



shellfish culture

shellfish culture newsletter Autumn 2007



Shellfish Culture's seed farm at Georges Bay, Tasmania

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Production in full swing

Shellfish Culture has experienced an extremely busy summer production period. Hatchery production has been successful with all oyster seed transferred to our nursery and farm production sites in Tasmania and South Australia.

While the mid-season rollout of seed from the nurseries and farms was slow due to small hatchery inputs and unproductive waters in spring, the productivity and growth in estuaries during the past three months has been some of the best SCL has experienced for years.

As a result, the supply of 4000 screen diploid and triploid products is in full swing. In fact growth has been so good that much of the stock which is being graded off is in the 5000 – 6000 size range.

Triploid production has been extremely successful and SCL expects to see further growth in this product line. "I'm very happy with the quality of this season's batches" says Richard Pugh. "They're a great shape, nicely cupped, and grow well. I can't wait to see the on-farm performance".

This year SCL has chosen to produce Line 6R from the ASI Thoroughbred selective breeding program. Sufficient numbers have been produced to cover existing orders and some more. Line 6R is a dark, well shaped oyster and with good growth and uniformity characteristics. 4000 screen stock will be available from May 2007.

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Chairman, Greg Goodman

Chairman's Report

Welcome to the second edition of *Shellfish Culture*. When I first joined the company as Chairman last year I said in these pages that *Shellfish Culture* had enormous growth potential.

That this potential continues to be met is very exciting for our company and our staff. We're continuing to build on our foundations by producing quality seed products and developing the skills of our people.

As many of our stakeholders will know, Shellfish Culture is very committed to product development and research, and you will notice in this edition of *Shellfish Culture* that we have further underlined this commitment – and we believe made a significant new contribution to the industry - by inaugurating a university scholarship in aquaculture this year.

Triploid production continues to be a major focus of our research and commercial arms. Our role in helping to build a sustainable and viable Australian oyster industry highlights the enormous benefits of this product in areas of growth, survival and meat quality.

During the last 12 months, Shellfish Culture has been focusing on strategic development of five key areas for the long term health of the company and industry. These areas include market development, production optimisation, intellectual property, risk management and partnering.

I look forward to another exciting twelve months with Shellfish Culture as it continues to make a significant contribution to the Australian Shellfish Industry.

Production in full continued from front page

The late summer and autumn period focused on Blue mussel seed production before the shut down of the hatchery for the regular winter maintenance season.

Orders

SCL is still accepting orders for all seed products for supply in the next three months and next financial year. If you'd like to discuss timing of inputs, volume discounts, and product selection,

please call Richard Pugh or Vicky Blizzard on 03 6248 9441.

Feedback

SCL welcomes any comments and feedback as it helps us improve our products and service to our valued customers.

If you've had a good (or bad) experience, then please tell us! You can contact the boss directly – richard@shellfishculture.com.au or 0408 210 672.

Strong triploid sales in 2006

Just over a year ago, Shellfish Culture secured support from AusIndustry to undertake an ambitious triploid shellfish production technology project. One year into the three year plan, this project already is yielding encouraging results for Shellfish Culture customers who have bought triploid seed.

One advantage of triploid oysters is that they do not go "spawnny" during the summer months, and therefore maintain their very high "winter" eating quality during this period of peak consumer demand. As consumer awareness of the benefits of triploids grows, so too will the economic returns to those growers supplying this new product into the market.

Another advantage of using triploid Pacific stock is that, because they do not spawn like ordinary diploid oysters, they can be grown in areas where diploid Pacific oysters are currently not allowed, increasing the diversification options for growers in those areas. This has allowed Shellfish Culture to expand its domestic market in NSW, and to develop export markets in the Australasian region.

Shellfish Culture produces triploid oysters (oysters with three sets of chromosomes) by crossing tetraploid oysters (four sets of chromosomes) with ordinary diploid oysters (two sets of chromosomes). One of the first challenges Shellfish Culture had was to increase its supply of tetraploid broodstock from a very small pool

produced in the 1990's to a sustainable pool of young, selected broodstock.

This part of the project has proceeded very well, with family lines of tetraploid broodstock currently growing at Shellfish Culture's farm sites. When they reach maturity, careful selection will provide Shellfish Culture with high performance tetraploid broodstock. The remainder of the project will now focus on improving triploid meat quality and yield through selective breeding, farm monitoring and product analysis. "We're studying the tan pigmentation phenomena that can occur in early summer" says Richard Pugh. "We'll see the results of that work in the next twelve months and make adjustments to our breeding program so we can roll out the improved product as soon as possible for industry." "Furthermore, we'll be able to provide management advice to our customers to ensure they maximise yields and value from triploids".

