



## Minutes of the Annual Breeders Meeting, Held at Afridome, Parys and on Zoom 07 September 2022, At 10:00

### 1. Opening and Welcoming

The meeting was chaired by Tito Vorster, President of the Simbra Cattle Breeder's Society.

### 2. Attendance Register

#### Present:

Tito Vorster (President), Pieter Meyer (Vice-President), Kobus Bester (Breed Director), Hendrik Grobbelaar, Anina Nel, Michelle de Lange, Willie Lubbe, Kobie Doman, Danie van Vuuren, Chris Richter, Eugene Marais, Christiaan Bouwer, James Prinsloo, Janco Prinsloo, Carl Rautenbach, Lourens Muller, Gerrit Viljoen, Riaan van Zyl, Jaco Mare

#### Zoom:

Andy Brink, Ernst du Plessis, Daleen van Zyl, Bles De Klerk, Byron Watson, Hennie Viljoen, Foeta Louwrens, Arne Grobbelaar, Ekkehard Pape, Cornelis Derksen, Bayer Olivier, Daniel Kotze, Brink Grobbelaar, Rick Dell, Maraldi Steenkamp

#### Apologies:

Llewellyn Angus, Dagmar Wilckens, Werner Wilckens, Fanie Mare Jnr, Diethelm Metzger, Heleen Roux,

It was confirmed that a quorum was present.

### 3. Tributes to Deceased Members

Noreen Lutge

Hendrik Grobbelaar then opened the meeting with prayer.

### 4. Approval of Previous Minutes

Minutes of the previous meeting were circulated to the breeders, Mr Kobus Bester requested approval of these minutes

**Proposer:** Mr Willie Lubbe

**Seconder:** Mr Jaco Mare

### 5. Simbra Feedback (Kobus Bester)

Simbra is a value proposition underpinned by Animal Science. Efficient staff and continual breeder development enable us to equip our breeders to improve and develop into successful seedstock producers. During the course of the year a number of different milestones were reached with special mention to the following:

- Development of a Simbra Inspectors and Judges Manual
- Development of a Simbra Breeders Manual
- Establishment of New Regional Clubs
  - Free State Club chaired by Andre van Wyk
  - Mpumalanga Club chaired by Arne Grobbelaar
  - Limpopo Club chaired by Kobus Badenhorst

- A total of 17 farmers days and training days were attended
- Implementation of the Linear Classification System
- Implementation of SNP Genotyping

## 6. Financial Reporting (Kobus Bester)

In accordance with the Simbra Constitution the financial position was discussed. The financial position of the Society as at 31 August 2022:

- Bank balance R1 256 458.24
- Debtors: R485 013.04 outstanding, of which R377 988.15 is 120 days and older. Kobus Bester thanks those Simbra breeders for the prompt payment of their accounts and calls on members owing to make their payments as soon as possible.
- The Society budget a loss of R343 709.88 for this financial year. Mainly attributable to the legal cost incurred of R789 897.65.
- The average herd size of 240 animals , comprises of 51 calfbook males, 71 calfbook females, 110 registered females and 8 registered bulls and amounts to a total of R18 768.32 in membership fees. This could be covered by the sale of three weaners, re-iterating the fact that stud breeding can be profitable.

The Income Budget for 2023 was presented and Mr Kobus Bester advised the meeting to consider a 10% increase in fees. The Expenses budget was presented with special notice given to increased expenses for Breed Improvement Services, Salaries and Wages, Rentals, and Travel. Legal Expenses were also discussed, the expense has been incurred and paid for and a further budget of R100 000 for this year and R40 000 for next year should be sufficient to finalise the matter. A query was raised about the increase in Breed Improvement Services, Mr Kobus Bester continued to share a powerful statement: “Die genootskap se fokus is om ons bestaande en veral ons jong telers kern gesond van binne na buite te help groei en ontwikkel”. He then went on to explain that the increase was primarily due to a plan to equip, develop and improve breeders success through the hosting of new breeder induction courses, training days and the Simbra Academy. A request was made to host the Simbra Academy in February 2023 – this will be further investigated and available dates will be discussed with the staff at the Afridome. Mr Kobus Bester requested the meeting to consider the approving the budget as presented and explained.

**Proposer:** Mr Christiaan Bouwer

**Seconder:** Mr Jaco Mare

For additional figures under Financial Reporting please see Appendix A.

