

Twenty20™
BEEF CLUB

FARMING

TOGETHER FOR A SUSTAINABLE FUTURE


glanbia
ireland

KEPAK

The Twenty20 Beef Club is a fully integrated calf to beef Programme between Glanbia Ireland (GI), Kepak Group and their respective farmer suppliers. It has been created to sustainably produce and market Irish heifer and steer beef. A fully traceable input supply chain will underpin the Programme (closed loop) and support the establishment of industry leading marketing claims.

The overriding objective of the Programme is to improve the economic, environmental and social sustainability of calf to beef production in ROI for dairy and beef farmers.

Additional value will be created by sustainably producing beef, with complete traceability and transparency through:

- Genetics and agri technologies
- Animal health and welfare
- Nutrition & grassland management
- Pricing
- Advance Payment Package (optional)



“We are proud to announce this industry-unique partnership with Glanbia Ireland. This innovative Twenty20 Beef Club will provide leadership in establishing a truly integrated supply chain with unrivalled traceability and associated ‘closed loop’ beef attributes. Through our collaboration we have developed a unique, if not revolutionary, solution to a longstanding quest of beef farmers for more predictability in future beef pricing and an animal-lifetime cashflow option. We have developed an end-to-end science-based blueprint for a sustainable beef product to meet evolving customer and consumer meat eating trends”.

John Horgan, Managing Director, Kepak Group.



“We are delighted to partner with Kepak to establish the Twenty20 Beef Club. This initiative is about two of the leading players in farm inputs and beef production being proactive in combining their skills to produce a more sustainable beef production model. This programme provides our combined Club of farmer suppliers the opportunity to collectively produce beef in a model focused on ensuring both economic and environmental sustainability”.

Seán Molloy, Chief Agribusiness Growth Officer, Glanbia Ireland.

Club Vision

- A guaranteed market for beef produced by Members.
- Predictable and sustainable pricing for Members.
- Member access to a world first Advance Payment Package.
- Enhance the market value of calves emanating from participating herds.
- Leading edge technical advice from birth to slaughter.
- Produce beef using high quality farm inputs through a closed loop supply chain.

Club Objectives

- Reduction in the average age of Club cattle at slaughter to less than 24 months.
- Reduction in the average carbon footprint of Club member farms - through use of methane reducing feed additives, reduction in the average age of slaughter, and improved feed conversion efficiency.
- Improvement in the consistency of the eating quality of Club produced beef through a combination of better genetics, nutrition management and farm husbandry.
- Increase the proportion of dairy bred cattle meeting market specified targets.
- Increase beef output and sales value per hectare through adherence to Club protocols.

Club Technical Support

Club Members will receive on-farm technical support from Glanbia and Kepak teams, supported through:

- On-farm technical visits and workshops.
- Forage and soil analysis and related advice.
- Dietary balancing and feeding advice.
- Adoption of relevant Agri technologies.
- Advice on animal health regimes and health screening support as necessary.
- The use of Glanbia approved feed ingredients formulated to improve feed efficiency and reduce methane production.
- The selection of cattle for slaughter.

Club Intake Target Numbers

YEAR 1 (2019)	6,000 animals
YEAR 2 (2020)	20,000 animals
YEAR 3 (2021)	50,000 animals
YEAR 4/5	50,000+ animals

Club Requirements

- All eligible calves must have a known sire recorded on the AIMS registration system (from 2020).
- Any stock bulls used in the herd of origin must be pedigree registered and genotyped.
- A minimum of 10% of the calves entering the programme must be genotyped to verify breed and parentage. These will be randomly selected by the Club administrators and carried out by the Club Member.
- Dairy farmer Members will be required to select bulls with a specified minimum ICBF Dairy Beef Index. The list will be published and communicated to members annually.
- In the case of the Holstein and Friesian sires, selection will be based on the beef sub index within ICBF's Economic Breeding Index.
- All Members must be approved and fully compliant with Bord Bia's Sustainable Beef & Lamb Assurance Scheme (SBLAS) and as such, verified members of Origin Green.
- All Members must follow the Club health, nutrition and welfare protocols.
- All inputs (feed/micronutrients, fertilizer and non-prescription animal health products) must be sourced and supplied by Glanbia (refer to protocols).
- Where home-grown feeds are used, any purchased and/or balancing ingredients must be approved and supplied by Glanbia Ireland (refer to protocols). The GI Technical team will prepare, supply and record the diet formulations in use.
- All Members must complete the "Data Protection and Authorisation Form" with their expression of interest form. Admission to the Club is at the sole discretion of Glanbia and Kepak.

