



# 30 YEARS OF WAGYU HISTORY

SPECIAL  
REPORT

Cast your mind back to 1976 – a mere seven years after the moon landing and the year of the first Concorde flight and Apple Inc is conceived. The Whitlam Government had not long been ousted and Sir Joh and Neville Wran were a powerhouse in their respective states. Social media wasn't a thing.

## IN THE BEGINNING WAS AN UGLY COW...

Cattle production was at an all-time high in Australia peaking at 33.4 million head in 1976, 33% of beef production was exported. A global economic downturn saw a massive turn-off in stock numbers, sending the Australian beef price tumbling to 267c/kg cwt in 1975.

Many in the industry recognised that existing cattle breeding techniques needed to change and began the search for improvements in the Australian herds for both breeding and meat quality.

In the US, similar curiosity was underway. Extensive research by Texas A&M University under the guidance of Dr David Lundt and Dr Steve Smith investigated the properties of Wagyu cattle based on four fullblood bulls imported in 1976 by Morris Whitney. Dr Smith found that Wagyu fat did have higher monounsaturated fats and marbling than other breeds. The research findings are still often referenced today. These four bulls – two black, Mazda and Mt Fuji and two red, Judo and Reushaw formed the original crossbred Wagyu herds – 'American Wagyu' – in the US and Canada, developed by Don Lively and Fred Hildebrand. The story goes that the paperwork described them as Friesians.

A few entrepreneurial souls in Australia cast their eye around the world searching for better quality beef cattle. For those who regularly travelled to Japan, the answer became relatively simple – Wagyu. It simply had no rivals for eating quality. The greatest hurdle on securing Wagyu genetics direct from Japan was trade barriers.





## SPECIAL REPORT



### THE ARRIVAL OF FULLBLOODS

New Era Genetics in 1993 were the first to bring fullbloods to the US – two bulls and three females, whose names are well known: Michifuku, Haruki 2, Suzutani, Rikitani and Okutani. The first 20 embryos from crossing these five animals were imported into Australia by Wally Rae.

The gates were now officially open, with 1994-95 seeing a further 33 head and genetics leaving Japan for Australia via the US and Canada through Mannet and JVP.

The year 1994 heralds the arrival of Mr Shogo Takeda exporting five black fullblood bulls, 35 females, some of which were pregnant - eight female calves were born and became part of the US herd. Three bulls were also born and brought to Australia by Thomsons as well as many embryos from the US. A second shipment in 1995 brought a further six bulls and 45 females.

Commercial scale shipments of live fullbloods made their way to Australia throughout 1996-97. The Thomson family in 1997 enabled the establishment of a Takeda-genetics farm in Australia. They also imported embryos from JVP and Mannet with David Blackmore as the agent with live fullbloods arriving in Australia in 1996/97.

By this stage, the Westholme herd, unknown to most in Japan and Australia, was quietly taking shape, with 84 females (some pregnant), three bulls and semen from three others waiting on politics to be resolved for export to the US. Around 40 calves were subsequently brought to Australia, mostly females in 1998.

The post-war US government had a significant influence with Japan for reciprocal trade which meant that it was possible to export genetics and live cattle to the US where it was not possible to Australia. Australia's trade with Japan was mostly around crossbred live cattle to Japan's feedlot system.

The first to capitalise on the back door to Japan's Wagyu genetics was Peter Winkler, Nick Sher, Wally Rae and the Hammonds. Peter brought in the first live animal - a heifer, Kobeef Kinu in January 1990. Bringing in the first embryos in 1990-1991 – live cattle was too cost prohibitive for most – enabled the establishment of fledgling F1 herds in Australia.

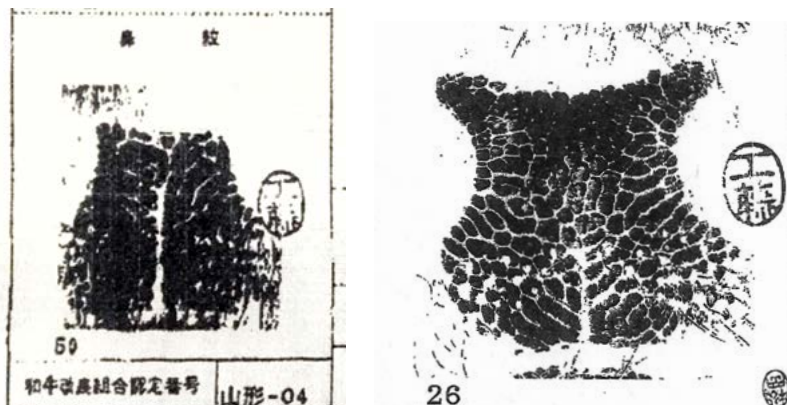
A key figure in those early years was David Blackmore. A genetics agent for the cattle industry, David had the procedures in place to import Wagyu genetics through the business relations he had with the US.

New Era Genetics were the first to import into the US, as a consortium between a few investors – one of which was Wally Rae; the mastermind behind the operation was Ray Wright, a professor at Washington State University.

Embryos were imported soon after for Nick Sher, the Hammonds, Simon Coates, amongst others, with companies such as Japanese Venture Partners (JVP) and Mannet Company (now World Ks) as the agent on the Japan end. Heartbrand handled Red Wagyu.

#### ABOVE

Five cattle were particularly important in the early days, the bulls Michifuku and Haruki 2 (pictured top right) and the three heifers Rikitani, Okutani, and Suzutani.



LEFT to RIGHT

Haruki 2 and Michifuke's  
nose print on their  
registration certificates.

## SHUTDOWN – A NATIONAL TREASURE AND JAPAN'S BSE

In all, an estimated 221 Wagyu – of which 22 were Red – were exported from Japan between 1976 and 1997. Never particularly happy about the situation, the Japanese government placed significant pressure on Japanese Wagyu cattle farmers to prevent export of animals and genetics, giving the outside world only a small portion of the possible genetic pool.

To add further to the trials and tribulations BSE (mad cow disease) in Japan was a show-stopper for the Australian beef industry, decimating the Japanese market in 2001. The Japanese market collapsed overnight and beef imports from Australia dropped drastically.

