



**John's**  
Management Ltd



**Annual Report**  
30 September 2008

## **Mission Statement**

*To establish a database for monitoring Johne's disease in deer that provides a cost-effective tool in reducing the risk of Johne's Disease in deer to NZ's markets.*

### **Goal**

To provide data to industry and researchers enabling effective targeting of education and monitoring of Johne's Disease in Deer.

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## **Notice of inaugural annual general meeting**

Notice is hereby given that the Annual General Meeting of the Shareholder of Johne's Management Limited will be held in the 21st November 2008, in the Boardroom, Level 13, PriceWaterhouseCoopers Building, 113-119 The Terrace Wellington. The meeting commences 11.00 a.m.

### **AGENDA**

- 1. Minutes of 2007 Annual General Meeting for discussion and approval**
- 2. To receive and consider the Directors Report, Auditors Report and Accounts for the year ended 30 September 2008.**
- 3. The appointment of Auditors for the forthcoming year.**
- 4. General business**

Dr J. Glossop  
Secretary  
Foxton  
11 November 2008

## **Directory**

<b>CHAIRMAN</b>	Mr G. W. Neilson 10 Kanuka Court Mosgiel
<b>DIRECTORS</b>	Mr E. Brock Merino Downs Rd, RD5, Gore  Mr I. Hercus PO Box 1 547 Invercargill  Mr I. Stewart 32 Masefield Drive Rolleston  Mr M. O'Connor 19 Reading Street, Karori, Wellington
<b>SECRETARY</b>	Dr. J. Glossop 29 Nelson Street Foxton Beach
<b>REGISTERED OFFICE</b>	Level 13 PricewaterhouseCoopers Building 113-119 The Terrace, Wellington
<b>SOLICITORS</b>	Buddle Findlay, 1 Willis Street Wellington
<b>BANKERS</b>	National Bank Wellington Corporate and Commercial Banking, P O Box 2846, Wellington.
<b>AUDITORS</b>	Deloitte 10 Brandon St, Wellington
<b>ACCOUNTANT</b>	Mr Ron Henry 32 Salamanca Road Kelburn, Wellington
<b>PROJECT MANAGER</b>	Dr J. C. Glossop Foxton Beach

## Chairman's Report

This past year has been a significant year for the Company, The appointment of our Project Manager, Dr. Jaimie Glossop has meant the Johne's Management Ltd program has moved rapidly forward towards its full operational functions.

It is conservatively estimated that the costs to the New Zealand farmed deer industry from Johne's disease is around \$15 - \$20 million. This concern has lead to strong support from all sectors of the deer industry for the JML program, including the deer processors. The information and support coming through from the slaughter premises is vital to the success of the program and it is gratifying to note that all processors are now contributing data and have agreed to fund the program with a contribution of 40 cents per deer slaughtered.

Commencement of the "farmer mail-outs" to suppliers with one or more abnormal lymph nodes; ongoing assessment of inspection accuracy; and continual review of calibration and reporting standards, are all ongoing.

The analysis of the information from the J.M.L. data base is coordinated within Massey University's epidemiology and research centre. This formal arrangement with Massey Epicentre,

is an integral and important partnership between J.M.L and Massey University. The support we have received from Massey's Epicentre, especially from Professor Peter Wilson and Associate Professor Cord Heuer, is appreciated.

Special mention needs to be made of the cooperation we have received from AsureQuality meat inspection staff as we have established the overall plan.

In addition, the involvement and support of Plant Managers, Deer Farmers, and the Project Manager of Ovis Management Ltd, who has the responsibility of maintaining the data base, go our thanks.

For the work Ron Henry does on our behalf as our accountant, we record our appreciation.

To our Project Manager Jaimie Glossop, your commitment and enthusiasm for the J.M.L. programme and overall strategy has been critical to the success of the Company this year.

Finally, to my fellow Directors, I thank you for your support and your dedication to the Company's objectives.

Chairman:  
**Geoff. Neilson**

## Project Manager's Annual Report

JML began collecting data on the presence of Johne's Disease (JD)-suspect lymph nodes in January 2007. Since that time, the database has grown to include data on over 99% of commercially slaughtered farmed deer in New Zealand. Two calibration exercises have been completed and plans are underway to develop a national network of specialist consultants, provide four-monthly notification letters to affected farmers and coordinate advanced analysis of data held within the database.

