 million
Average dairy herd size	282 per farm
Typical beef herd size	100 – 400 head





Australian Livestock Background



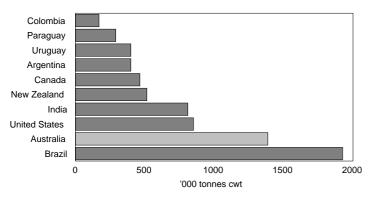
- Total of ~28 Million Head of cattle
- Annual beef and veal production over ~2 million tonnes
- Total Gross value of ~
 \$7.1 Billion.





Australian Livestock Background

Top ten world beef exporters



Source: USDA (2008)

Beef exports

Total = 957.482 tonnes swt (2008)Taiwan 2.8% Korea 13.3% Japan 38.0% Other 6.3% CIS 7.5% Canada SE Asia 0.9% 6.6% US 24.5%

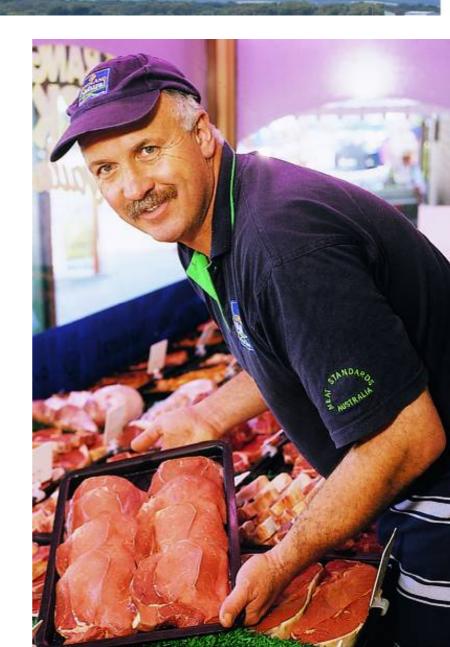
- Second Largest Exporter of Beef
- Export 65% of total beef production
- Export Beef value ~\$5
 Billion





Market access is critical

Australia exports 65% of its beef production





Australia's History of Cattle Identification In late 1960s established:

- Brucellosis and TB Eradication programme
- Property Registration
- Tail Tags- trace back to last property





Traditional identification — tail tags





Problems in the 1980s and 1990s

Series of Residue incidents

Damage to customers, export & domestic

Consequences Industry had to deal with:

Financial - losses, costs

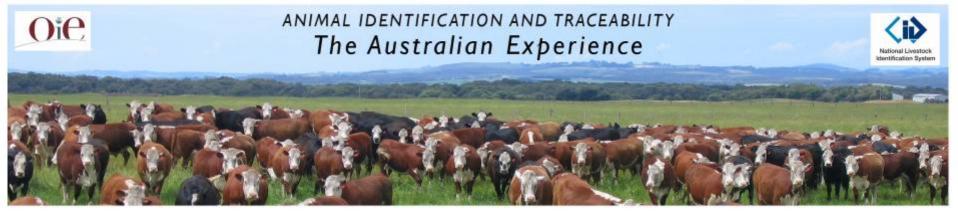
Physical - recalls, testing

Political - reputation



1995

Decision by all Governments and industry to Establish a National, Uniform cattle identification and tracing system



National Livestock Identification System Basic Assumptions

- must suit Australian conditions
- must be based on the "real world"
- must be affordable and effective
- must be nationally consistent



1995 to 1999 Building the system

- Co-operation between Government and Industry
- Co-operation between all sectors
- Single National Standard for performance
- National uniform numbering and PICs
- Decisions on database management & rules



Early Decisions

- Performance Standards
- Machine readable tags
- Life-time Retention
- Lifetime Performance





Key Conclusions:

- RFID Only
- Single Technology (HDX)
- National movement database – managed by MLA
- Needed to be Mandatory