## 7. Breed Statistics (Kobus Bester)

Attention was drawn to an increase in the number of inspections from 4041 to 4253 since 2019. There was a total of 22 active inspectors in the last year. A panel of available inspectors has been established and published on the website. Accreditation of these inspectors is awarded according to knowledge on phenotypic and genotypic selection and inspectors are assessed on a non-biased system and refresher courses are to be held annually. Current member and animal numbers were disclosed.

## 8. BIC Feedback (Matthew Kinghorn)

Feedback was provided on the transition to Breedplan Software Version 6.2 and the implementation of the Simbra Selection Indexes which is expected to take place before the end of the year. The changeover to version 6.2 of Breedplan will also mean that we will be obtaining EBVs for Net Feed Intake. A total of 45 batches (472 samples) of SNPs were sent on the special offer to Neogen. This amounts to approximately 800 samples on the system, taking us a little bit closer to our target of 2000 SNPs and towards genomically enhanced breeding values (GEBVs). GEBVs are a powerful driver of genetic progress and are expected to increase the accuracies of difficult to measure traits such as Fertility, Carcass and Net Feed Intake traits.

## 9. Breed Standards (Kobus Bester)

The floor was opened for the discussion of a number of points relating to breed standards.

- Eye Pigmentation

A question was raised by our Namibian breeders and by the Eastern Cape club around the downgrading of females with less than 50% eye pigmentation. At the keurdersaamtrek in April 2021 it was decided that females did not need to be downgraded in the herdbook for pigmentation. Three proposals were put forward:

- 1) Females should not be downgraded in the herdbook if they have less than 50% eye pigmentation (Jaco Mare)

- 2) Females should be downgraded in the herdbook if they have less than 50% eye pigmentation (Rick Dell)
- 3) Both males and females should be treated in the same manner. A minimum of 50% pigmentation should be implemented in both sexes. (Eugene Marais)

The above proposals were put to a vote, and Option 1 won the vote with 11 votes in favour. Therefore, it was decided that females do not need to be downgraded in the herdbook if they have less than 50% eye pigmentation. It was re-iterated that the requirements for eye-pigmentation of males is to remain unchanged.

- **Inspections**

A question was raised as to whether inspections should be compulsory for registrations. Some breeders perform their own inspections, and when it comes to society inspections no animals are rejected. They felt they were not receiving value for money in this regard. The matter was discussed, and the meeting felt that inspections should still be a pre-requisite for registration and should be done by an independent inspector.

Nobody seconded this proposal, and the current inspection system remains in place.

A proposal was put forward by Mr Kobus Bester, that on the date that the annual levy lists are sent out to the breeders, all male or female calfbook animals that are 24 months or older will be billed at the same per capita fee as registered animals. It is the breeder's responsibility to ensure that inspections remain up to date.

**Proposer:** Mr Kobus Bester

**Secunder:** Mr Jaco Mare

- **Protocol for handling genetic defects**

The LRF has put a request through on behalf of the societies to make genetic condition results available in the public domain (i.e., Internet Solutions). We are awaiting a response to confirm a timeline. For the time being Kobus Bester put forward a proposal that the society disclose this information.

Unanimously accepted.

It was proposed that the following two points be added to the constitution.

- 1) The Society maintains the right to rectify pedigrees corrected by means of SNP parentage or any improved future technologies
- 2) The Society should be allowed to request a SNP genetic condition test for any animal

There was no opposition to these proposals, and they will be further discussed and voted upon at the Annual General Meeting in 2023.

- **Auction Rules**

Attention was drawn to a new timeline of 6 weeks before the auction wherein all administration information should be submitted to the office (i.e., lot forms, comments, weights and DNA etc.) A proposal was put forward to have one person, the Breed Director, to perform or be present at all Auction Screenings to ensure that Breed Standards are consequently being upheld. This proposal was then amended, and it was suggested that a panel of three senior/accredited inspectors should be able to assist with auction screenings, whereby one of them should be the Breed Director.

**Proposer:** Mr Tito Vorster

**Secunder:** Mr Jaco Mare

- **Fertility test period of bulls prior to the auction date**

The current auction rules require that the bull's fertility test should be done within 30 days of the auction. There was a request to extend this period. A period of 45 days was voted upon and approved. The Sale Rules will be subsequently updated.

## 10. Club Feedback (Kobus Bester)

A meeting was held with club representatives in August. Based on feedback from this meeting, the following areas needed additional focus.

