



**Australian Wagyu Association**

# **Strategic Plan 2016 – 2020**

**Author:**           **Graham Truscott**  
**Chief Executive Officer**

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## 1. Introduction

The purpose of this plan is to provide a clear corporate focus and strategic direction for the Australian Wagyu Association across the next 5 years, recognising a vision for the Australian Wagyu Industry across the next 10 years.

## 2. Direction provided by the AWA Constitution

The AWA Constitution provides the overarching focus for the direction of the Association and its activities.

The Objects for which the Society is established include:-

- 2.1 To encourage the breeding of Wagyu cattle and to develop promote and maintain the purity and improvement of the Breed in Australia.
- 2.2 To collect verify and publish information relative to Wagyu cattle.
- 2.3 To foster and encourage the testing of Wagyu cattle herds throughout Australia both for individual and collective tests and to assist in formulating rules to be used in taking tests and also preserve data of tests.
- 2.4 To compile print and publish at intervals as and when required and by successive volumes a Herd Book on Wagyu cattle in Australia.
- 2.5 To prescribe a required breed type and characteristics of Wagyu cattle.
- 2.6 To purchase, lease, own, import or cause to be imported Wagyu cattle and to import and encourage and facilitate the importation of semen collected from Wagyu cattle registered in any Herd Book approved for the purpose by the Council of the Society.
- 2.7 To provide for and to regulate the insemination of females and to encourage the breeding up of animals derived from crossing to a degree and to a standard where they become acceptable as pure bred Wagyu in accordance with then current regulations of the Society.
- 2.8 To publicise and promote in any way the breeding development exhibition and sale of Wagyu cattle.
- 2.9 To prescribe regulations for the purpose of regulating and controlling the activities of the Society and to make regulations as to the compiling maintenance of the Herd Book and of a Calf Register, the branding tattooing and marking of Wagyu cattle, the then current standard required from in type, formation and breeding of Wagyu cattle and their required qualifications for entry in the Calf Register and for registration in the Herd Book.
- 2.10 To carry out or to promote the carrying out or research into better methods of animal husbandry and genetics particularly relating to Wagyu cattle.
- 2.11 To hold shows or exhibitions or sales of Wagyu cattle and to offer prizes or contribute prize money in respect of competitions of Wagyu cattle.
- 2.12 To prepare and maintain a list of persons competent to act at shows as Judges of Wagyu cattle.
- 2.13 To print publish distribute sell or make contributions to any newspaper periodical journal publican or leaflet and to publicise or advertise in any way Wagyu cattle or anything appertaining to the breed.
- 2.14 To establish relations and make agreements or arrangements with any other Society or body having similar objects to this Society and formed for the promotion of cattle.
- 2.15 To register brands of all description and copyrights for the use of the Society.

### 3. Corporate Focus

The following structure provides corporate focus for the Association's activities and resource usage:

#### ***Vision***

Within 10 years Australian Wagyu will:

- Be clearly recognised as the number one beef eating experience in Australia and for export.
- Provide the most profitable beef production in Australia.
- Be recognised as the number one source of the world's elite Wagyu genetics, breeding livestock and beef products outside of Japan.
- Be clearly defined, understood and sold under the AWA Wagyu Breed Trade Description.
- Comprise 5% of the genetic base of the Australian national beef herd.
- Have a high rate of genetic gain relative to other beef breeds.
- Have its genetic base securely stored for long term protection.

Within 5 years AWA will:

- Be the definitive source of Wagyu information outside Japan.
- Be encouraging and facilitating Wagyu breed integrity.
- Be recognised as a leader in genetic and genomic technologies.
- Have the majority of members and their clients skilled in using breeding technologies.
- Be facilitating effective marketing opportunities for its members.
- Have a membership which is representative of all Wagyu supply chain sectors who obtain well defined benefits from their membership.

#### ***Mission***

To advance the Australian Wagyu Industry, by encouraging and servicing our members who are committed to the breed and its vision.