Property Registration

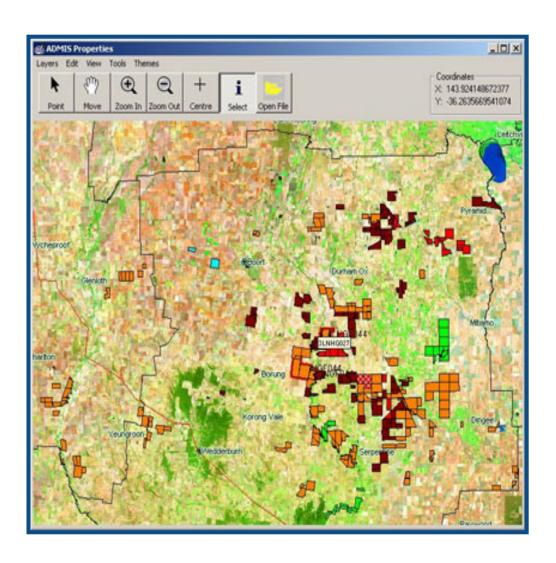
- Each State maintains a register of cattle properties
- Each property is assigned a Property Identification Code (PIC)
- Cattle, sheep, goat and pig producers are required by law to have a PIC





Some Details

PICs relate to geographical locations







National Vendor Declaration – complements the NLIS system

SERIAL NUMBER NATIONAL VENDOR DECLARATION (CATTLE) AND WAYBILL First selfiser, Murch 2004	6 Are any of the cattle in this consignment still within a Withholding Period (WHP) or Export Slaughter Interval (ESI) following treatment with any veterinary drug or chemical?
This form cannot be used where eligibility for the EU market is required.	☐ Yes ☐ No ☐ Don't know If Yes, give details: (Record additional details in question 9)
Part A To be completed by the owner or person who is responsible for the husbandry of the cattle.	
Owner of cattle	Tim the past 60 days, have any of these cattle consumed any stockfeed that was still within a WHP when harvested or first grazed? Yes No Don't know M Yes, give details:
Property/place where the journey commenced.	Tes No Unit know is res, give details:
Property Identification Code (PIC) of this property	In the past 42 days, were any of these cattle: a) grazed in an endosulfan spray risk area; or b) fed fodders out from an endosulfan spray drift risk area? endosulfan spray drift risk area?
Description of cattle Number Description PEC on Burnsection Tag Brands, Earments	Yes No Don't know Date sprayed
	Additional information: see requirements in Explanatory Notes for completing this document.
	Part C To be completed by the owner or person who is responsible for the husbandry of the cattle.
	<u> </u>
Consigned to	declare that, I am the owner or the person responsible for the husbandry of the cattle and that all the information in part A of this document is true and correct.
Destination (if different) of cattle	(Within document in NOV being used as a Notional Vendor Declaration, the following paragraph may be deleted and part if meet not be completed.)
	As the person responsible for the husbandry of the cattle, I also declare that all the information in part B of this document is true and correct, that I have read and understood all the questions that I have answered,
Do the cattle in this consignment carry an NLIS device? \[\text{Yes} \text{No} \text{Don't know} \] If yes, number: \[\text{Ear} \text{Farmen} \text{Rumen} \text{Lifetime traceable?} \text{Yes} \text{No} \text{No}	that I have read and understood the explanatory notes, and that, while under my control, the cattle were not ted restricted animal material (including meet and bone meal) in breach of State or Territory legislation.
Details of other statutory documents relating to this movement e.g. animal health certificate	Signature: Date Tel no.
	*Only the person whose name appears above may sign this declaration, or make assendments which must be initialled. Part D To be completed by the person in charge of the cattle while they are being moved. Completion of this
Part B To be completed by the person who is responsible for the husbandry of the cattle.	part is optional in SA, TAS and VIC.
1 Have any of the cattle in this consignment ever in their lives been treated with a hormonal	Movement commenced: / / (hh:mm) Driver's licence no.
growth promotant (HGP)? [Use a second document for mixed consignments.) Yes No Don't know	Vehicle registration number(s) -: am the person in charge of the cattle during the movement
2 Have these cattle been raised consistent with the rules of an independently audited QA	and declare all the information in Part D is true and correct.
program on the property the PIC of which is shown above?	Signature Date Tel no
☐ Yes ☐ No If Yes, give details:	*When more than one truck is carrying the cattle, other vehicle registration numbers are to be recorded.
3 Were all of the cattle born and raised on the vendor's property?	Part E Agents declaration for cattle sold at section. Completion of Part E is optional, by agreement between the seiling agent and the buyer. Saleyard agents completing
Yes No Don't know If No, how long ago were the cattle obtained or purchased? If partnessed at different times, tick the box corresponding to the time of the most recent partness.)	Part E should retain the original declaration for a minimum of two (2) years, or three (5) years in WA and supply a copy to any buter on request.
Less than 2 months 2-6 months 6-12 months more than 12 months	Vendor code Agent's code
4 In the past 60 days, have any of these cattle been fed by-product stockfeeds?	Stock agent company
and a copy of an analyst's report if neutlable.	Buyer's name Destination PIC
8 In the past 6 months, have any of these cattle been on a property listed on the ERP database or placed under grazing restrictions because of chemical residue?	No. of cattle purchased Saleyard arrival time (hh:mm):
☐ Yes ☐ No ☐ Don't know If Yes, give details:	Agent's signatureDate