Club Eligibility

Eligibility for Club membership is open to dairy and beef farmers who are willing to commit to the Club protocols.

- Members must be Glanbia Co-op members (ROI) or Kepak suppliers.
- Calves must be finished on the farm of birth (Glanbia farmers) or after one movement to a finishing farm.
- Minimum number of animals is 25. No maximum applies.
- All mainstream animal breeds are eligible with the exception of Jersey and Jersey crosses.
- Members must have the infrastructure and capability to adhere to strict production and farming standards.
- Members will have contractual obligations as will Kepak and Glanbia Ireland.
- Dairy calves must be born on the farms of Glanbia Co-op members participating in the Club.
- Objective selection criteria will be applied if oversubscribed.

Club Pricing Structure

The Club pricing structure applies to carcasses in the weight range of 280-360Kgs

All Club cattle will be eligible for a Club Premium and bonuses as outlined below.

CLUB PREMIUM

15c-25/Kg

CLUB PROTOCOL BONUS

12c/Kg

BREED BONUS

10c/Kg

SEASONALITY BONUS

April and June - 6c/Kg, May - 10c/Kg

Pricing Model and Glossary

- The Club Price is the sum of the Average Quoted Price (AQP) and the Club Premium. (There are additional Club Bonuses for Protocol adherence, Breed and Seasonality).
- The AQP is the average of the base prices quoted by ROI beef processors, as published weekly in the Agri Media i.e. the base price on the Grid.
- The Club Premium is the closed loop dividend and input traceability price reward.
- The Club Reference Price is the guide price provided to Members at calf intake. It will be reviewed at the end of 2020 and annually thereafter.
- In 2019 & 2020 when the AQP is at or above €3.85 a Club Premium of €0.15 will apply, at an AQP of €3.75 or less, a 25c/Kg Club Premium will apply.
- In 2019 & 2020 if the AQP drops below €3.50, the Club Price will be maintained at €3.75 with support from Kepak.
- To protect the customer a maximum price of €4.55 including bonuses except seasonality will apply.
- The Club Protocol Bonus will be paid to members, subject to adherence to the Club protocols and on carcasses meeting Club specifications.
- The Club Breed Bonus will be reflective of commercial practices applying in the market, capped at 10c/kg, and confirmed annually.
- The Club Seasonality Bonus will apply as previously outlined.

Working examples of cattle slaughtered in April

Pricing components for typical Club cattle per kg, slaughtered in April	Scenario 1 (AAX or HEX)	Scenario 2 (AAX or HEX)	Scenario 3 (AAX or HEX)	Scenario 4 (AAX or HEX)	Scenario 5 (FRIESIAN)
Average Quoted Price (AQP)	€ 4.00	€ 4.20	€ 3.60	€ 3.50	€ 4.00
Club Premium	€ 0.15	€ 0.15	€ 0.25	€ 0.25	€ 0.15
Club Price	€ 4.15	€ 4.35	€ 3.85	€ 3.75	€ 4.15
Club Breed Bonus	€ 0.10	€ 0.10	€ 0.10	€ 0.10	-
Club Protocol Bonus	€ 0.12	€ 0.12	€ 0.12	€ 0.12	€ 0.12
Club Seasonality Bonus - (e.g. Apr/June 6 cent)	€ 0.06	€ 0.06	€ 0.06	€ 0.06	€ 0.06
Total €/Kg	€ 4.43	€ 4.63	€ 4.13	€ 4.03	€ 4.33
Net Price to Participants	€ 4.43	€ 4.61	€ 4.13	€ 4.03	€ 4.33

Note: The above are calculated using the base price and depending on grade will require the normal QPS adjustments

Price Potential (base) @ 335kg Carcass	€ 1,484	€ 1,544	€ 1,384	€ 1,350	€ 1,451
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The examples above are modelled on the base price for typical Club cattle, 335kg carcass weight and grading R=/R-. A standard QPS differential would apply for lower grades: O+ -€40, O= -€60 O- -€80

- In 2019 and 2020 the Club Reference Price will be €4/kg
- In 2019 and 2020 all Club cattle meeting the weight criteria will avail of the Club Protocol Bonus regardless of conformation grade.