#### ***Values***

AWA makes decisions and conducts its business in accordance with its values of:

- Integrity
- Honesty
- Fairness
- Professionalism
- Innovation
- Equality for all members
- Care and compassion
- Value for money

#### ***Corporate Goals***

1. **Product Improvement:** Increase the rate of genetic gain and product performance in the Australian Wagyu industry.
2. **Marketing & Communications:** Increase demand for Australian Wagyu domestically and internationally in all sectors of the supply chain.
3. **Wagyu Integrity:** Increase the market integrity of Wagyu domestically and internationally.

4. **Corporate Services:** Increase the efficiency and effectiveness of the AWA administration and services.

**Key Performance Indicators (KPI)**

<b>Corporate Goal/KPI</b>	<b>Rate of improvement pa</b>	<b>Target 2015/16 (Year 1)</b>	<b>Target Year 5</b>
<b>1. Product Improvement:</b>			
Fullblood Index annual rate of gain.	tbd	tbd	tbd
F1 Crossbred Index annual rate of gain.	tbd	tbd	tbd
Number of Herdbook registrations pa	14%	6688	11,000
Number of Content Registrations pa	tbd	tbd	tbd
<b>2. Marketing &amp; Communications:</b>			
Number of Wagyu sired joinings pa	14%	193,000	283,000
Number of Fullblood/Purebred joinings pa	14%	38,600	56,600
Number of Wagyu crossbred joinings pa	14%	154,00	226,400
Number of website sessions per month av pa	10%	5500	8000
Number of database transactions/m av pa	10%	24,000	35,000
Number of Full Members pa	10%	316	510
Number of Associate Members pa	10%	81	120
<b>3. Wagyu Integrity:</b>			
Number of AWA Verified Commercial reg'ns	tbd	tbd	tbd
Number of Wagyu Breed Verification trademark licences	tbd	tbd	tbd
<b>4. Corporate Services</b>			
Annual C/H Priority Bus Plan KPI targets achieved		90%	90%
Financial Reports – annual Net income budget delivered		100%	100%
Annual audit – unqualified audit		100%	100%

## 4. Strategic Direction

**Corporate Goal 1: Product Improvement:** Increase the rate of genetic gain and product performance in the Australian Wagyu industry.

The overall genetics strategy is based on the axiom:

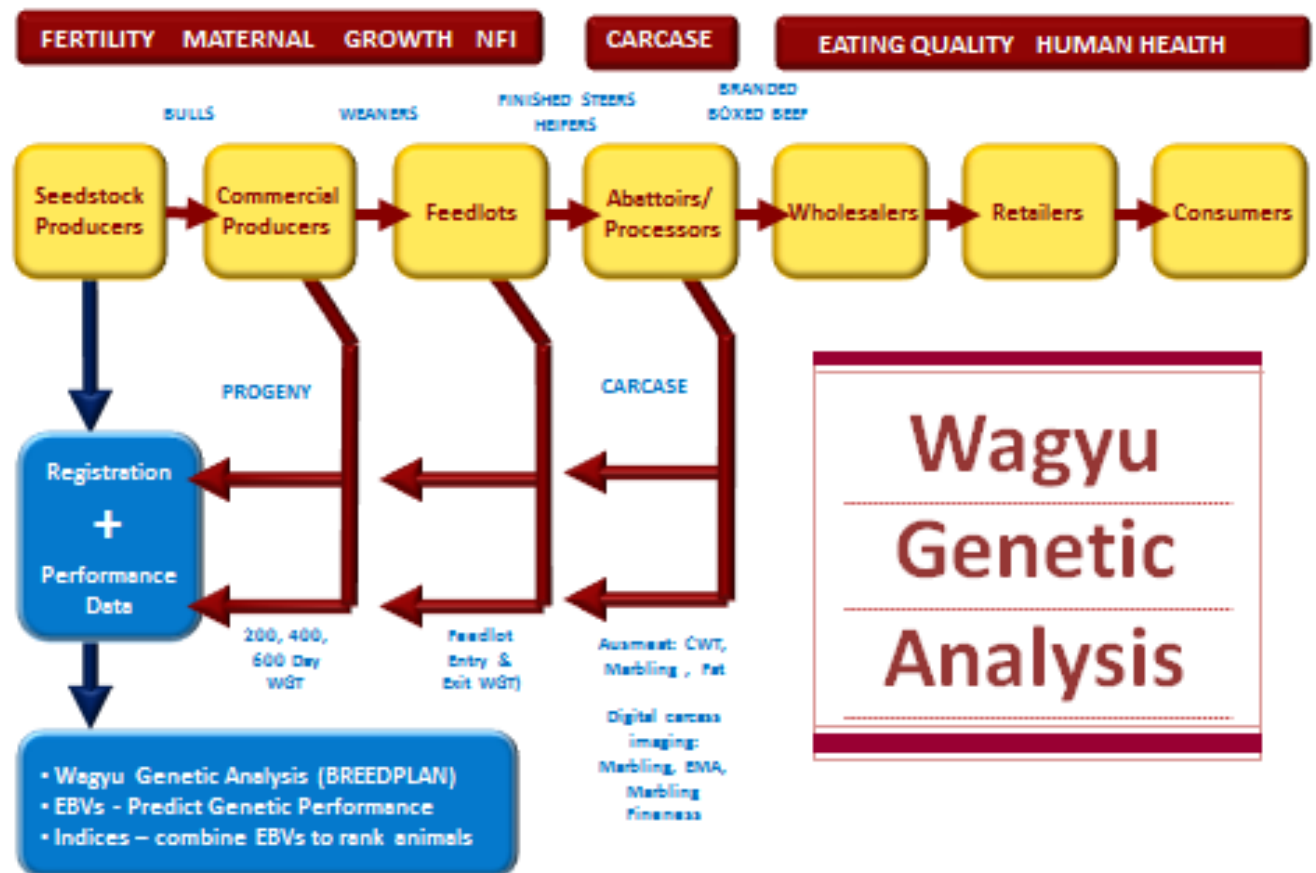
Rate of genetic gain = (Selection Accuracy + Selection Intensity + Size of Gene Pool)/Generation Interval