Drivers for Identification become stronger

For example
UK FMD
BSE - UK, Japan,
North America









Governance

- NLIS operates under the Safemeat partnership between the State and Federal Governments, and Industry
- A national industry committee monitors the operation of the system, and advises on business rules
- The States maintain PIC registers, and are responsible for legislation, monitoring and enforcement
- Industry, through Meat and Livestock Australia (MLA), operates the NLIS database which records movements between PICs, and disease, residue and market access information







Safemeat Partners

Department Agriculture Forests and Fisheries

State Governments

Cattle Council of Australia - *Producers*

Australian Meat Industry Council - Processors

Australian Lot Feeders Association – Lot Feeders

Livestock Saleyards Association – Saleyards

Agents Association

Dairy Australia – *Dairy Producers*

Australian Live Exporters Council – *Live exporters*

Meat & Livestock Australia – *Industry Body*

Animal Health Australia – *Industry Body*







































































NLIS Introduced in stages

NLIS Commenced as a voluntary system in 1999

Tags subsidised in State of Victoria

Mandated in Victoria 2002, and then all States by 2005





NLIS Database

- The NLIS Database currently:
 - Holds information on 181,000 PICs and 75 million devices
 - Has 30,000 database account holders
 - Receives an average of 6,000 interactions per day
 - Records an average of 55,000 cattle movements per day
 - Receives >99.5% of incoming information electronically



Creating a Win-Win

Important to build direct benefits to players along the chain

Deal here with on-farm benefits

















On-Farm: Beef

RFID Facilitates

- All record keeping
- Forecasting readiness for market, and forward selling
- Automatic & individual calculation of weight gain
- Recording of treatments and checking of withholding periods
- Reproductive information & Feedback from database
- Drafting by pre-determined criteria
- Inventory management





The Australian Experience





File Options Window Help

Management Number: Rescan

Session - Feb 23 2009 Draft 2008 hfrs to Feedlot for 3GMFS000 on 23/02/2009

Back

20080085 310.0

Total Head:

320

RFID or NLIS

Mob or Status

Weight

Weight Gain: Session Average:

Current:

3GMFS000XBD00085

2008 hfrs

0.22

0

G	irid Status	Birth	Mob	Move	Comme	nt Draftin	g Treat	User	№ Weight					
	RFID		Management No.			Weight (k	g) S	tatus		Scan Date	User Defined 1	U	ser Defined 2	^
	982 0001164	20080674			262				23/02/2009 9:31 AM	4				
	982 0001147	200804	20080439						23/02/2009 9:31 AM	3				
	982 0001147	20080456			280				23/02/2009 9:32 AM	2				
	982 0001164	982 000116427048			20080655					23/02/2009 9:32 AM	<not draft="" in=""></not>			
	982 0001164	27061	200806	666		300				23/02/2009 9:32 AM	2			
	982 0001144	22936	20080	588		300				23/02/2009 9:33 AM	2			
	982 0001144	23579	200803	381		262				23/02/2009 9:33 AM	4			
	982 0001164	27253	200806	661		266				23/02/2009 9:33 AM	4			
	982 0001144	22985	200803	389		276				23/02/2009 9:33 AM	3			
	982 0001164	14318	200806	679		282				23/02/2009 9:34 AM	4			
_	982 0001026	17850	20080008			262				23/02/2009 9:34 AM	1			
	982 0001144	23388	200806	640		290				23/02/2009 9:34 AM	3			
	982 0001147	07989	200808	597		284				23/02/2009 9:34 AM	3			
	982 0001144	23328	200803	321		288				23/02/2009 9:34 AM	4			
	982 0001026	18031	200801	188		306				23/02/2009 9:35 AM	1			
	982 0001026	16210	200802	293		302				23/02/2009 9:35 AM	2			
_	982 0001147	08017	200804	445		274				23/02/2009 9:35 AM	3			
_	982 0001026	200801	160		288				23/02/2009 9:35 AM	2				
	982 0001144	23592	200806	624		278				23/02/2009 9:36 AM	3			
	982 0001144	23454	200808	558		264				23/02/2009 9:36 AM	4			
	982 0001026	17787	200800	085		310				23/02/2009 9:36 AM	2			
	982 0001144	23477	200804	455		280				23/02/2009 9:36 AM	2			
	982 0001026	16453	200802	289		296				23/02/2009 9:37 AM	3			
	982 0001144	23695	200804	430		272				23/02/2009 9:37 AM	3			~
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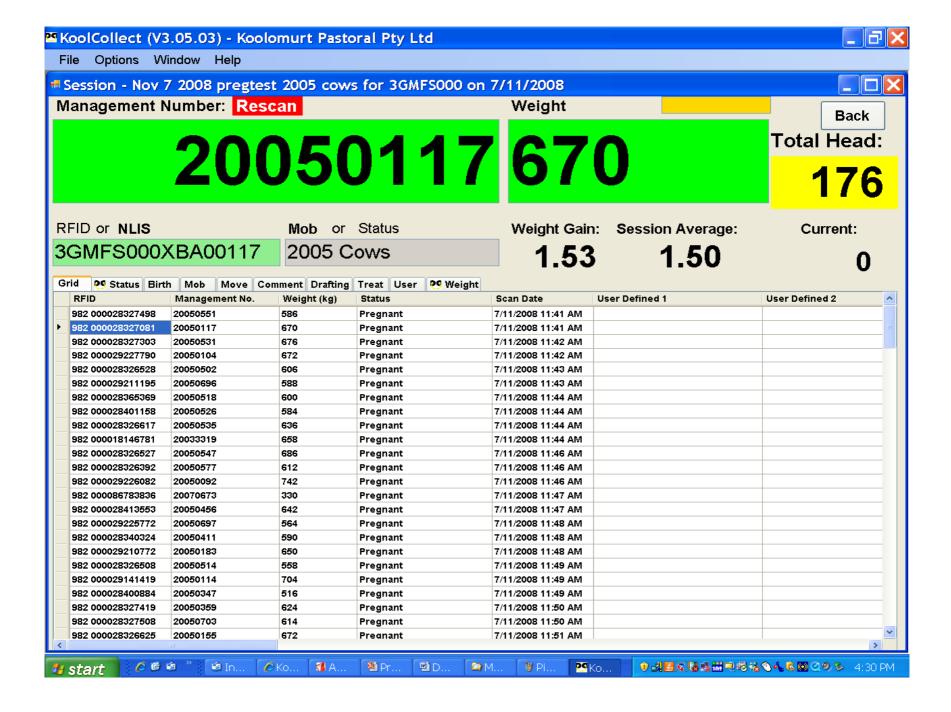


