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Dear Northumberland Shippers

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It has been quite awhile since I wrote you a letter so this might be a long one. Most of you already know that we have been successful in getting our federal licence and are able to ship your lamb anywhere in the world, which has created a lot of opportunities for us, already Sobey's is taking our lamb in their distribution warehouse and shipping it to all their Atlantic stores. Superstore might also be interested.

It has been a long difficult path to get here.

Financially it has been challenging. We took a mortgage on our property of \$165K and along with our retained earnings we were able to receive matching funds from each of the federal and provincial governments for a total of \$465K: the original

Federal/Provincial/Territorial Meat Hygiene Pilot Project that was announced 2010.

This turned out not to be enough to get us to the point of being able to get CFIA approval. Your President Elizabeth Illingworth and the board of Northumberland entered into talks with the Nova Scotia Minister of Agriculture Keith Colwell. He was very supportive and helped us get a grant through the Home Grown Success program for \$166K with these additional funds we were able to succeed in getting our federal licence.

With all the new rules and regulations we must follow it is much more expensive to kill lambs and our operating costs have increased substantively, with our old volume of sales we could not have sustained it.

Since the first of October our sales have increased 80% and we are now profitable.

So now we have to secure our lamb supply for the whole year.

To do that **you** have to be able to make money raising and feeding lambs and be able to plan ahead.

Traditionally we would set a price for Easter and gradually increase the price till then and decrease the price after. A lot has changed since then but it still costs more the longer you keep and feed lambs and it is still difficult to have new crop lambs ready early in the spring so the idea of increasing the price gradually to the time that it is expected to be the most expensive and decreasing to the time that is expected to be the least expensive still makes sense

Although this strategy might work for us, the producers, it doesn't work so well for the customer who needs a steady price to build sales and profits.

So if we want this to work we will have times where we (Northumberland) will lose money and times we make it back and we will need committed producers who will make a commitment to ship a certain number of lambs and then keep that commitment. This is going to be very important going forward.

We will need to make agreements with producers who will buy and feed lambs for us.

They will need to know what they will be paid and how many lambs they can ship.

I am proposing that we start the price at the end of October at **\$9.25/kg then increase it 5 cents per kilogram every week till the end of April which would make the price \$10.50/kg**. Based on this I need producers to give me an estimate of how many lambs you are willing to ship from now till the end of May. Please respond as soon as possible; email is preferred.

When booking lambs please remember not all lambs will do well with our grading system as an example a lamb that dresses out (no liver or kidney) at 22.7kgs (50lbs ,which is ideal for us) and grades with a GR between 6 and 14 and good conformation at today's price \$9.00/kg will get \$211.79 a smaller very fat one 19.1kgs (42 lbs) with a GR of 25 and average conformation will get \$126.20. I am enclosing sample invoices for different weights GR's and conformation scores done at \$9.00/kg and \$10.50/kg., to help you with breeding and feeding plans. (the GR is the thickness of the tissue, fat and lean,over the 12th rib, 11cms from the mid line of the back)

Our grading system works for our market. I realize there are other markets with other requirements but if you want to ship through the Co-op in order to do well you will have to try to meet our requirements. We do have shippers who consistently get very good grades and some sell breeding rams. It is reported that genetics is 30% and feeding is 70% of reaching desired goals.

In the mean time only book in lambs you are sure you will want to ship if you book in lambs then cancel that will not be good because someone else wont be able to get them ready in a couple of weeks. This is a change from how it has been but now we have a required number of lambs each week and we don't have a waiting list (everything is booked as soon as you call me). This is why we will need at least one large feedlot to ship a steady number each week. Once we get your shipping estimates we can make those agreements. Anybody who has feeder lambs they wish to sell I can direct you to a feedlot that will be feeding lambs for us.

We have a web-page **Northumberland.ca** or **northumberland.com** . You can print the **Live Animal Receiving & Screening Record** from there, so it can be completed and brought with your lambs. You can also get the **Producer Letter of Guarantee** that must be signed and kept on file by us. You only need to complete this once and send or bring it with your first shipment

For anybody who has not shipped in awhile: the barn is kept locked; lambs can only be brought in during working hours normally 7:30AM to 4:00PM. When you have been given a booking date, that is the day they are to be killed, they can come in the day before between 3:00PM and 4:00PM or the morning of kill between 7:AM and 10AM but these times need to be confirmed a day or two before ; we need to be sure we have lambs to kill between 7:30AM and 10:AM.

Special arrangements can be made to bring lambs in at night. You can call Cecil Atkinson (plant worker) who will meet you and receive the lambs. You will be responsible to pay him (\$20.00) his cell# is 902 986 3623. On Sunday nights for Monday bookings you can come in between 4:00PM and 6:00PM and we will cover the cost but you still need to call Cecil at 902 986 3623 ,if he is not available call Robert Johnson cell 902 890 6837

Prince Edward Island Shippers

A lot of shippers from PEI, book and ship their lambs with Ryk terBeek 902 628 6691 or cell 902 394 1754

Ryk books his lambs with me than tops up the load with other shippers. This has been working well for the most part but be very careful that the lambs are not double booked I don't want to think we have twice as many lambs as we do.

New Brunswick Shippers

Since Ecolet stopped sending a truck to Truro there has not been a easy way for a lot of you to get lambs to us. We are now killing on Thursdays and Peter Hachey (Hachey Holdings) 506 545 0159 or 506 545 7280 can pick up lambs in New Brunswick and have them here for 9:AM Thursday ,we would have to have at least 20 lambs to start Thursday

but with enough lead time I should be able to book those plus up to 45 lambs from New Brunswick.

If you are no longer a sheep producer please indicate that on this page.

If I do not get a response ,I will take your name of our mailing list

If you have an email address and have not been getting my emails please give us your email address (All price changes or booking openings are communicated by email)

If your mailing address is different then what we have (on envelope) please correct on this page

Name_____

Mailing Address_____

Civic address if different_____

Postal code_____

Email address_____

Telephone #home_____

Telephone #work_____

Telephone # cell_____

My estimated lamb shipments

November 2015_____

December 2015_____

January 2016_____

February 2016_____

March 2016_____

April 2016_____

May 2016_____

I have _____ lambs to book in now

I have feeder lambs for sale_____

I will have lambs for 2016. Approximately_____

I will have lambs for 2017 . Approximately._____

I AM NO LONGER A SHEEP PRODUCER_____

