

# ONCE BRED HEIFER WAGYU OPTION

## FREQUENTLY ASKED QUESTIONS

### How does it work?

Demand for cross bred wagyu (F1) calves is high. To secure access to F1 Wagyu stock and/or to participate in the breeding of the valuable young F1 Wagyu stock, a dry stock farmer can purchase beef or dairy cross heifers and mate them with our Red Wagyu Semen.

Heifers mated at around 15 months old can still be processed as prime heifers after weaning the Wagyu cross (F1) calf.

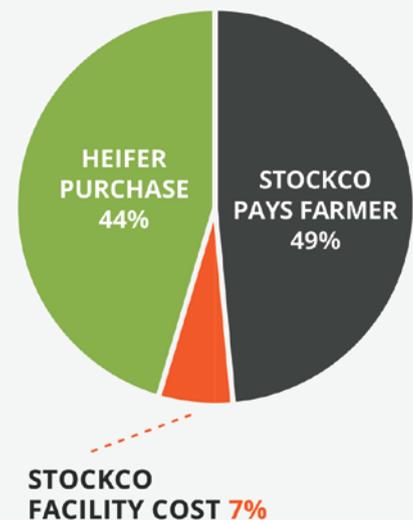
For contracted customers StockCo can provide a minimum price of \$4/KgLW for the F1 calves between 180 and 200 KgLW. This gives a strong return to the farmer and an opportunity to finish the F1 Wagyu progeny and gain more value.

### What is the trade?

#### INDICATIVE ONCE BRED HEIFER GROWER MARGIN

Term of Trade	18 mnths		
Average daily weight gain	0.4kg/day		
		<b>(kg)</b>	<b>(c/kg)</b> <b>(\$/head)</b>
Purchase yearling Heifer	300 KgLW		\$3.00    \$900
Sell Wagyu Calf	200 KgLW		\$4.00    \$800
Process Heifer	250 KgCW		\$5.00    \$1,250
<b>Farmer's returns and costs</b>	<b>per head</b>		
Heifer and Calf proceeds	\$2,050		
Heifer Purchase	\$900		
StockCo facility cost	\$146.25		
StockCo pays farmer	<b>\$1,003.75</b>		
Weekly net Margin	\$12.87		
Your funding costs/Sale Value	7%		

#### ALLOCATION OF SALE PROCEEDS



**What is the typical phenotype of a Red Wagyu versus a Black Wagyu?**



**What does the Semen cost?**

\$15 per straw

**Are the Red Wagyu calves generally larger than Black Wagyu calves and how do they compare to Friesian or Herefords for average birth weight?**

Black Wagyu	32 kg
Red Wagyu	36 kg
Friesian	38.5 kg
Hereford	42 kg

**Are the Red Wagyu's deemed easy calving?**

All Wagyu are deemed easy calving.

**I have heard that Wagyu calves can be slow growing, are the Red Wagyu faster and if so why?**

Red Wagyu are the result of the Japanese governments cattle improvement program to increase beef production and included an infusion of genetics from Simmental cattle from Europe to improve growth rates. StockCo has specifically selected high growth rate genetics.

**Is there any difference in conception rate between Red Wagyu Semen and semen from other breeds like Friesian or Hereford?**

Indications are that Red Wagyu has good semen fertility similar to Hereford and Friesians.

**What is the genetic difference between the Red Wagyu and the Black Wagyu?**

There are four breeds of Wagyu. The Japanese Black and Japanese Brown, which is also widely known as the Red Wagyu, are the predominant breeds. All Wagyu cattle derive from cross-breeding in the early twentieth century of native Japanese cattle with imported stock, mostly from Europe.

In the case of the Red Wagyu, the principal foreign influence was from the Swiss Simmental and Korean Hanwoo breeds. The Red and Black Wagyu are not related genetically but have been bred for the same marbling criteria in Japan.

Red Wagyu are highly prized for their marbling, their light birth weights and their ability to fatten on grass, with growth rates, fertility, and phenotype of conventional western cattle – growth, thick and full of meat.

In Japan, they come from the Kumamoto Prefecture where they are run under grazing conditions making them an ideal choice for New Zealand's pasture based systems.

**Who do I contact to find out more?**

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