### **Strategy P1: Increase Wagyu selection accuracy and intensity**

Develop industry leading Wagyu genetic analysis.

Produce the full range of EBVs for the traits of economic importance for Wagyu production using the following model, particularly focusing on:

- Net Feed Intake (NFI)
- Carcase
- Eating Quality
- Human Health.



Produce indexes for at least the following market positions:

- Terminal – for the production of F1 and fullblood/purebred progeny for slaughter only
- Self-replacing herd – for the production of animals for further breeding and slaughter.

Capture and load large numbers of slaughter progeny growth and carcase data to increase EBV accuracy. Integrate with the MLA Livestock Data Link Project.

Redesign the Wagyu BREEDPLAN financial model to fund the use of BREEDPLAN by capturing the value delivered by the output EBVs and Indexes and using those funds to pay for commercial slaughter progeny data capture and loading.

Produce genomically enhanced EBVs to improve animal relationship linkage and so EBV accuracy, through Single Step BREEDPLAN analysis, to enable:

- Breeder animal genomic performance prediction – estimates genetic performance potential of young breeding animals with no recorded performance.
- Commercial slaughter animal profitability genomic prediction – estimates profitability performance potential of commercial animals for slaughter.

### **Strategy P2: Expand the registered and performance analysed Wagyu gene pool**

Develop a Wagyu Breed Content Genomic Test to determine the degree of Wagyu genetic content from a DNA sample.

Register large numbers of breeding males and females with Wagyu genetic content which cannot be registered in the Wagyu Herdbook through inability to conduct DNA parent verification. Use the Wagyu Breed Content Test to determine the breed content of base animals with Wagyu genetic content.

### **Strategy P3: Shorten the generation interval**

Establish a Young Sire Program to identify potential high performance sires at a young age and test those sires to increase their EBV accuracy.

### **Strategy P4: Increase member skills in use of the genetic improvement technologies and Wagyu production**

Provide education and training through:

- Regional workshops
- National conferences
- Website and magazine articles.

Establish a Wagyu Fellowship for the advancement of Wagyu production through:

- Member scholarships to develop skills and experience
- Student scholarships encourage beef industry careers
- Advanced research and development (R&D) projects.