- Need for training of stud breeders
- Need for training of commercial farmers
- Would like to see improved bull retention
- Need for structurally sound bulls in the R40 000 – R60 000 price range.
- Need for AI bulls
- Program to help breeders reach success
  - Induction course for new breeders
  - Simbra Academy/School
  - Continual Professional Development (Breeder development)
- Emphasis on genotypic as well as phenotypic selection, with practical exercises in the kraal.

## 11. Member Feedback (Kobus Bester)

Of the 20 auctions held in the last year 408 bulls were offered, of which 367 bulls sold. Resulting in a turnover of R27 306 287 where the average bull price was R74 406

## 12. Simmentaler Simbra Legal Dispute Feedback (Tito Vorster)

A settlement agreement between Simmentaler and Simbra has not yet been reached. Our advocate fees have been capped to limit the expenses beyond what has been budgeted for. If a settlement cannot be reached, we expect the case to be heard in the Supreme Court of Appeal in the first quarter of 2023.

# Simbra Focus Points

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- Simbra is a value proposition underpinned by Animal Science
  - Efficient Staff
  - Continual Breeder Development
    - Equip our breeders to improve and develop into successful seedstock producers



# Simbra Feedback (Milestones)

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- Development of Simbra Inspectors and Judges Manual
- Development of Simbra Breeders Manual
- Establishment of Simbra Clubs
  - Free State – *Andre van Wyk*
  - Mpumalanga – *Arne Grobbelaar*
  - Limpopo – *Kobus Badenhorst*
- A total of 17 farmers days/training days were attended
- Implementation of:
  - Linear Classification System
  - Genotyping



# Financial Reporting (Financial Position)

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<b><u>Financial position 31 August 2022</u></b>	
<b>Debtors control (No provision for bad debt)</b>	<b>R485 013.04</b>
<b>Standard Bank Current account</b>	<b>R126 595.13</b>
<b>Moneymarket</b>	<b>R1 080 806.41</b>
<b>Creditors</b>	<b>-R380 193.35</b>
<b>VAT Payable</b>	<b>-R55 762.99</b>
	<b>R1 256 458.24</b>



# Financial Reporting (Income)

Simbra Genootskap	2021	2022	2022	2022
Income		Jan - Aug	Sep - Dec	TOTAL
Per Capita levy	R1 478 554.40	R1 678 142.42	R0.00	R1 678 142.42
Simbra Marketing fund	R28 088.87	R51 810.00	R0.00	R51 810.00
Joining fees	R7 399.55	R4 591.73	R0.00	R4 591.73
Membership fees	R387 543.33	R422 970.05	R0.00	R422 970.05
LRF Services Levies Simbra	R147 396.39	R156 816.00	R0.00	R156 816.00
Training	R31 501.58	R22 062.09	R0.00	R22 062.09
Other Income	R316 941.86	R456 224.00	R45 000.00	R501 224.00
Operational Income	R2 397 425.98	R2 792 616.29	R45 000.00	R2 837 616.29
Interest Earned	R25 332.39	R28 473.00	R8 000.00	R36 473.00
<b>INCOME</b>	<b>R2 422 758.37</b>	<b>R2 821 089.29</b>	<b>R53 000.00</b>	<b>R2 874 089.29</b>



# Financial Reporting (Expenses)

Simbra Genootskap	2021	2022	2022	2022
Expenses		Jan - Aug	Sep - Dec	TOTAL
ABRI, ARC & LRF SERVICES	R371 005.00	R151 686.44	R257 009.10	R408 695.54
Accounting and Administration	R90 210.00	R7 665.63	R114 000.00	R121 665.63
Bad Debt	R100 856.00		R0.00	R0.00
Bank charges	R2 667.00	R3 063.71	R1 531.86	R4 595.57
Breed Improvement Services	R461 451.00	R489 676.39	R204 838.00	R694 514.39
Computer Expenses	R17 778.00	R2 800.87	R30 809.57	R33 610.44
Legal Expenses	R513 264.00	R698 897.65	R100 000.00	R798 897.65
Printing & Stationery	R5 263.00	R3 493.09	R1 746.55	R5 239.64
Rentals	R23 000.00	R32 963.15	R29 600.00	R62 563.15
Salaries & Wages	R296 674.00	R281 383.53	R191 900.00	R473 283.53
Breed Promotions	R111 703.00	R282 611.31	R195 000.00	R477 611.31
Telephone & Internet	R11 816.00	R38 361.65	R1 200.00	R39 561.65
Travel	R88 885.00	R44 279.68	R53 281.00	R97 560.68
	R2 094 572.00	R2 036 883.10	R1 180 916.07	R3 217 799.17
Surplus/Shortage	R328 186.37			-R343 709.88