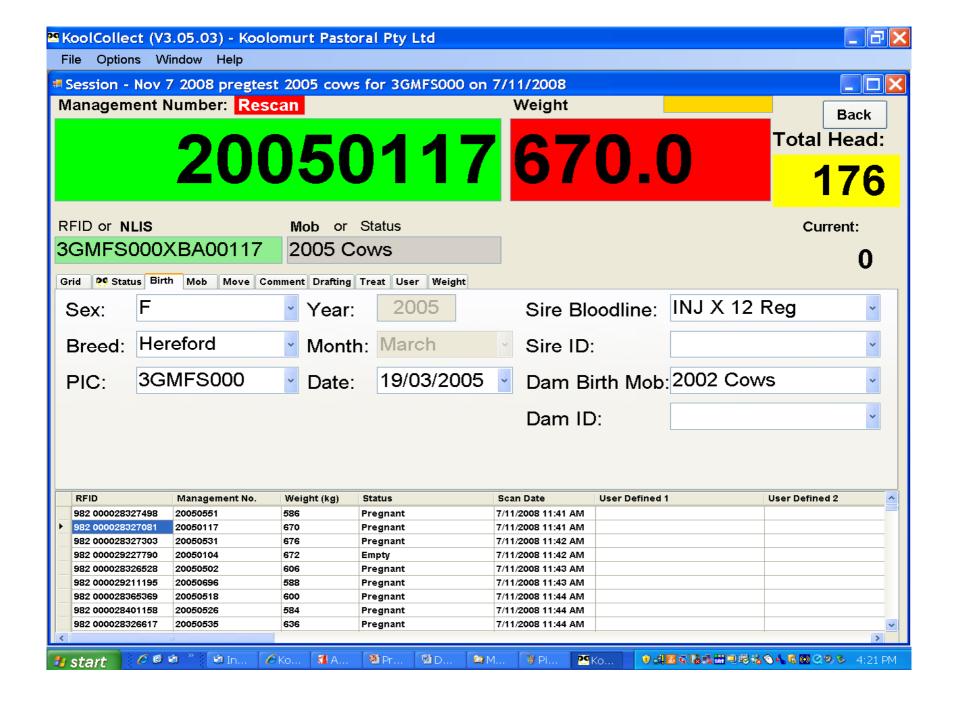


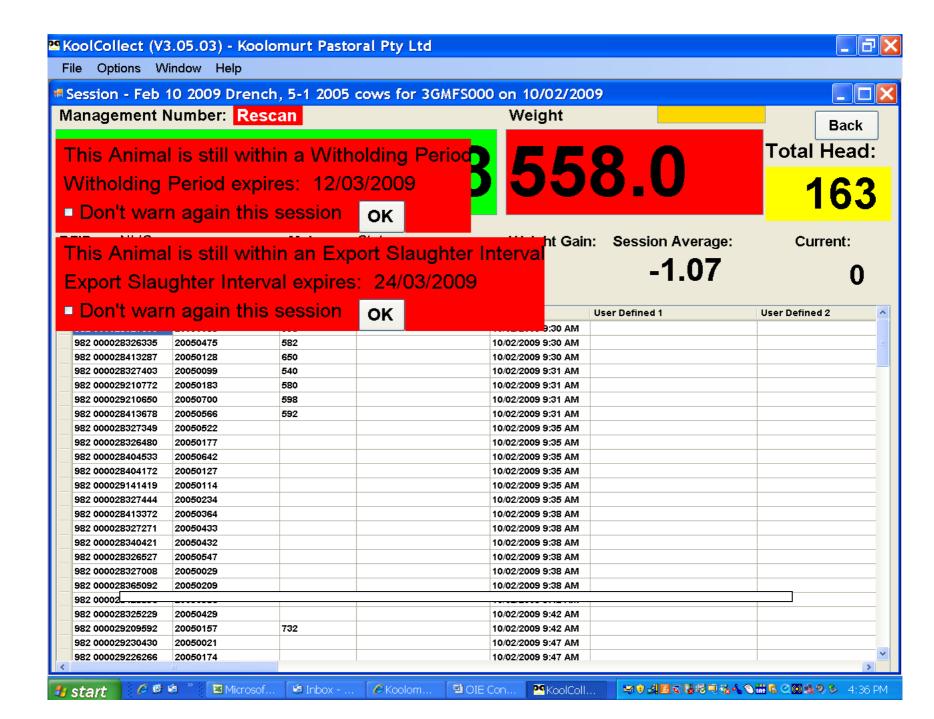


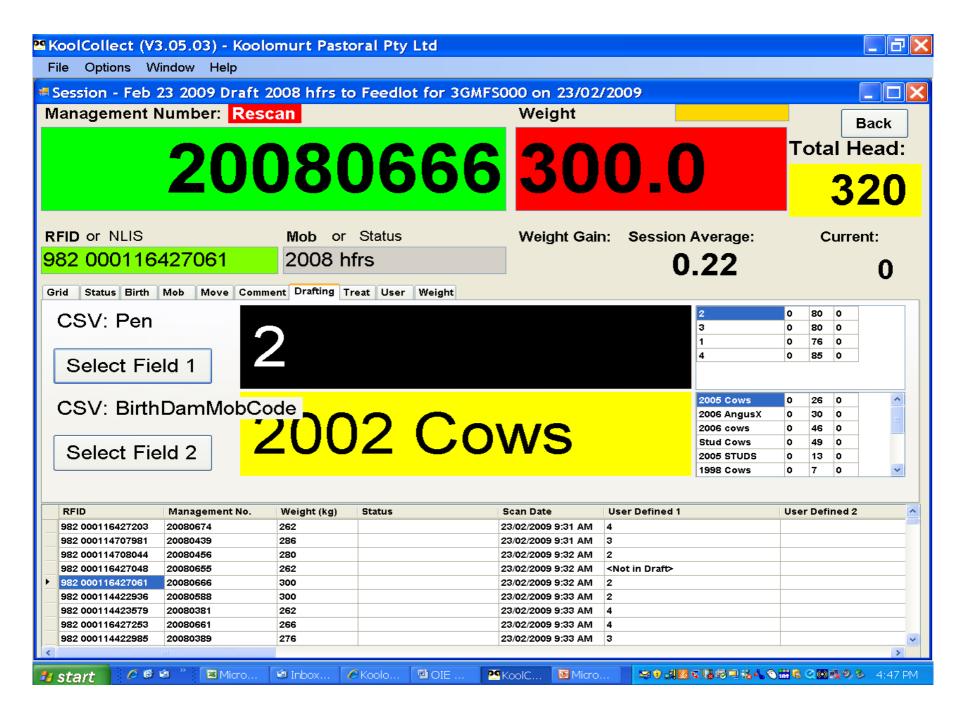


















The Australian Experience



G. & K. O'Connor P	y Ltd	
Establishment No: 1265		
Date Monday, 9 Februa	ry 2009	
Species: Beef		O'CONNOR

Lot Name: KOOLOMURT PASTORAL

Dody	Sav	Dont	Tve	no Fot	Dust	ID	NI IC	Cyn		1		2	HSCW
Body Sex		Dent	Ty	ре гат	Butt	ID	NLIS	Сур	Brs	Side	Brs	Side	поси
12	M	0	S5	7	С	3SGRM056	982 000083519719	YS		137.0		135.0	272.0
13	M	0	S5	15	C	3SGRM056	982 000083519799	YS		134.5		134.0	268.5
14	M	0	S5	5	С	3SGRM056	982 000083519311	YS		126.0		128.5	254.5
15	M	0	S5	10	С	3SGRM056	982 000083519310	YS		131.0		128.5	259.5
16	M	0	S5	8	C	3SGRM056	982 000083519416	YS		132.0		130.5	262.5
17	M	2	S5	10	С	3SGRM056	982 000083519613	YGS		129.5		131.0	260.5
18	M	0	S5	15	С	3SGRM056	982 000083520040	YS		126.5		126.0	252.5
19	M	0	S5	7	С	3SGRM056	982 000083519514	YS		137.0		135.5	272.5
20	M	0	S5	15		3SGRM056	982 000083519395	YS		130.0		129.5	259.5
21	M	2	S5	8	_	3SGRM056	982 000083520012	YGS		139.0		138.0	277.0
22	M	0	S5	12	С	3SGRM056	982 000083519550	YS		134.0		134.5	268.5
23	M	0	S5	12	С	3SGRM056	982 000083519455	YS		136.5		137.0	273.5