### **Strategy P5: Accelerate member herd integration of the genetic improvement technologies**

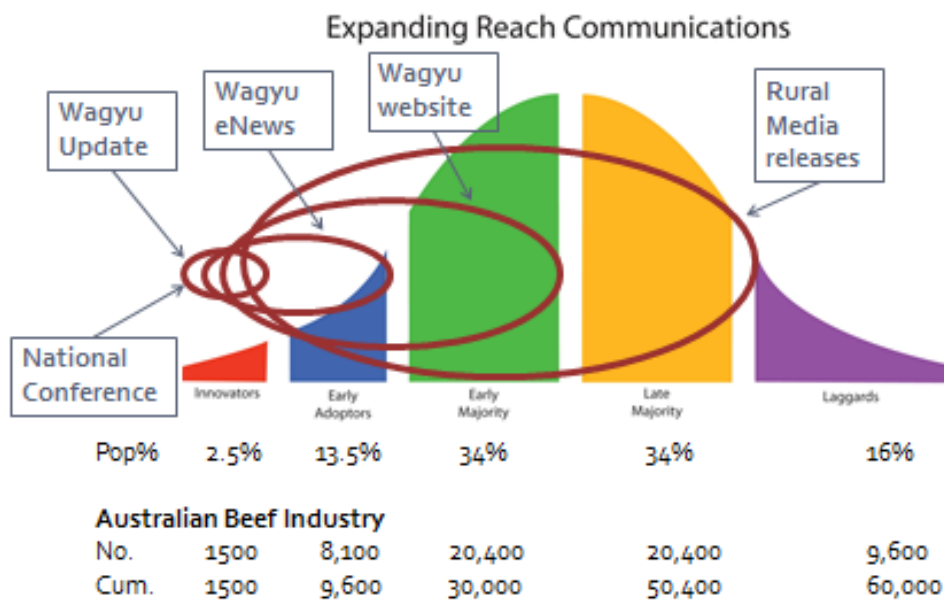
Provide on-farm consultancy to scope opportunities and available data, improve data capture and loading, load initial data sets, review and advise on BREEDPLAN use, and conduct advanced MateSel mating selection.

**Corporate Goal 2: Marketing & Communications:** Increase demand for Australian Wagyu domestically and internationally in all sectors of the supply chain.

### **Strategy M1: Communicate Wagyu benefits and production methods across all innovation sectors of the Australian beef industry supply chain**

Reach across the market using the following communication channels, as indicated in the diagram below:

- National Conference – annual
- Wagyu Update magazine – 4 monthly
- Wagyu eNews – monthly
- Website – maintain with current information about the AWA business and Wagyu industry
- Social media – Facebook, Twitter - update as new stories become available
- Media releases and media story feed – regularly as AWA and Wagyu industry stories become available.



Source: Rogers Diffusion of Innovation Theory

**Strategy M2: The AWA website to be the “window to the Wagyu world” with all other media channelling traffic into the website**

Deposit all relevant AWA and Wagyu industry information into the AWA website and reference the website from all other communications channels.





**Strategy M3: Encourage international Wagyu industry involvement and sharing of information**

Establish a World Wagyu Congress organisation comprising of the Wagyu associations in each country to openly share information for the improvement and integrity of the Wagyu breed.

Establish a regular World Wagyu Conference to bring Wagyu producers together from across the world to share information considered important to the Wagyu breed internationally.

**Strategy M4: Provide live cattle and genetics selling opportunities for members to facilitate access to Wagyu genetics**

Support member sales of semen, embryos and Fullblood, Purebred and Crossbred Wagyu by providing sale catalogues in the AWA website linked to the Wagyu animal search database and member catalogue services; and advertising services.

Conduct an elite seedstock sale interfacing with on-line selling to facilitate access to nucleus genetics for seedstock breeding ie. the Wagyu Fullblood 100% International sale

Conduct a commercial on-line sale to facilitate trading of commercial Wagyu and Crossbred Wagyu livestock and genetics ie. the Want Wagyu? Sale.

Stimulate livestock agency marketing of Wagyu content livestock and genetics.