For those who had established Wagyu beef contracts, the Japan BSE discovery was catastrophic, with most suddenly finding themselves looking for other markets – and fast. The next obvious choice was Korea given it had similar carcass cut requirements, but was not without its challenges. Other Asian markets such as Singapore and Hong Kong became good markets for many in the beef trade.

Export of beef from Australia to Japan slowly rebounded in the following years. In 2018, Japan was granted an opportunity to export Wagyu beef to Australia for the first time in 17 years since the outbreak of BSE.

Like any agribusiness, Wagyu has been through good times and bad, drought, fires and floods, the GFC, over supply and more, but with time has slowly evolved into a well-respected market locally and overseas, with awards for Australian Wagyu presented from all over the world.

## THE AUSTRALIAN WAGYU BEEF ASSOCIATION

February 1, 1989, the day the Association was formalised as the Australian Wagyu Beef Association with its first president, Mr Peter Winkler, and a total of seven members. The first few meetings were held at Peter's farm at Bundanoon near Bowral before making a permanent base in Armidale to align with ABRI at University of New England. Heather Carmichael, the secretary for the Association was invaluable for her work at recruiting new members. By 1997, the member directory shows a listing of some 180 members, classed as Stud or Commercial.

The Association changed its name to the Australian Wagyu Association in 2000 and at the last count had more than 700 members, who produced more than 30,000 tonnes of beef annually.

In recent years, the Association has grown significantly, with the introduction of SNP DNA testing, genomics and Single-Step BREEDPLAN, refinement of EBVs and profitability selection indexes.

“... One day we were doing commercial livestock, the next Wagyu.

Que Hornery

## THE PRESIDENTS AND EOS

<b>Peter Winkler</b> President 1989 – 1994	<b>Heather Carmichael</b> Secretary
<b>Simon Coates</b> President 1994 – 1997	<b>Heather Carmichael</b> Secretary
<b>Keith Hammond</b> President 1997 – 1999	<b>Carol Watson</b> Secretary
<b>Bob Talbot</b> President 1999 – 2002	<b>Carol Watson</b> Secretaary
<b>Peter Bishop</b> President 2002 – 2005	<b>Benita Davis</b> Executive Officer / Secretary
<b>Tony Fitzgerald</b> President 2005 – 2007	<b>Michael Beattie</b> Executive Officer / Secretary
<b>Rick Hunter</b> President 2007- 2010	<b>Michael Beattie</b> Executive Officer / Secretary
<b>Joe Grose</b> President 2010 - 2011	<b>Steve Bennett</b> Executive Officer / Secretary
<b>Scott Hughes</b> President 2011 – 2013	<b>Graham Truscott</b> CEO / Secretary
<b>Scott de Bruin</b> President 2013 – 2015	<b>Graham Truscott</b> CEO / Secretary
<b>Peter Gilmour</b> President 2015 - 2018	<b>Dr Matthew McDonagh</b> CEO / Secretary
<b>Chantal Winter</b> President 2018 -	<b>Dr Matthew McDonagh</b> CEO / Secretary



## SPECIAL REPORT



Michifuku



John Chambers, David Blackmore and Simon Coates



David Warmoll, Keith Hammond, Japan meatworks

### A WORD FROM PETER WINKLER, FIRST PRESIDENT

What many may not know is that Peter Winkler, an ear surgeon in Sydney was actually a successful stud breeder and council member of Simmental prior to moving into Wagyu. Peter was interested in producing quality beef that would rival the world-renowned Kobe beef, leading to extensive research into Wagyu. Many believed at the time that the magic of Wagyu was based on diet – Herefords on a Wagyu diet proved them wrong, producing enormously thick subcutaneous fat with no marbling. Peter understood quickly that genetics were the primary driver and set about establishing Wagyu in Australia.

Like many others, Peter came back from Japan in the mid-80s empty handed but for one pearl of knowledge – the four bulls that Morris Whitney had taken to the US. The US herd, now under the ownership of Don Lively and Fred Hildebrand took Peter to the US. Again, Peter headed home empty-handed as Lively wouldn't sell. A chance meeting in the departure lounge in Texas with a cattle agent gave Peter access to another herd.

"I never really knew who those cattle belonged to – the story was vague and often changed," said Peter. "All that really mattered was that the pedigree paperwork was genuine – I had them DNA tested to verify it. That herd of 20-30 were high grade crossbreeds, as much as fourth and fifth generation. However, they were in a blue-tongue region, which meant I couldn't get them to Australia."

To get Kinu to Australia became a complicated and expensive process. Firstly, Peter selected a cow in calf, shipped her to a quarantine facility in North Dakota where Kinu was born – in quarantine. When Kinu was old enough to travel, she was airfreighted to Melbourne toward the end of 1988 for quarantine, arriving at Peter's farm, Bundanoon in January 1990.

"She Kinu was an amazing cow – I got very lucky – I took her to the Sydney Royal Show – the first ever Wagyu to be presented! I brought in many more cows, and a few bulls, the best was definitely Sencho, plus semen from Michifuku, he was an amazing bull."

For Peter, the purebred market was booming here in Australia and New Zealand, with one of Kobeef International's yearling heifers selling for a massive \$NZ140,000, attracting the attention of overseas Wagyu breeders to take note of the Australian Wagyu industry. Promotion of Wagyu beef (and purebred) in Cables Restaurant, Sydney in 1992, ignited the imagination of many in the hospitality and food industry.

The development of fullblood Wagyu in Australia however, was the beginning of the end for Kobeef International. With a lot of promotion that fullblood was the only way forward for Wagyu in Australia, the value of Peter's herd was seriously de-valued.

"I had to make the tough decision to either spend more capital bringing in fullblood genetics or to liquidate. By then I had already spent a great deal bringing in live cattle and embryos, so it was with a heavy heart that the herd went to the butcher. It has since been shown that purebreds are capable of producing high quality meat with exceptional marbling, but at the time it was hard to fight off the fullbloods."

By 2002, Peter had sold his entire herd and the farm and moved away from Wagyu completely.

