



Welcome to the June 2019 Newsletter.

I hope this message finds you experiencing some favourable weather conditions. We headed into winter having had rain fall over most of Hico's service regions, and while milk prices are showing signs of recovery, the outlook for coming months is that high feed prices will remain for quite a few more months to come. While we will all welcome feed prices coming down many of you will still be recovering from low milk prices and high feed input prices from the last two years.

Twelve months ago we were able to report a \$500,000 shareholder rebate after a very strong trading period. The last twelve months have been far more challenging for both our customers and for Hico. Early in 2018 Hico set a budget to make a small profit and was looking likely to achieve this until we entered 2019 where we saw less investment in herd improvement goods and services which have contributed to Hico making a loss in the 2018-19 financial year.

With more positive news on milk processor pricing in 2019 the Board and management have approved a budget to make a small profit in the 2019-20 financial years.

Our Annual General Meeting will be held at Korumburra in late September this year. We have 2 directors whose 3 years terms on the Board are up for renewal leading up to the AGM. I welcome expressions of interest in nominating to become a director or applying for our trainee director's role.

I would like to thank our customers for continuing to support Hico. If anyone would like to discuss board opportunities I make myself available on 0421 030 475.

Regards,

Ross Anderson



AI Tank Requirements

In March Hico staff completed BOC awareness training for properties and hazards of liquid and gaseous Nitrogen, safe handling and decanting of liquid nitrogen (LN2). Within Hico LN2 is used in AI tanks to keep the semen frozen.

Awareness was raised around the risks when working with LN2:

- This fluid exists at a temperature between -196 to -210 °C, which puts everyone handling it at great risk of frost burns. When it warms up it becomes a gas which can be seen as a vapour escaping the tank when the lid gets removed.
- The liquid to gas expansion lies around 1:694. This means that one litre of liquid turns into 694 litres of gas. In the process of vaporizing Nitrogen removes Oxygen from the air, which puts everyone handling it at great risk of asphyxiation as it may cause the Oxygen levels in the air to drop below the limit that the human body requires to function.
- Because of these risks LN2 is categorized as a hazardous material and all vessels containing it need to be labelled with a green diamond Gas 2 sticker on the tank when being transported.

Precautions you can take to keep yourself, your employees, your family and our staff safe:

- PPE: Keep safety glasses and gloves available for everyone handling the tank on farm, especially when moving the tank. Make sure they are wearing long pants and closed in shoes.
- Keep the tank in a large space with good ventilation, away from manure, water and direct sunlight.
- Do not transport a tank in the passenger compartment of a vehicle
- Hico staff cannot transport your tank if it does not have a green diamond Gas 2 sticker on it. This is a requirement enforced by Work Safe Victoria.

Speak to us about correctly labelling your tank.



Update on Chemicals.

As you may be aware, Hico has offered an on farm Dairy Hygiene service for a number of years. Historically this has only offered the Ecolab Dairy Power range of hygiene products, but as of the start of May we are pleased to announce that we now have access to the entire Daviesway / Dasco product range.

Daviesway / Dasco are an Australian family owned and operated business founded in 1911 with the intent on specialising in the dairy industry.

But what does this mean for you? To put it plainly – choice. Choice is the most powerful tool that you have at your disposal when it comes to your business; if you're not happy with something change it until you are happy with the outcome.

We offer all of our clients once a month calls so as to monitor your usage and ensure you are on top of any potential issues that may arise, the capacity to do on farm water tests to ensure you are dosing with the correct amount of chemicals, recommendations for new products if required and more.

For any more information please contact your local on farm chemical expert:

Glyn Stuckey (Based from Korumburra) 0427 355 900 **Norm Witt** (Based from Maffra) 0429 402 086

Hico Processes changes

Hico has commenced a review of its internal processes and has identified some inconsistencies between branches. Over the next 12 months all Hico process will be standardised across its 4 branches, this will ensure greater customer service and efficiencies in delivering our products and service. So if you notice changes to the way you currently receive a product or service please keep in mind we are doing everything possible to be the best we can.

If you have any suggestions with improvements to Hico processes please contact Hico.



Congratulations on 25 years at Hico.

In May Michael Lee reached 25 years of service with Hico. In 1994 Michael started with Herd Improvement Co-Operative (Maffra) in Farm Services before heading up the Milk Harvesting department and later becoming General Manager of Hico in 2009. Michael was joined by staff and directors, past and present for a presentation morning tea at the Maffra branch on the 9th May where many kind words were said and stories shared.

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Have you got feedback?

Please email us at info@hico.com.au

Meet Mark Hutchinson – Sales Representative

Mark joined Hico Sales team during March in South West Gippsland. Mark grew up on the family dairy farm at Nyora and share farmed with his parents before moving to Melbourne to work in his father in-laws transport business. Mark returned to Gippsland in 2018 and joined Hico as a Herd Test Sampling officer. Mark has a sound understanding of the dairy industry and herd improvement. Mark enjoys basketball, football & spending time with his young family.



Meet trainee Kathryn Fox.

Hico would like to introduce its inaugural Trainee Kathryn Fox. In 2018 the Hico Board made a decision to reinvest in the herd improvement industry by offering a Traineeship. Over a 12 month period the trainee will rotate throughout all the departments within Hico to gain a sound knowledge of the herd improvement industry. The traineeship will be offered annually.



Kathryn joined Hico in April, she is an animal lover and very passionate about the sustainability and longevity of farming and the environment in Australia. Kathryn holds two tertiary degrees; one in Agricultural Science and the other in Business, majoring in management from La Trobe University. Kathryn is from a dairy farm in Mountain View, Victoria which is where she developed her passion for the agricultural industry, particularly within dairy. Through the family farm and her university work experience Kathryn has developed sound livestock handling skills and a good understanding of safe farming practices.

Kathryn enjoys netball, horse riding and working on the family farm.

MARK YOUR CALENDAR FOR UPCOMING EVENTS:

July 3rd 2019

Rabobank - Introductory to Farm Finance Skills
The team at Rabobank and the Rabobank Clint Council would like to invite you to attend a Farm Financial Skills Workshop.

Baw Baw Skills Centre, Warragul 9.30am

July 15th 2019

YDN South Milk Pricing with John Mulvany
Christmas in July" dinner and hear John Mulvany explain about milk pricing.

Leongatha RSL, 6pm

August 14th 2019

South West Dairy Ladies Luncheon
Have a break with other women in the industry and hear from veteran comedian Fiona O'Loughlin.

Deakin University Warrnambool 10.30am

August 19th 2019

DataGene proof release



**HERD IMPROVEMENT
CO-OPERATIVE AUSTRALIA LTD**

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