24	M	0	S5	5	С	3SGRM056	982 000083519600	YS		135.5		134.0	269.5
25	M	0	S5	16	С	3SGRM056	982 000083519411	YS		132.0		128.5	260.5
26	M	0	S5	17	С	3SGRM056	982 000089527296	YS		129.5		130.5	260.0
27	M	2	S5	14	С	3SGRM056	982 000083519998	YGS		130.5		129.5	260.0
28	M	0	S5	10	С	3SGRM056	982 000083519680	YS		134.5		136.5	271.0
29	M	0	S5	5	С	3SGRM056	982 000096296275	YS		126.5		127.0	253.5
30	М	0	S5	10		3SGRM056	982 000083519936	YS		134.5		135.0	269.5
31	М	0	S5	5	_	3SGRM056	982 000083519358	YS		135.0		135.5	270.5
32	М	0	S5	10		3SGRM056	982 000083519467	YS		129.5		128.5	258.0
33	М	0	S5	12		3SGRM056	982 000083519424	YS		131.0		132.0	263.0
34	М	0	S5	5	С	3SGRM056	982 000083519337	YS		132.5		131.0	263.5





Bottom Line Benefits

Many jobs made easier – less work in yard, more in the race

Record keeping easier and accurate

Marketing made simpler and more profitable

Drafting made easy

Better OH & S outcomes

More precision in management decisions

Breeding based on facts

A more secure industry





Downside

Some cost in tags

Initial cost of equipment installation

Cost of software

However

Cost can be limited to tags only, if there is no desire to capture the benefits of RFID