To develop a breed society in the late 1980s required a minimum of two people – Peter Winkler and his mate and Elders agent, John Horne as vice president were the inaugural members. The Association was set up in anticipation of Kinu's arrival and the dream of developing a Wagyu breed society in Australia.

## EDITOR'S NOTE

### NOTABLE NAMES IN WAGYU HISTORY

Throughout the research for this article, there have been significant people who are worth mentioning for their contribution to the Australian Wagyu history. Geoff Willet and Alan Hoey who were part of Maydan Feedlot worked with the early pioneers to crack the feed ration nut in conjunction with John Doyle.

Success Pastoral Company's Peter Knauer is another who understood those early 'pioneering cattlemen', working tirelessly to facilitate the first early live cattle shipments of F1 steers to Japan's feedlots that enabled many to get financially off the ground.

Dr Jerry Reves from Washington State University was an active figure globally from early 2000's and generated much of the interest in the unique fatty acid profiles of Wagyu Beef. Jerry has stayed active to this day, contributing greatly to the generation of purebred polled Wagyu.

A quiet but notable contributor to the development of Australian Wagyu brands was Gerry Harvey, whose Security Foods company commenced in 2001, focusing on both fullblood and dairy beef crosses with Wagyu.

Greg Gibbons, Peter Cabassi and Dougal Cameron at Aronui were instrumental for Westholme and AACo. As Aronui manager, Greg was influential in the 2005-2006 AACo purchase of the Westholme herd, which is the point that fullblood Wagyu became a serious breed in the Australian cattle industry. It was during this period, that Pete proposed the first fullblood Wagyu grid and Greg implemented this for AACo for fullblood feeder steers; marking the starting point of a broader fullblood Wagyu beef industry in Australia.

Whyalla Holdings and Tasmanian Feedlot were also notable enterprises in those early days. Down south, without Rockdale Abattoir, owned by Itoham, Ralph's Meats and G&K O'Connors it would have been a struggle to process Wagyu.

The stories listed here of key individuals is by no means all – add into the list Barbara Benjamin, of Goshu Wagyu, who had, in her time bred high percentage pure Tajima-line Wagyu. Kuro Kin in the Hunter Valley and Ron Fitzgerald at Salisbury Wagyu were all heavily involved in the early days. Paddy Handbury, John Piccoli and the Hendersons' are names that have come up in many a conversation.

There is also no denying that the early days of Australian Wagyu was seen by investors as a good prospect such as the Coles Myer ownership of Charlton feedlot through Sandhurst. Ag-Reserves who owned more than 2,000 crossbred breeding females in the early 2000s were also members of the Association.

I would like to extend to everyone a heartfelt thankyou for your time, patience and searching of your records to enable this history to be set down.

*Deborah*



Keith Hammond, Mark Feist, Don Lively



Peter and Kobeef Kinu at 1994 Rockhamptom Bull Show

“Those early days were a hard slog to get going and to encourage registration, performance recording and all the other elements that are needed in a breed society. I thank those that made tremendous contributions in those very early days such as Nick and Vicki Sher, Keith Hammond and Simon Coates. It was also a lot of fun.

Peter Winkler



## SPECIAL REPORT



TOP LEFT

Peter Hughes, Wally Rae, Kaneyama (Mannet), Jane Hughes, Susan Rae, Ray (Buck) Wright (New Era Genetics). Sitting in the front is Fred Hughes, Interpreter and Sam Hughes.

### I A SHER THING

Nick and Vicki Sher have been in the Wagyu industry since the early days. Nick, with a background in Ag Science, was aware of Wagyu in the 1980s, when reading about the Japanese meat industry. It wasn't until he heard about Peter Winkler's involvement with the US American Wagyu, that he was able to act on it. Buying the first flush of five embryos from Peter's heifer Kobeef Kinu set Sher Wagyu on their way.

From those five embryos, three calves were born, February 11th, 1992, the first purebreds to be born on Australian soil. Of those three calves, one bull was retained, while one bull went to Percy Hornery and the heifer to John Piccoli.

With the arrival of Michifuku and Haruki 2 in the US, the Sher's invested in heifers in the US to import embryos and semen. breeding locally with the embryos and participating in the F1 Angus steer trade to Japan. The first Sher live cattle trade was airfreight in 1993 – the first Wagyu cross cattle sent to Japan. A visit to Japan to meet with customers resulted in a transition to crossbreeds with Holsteins to meet customer demand, pioneering this Wagyu cross in Australia.

Nick's first fullblood investment was embryos from the Mannet group, then a share with a North Dakota breeder in Kikushige 406e in 1996. The Sher philosophy has always been to source the right genetics to complement the traits that are present in their herd, rather than aligning with any specific supplier of genetics.

The crash that followed the Japanese BSE outbreak meant creating other markets – Korea was the obvious choice. Further market development into Singapore, Hong Kong, Middle East, the US and Australia meant less reliance on the Japanese market. Those first shipments of beef to Japan were based on quarter carcasses. From 2001 onward, it has been as branded boxed beef.

"One of our major early hurdles was developing the right feed ration to get the results we wanted," said Nick. "Our visits to Japan were great inasmuch as gaining information about genetics, but each operation had a different ration formula and were extremely reluctant to share it with anyone. It took us many years to get it right, and remains a work in progress."

After small steps in the early days developing a fledgling herd, Sher Wagyu now run a fully integrated branded beef business with 500 fullblood breeders, 1,500 crossbreds, plus 7,000 on feed and a further 6,000 that are backgrounding. A strong domestic customer base is complemented by exports to 14 countries.



Sher Wagyu - first fullblood investment Kikushige 406e



First purebred calves born on Australian soil. Born 11 Feb 1992.

## I WALLY OF THE OVERFLOW

A shade short of 14, Wally Rae left school to set out in the cattle industry, mostly in Brahman in central Queensland, eventually working in a couple of successful partnerships to get himself established. By the age of 20, Wally had a lucky break – the Queensland Lands department were auctioning The Overflow settling at a price of \$5 per acre. With just enough for the deposit, Wally was set up to start a serious cattle business. A holiday to Japan in 1988, where Wally quickly got bored, led to a trip to the meat auctions. Witnessing the astonishing quality, marbling and market values opened his eyes to the possibility of Wagyu in Australia.