### Processors

The existence of the JML database is wholly dependent on the good-will and active support shown by processing companies. All processors are contributing financially to JML. A change in the voluntary contribution from 35 to 40 cents per carcass to balance the predicted decrease in national deer kill over the next 3-4 years, has been agreed upon by all processors and began from 01 October 2008. It is estimated that data on 99.9% of all deer commercially slaughtered in New Zealand is now held in the JML database, with an objective of 100% capture. The resolution of small technical details in early 2009 should see consistent and complete transfer of all data from all deer killed in all plants. All processing plants have been visited in some capacity in the last financial year.

### AsureQuality – Inspectors

AsureQuality meat inspectors are the sole diagnostic test utilised by JML to detect JD-suspect lesions and, therefore, form the backbone of the database. AsureQuality have continued to actively participate and comment on the program and have fully supported any actions undertaken to increase the accuracy of data provided.

A report, outlining the results of the 2007 calibration exercises and lesion detection rates per plant, was presented to staff at South Island plants in September 2008. All plants have recorded JD-suspect lesions at some stage since January 2007 and these visits enabled inspectors

to discuss issues with the Project Manager to ensure capture rates become consistent and accurate across all plants. A similar exercise is planned for the North Island plants and reports will be provided to AsureQuality staff every 6 months updating them on the latest information.

In-plant calibration exercises to assess the sensitivity and specificity of meat inspector detection and recording of JD-suspect lesions will be carried out annually, alternating between the North and South Islands. Exercise results will be provided to AsureQuality staff.

### AgriBase

Processors are linked within the JML database utilising AgriBase farm IDs. Currently there are 3,174 active suppliers in the database.

### Epicentre (Massey University)

That the JML database contains at least some data on over 99% of deer slaughtered commercially in New Zealand makes it a unique resource on an international scale. Regional and national statistics such as prevalence levels, "hot spots" of infection and investigation of changes in the prevalence of JD-suspect lesions over time, can be calculated from JML data. However, factors such as the sensitivity of inspector detection of lesions and animal age, can bias these results. Specialist analysis is necessary to ensure conclusions drawn from the database are correct and valid. For this reason, JML has developed a service agreement with the Epicentre (Massey University) to check the validity of the data (e.g. by accounting for any missing values) and to produce a monthly report of analysis results.

### Ovis Management Limited (OML)

To June 30 2008, Mr Dan Lynch, Project Manager for Ovis Management Limited (OML), acted as Project Manager for JML. Within 18 months, Mr Lynch had developed the JML database which involved getting agreement from plant owners/managers, sourcing the correct data from technical staff and incorporating the database within the existing OML database. That this

could be completed in such a short period of time demonstrates the excellent relationship Mr Lynch has built with the processing companies and JML has benefited enormously from his dedication to the program. OML continues to maintain the JML database, coordinating data transfer from plants and JML is in the process of extending the current service agreement with OML.

#### **Farmer mailouts**

In May 2008, the first mailout of notification letters were sent to 554 suppliers who had one or more slaughtered deer identified with a JD-suspect lesion between 01 January 2007 and 31 March 2008. Deer farmers were advised in advance of the mailouts by an open letter inserted into the April edition of the Deer Industry News. A similar article was placed in the May edition of VetScript targeting deer veterinarians.

A second mailout was sent to 200 suppliers in October 2008 containing information for 01 April 2008 to 31 July 2008. Future mailouts are planned for three times a year - in February, May and October.

#### **Veterinary Specialist Network**

JML is utilising a number of avenues to increase the awareness of deer farmers in management practices which may be used to control JD in their herd. A principal method is development of a network of consultants, predominately veterinarians, who will be trained by JML in the latest information on JD in deer. Thirty

veterinarians from throughout New Zealand have indicated interest in participating in the program. Two-day workshops are planned in Palmerston, Geraldine and Gore for late May/early June 2009 and a technical manual is being produced to provide a central resource.

Consultants will be supported by a website, the development of which has been contracted to VetLearn, a company based at Massey University specialising in the continuing education of New Zealand veterinarians. In addition, software is being developed which will allow consultants to collate data on a herd's JD status to be assimilated into a standard report which can be provided to the farmer.

#### **External Review**

An independent audit will take place in late November to review JML's security protocols.

#### **Funding**

From 01 October 2007 to 31 September 2008, processor contributions were \$209,164, ahead of projections at \$176,458. With interest, JML's total income for the 2008/2009 financial year was \$213,314. Expenditure in the same time period was \$154,606. Therefore, it is intended that JML has sufficient equity to fund development of the Veterinary Specialist Network and other activities, while enduring the projected decrease in kill numbers in the next 3-4 years.

**Jaimie Glossop**  
Project Manager