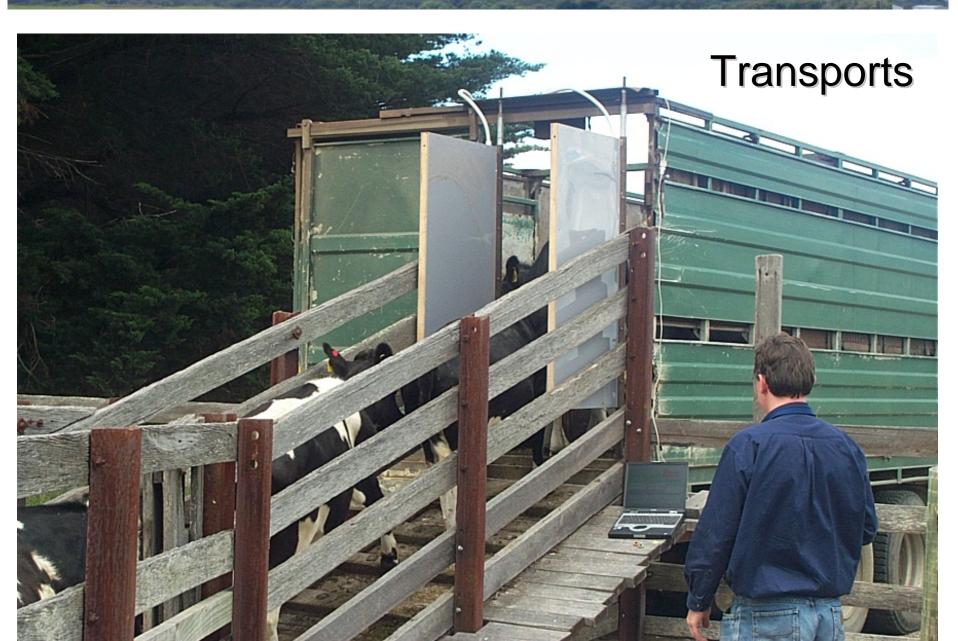


A quick look along the supply chain

- Transport
- Saleyards
- Meatworks
- Knackeries











Saleyards







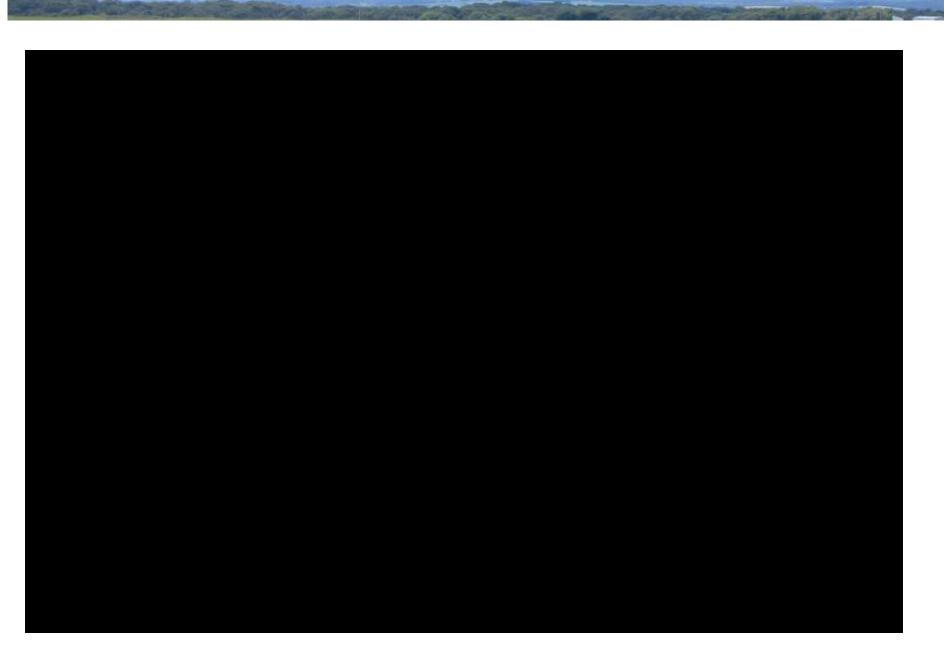
Saleyards





The Australian Experience









Abattoirs

 Panel reader for automated reading







Abattoirs

- NLIS assists with meat inspection
- Cattle of interest are 'flagged' for inspection/testing