“The meat auctions were paid on a measure I had never heard of in Australia – marbling. In Australia, meat traders weren’t even aware that marbling was significant to meat quality,” said Wally.

“Many thought I was on a wild goose chase to get Wagyu, but from what I knew of the Japan meat auctions I knew there was a market. A friend of mine said I had a 500:1 to chance of making this work – and many doubted me in the beginning – but I told him, that I had information that those 500 people may not have, that makes the decision worth the risk,” said Wally.

Learning of the impending arrival of Peter Winkler’s Kinu into Australia gave Wally the contacts he needed in the US to start the process of bringing genetics to Australia. Introductions with Don Lively, ay Wright and others, led to the formation of New Era Genetics and the relationship with Kaneyama at Mannet. The brains behind the outfit of New Era Genetics, Ray Wright, a professor at Washington State University, provided the know-how on getting the genetics to the US. Using genetics brokered by David Blackmore in 1991, Wally started the process of artificial insemination on nearly 3,000 cows. Wally gained six calves – five of which turned out to be bulls, two of which were Kaneyama and Katsumi and was well underway. Further genetics from many other Australian, Japanese and American breeders gave Wally a substantial

herd across three properties in Queensland and New South Wales by 1998 going from 1,500 head to 15,000 cattle.

“When I process my cattle, I can see what quality I have and therefore what I can get for it – I sell it for what it is worth – no more, no less. It is my reputation at stake, not the name of the bull and I want to make sure there is a market for my beef rather than producing it without a customer. I know which bull works, which one’s feed well and I keep track of all of it through my own comprehensive data system. I like to keep my cards to my chest.”

Wally also participated in the live steer trade to Japan and was one of the first to do so. One shipment, the ill-fated vessel New Guernsey was hit by a cyclone and sunk, with some of Wally’s cattle onboard bought by Success Pastoral Company (around 2001) and lost at sea. The first of Wally’s carton beef took place to Japan in the mid-1990s.

Wally has been a great influence on his neighbours – with Peter Hughes, Bo Hatfield, Percy Hornery and Darren Hamblin coming around to Wagyu, realising the potential of the market and its environmental adaptability.

“Wagyu in Japan are pampered, they never have to work for their food or survive the elements. It was amazing to see these animals actually thriving in the Queensland outback – in some cases performing better than some of the Brahman I had.

## I ROBBINS ISLAND – WAGYU BY THE SEA

Robbins Island Wagyu is iconic in its own right with imagery of the tidal muster on horseback, but it has taken the Hammond family many years to get there.

The Hammond family history is an interesting one – the maternal forebears, the Holyman’s – were pioneers in Tasmania in their own right, with Victor Holyman starting the first aviation company, Australian National Airlines, later to be bought by Ansett Airlines.

Part of that pioneering heritage included cattle land holdings – Robbins Island and Walker Island on the northwest cape of Tasmania. Well suited to cattle grazing, the islands were utilised for dairy cattle until

the early 1960s before transitioning to beef cattle. In 1991, the Hammond boys, Keith, John and Chauncey, looked to gain more profitability from their cattle enterprise, and focused their attention on Wagyu genetics, which had long term potential in the domestic market and further abroad into Asia.

Genetics were purchased from Don Lively in 1991, with the view to participating in the F1 live cattle trade into Japan. Using the bloodlines of Michifuku and Haruki 2, the Hammonds purchased 200 embryos to kick start the Wagyu beef production. Further fullblood genetics were brought in with the purchase of a herd from the Hunter Valley.

On a number of occasions, the Hammonds would see a polled calf come through, and rather than breed it out, they have opted to promote the polled gene as a point of difference, particularly for improved animal welfare. A researcher in Washington State also had a polled bull, whose genetics have been utilised to out-cross the Hammond herd to further the polled gene.

Recognising the potential of polled Wagyu, Mayura Station and Strathdale Wagyu established a partnership with Hammonds in 2014 to promote the genotype.

Keith has been a Board member for 10 years, and president from 1997 to 1999, while John was a Board member in later years.



## SPECIAL REPORT

### “ Herefords on a Wagyu diet proved it was genetics

Peter Winkler

#### FROM AGENT TO BEEF

For a young bloke from South Australia working principally with dairy cattle as a stock agent, David Blackmore has undoubtedly made a mark in the Australian Wagyu industry.

Blackmore first became aware of the Don Lively and Fred Hildebrand herds in 1988 on a trip to the US on a dairy genetics mission. He recalls saying to Don that he didn't know how he could promote such ugly looking cattle, who responded: 'they look like money to me, son'.

"As an agent for Don, I first started importing bulls – the first was Lo Do Sir Lee – which went to the Charlton feedlot, then owned by Coles Myer, the second bull was Lo Do Kuro Kin.

The first embryos from Don were around 1991, to Sumo Cattle Co and Hammonds – the Sumo embryos were born on our Serpentine farm. I had the agency for the Mannet Group (now World Ks), Japan Venture Partners and Heartbrand (red Wagyu), in 1992 I had the agency between Takeda Farms and Thomsons, which continued until 2006.

Blackmore Wagyu started its own enterprise in 1993 with F1 cattle but soon realised that increasing marble score could be readily achieved with grading up to a fullblood beef production. Using the bloodlines of Kikutsuru, Tanifukudoi, Dai 2 Yasutanidoi and Okudoi Blackmore developed a brand of Wagyu beef that is well respected.

#### SUMO CATTLE COMPANY

Two young blokes, recently graduated as veterinarians, knew Australian beef needed a bit of improvement and set out, after extensive research to bring Wagyu genetics to the equation. Using 250 purebred embryos from the herd developed by Texas A&M, Sumo Cattle Company partners, Simon Coates and John Chambers were in business by 1991.

Initially, the company utilised the embryos to develop a F1 trade of live cattle back to Japan, crossed with Angus, which at the time became a thriving part of the Australian cattle industry. The focus for Simon and John was always genetics – to be the best seedstock source for Wagyu in Australia.