As well as working towards proprietary high performance tetraploid and triploid broodstock family lines, Shellfish Culture has also been busy producing commercial quantities of triploid spat for the market. In the last year over 30 million triploid seed were sold to growers around Australia. "It shows that SCL's R&D investment in improving triploid production has paid great dividends and it's a very reliable process" says Richard Pugh. "What's more is that it's a great result for industry. "This will add substantial value and increase returns to farmers in the next twelve months".



Hawkesbury farmer John Stubbs



Hawkesbury Triploid Pacific oyster

Triploid Pacific oysters bring success back to the Hawkesbury

Triploid Pacific oysters are playing a crucial role in assisting the Hawkesbury River in NSW – traditionally one of Australia's largest oyster producing areas – to quickly recover from QX disease, which devastated the industry in 2004.

In January 2006 Shellfish Culture supplied some two million triploid Pacific oyster seed to Hawkesbury farms, which should return \$700K in farm gate sales during the next 12 months – setting them firmly onto the road to recovery.

An exciting endorsement of the new Hawkesbury River oysters came when Hawkesbury farmers entered triploid Pacific oysters in last year's Sydney Royal Fine Food Show, under the Broken Bay Oysters brand, and won a silver medal.

The win stimulated interest from other oyster producing regions in NSW facing similar problems to the Hawkesbury, and Shellfish Culture expects to see a substantial market develop for this product in NSW.

"It's quite a turn around in just two years," said SCL's General Manager, Richard Pugh. "After the outbreak of QX disease in June 2004, the \$5 million Hawkesbury industry was crippled.

"But as part of the recovery strategy, which included a river clean-up and development of QX resistant SRO, growers decided to farm triploid Pacific oysters after some early initial trials in the Georges River showed promise."

Triploid Pacific oysters are resistant to QX disease and grow quickly. Before the Hawkesbury was hit by QX disease in June 2004, there were 23 permit holders along the river, employing 50 people.

"QX disease virtually wiped out the crop in the Hawkesbury in a matter of weeks," said Mr Pugh. "Some of the farmers, like our customers Rob Moxham and John Stubbs, were fourth generation Sydney Rock Oyster farmers on the Hawkesbury.

"As the river recovers, people like Rob are determined to re-establish the industry with the help of our triploid products, and with new lease holders like Steve Jones they are once again turning the Hawkesbury into an important oyster centre."

With awards in last year's Royal Sydney Fine Food Show for triploid Pacifics, the future looks promising, with production expanding and new investors breathing new life into the Hawkesbury.

Australasian Aquaculture Conference an industry "must"

Shellfish Culture delivered two papers at last August's Australasian Aquaculture conference in Adelaide. It was great to see so many of our fellow industry colleagues and customers there.

Shellfish Culture had a major presence at the conference, with fresh triploid stock on show and presented for tasting. The conference prompted a large number of national and international inquiries about the work of Shellfish Culture.

The company presented two papers, one on triploidy developments and the other consisting of a virtual tour of the SCL hatchery. "We enjoyed sharing our story with Australia's leading shellfish farmers and researchers," said General Manager Richard Pugh.

"Our paper on triploidy developments caused a lot of comment because triploid Pacific oysters offer the ability to extend the market season for oysters, particularly in the summer months, when diploid oysters would have poor meat quality."

Shellfish Culture also hosted an industry gathering, with more than 150 guests attending, including farmers from South Australia, NSW, and Tasmania, together with researchers and government representatives.

The next AA conference will be in 2008.

Shellfish Futures conference

Shellfish Culture was pleased to be the Gold Sponsor of the inaugural **Shellfish Futures** workshop, held at the Eastcoaster Resort at Orford, Tasmania, in October 2006.

Shellfish Futures grew out of the annual TSEC workshops, and provided a new and very well received format for this important industry event.

The development and implementation of on-farm Environmental Management Systems was a major focus of the workshop. Industry stalwart Col Dyke provided an overview of Environmental Management Systems (EMS) and the success story of the Little Swanport EMS pilot project sponsored by Seafood Services Australia, and the National Heritage Trust.

