

## The Wagyu Story in Australia:

It seems to me that a majority of the breeders have trouble understanding that Japanese Wagyu cattle are very different to Western cattle and are really trying to make Wagyu cattle be like Western cattle that marble.

### Following is a history of Wagyu in Australia

In 1976, four bulls were sent from Japan to Colorado University in the USA. This importation was arranged by Mr. Morris Whitney (I have copies of the original import permits and pedigrees). The consignment consisted of two Brown Wagyu bulls (the Americans called them Red Wagyu and that is how they are still known today in the Western World) and two Black Wagyu bulls. Only one of these bulls had bloodlines still in use today. The bulls eventually finished up with two farmers, Don Lively and Fred Hildebrand. I 'found' these cattle in 1988 when visiting Texas A&M University which had just started doing research on Wagyu. These cattle become known as American Purebred because no 100% Wagyu females were available to breed with these bulls.

These cattle were bred up from Angus, Holstein, Hereford and Brangus females, i.e.

Wagyu bull x Angus Cow = F1

Wagyu bull x F1 female = F2

Wagyu bull x F2 female = F3

Wagyu bull x F3 female = American Purebred

Selection of bloodlines was done on purely visual appearance i.e. animals were selected to look like western cattle, large heavily muscled cattle – hence crossing Red Wagyu with Black Wagyu – gave black cattle, red cattle characteristics. As these were the only Wagyu cattle available to Australia. I organised shipment of embryos and semen to Australia which was sold to other breeders. On our own farm we bred and fed over 200 carcasses. We found them very inconsistent. Full brothers would marble score 8 and 3. When new modern genetics became available from Japan in 1993, we sold all our American Purebred cattle.

### The modern Australian Wagyu bloodlines

Along with Texas A&M University, Washing State University was also researching Wagyu. In 1993 a group of people including a lecturer at Washington State, a Korean, and a Japanese American who later become known as the 'Mannett Group' imported from Japan three black Wagyu females and two black Wagyu bulls.

This was closely followed by a group headed by a US senator called JVP (Japanese Venture Partners) imported ten black Wagyu females and three black Wagyu bulls. Mannett Group then imported another four black females, two red females and two black bulls. Also about this time a group headed by Dr. Al and Marie Wood trading as 'Heartbrand' imported seven red Wagyu females and three red Wagyu bulls.

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These red Wagyu are not popular in Australia and have never been bred with the black Wagyu cattle. I, as an agent, was responsible for these cattle (now in the USA) to go into Australian quarantine centres and import into Australia the first embryos and semen.

In 1994, one of Japan's premier and prominent breeders Mr. Shogo Takeda built on his own property a quarantine centre that was approved by USDA to ship cattle from Japan to the USA. Consequently 35 black Wagyu females and five black Wagyu bulls were shipped. Some of the females were already pregnant before leaving Japan and another eight female calves were added to the herd. Mr. Takeda appointed me as his exclusive agent and I arranged the importation of embryos and semen.

In 1996, Mr. Takeda exported another 45 females and six bulls to the USA. Mr. Takeda has since sold all his cattle in the USA to Mr. Gary Yamamoto, an American Japanese famous for professional competition fisherman.

Also at this time another group headed up by Mr. Chris Walker called 'Westholme Wagyu' and working with Mr. Daiji Imori of ET Japan exported to the US from Japan three black Wagyu bulls and 25 black Wagyu females. These cattle had some embryos collected from them in the USA and exported to Australia. I understand that the partnership between ET Japan and Westholme Wagyu was dissolved and the females were then shipped to Australia. The bulls remain in the USA. This is the only genetics I have not marketed in Australia.

I also arranged three live shipments of 100% Japanese fullblood cattle born in the USA to Australia. I believe I have in my files copies of the original Japanese registration certificates for the cattle exported from Japan to the USA. In the bull genetics we have bloodlines of all the major Japanese bloodlines except Oku doi, but that line does appear in some female lines.

I enjoy studying pedigrees and bloodlines. After eight visits to Japan including visiting Itoham's head office who arranged for me to visit the Hyogo Prefecture bull stud (where I saw amongst others the famous bull Tanifukudo) I have some understanding of Japanese breeding practices.