The importation of 50 heifers and six bulls through Takeda Farms enabled Simon and John to fully upgrade their operation to



#### FROM AUSKOBÉ TO JACK'S CREEK

The brand, Jack's Creek is probably more recognisable now as a result of the World Steak Challenge wins in the past four years, a testament to the faith David and Phillip Warmoll had in Wagyu beef.

At a time when no one had heard of Wagyu and no markets, David, like his contemporaries faced a huge task to establish their brand and market.

David credits his rudimentary knowledge of Wagyu from delivering grain to Angus and Jersey feedlots and learning that Wagyu was better at marbling than Jersey. It wasn't until a chance visit to a doctor's surgery and reading an old edition of Time magazine that featured Wagyu research at Texas A&M that really prompted the brothers to give it a go.

"It felt right, we knew it was time to give it a go," said David. "I went to see Greg Chappell at AMLC to see if he could put me in touch with someone involved in the US – don't bother he says, go see Wally Rae."

fullblood and purebred genetics. As vets the pair were able to utilise their skills to conduct embryo transfer for clients and established three sites – Euroa, Griffith and Roma to service the burgeoning Wagyu industry.

The bloodlines favoured by Sumo were: Kinto, Aizakura, Chiyotake, Itohana (two bulls), Dai 2 Kintou, Terutani (two bulls), Kikuhana (heifers and two bulls), Hikohime, Hikokura, Hikokura, Kensei

“The key thing in those days was to go to Japan and network with the right people,” says Simon. “To get things moving here in

Australia, we spent a lot of time promoting around the country doing field days in conjunction with Elders.

“Many thought Wagyu was no better than ostrich farming and dismissed us. With every field day we would take 200 Wagyu steaks and cook them up at the end of the presentation – the naysayers quickly changed their mind about their perceptions of Wagyu beef – the eating quality speaks for itself.”

Today from those 250 embryo beginnings, Sumo Cattle Co flushes as many as 4,000 embryos per year, based on the original

Takeda genetics. The company has extended its exports to South Africa, New Zealand, USA and more recently, Europe.

“The Australian Wagyu industry has come a long way in 30 years and still has great potential. Without those early pioneers, the industry may not have got a foothold in Australia. The following years saw the next wave put their hands in their pockets, which took guts, but has served the industry well.”

Simon joined the Association Board in 1992, and was elected as the second president between 1994-1997.



Bar H steer



David Warmoll with first 'skybox' shipment to Japan

In 1991, David purchased semen from Wally based on the American Wagyu genetics – the four bulls brought in by Morris Whitney. The arrival of Michifuku and Haruki 2 was, by David's admission, a godsend to broaden the genetic base. Using Angus, David got in touch with Peter Knauer at Success Pastoral Company to send a live export shipment to Japan's feedlots as did Wally Rae, Sher's and Hammonds. By 1995, David had started lotfeeding at Maydan heifers and the steers that didn't qualify for live export.

Carcases were sent in 1996 in a gradual move away from live trade – 1/4s wrapped in netting, doused in dry ice in a box and airfreighted –

known as skyboxes. A year later, it was carton boxed beef – without a brand. The company's first brands were introduced in 1999. The first, Australian Certified Wagyu Beef (ACWB) was dropped fairly quickly, while Auskobe appealed to the European market who had at least heard of Kobe beef. A few years later, the brand Jack's Creek, was used across all products. In some instances, David initiated trade protocols to export companies to open up new markets.

The early feeding regime involved an Angus fed ration based on 120 days, extended out to 300-400 days. The result was coarse marbling and high levels of seam fat. With time, changes to feed regimes and better genetics, the

marbling became finer with better eye muscle area and shape. David recognised early on that the European market had greater potential – as much because the quality of Wagyu available in Japan was far superior compared to his own.

“No one knew what they were doing in those days; we didn't have a market and no one had heard of Wagyu. Some described the cattle as having withers like a horse and hind legs like a frog.

“If it hadn't been for Peter Winkler, Wally, Peter Knauer, my brother for keeping faith with me and Peter Cobb who was our meat marketing guy, Geoff Willet and Alan Hoey, we may not have made it.”



## SPECIAL REPORT

### WAGYU BAR NONE – PERCY HORNER

Neighbours chat, plan and dream. Such was the case with Percy Hornery of Bar H Grazing and Wally Rae. Wally's holiday to Japan in 1988 was a turning point for Percy as much as it was for Wally. Tales of a \$48,000 carcass in the Japanese meat market certainly gets you thinking.

Through David Blackmore, Percy bought Michifuku and Haruki 2 semen in 1991 at \$200 a straw. Performing AI across as many as possible of their Brahman-cross breeder herds gave them around 500 Wagyu cross breeds. With the arrival of the second shipment of Takeda bulls around 1996, Percy took on 22 fullblood PTIC receipt cows, again through Blackmore. Their first fullblood bulls were bred in 1998.

"I was a kid at school when Dad started looking at Wagyu," said Que Hornery. "One day we were doing commercial livestock in bos indicus, the next Wagyu. It was to be the bible we read."

"We started with the F1 steers and weaners into the live trade to Japan, but had to stop when blue tongue arrived in our region. Others went to Dougal Cameron at Aronui. Without the help of those early lotfeeder pioneers like Geoff Willet, it would have been a bigger struggle."

Like the others, Japan's BSE hit the Hornery's for six. With more than 300 steers in the feedlot waiting to be shipped, Percy hoped he could ride out the ban. 100 days, then 200 days – at 600 days, the animals were simply too big and were sold at a substantial loss.

It became a turning point for the family – do they go back to focusing on the domestic market or go into boxed meat?

Having a go at boxed meat had its own hurdles – getting the chiller temperature right to make it easier to process; insisting that the transport drivers unload before they had a smoko break; the realisation that Australia's grading system was not on a par with overseas or simply getting people to try Wagyu.

Que's brother Derran, learned as much as he could about marketing and took forays into hospitality trying to teach chefs how to cut and cook Wagyu, but in the end the family decided they were better cattleman than salesman.

