



shellfish culture

shellfish culture newsletter | Summer 2018



Davey Point Seafoods is located in far north western Tasmania. See the Customer Profile inside

Eyre Spat Sales

Within 12 months of starting site construction works Eyre Shellfish in South Australia commenced selling spat. "It's a remarkable achievement and based on the feedback from South Australian growers it's a very welcome one," says Greg Bowers, General Manager of Shellfish Culture, the driving force behind the establishment of Eyre Shellfish.

"Spat has been delivered according to when the growers placed their orders, with some going back 18 months. During a recent road trip around to the different bays the Chairman

received very positive feedback on the spat quality from many growers.

"Spat deliveries are going out weekly and with the Hatchery performing extremely well we will see a significant amount of spat being injected into South Australian waters. We do very much appreciate the support and confidence given to us by the growers and also the constructive feedback we're receiving".

There have been some challenges though, particularly with optimising the enrichment dams, especially through the recent heat wave. "We always knew this was going to be a challenge and we've learnt a considerable amount within our first summer and have put improvement processes in place," said Mr Bowers.

The next SCL newsletter will feature some of the growers' views on what the re-supply of spat has meant to their businesses and the South Australian market. There are four hatcheries in South Australia and all are striving to support the growers as best they can which is enabling the Industry to achieve some longer term sustainability.

Also in this issue:

- SCL on the world stage
- Learning the trade
- Customer Profile
- New Appointment at SCL

Chairman's Report

I was recently and suddenly indisposed for a period and I want to thank Tony Johnstone who stepped in as Chairman while I was ill.

We have a very strong Board at Shellfish Culture, both in terms of relevant career accomplishments and detailed knowledge of the company. Tony, for instance, joined the Board of SCL 11 years ago at the same time as myself.

Back on deck and we're preparing for our annual business strategy review. This conference covers everything from challenges within the local environment, such as POMS, to global issues affecting our industry on a wider scale.

Once we have a fuller picture of the extent of POMS this year we shall finalise the strategy to cover this year and the next three.

In the meantime, Eyre Shellfish in South Australia is going well. It's a tremendous achievement of both Board and staff that we have product being sold out of South Australia only months after building the facility.

There have, of course, been some minor challenges along the way. For instance, South Australian climatic conditions are quite different to Tasmania and the result has been a learning curve for staff. But generally, Eyre Shellfish is proving to be a tremendous attribute for the entire oyster industry.

My thanks for all the good wishes while I was indisposed. I am about to undergo some corrective surgery and all should be fine after that. In the meantime I've been meeting farmers in South Australia and am really buoyed by their reaction to production at Eyre Shellfish.



Chairman, Greg Goodman

OUR PEOPLE

After 10 years with SCL, Selective Breeding Manager Scott Parkinson has left to take on other challenges. His position, in the main, has been filled by Scott Mactier – currently SCL Hatchery Manager after previously being the Bicheno Hatchery Manager. Scott has been at Pipe Clay Lagoon since the POMS outbreak and contributed significantly to the Biosecurity program and spawning disease free spat.

Scott Parkinson has played a key role as a senior manager in the company and particularly of late during the challenges brought about by POMS, and the establishment of Eyre Shellfish in South Australia.

"Shellfish Culture has given me some fantastic opportunities," said Scott. "At times it has been quite challenging but also professionally stimulating. I want to thank Greg Goodman and the Board, and Greg Bowers, for their strong support. My thanks also to our staff who have been fantastic."

"I'm look forward to the next chapter in my life with the PFG Group, where I'll be working on a barramundi project for China, and a juvenile lobster breeding program."

Greg Bowers wished Scott well in his future career and expressed his appreciation of Scott's contribution. "Scott has always had the company at heart and personally I've really enjoyed not only working with Scott but also learning from



Mark Wright

him. His passion for our Industry and SCL is evident in all he has done.

"Succession planning is a key component within our Company and I believe there will be a smooth transition with Scott moving on as he has also contributed strongly in ensuring that we continually aim to strengthen our technical capability with each opportunity that arises." SCL will shortly announce some new additions to its Team in that respect.

New appointment

Mark Wright has now joined SCL as of early January. As most readers would

appreciate, Mark spent many years at Pipe Clay Lagoon on the matures' side, and with Peter Dawson and Pipe Clay Oysters over recent years.

Mark will report to Greg Bowers and will support the overall management of Pipe Clay Lagoon and Little Swanport with the two farm managers, while contributing full time to sales and grower relationships. Mark is currently spending time in the hatchery and on the farms, building his knowledge of SCL's Business and Operational model. He will be visiting all growers soon and SCL looks forward to Mark's strong contribution to the company's overall performance.

General Manager's Report

POMS is certainly an experience where one learns from outbreak to outbreak or summer to summer. At this time it's too early to summarise the impact of this year's virus on our stock. However survival rates thus far are promising, and some lines are outstanding.

A couple of lines have been hit hard and we'll be following up with ASI and doing our own internal review. The feedback we are getting from numerous growers is extremely helpful and it's good to be having a close working relationship with those growers as it enables a continual improvement in both operations.