I run a cattle farm with around 1,000 breeding cows and after now slaughtering 2,000 carcasses sired by most of the original Japanese bulls we understand the bloodlines that work best in Australia. Our farming conditions, and the pricing structure we receive for our carcasses, are different to Japan's. We have developed 100% Japanese cattle that have robust and strong constitutions that suit Australian conditions. They produce a large carcass weight (we are aiming for 450 kg plus carcass) and still maintain high marbling. Due to the fact that we are not restricted in Australia by different Japanese Prefectures breeding policies, we have been able to cross the different Japanese bloodlines to achieve this goal.

## Wagyu in Australia

Most cattle in Australia are F1's, mostly Angus Cows x Wagyu bull. About 20,000 Wagyu F1 feeder steers will be exported live from Australia to Japan this year. The major companies involved are Marabani and Nissho Iwai. They are purchasing from Australian farmers 230-280 kgs @ \$750 each, then quarantined at Toowoomba before being sent by sea freight to Japan. The problem in this for Australian farmers is while they receive a premium for their steers (over Angus calves), the females sell at

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lower rates than their Angus counterpart. Quarantine space in Japan does not allow further expansion of this trade at this time. There has not been enough premium paid for F2 cattle to warrant breeders to develop F2 cattle.

## Japanese companies activities in Australia

I have done a lot of work with Nippon Ham in the past – (nothing since October 2002). They have fed about 2,000 F1 cattle per year, but now dropped their numbers. They own about 200 fullblood Wagyu females (not registered in Australia) and are planning to develop their fullblood program further. Apart from their feedlot at Texas, they own breeding farms at Texas and Cattle Creek in Queensland, Forbes in NSW and King Island (near Tasmania).

Maribani feed about 1,000 F1 and F2 steers (small number of heifers) at Ranges Valley Feedlot which are purchased from Australian farmers. They do not have their own breeding program. Hannan feed about 800 F1 cattle at Ladysmith feedlot, again purchasing from Australian farmers and they do not have their own breeding program.

The Mannett group is now called World K. They do not sell any fullblood genetics from their USA breeding herd in Australia. They have forward contracted to some Australian farmers to use their own genetics exclusively. The resultant feeder cattle are then sent live to Japan. It is a fully in-house operation and hard to find details. They have a farm near Forbes NSW. I don't know who their Japanese buyer is.

AEON (Jusco) feed about 700 F1 cattle at their Tasmanian Feedlot but only purchase their feeder cattle in Tasmania. They have purchased about 300 fullblood Wagyu breeding females in recent times to start their own breeding program (about 150 females from me).

Security Foods owned by Gerry Harvey (of Harvey Norman fame) have been contracting Australian dairy farmers to breed Holstein x Wagyu F1. I believe that they have about 10,000 male and female F1's on feed, doubling their numbers each year for the past three years. Their major buyer has been Primaham who have just started doing business in Australia.

The Australian owned Australian Agriculture Company purchased Anuhui feedlot in Queensland and are feeding about 2,000 F1 cattle. They have also purchased a small number of fullblood Wagyu steers to feed.

There are about 300 registered Wagyu breeders with the Australian Wagyu Breeders Association. About 10 of these members actually feedlot commercial numbers of their own cattle. The rest are bull breeders, feeder steer breeders or hobby farmers. It seems to me that a majority of the breeders have trouble understanding that Japanese Wagyu cattle are very different to Western cattle and are really trying to make Wagyu cattle be like Western cattle that marble.

There are a few breeders that are concentrating on marbling bloodlines and not other characteristics. Their cattle are small framed (340-370kg carcass weight) have no constitution or milking ability. There is a lot of dissatisfaction among breeders that it is very hard to market Wagyu cattle as the specifications keep changing. It is my opinion that a lot of breeders went into Wagyu and expected to receive the same price as Japanese farmers, and not have to do any more work than with traditional Australian cattle.

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It is mainly the people that understood the commercial reality, wanted to understand Wagyu breeding and management and then feedlot their own cattle that have come to make a good business in Wagyu.

This report is probably already too long. Please feel free to ask any further questions. I try always to be a good listener and ask the right questions when breeders ring me to tell me their latest gossip. This makes for a good understanding of the Wagyu business in Australia.

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