Now running a sustainable herd of around 3,000 cattle, Bar H is now focusing on quality rather than quantity, where marbling is not the only goal – performance traits play an equally vital role to ensure the prosperity of Wagyu in central Queensland's environment.



Mayura original heifers TF 268, TF 165 and TF 233

### THE MAYURA STATION STORY

The de Bruin family weren't always cattlemen. Adrian de Bruin started out in forestry, establishing Auspine, one of South Australia's largest businesses. Established on the original Mayura Station property in the state's south east, business trips to Japan gave Adrian an insight into just how special Wagyu could be.

"Dad was incredibly impressed with how delicious Wagyu was on his trips to Japan," says Scott de Bruin. "The eating quality was such a massive contrast to what was available in Australia."

Initially the de Bruins started in 1995 with F1s with purebred Wagyu bulls across Angus and Murray Greys – for no other reason than those breeds were already on the property. With the arrival of the first fullblood heifers into Australia, the company looked to build the herd through extensive embryo transfer using semen from JVP, Mannet and Takeda Farms. In five years, the original herd of 25 breeding females had increased tenfold.

The original concept of the Wagyu enterprise was to breed bulls for others to use for F1 production, but Scott's love of food and interest to pursue beef, saw the company change focus and a shift to fullblood beef production.

The hospitality industry in South Australia became interested in Wagyu beef in 2000 with support from chef Cheung Liew; further inquiries from Raffels, Singapore secured international markets for the Mayura Station brands.

The original breeding of the Mayura herd were based on 25 females from Takeda Farms, based on the Kinto, Aizakura, Chiyotake, Dai 2 Kinn, Dai 2 Kinntou, Hikohime, Hikokura, Itochiyo and Tetufuku bloodlines.

In 2005, Mayura sought to improve the bloodline of Shigekenami utilising the full sister to Teratani 40/1 to breed Itoshigenami Jnr. Well known for his marbling and eye muscle genetic traits, he is regarded as a once-in-a-lifetime bull that has exceeded expectations.

In more recent times, Mayura Station has joined partnership with the Hammonds and Darren Hamblin (Strathdale) to focus on polled Wagyu.

Scott has been on the Board for many years and served as President between 2013 and 2015, overseeing the introduction of the Collaborative Genetic Research Project and championing Truth in Labelling.



Mr Shogo Takeda discusses Wagyu bloodlines with David Blackmore

“A long time ago, Japan imported Jersey cattle from Australia. Thanks to this, the Japanese can now enjoy drinking tasty milk and eating tasty yoghurt. After I exported my Wagyu cattle to the US in the early 1990s, hoping that people in the world would enjoy eating Wagyu beef, the first people who purchased my genetics were Australians.

Since then, Australia has been the centre of Wagyu production in the world outside of Japan. I deeply appreciate the Australian Wagyu breeders for their contribution to spread Wagyu genetics to the rest of world. I wish the Australian Wagyu Association and their members further development and prosperity in the future.

Shogo Takeda

## SHOGO TAKEDA AND TAKEDA WAGYU AUSTRALIA

Some would consider Shogo Takeda the father of Australian Wagyu – whatever the opinion, there is no doubt that without Mr Takeda, the Australian and international Wagyu industry would never have taken off to the level that it has.

Now in his 90s, Mr Takeda has been breeding Wagyu in Hokkaido, Japan for decades focusing on carcass quality, early maturity, growth performance and other traits such as fertility and milking ability. His breeding program allowed him to reach a carcass quality of A5 (the highest possible in Japan), utilising Itomichi (Itomichi 1/2 is the son of that Sire) across premium Dams who are line bred to Itomichi (Kinto, Sakae 2, Aino, Aihime and Dai Roku Tomiyoshi).

Believing that the world would benefit from Wagyu genetics, he made the decision to export 35 females and five males to the US in 1995. Many of those females were in calf and some of the semen was eligible for export, enabling Australian interests, through Blackmore's agency to take advantage of Takeda's genetics. A second shipment, in 1996 brought a further 45 females and six males to the US. The herd was later sold to Gary Yamamoto in the US.

However, Takeda's actions were greeted with hostility by his peers and he was consequently expelled from the Japanese Wagyu Association in 1997. He has not been re-instated and his animals cannot be registered in Japan.

In 1994 Stan and David Thomson established a fullblood operation. On signing the initial contract brokered by David Blackmore, Mr Takeda asked what the name of the stud was, replying that as it was a new enterprise, there wasn't one, Mr Takeda was happy for the Thomsons to use his name as the name of the stud.

The Thomsons were the first to import Takeda genetics to Australia, some 750 embryos. The three bulls imported in 1997 – Itomichi 42, Yuki-harunami 4 and Mitsuhikokura 43, - born in the US and imported live into Australia - are well known in Australian Wagyu circles. The final herd count was near 400 fullbloods.

Running other business interests at the time presented challenges, and with Stan wishing to retire, the Thomson's reluctantly held reduction sales of the Wagyu herd between 1998 and 2000. The first of these sales held in Wodonga set record prices with the top price of \$26,000 for a fullblood heifer sired by Kikuhana and Hikohime 3/4 – bought by the Cabassi's. The top bull went to Kilcoolin Pastoral Company while other animals found new homes in South Australia and Western Australia. The complete herd was sold privately to Sumo Cattle Co in early 2001.



## SPECIAL REPORT

### “... The arrival of Michifuku and Haruki 2 was a godsend

David Warmoll

## THE LONGFORD STORY IN SHORT

The Longford bulls frequently sit in the top 10% of the Association's registered genetics and with good reason. Based south west of the NSW New England Tablelands, Arthur Dew has been in the industry since 1995. However, Arthur had attempted to gain interest in Wagyu genetics much earlier, but as others found, it was a hard sell.

With the arrival of fullblood Sires and genetics, Arthur imported semen during 1994-95, for F1 production across the Angus already on the property. Embryos quickly followed in 1995 – although conception rates were poor at 55% with the first batch. A second batch saw an improvement.