Educate feedlot livestock buyers in the use of the AWA animal and member database search facilities to identify potential feeder vendors and assess the performance capabilities of the sires used.

**Strategy M5: Conduct competitions to increase market awareness and improve member production**

Develop and deliver competitions, including:

- Branded Beef Competition
- Sire Competition – combined with the Young Sire Program
- Breeder Competition – in association with Brisbane RNA

**Corporate Goal 3: Wagyu Integrity: Increase the market integrity of Wagyu domestically and internationally.**

**Strategy I1: Work closely with meat and livestock regulatory bodies to define Wagyu live animal trade descriptors**

Produce and propagate Wagyu Breed Classification Trade descriptors in the Australian beef industry.

**Strategy I2: Offer a non-mandatory Wagyu Verification service to the Australian beef industry**

Develop a Wagyu Breed Content Genomic Test.

Produce a Wagyu breed verification service to verify Wagyu breed content in live animals, carcass and boxed beef levels of the supply chain.

**Corporate Goal 4: Corporate Services: Increase the efficiency and effectiveness of the AWA administration and services.**

**Strategy S1: Maintain a high level of corporate governance consistent with that required of the Corporations Law.**

Develop effective governance practices, including:

- Review and redevelop the AWA Constitution consistent with Corporations Law and the national operating environment.
- Develop Board and staff succession planning to provide the appropriate skills and experience required for optimum organisational performance.
- Provide Board and staff training to enhance personal and team performance.

- Establish Board Committees with defined Terms of Reference to focus on the Corporate Goals and Strategy delivery.
- Establish clear policies and procedures to document corporate practices and increase organisational resilience.
- Provide a comprehensive Annual Report to all members showing progress of delivery of the Corporate Goals and Strategies and the current and planned financial position.

**Strategy S2: Provide well thought out business plans appropriate to the time horizons over which the organisation must operate.**

Develop plans suitable to the time horizons required, including:

- Five year Strategic Plan – reviewed annually
- One year Operational Plan – produced annually for the following financial year, including:
  - Objectives and Actions to advance the Corporate Goal and Strategies
  - Human Resources – the people required
  - Budget – the financial resources required
- Risk Management Plan – reviewed on an ongoing basis
- Project plans – produced to the level needed for effective project management.

**Strategy S3: Provide effective financial control to enable strategy advancement while protecting AWA's assets.**

Exercise responsible financial management over the Associations assets and operations for the financial year period through:

- Detailed Business Plan and associated budget approved prior to the start of the financial year, with the budget projected over the next three financial years;
- Detailed financial planning and control of major projects with cash flow projection, Milestone expenditure tracking and reporting budget against actual;
- A Finance Committee responsible for budgeting, reporting and financial control monthly to consider the end of previous month position in terms of Profit & Loss Report, Balance Sheet and Cash Flow;
- An “arms-length” Audit & Risk Committee responsible proposed budget review, annual financial audit of the completed financial year; and risk management; and
- Independent professional annual financial auditing and production of the General Purpose Financial Reports.

**Strategy S4: Automate systems and processes through computerisation wherever cost-effective.**

Utilise and improve the Agricultural Business Research Institute's (ABRI) International Livestock Recording system (ILR2) and Internet Solutions (I4) for optimal transaction processing and data access and interrogation.

Automate commercial animal performance data capture. Integrate with the MLA Data Link Project.

**Strategy S5: Establish corporate partnerships to enhance AWA capabilities.**

Develop and maintain corporate partnerships with:

- Animal Genetics & Breeding Unit (AGBU) – for genetics R&D
- Agricultural Business Research Institute's (ABRI) – for R&D commercialisation and operational systems
- Meat & Livestock Australia – for R&D support and matching Federal Government funding
- Sponsors – for the annual conference and major projects
- Wagyu associations in other countries
- Meat research institutions eg. MSA, CSIRO
- Animal nutrition and husbandry research institutions eg. UNE, CSIRO
- Livestock competitions organisers eg. Brisbane RNA
- Livestock agencies
- On-line selling organisations
- Meat and livestock regulatory organisations