Finance Package

- An Advance Payment Package will be available to all credit approved Club Members. During the Pilot Phase only Glanbia Co-op members will be eligible for the Advance Payment Package. The credit approval process will be the sole responsibility of Finance Ireland.
- The Advance Payment Package will allow credit approved Members to draw down funding up to €770 per animal. Credit approved Members will be eligible to receive either €25 or €35 per head each month on Club registered cattle.
- Credit approved members will have the option of choosing the level of advance payment that suits their farm system best.
- Members approved for the Advance Payment Package will be required to sign a Payment Instruction Letter to enable Kepak to make the appropriate repayments to Finance Ireland.
- The Interest Rate applicable to the Advance Payment Package is 3.75% over one month Euribor rate with a zero floor. A set-up fee of 1.25% of the total prepayment value (excluding interest accrued) will apply. The APR (annual percentage rate) is 3.9% based on a 24 month term and Euribor (as above). Note interest continues to accrue on any balances outstanding after month 24, and APR may be higher in these instances.

Club Protocols

The Twenty20 Beef Club objectives require high standards in animal health, nutrition, welfare and production practices to deliver food with favourable environmental impact. Members must comply with the **ANIMAL HEALTH AND WELFARE ACT 2013** and any subsequent measures put in place by DAFM. In particular your attention is drawn to the sections dealing with the Prevention and Control of Animal Disease, Animal Welfare and Animal tracing Systems. All Members must be approved and fully compliant with Bord Bia's Sustainable Beef & Lamb Assurance Scheme (SBLAS) and as such, verified members of Origin Green.

By participating in this Club and adhering to the guidelines below, members will be able to:

- Execute principles of both clinical and subclinical disease prevention to produce healthier calves that are going to thrive and perform over their lifetime.
- Support excellence in nutrition from arrival to finishing. This will help reduce illnesses such as acidosis and maximise performance through rumen development and improved digestion.
- Achieve quality standards in animal welfare, husbandry, housing and nutrition throughout the animal's life.
- Implement practices that reduce the need for antibiotic use and promote efficiency to get "More from Less" and therefore reduce the environmental footprint.

The protocols set out below will help members deliver their targets and safe, high quality beef.

Animal Health

Calf producing members are required to take steps to support the optimum health and welfare of the new born calf.

- Use a vaccination programme (vaccinate cows in late gestation against Rotavirus and Coronavirus).
- Ensure the effective development of the calf's immunity, through adequate colostrum intake. Use the 3, 2, 1 rule for colostrum - 3 litres, within 2 hours, from the 1st milking.
- Feed a high quality calf milk replacer and concentrates.
- Providing free access to fresh water is essential at all times.

Members buying calves from calf producing members should:

- Know the disease status of the source herd
- Reject sick calves
- Isolate new animals on farm.
- Limit stress: avoid sudden feed changes, crowding of pens, drafts and temperature fluctuations.
- Minimise the risk of exposure to bacteria, viruses and parasites in the calves' environment.

The focus of this Programme is on disease prevention and the minimization of antibiotic use. Members are required to practice the highest hygiene standards. The table below outlines key areas of action required with respect to respiratory, clostridial and parasitic risks.