The arrival into the US of Michifuku, Haruki 2 and the three notable heifers enabled Arthur to gain three heifers from a cross with Michifuku and Suzutani and Rikitani. Crosses with Takeda and Westholme Sires developed the fullblood herd.

“My focus on the beginning was on genetics, understanding Japanese data and extrapolating it,” said Arthur. “For example, a female progeny of Suzutani, with another Tajima line and the Westholme 003.” (Dew was an Associate with Chris Walker)

“Our Japanese live export customers said our carcass size was too small, so I decided a further cross with 147 may work. We were able to achieve a 450kg cwt with good marbling.”

The Japan BSE event hit Longford as much as anyone else – with half a consignment already sold – the other half still in long feed requiring the company to hold for another year. It was at this point Arthur opted to move out of live cattle and beef as the primary objective. Based in Hong Kong for much of his time, focusing on bulls was easier to manage for both him and his staff.

Longford Station now has 2,500 breeding females with bloodlines tracing back through the Westholme and Takeda herds and Wally Rae.

## THE WESTHOLME STORY

By far the biggest export of Wagyu genetics out of Japan was that undertaken by Chris Walker to establish the Westholme herd. As with many in the early days, living, working or visiting Japan, Chris was based in Japan for work and tasted Wagyu regularly and was determined to bring it to Australia.

As so many discovered, getting the genetics out of Japan was not straightforward, and Chris, with his Japanese agent at ET Japan Company Ltd, faced many stumbling blocks, resulting in the need to build their own quarantine station in Japan. After three years of investment and negotiation, the shipment was achieved in 1998 – 99.

In total, 84 females three bulls and semen from three others arrived in the US. Subsequently from herds based in Iowa and Texas, 20,000 embryos were produced and brought to Australia for implantation at the Westholme farm at Tarana, NSW, similarly the semen.

With the aim to establish an iconic herd of genetics in Australia, Chris rarely sold any of his animals – with the exception of two bull sales. Those animals that remained in the US were eventually sold into the beef market to dissolve the partnership with ET Japan and to preserve the genetics under the Westholme name.

By 2006, Westholme was the second largest fullblood herd outside of Japan with 700-800 breeding cows. It was this year that Chris opted to sell the entire livestock inventory to AACo, who were already receiving Wagyu steers into the Aronui feedlot.

“Those early days in Japan, negotiating the shipment with all the roadblocks put before us had Lynne and I walking the streets of Tokyo wondering if it would ever happen,” said Chris. “I didn't want to get started until I get hold of superior Japanese genetics that were fully registered. Virtually no one knew what we were doing, until it was too late, because we kept it so quiet.”

“The bull sales that we conducted created a lot of interest, with an average sale price of just under \$10,000 – a real benchmark for those days. Our focus was on calves, getting them to 300kg whereupon they were sent to AACo where they put into feedlot to take to 700kg – it took a long time to figure out the right rations for the feed.”

“When we sold to AACo, we had a five year non-compete clause placed on us, so I bought back 10 bulls and 1,000 Angus cows to produce F1s, which once the five years were completed, my son Mathew Walker recommenced with Stone Axe Pastoral.”

Original bulls: Hirashigetayasu, Itomoritaka and Kitateruyasudo

Top females: Sekimasuokishida, Sekitorihana 5, Sekiyoshiko3, Sekitorihana 5, Sekiyoshiko 3, Sawafuji 6, Sekiokura, Yamaketakfuji 3, Sekikurahime, Yoshifui 8, Seki 5 Dai Moto 2, Umeko

### *A note on Stone Axe Pastoral*

*Chris' son Mathew Walker founded the Stone Axe Pastoral Company soon after the five year non-compete clause imposed by AACo on Westholme was complete. The company's focus is on fullblood beef production with a fully vertical integrated business model. In 2016 it was majority purchased by Sydney based private equity managers Roc Partners, with Mathew remaining a shareholder and director of the company.*



Yasuhuku Jr



Westholme 003 Kitateruyasu-Doi



## HUGHES PASTORAL

Cattle ticks were an ongoing problem for the Tierawoomba Herefords, needing to dip at times inside six weeks or risk losing the cattle. Wally Rae, a close friend to Peter Hughes, and fellow campdrafter in the 1980s was a strong influence and introduced Peter and Jane to Wagyu. The pair believed that anything that tasted like that could not fail and hence began their Wagyu journey.

“We purchased some first cross Angus and some Murray Grey Wagyu Cross bulls from Wally in 1992,” said Peter.

“From 1992 on we kept buying upgraded bulls until eventually we got to purebred bulls. For the next decade we moved along very carefully not expecting a lot or spending any more on genetics or production than we normally would. We really put them to the test and were surprised by their resilience.”

Since 2000 Hughes Pastoral has only used purebred and fullblood bulls over the upgraded herd of females. All of the cattle, in the end, have been bred up from approximately 3 /4 Bos Indicus females. Experience to date suggests that the herd continues to be resilient as the breeding program moves closer to a purebred line, however there has been no deliberate move to follow the Tajima line.

In reflecting on those in the industry Peter commented that there has been a number of very astute Wagyu producers that have put a lot of effort into breeding

quality animals, including those that are focusing on polled cattle.

“These people are doing a great service for the breed and as long as we can retain the very good traits, this will go a long way towards its sustainability. It looks as though those good traits have not been compromised at this stage.”

“Another significant person in the Australian industry would have to be Mr Takeda. He is a wonderful stockman, so well balanced - he would be a wonderful horseman which goes hand in hand with being a good stockman.

“He clearly has a lot of time and affinity for animals. He’s always got half a biscuit in his pocket for someone’s dog. He can just move magically amongst cattle, absolutely no fear.”

Today, Hughes Pastoral runs 25,000 Wagyu-cross cattle in central Queensland, selling branded beef under the Nebo Beef brand.

ABOVE

Nick Sher and John Hammond at Tokyo Meat Market.



## SPECIAL REPORT



### LEFT

Touring Bar H during the 2015 Pride of the Australia Wagyu Outback Tour.

### ABOVE

Percy Hornery and his youngest grandson.