- Exception files are refreshed when processors upload 'kill files'







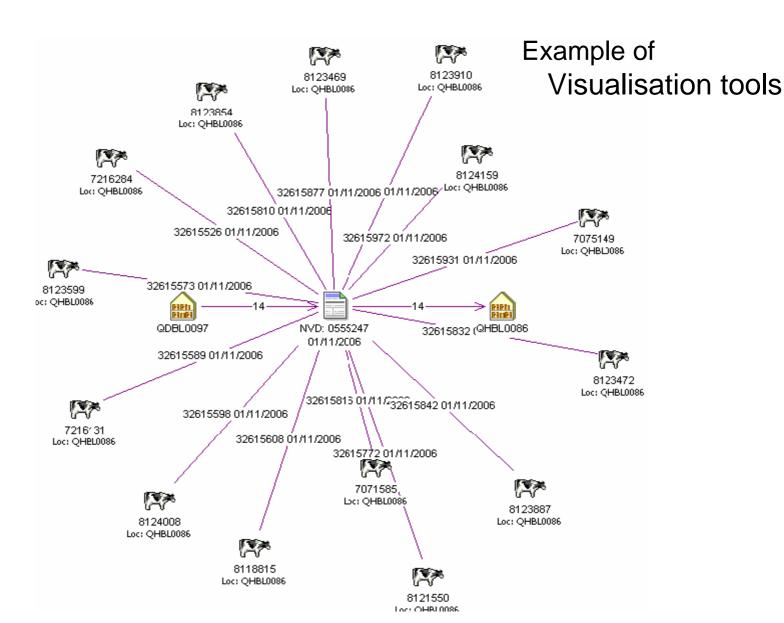
Important Issue is the Rapid Utilisation of Tracing information from the database in the event of an emergency:

- How to use the data
- How best to present the information

Still Early days

ANIMAL IDENTIFICATION AND TRACEABILITY The Australian Experience









THANK YOU