Pneumonia and IBR

- Vaccinate for respiratory disease (e.g. RSV, PI3) in the first weeks of life and maintain the vaccine programme throughout the animals first year.
- A booster vaccine should be given as recommended by the vaccine programme.
- IBR vaccine must be administered prior to being housed for the first time (typically at 6-9 months for Spring born calves)

Clostridial Diseases

- Vaccinate against Clostridial diseases prior to turn-out to pasture as calves. It is recommended to vaccinate twice, four to six weeks apart.
- Vaccinate from two weeks of age but do not administer simultaneously with other vaccine programmes.
- An annual booster is required before turnout in the second Spring of life.
- Use a multivalent vaccine to deliver a broader range of cover.

Endoparasites & Ectoparasites

- Club members must operate a control programme for both endoparasites and ectoparasites. This may vary from farm to farm (once agreed with the Club technical team). Glanbia Ireland operates a parasite screening Programme that can be used to tailor preventative and control programmes to best effect.

Animal Nutrition

Members must follow nutritional guidelines put in place by the Club. All animal nutrition products must be sourced through Glanbia Ireland.

These include but are not limited to the following:

- **Feeds:** Compound feeds, coarse rations, straights including molasses, blends, calf concentrate and milk replacers.
- **Minerals:** Bagged mineral, blocks/licks, boluses, water solution additives, pasture dusting minerals and feed additives.

The following practices are required:

- Calf Milk Replacers must be fed according to label instructions and in particular note the recommended feeding level and the mixture concentration.
- Water is an essential nutrient and must always be available.
- Clean straw must be available to appetite to support rumen development (no silage pre-weaning).
- Feed a calf starter muesli ad-lib, until consuming >250g/day.
- Feed a follow up calf feed (e.g. Goldgrain Calf Nuts or Calf Crunch) ad-lib until two weeks post-weaning.
- Wean only when consuming greater than 1-1.5kg concentrates and the target of doubling birth weight by 8 weeks/weaning has been achieved.
- Post weaning the recommended concentrate should be offered at 2-3kg/day, split in two regular feeds.
- During the first housing period an average daily live weight gain of 0.6-0.7kg must be targeted by Members. Feeding rates should be adjusted to match fodder analysis.
- Maximum growth potential to be achieved at grass by practicing good grassland management.
- Finishing period DLWG targets of 0.9 – 1.2kg should be targeted, feeding specific GAIN products selected on the basis of animal gender, breed type, and production system.
- All feeds fed during the store and finishing period must contain methane reducing agents
- Where home-grown feeds are used, the diet formulation must be prepared and approved by the Club technical team and a methane-reducing farm mineral pack must be incorporated.
- Home grown feeds can be used (including cereals and roots) but can only be bought in with the approval and/or analysis of the Club technical team.

- Only approved by-product feeds can be fed but must be approved and formulated into the diet. Many industrial by-products and mixtures will not be approved for use in the Programme.
- Forage crops such as silage, hay, haylage, whole-crop cereal, maize silage, and triticale must be harvested and stored in line with DAFM regulations. (Forage additives must be supplied through GI).
- With respect to Grassland Management, a nutrient management plan must be in place and agreed with the Club technical team. Any chemical fertilisers including granulated lime must be sourced through GI.



Our Club technical team will advise Club members as necessary.

Animal Welfare

Welfare provisions within the scheme include the feeding, housing, transport and general husbandry of the animal from the time of birth to slaughter.

- Members must adhere to the 'Five Freedoms' highlighted in the Animal Welfare Act 2013, throughout the entirety of the calf to beef production system.
- Over the age of eight weeks, calves must not be confined in individual pens unless certified by a veterinarian.
- For group penning, the unrestricted space allowance per calf shall be at least equal to 1.5 square metres and 1.7 square metres for each calf with a live weight of 150kg – 220kg.
- Transport conditions must not cause injury or unnecessary suffering, calves must be 10 days of age if undergoing journeys >100km, and the transportation of calves less than 14 days of age on journeys exceeding eight hours is not permitted.

- All calves must be provided with an appropriate diet adapted to their age, weight and behavioural and physiological needs, to promote good health and welfare.

Castration & Disbudding Requirements

Procedure/method	Age of Animal	Anaesthetic / Pain Relief
Castration	<2 months	Yes
Disbudding	<2 weeks	Yes

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For further information, please contact:

Glanbia Ireland: Your local Glanbia Ireland Representative
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