## Financial Reporting (Average Membership Fees)

Average Herd Size of 240 Animals	
51 Calfbok Males	R2621
71 Calfbok Female	R2683
110 Registered Females	R8004
8 Registered Bulls	R799
<b>Total</b>	<b>R14 107</b>
Herd Fee	R2809.92
Marketing Fund	R550
LRF	R1301.40
<b>Total</b>	<b>R18 768.32</b>



## Breed Statistics (Member Age Analysis)





# Financial Reporting (Income Budget 2023)

<b>Simbra Genootskap</b>	<b>2022</b>	<b>2023</b>
<b>Budget for 2023</b>	<b>TOTAL</b>	<b>Budget</b>
		<b>10%</b>
Per Capita levy	R1 678 142.42	R1 845 956.66
Simbra Marketing fund	R51 810.00	R56 991.00
Joining fees	R4 591.73	R5 050.90
Membership fees	R422 970.05	R465 267.06
LRF Services Levies Simbra	R156 816.00	R172 497.60
Training	R22 062.09	R24 268.30
<b>Other Income</b>	<b>R501 224.00</b>	<b>R551 346.40</b>
<b>Operational Income</b>	<b>R2 837 616.29</b>	<b>R3 121 377.92</b>
<b>Interest Earned</b>	<b>R36 473.00</b>	<b>R31 213.78</b>
<b>INCOME</b>	<b>R2 874 089.29</b>	<b>R3 152 591.70</b>

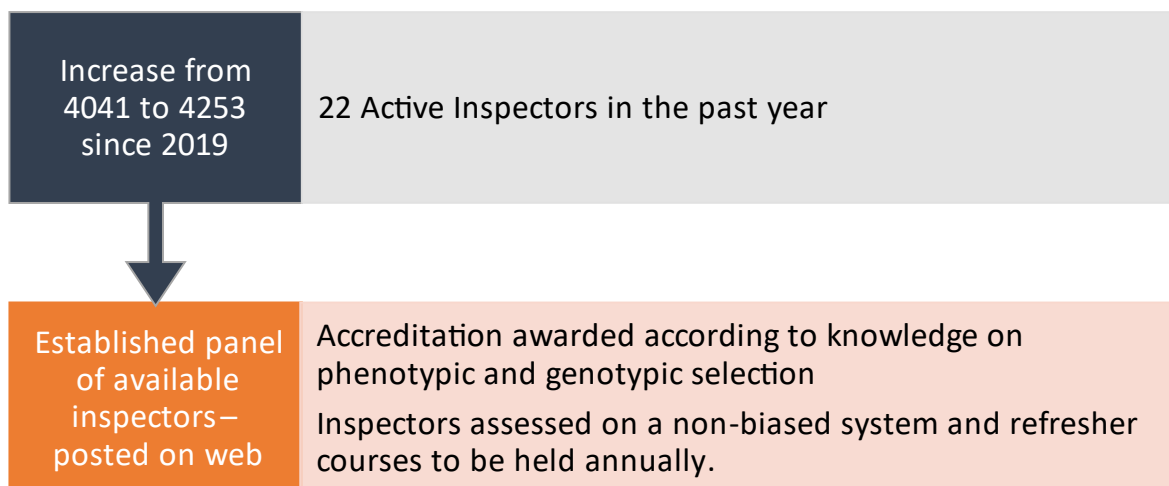


## Financial Reporting (Expenses Budget 2023)

<b>Simbra Genootskap</b>	<b>2022</b>	<b>2023</b>
Expenses for 2023	TOTAL	Budget
Expenses		7%
ABRI, ARC & LRF SERVICES	R408 695.54	R437 304.23
Accounting and Administration	R121 665.63	R130 182.22
Bad Debt	R0.00	R0.00
Bank charges	R4 595.57	R4 917.25
Breed Improvement Services	R694 514.39	R993 130.40
Computer Expenses	R33 610.44	R35 963.17
Legal Expenses	R798 897.65	R40 000.00
Printing & Stationery	R5 239.64	R5 606.41
Rentals	R62 563.15	R86 942.57
Salaries & Wages	R473 283.53	R586 413.38
Breed Promotions	R477 611.31	R511 044.10
Telephone & Internet	R39 561.65	R42 330.97
Travel	R97 560.68	R174 389.93
	R3 217 799.17	R3 048 224.63
Surplus/Shortage	-R343 709.88	R104 367.07