## TRACING OUR JAPANESE BLOODLINES AND HISTORY

The Japanese Black, the predominant breed of Wagyu, can trace its origins back to 3,500 years ago, where genetic diversity were developed in different prefectures based on regional isolation, giving us the modern strains of Japanese Black.

By no means the only Wagyu breed, the Japanese Brown, referred to in Australia as Red Wagyu represents about 4% of the Japanese herd. Add in to that mix, the Japanese polled and Shorthorn which are niche breeds not seen outside Japan.

It is believed that the modern Japanese Black were influenced by European breeds such as Brown Swiss, Devon, Shorthorn, Simmental, Ayrshire and Korean cattle when crossing began in 1868 under the Meiji restoration. By 1910, the policy was revoked by the Japanese government.

By the end of WWII, the enforced segregation of prefectural herds was largely abandoned. Hyogo Prefecture, the home of 'Tajima' cattle, was then the only 'segregated' prefectural herd remaining, and this continues today. The modern Japanese emphasis on breeding for beef production commenced as recently as the 1950s, as

mechanisation swept through Japanese agriculture and cattle ceased to be bred for work applications.

The effect on Japanese Black prefectural herds to form genetically diverse sub-populations has been identified by international research. Three major Japanese Black prefectural sub-breeds have been identified and have significant influence on international breeding. These are Tajiri or Tajima (from Hyogo Pref), Fujiyoshi (Shimane Pref) and Kedaka (Tottori Pref). The fourth important Itozakura (modern) strain formed around the prolific and dominant sire Dai 7 Itozakura from the 1960s.

These strains are also recognised as the key reservoir of genetic diversity in the national Japanese Black herd, where effective population size is challenged. To meet this challenge, structured selection of genetics from different prefectural strains is a formal policy component of Japanese national breed conservation and development.

Modern Wagyu beef production in Japan remains highly regulated. A national Japanese industry entity, ZENWA, oversees the breed registries for Japanese Black,

Brown, Polled and Shorthorn. Breed development follows strict guidelines, including independent progeny testing for sire selection and national production data collation, with carcass data dissemination (using within-herd BLUP EBVs) back to the individual herd level. Only the very best proven genetics are kept for breeding and artificial breeding is dominant at over 90% of annual joinings.

The export of Wagyu genetics that created the international Wagyu herds occurred during a small window of time, between the mid 1980s through to the 1990s.

The level of inbreeding in this group has not been measured, but the AWA continues to monitor subsequent inbreeding and ensuring that breeders understand and manage it within their herds, which can be assisted with the Wagyu Mating Predictor tool when considering prefectural characteristics in the Australian Wagyu population.



**WWW.WAGYU.ORG.AU**  
ANIMAL SEARCH > MATING PREDICTOR

## MAJOR WAGYU PREFECTURAL BLOODLINES

What we now call the Black Wagyu breed within Australia is a combination of the unique Japanese Black strains derived from the prefectural herds of Japan, which has significant outcomes in noticeable variability in conformation.

AWA plan to undertake scientific analysis of prefectural bloodlines in Australia. Segmenting the Australian national herd by prefectural influence should be possible as most of the major foundation sires are still in use and there are many first-generation progeny available for analysis. Significant prefectural diversity remains, with resulting breeding and genetic conservation opportunity. For most Australian production purposes, there are three traditional Japanese Black prefectural bloodlines, and one modern strain. All lines are used for Fullblood meat production.



### HYOGO PREFECTURE

Descendants of Hyogo breeding form the largest segment of the Australian fullblood herd. Hyogo is the home of Kobe Beef and the sole remaining segregated prefectural herd in Japan. Hyogo cattle are known for superior meat quality but relatively small stature. Carcase weights are significantly lower than the Japanese national average, and average carcase BMS (JMGA marble score) is not significantly higher.

The most common and well-known Hyogo sire bloodline in Australia is Tajima, but the Kumanami strain is represented in the sire Itoshigenami, also frequently described as Tajima outside Japan. Hyogo cattle are considered ideal outcross sires in the production of Crossbred Wagyu F1 50% feeder cattle, which explains the numerical dominance of high Hyogo content animals in the Australian herd, a result of original import demand for F1 production sires.

This is the most commoditised strain of Black Wagyu both in Australia and Japan. Some infusion of Hyogo genetics is generally regarded as essential in the efficient production of the best quality Wagyu beef. Due to high levels of inbreeding in the Hyogo sub-genome, care is needed in joining strategies.



Itoshigenami



### ITOZAKURA LINE

The second most common grouping in Australia, this is a modern bloodline founded on the famous sire Dai 7 Itozakura, combining **Hyogo** and **Okayama** prefectural genetics (in Shimane Prefecture).

Many seedstock of Takeda Farm breeding fall within this grouping and the founding sire is prominent in many Australian pedigrees. The line is sometimes misdescribed as Fujiyoshi. The founding sire of the line was the premier Japanese Black sire for superior beef production in Japan over a lengthy period, combining consistent high marbling with strong growth.



## SPECIAL REPORT

It is believed that the modern Japanese Black were influenced by European breeds such as Brown Swiss, Devon, Shorthorn, Simmental, Ayrshire and Korean cattle.



### SHIMANE PREFECTURE

Probable third highest local representation, also often described as Fujiyoshi, this lightly represented group consists of medium framed cattle with good maternal qualities, growth rates and meat quality.



Shimane females imported by Sumo Cattle Co



### TOTTORI PREFECTURE

In terms of national calf registrations, **Tottori** prefecture genetics have dominated Japanese Wagyu beef production since the 1960s, but the prefecture is only lightly represented in Australia through the Westholme Fullblood herd.

The two main sub-strains are Kedaka and Eikou. Tottori produces larger animals featuring straight, strong back lines, good growth rates, superior maternal ability and high yielding, high quality carcasses.

In terms of percentage infusion in national sire production tables Tottori remains the most influential strain in Japanese breeding.



Itomoritaka

### JAPANESE BROWN

Known as 'red' lines (Akaushi), Kochi and Kumamoto in Australia, have been strongly influenced by Korean and European breeds, particularly Simmental.



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