Judi Marshall presented the newly developed oyster industry EMS Framework, which includes Ecologically Sustainable Development (ESD) risk assessments. The EMS Framework is groundbreaking for the Australian aquaculture industry and its implementation will showcase the Tasmanian oyster industry as an ecologically sustainable guardian of the environment.

The workshop field trip provided participants with the opportunity to visit the Spring Bay Seafoods processing plant and tour the Little Swanport Estuary. Spring Bay Seafoods showcased new facilities including state-of-the-art processing machines. At Little Swanport four oyster barges complete with luxury seating and informative guides toured the area, demonstrating the on-ground and in-water improvements achieved by the Little Swanport EMS group, comprising Oyster Bay Oysters, Marine Culture

and Shellfish Culture.

The EMS frame work was funded by the Fisheries Research Development Corporation (FRDC), the Tasmanian Oyster Research Council (TORC), the Tasmanian Fishing Industry Council (TFIC) and the Tasmanian Department of Primary Industry and Water (DPIW).

The keynote speaker at **Shellfish Futures** 2006 was the CEO of Aqafood Ltd, Laurie Ziatas. Laurie spoke about fragmentation within the shellfish and aquaculture industries, and the need for industry consolidation, a united vision, and leadership to ensure the competitiveness of Australian enterprises in domestic and international markets. Aqafood is moving in this direction, with plans to provide the focus for a significant consolidation of the oyster industry in South Australia and Tasmania.

Still on this theme, CEO of the National Aquaculture Council, Simon Bennison, discussed the pressing 'big picture' issues for the shellfish industry, including the need to grow aquaculture within an environmental management framework, and to improve public awareness of the aquaculture industry's ecologically sustainable development initiatives.

Shellfish Futures 2007

This year's workshop will be held in southern Tasmania in October. For further information, contact either Richard Pugh (0362 489 441) or Brian Leahy of the Tasmanian Shellfish Executive Council on 0408 586 781

Shellfish Futures dinner

"I could eat 12 oysters a week..."

Over 100 people attended the *Shellfish Futures* 2006 dinner, at which David Llewellyn, Tasmania's Minister for Primary Industries and Water, launched the Tasmanian oyster industry Environmental Management System. Mr. Llewellyn also gave special thanks to Barry Ryan, the retiring chairman of the Tasmanian Oyster Research Council, for his service to the Tasmanian shellfish industry for over 20 years.

Guest speaker Richard Bovill, coordinator of the "Fair Dinkum Food Campaign", spoke about his impressions of the shellfish industry, and the similarities of the current situation facing Tasmania's "wet" and "dry" farming communities. Richard emphasised the need to recognise the quality of Tasmanian produce, and to see oysters as an 'experience', not just food.

"You don't pay \$2 for something [the size of an oyster] and just call it food," he said. Richard encouraged the participants to recognise not only that they produce specialty items, but also that there is a need to build a brand around Tasmania's clean, green image. "I could eat 12 oysters a week, but at the moment I eat 12 oysters three times a year. . . . Work out the growth on that, and you have your growth in the Australian market place – it all depends on you consistently delivering me a product like I've seen in the last 24 hours."

Shellfish Futures 2006 was a great success. Shellfish Culture is proud to have helped this annual event lift to new heights, and looks forward to *Shellfish Futures* 2007.

- Congratulations to the steering committee who organised the event: Richard Pugh (SCL), Brian Leahy (TSEC), Peter Dyke (Oyster Bay Oysters), Phil Lamb (Spring Bay Seafoods), James Garde (Seafood Training Tasmania), Shane Fava (TFIC) and Tom Lewis & Naomi McGrath-Kerr of Rural Development Services.

Shellfish Culture aquaculture scholarship

Shellfish Culture is a major contributor to research and industry development in the Australian shellfish industry.

As part of this commitment, the company last year called nationally for expressions of interest from students for a scholarship, worth \$3,000 per annum, to study aquaculture at the University of Tasmania School of Aquaculture.

"Many of our employees in the past two decades have been graduates of the UTAS School of Aquaculture and we are pleased be involved in building the skills and knowledge of the

next generation of shellfish aquaculturists and researchers through this initiative, said SCL's General Manager, Richard Pugh.

Following the expressions of interest, interviews for the scholarship were held in March, and a 19 year old international student from Malaysia, Kwan Tzu Nin, was announced the winner of the scholarship. He wants to develop a research career in aquaculture specialising in animal health and probiotics.

Part of the SCL scholarship includes periods of work placement at Shellfish Culture's hatchery and nursery operations.