## Breed Statistics (Basic Stats on Inspections)



## Breed Statistics (Animal and Member Numbers)

<u>Members &amp; Animals</u>	<u>2021</u>	<u>2022</u>
Number of active members	130	137
Number of cows (Over the age of 2 years)	14 732	14 968
Number of animals	32 274	34 099



## BIC Feedback (Indexes)

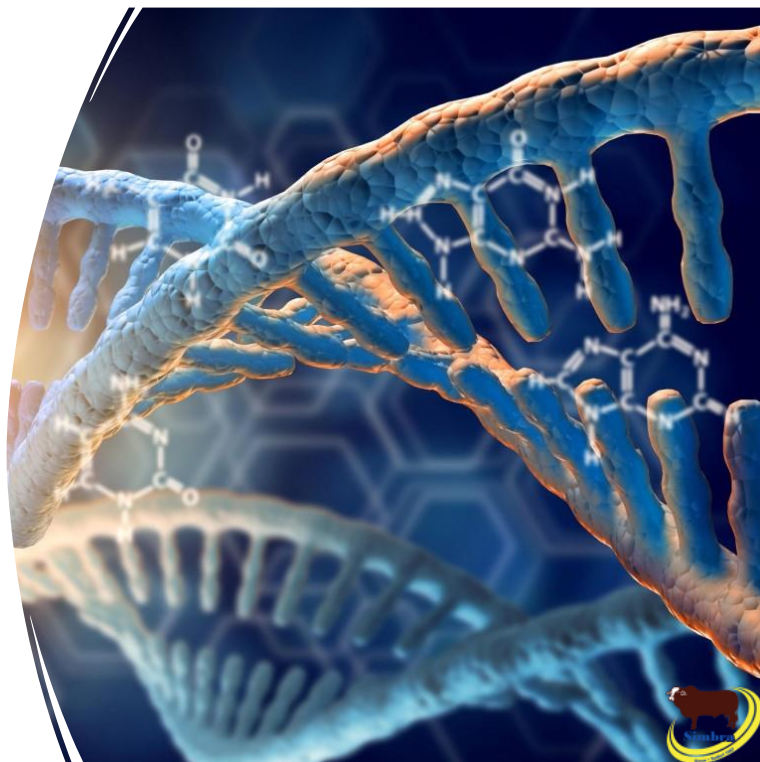
- Change over to a new version of **Breedplan V6.2** has been implemented and reports have been generated for review
- Draft Indexes were approved by BIC and have been put onto the production system of Breedplan V6.2
  - Generate sire reports
  - After approval of these reports then rollout can begin
- Expect a total transition to V6.2 and new indexes by the end of the year



## BIC Feedback (SNPs Feedback)

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- A total of 45 batches were sent on the special offer
  - Amounts to 472 samples
  - Current number of SNPs on system approx. 800
  - Target for a reference population is around 2000



## BIC Feedback (DNA Genotyping)

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- Why are we doing it?
  - Our goal is to work towards Genomically Enhanced EBVS (GEBVS)
  - GEBVs are a powerful driver towards Powerful driver of genetic progress
  - Increased accuracies, particularly in difficult to measure traits.
    - Fertility
    - Carcass
    - Net Feed Intake
- **A value proposition underpinned by animal science!**



# Breed Standards

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- Eye Pigmentation
  - Male & Female (Downgrading)
- Inspections
  - Compulsory for registration– some breeders almost no rejected animals
- Protocol for handling genetic conditions
  - LRF put request to ABRI– they are implementing it onto their system (Timeline to be confirmed)
  - AGM proposal for March
    - Society maintains the right to rectify pedigrees corrected by means of SNP parentage or any improved future technologies.
    - The society should be allowed to request a SNP genetic condition test for any animal



# Breed Standards

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- Auction Rules
  - New timelines proposed for administration (6 weeks before)
- Screening or Inspections
  - Difference between screening/Inspections at auctions
- Fertility test period of bulls prior to auction date
  - Request to extend it longer than 30 -days



# Club Feedback

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- Meeting held with club representatives
  - Need for training of stud breeders
  - Need for training of commercial farmers
  - Would like to see improvement in bull retention
  - Need for structurally sound Simbra bulls in the 40-60k price range
  - Need for AI bulls
  - Program to help breeders reach success
    - Induction Course for new breeders
    - Simbra Academy
    - Continual Professional Development (CPD)



# Member Feedback

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- Auctions (Sep 21 – Aug 22)
  - 20 Auctions
  - 408 Bulls offered – 367 Sold
    - Turnover R27 306 287
    - Average R74 406