Although POMS is providing many challenges I'm constantly impressed with our hatchery and our spawning results. We have POMS streaming past our water intake, yet we are producing POMS free spat every month. It's a great achievement.

We have found room for a couple of spawnless runs which have gone well and we will continue the progress we've made on that product range.

We continue to build our inventory at Pipe Clay Lagoon and Little Swanport in readiness for a big Spring and strong 2018/19.

Mature sales have been to plan with Chumpy, Joe and the team managing what's required very well. This is obviously new to SCL with our volumes being increased year on year. A key component has been a change in strategy for our use of Little Swanport. With Joe Jacobson leading the changes, spat is now being sold directly from Little Swanport which is also contributing to the matures supply model.

In this newsletter there's mention of Scott Parkinson furthering his career with PFG and that has enabled us to further develop our people and organisational structure. We have recently appointed a hatchery manager who will be joining us in March (more to come on him next newsletter) and have also appointed a replacement in the hatchery's algae and bottle systems.

A further recruitment for Eyre Shellfish has just been completed which again increases our



General Manager, Greg Bowers

overall capability. In the next newsletter we will include additional details on our new staff.

I'm also excited by what's on our agenda for our Strategic Planning Review to be held shortly and look forward to sharing some of that with our staff and shareholders in the near future. All very exciting.



Sam Evenhuis



Students get hands-on experience working the school's oyster lease

Learning the trade in Smithton

The idea came from Cowell Area School in South Australia, and the result is a working oyster farm in North Western Tasmania operated by students of the Circular Head Christian School at Smithton.

Sam Evenhuis was recruited from Bolduans Bay Oysters to devise what was originally a theoretical curriculum covering the oyster industry and then became a practical course when the school agreed to purchase a nearby oyster lease.

"When we bought the lease, industry support – including Shellfish Culture – kicked in strongly behind us, and four years later we've got a productive four ha lease and sell one million oysters per annum," says Sam.

"We're operating the lease on a not for profit basis. We don't want parents or the school subsidising it, so the farm is designed to simply cover its costs." Augmenting the farm is an impressive trade learning centre located on the school campus.

Students who begin the course in Year 7 learn the basics, including tides, weather observations and fish dissection. By the time they reach Year 9 they're into water quality monitoring, how to anchor vessels, boat buoyancy, and they're studying for their boating licence.

"2018 sees us reaching a mile stone with the first students who joined the course in Year 7 graduating with all their tickets and certificates. They're job ready", says Sam.

"Some want to stay working in the industry and others are considering tertiary studies in marine science and aquaculture."

Up to 50 students are studying at the School's trade centre each year, including some students of the nearby Smithton High School. Course studies also include abalone, trout and salmon.

"The school wants to see an industry that is growing and sustainable" says Sam. "And that's what we try to communicate both to and through our students. I find my job very satisfying. It's a real journey from devising the curriculum with the help of Seafood Training, to watching students develop from Year 7 into job ready industry workers when they leave the school."

Shellfish Culture has been a long-time supporter of the Cowell Area School in South Australia – support which is continuing through Eyre Shellfish - and SCL has also been supplying product to help the Circular Head Christian School in its curriculum training.

Customer Profile: Davey Point Seafoods

Davey Point Seafoods is based at Montagu in the far North West of Tasmania. The actual oyster lease is off-shore of Perkins Island in Big Bay, a six kilometre boat ride at low tide from Montagu camp ground boat ramp.

"I bought the 10 ha lease off another farmer in 1999, so we'll be celebrating our 20th anniversary next year," says Kurt McBain who grew up in the nearby town of Smithton.

A former motor mechanic and casual commercial scale fisherman, Kurt farmed the lease for several years mainly by himself, with help from his father in busy sale times, until the business had grown sufficiently to employ two full time casuals.

The farm has brought plenty of challenges over the last two decades, but output is increasing. "We harvested 80,000 dozen oysters last year and the business plan is to increase this to 100,000 or more by next year", says Kurt.

"The North West is a great area for oyster farming. Much of it enjoys a three metre rise and fall of tide, but my own lease has had challenges with conditioning our oysters. They just won't fatten.

"So our solution was to grow them to 40-60mm, and then on-grow them down at Dunalley in southern Tasmania at Blue Lagoon Oysters and Marion Bay Oysters. This arrangement is working well."

However, another challenge has been POMS, even though the North West is unaffected by the virus. "POMS has been a set-back, but we're coming to grips with it now," says Kurt. "We can't send oysters down to POMS-affected Dunalley in the hot summer period and have to hold back stock. This affects our cash flow."



Left to right – Adrian Philpott, David Heald and Kurt McBain

Window farming is now a way of life for Kurt and his team. "We're also selling a few matures to wholesalers and distributors over January and February while they are spawned up."

Before POMS, supply flows to southern Tasmania were also disrupted because of bush fires at Dunalley which severely affected the farms which hosted Kurt's oysters. "Also, the toxic algae blooms on the East Coast in the last couple of years have disrupted sales as well."

But despite such challenges, Kurt is very optimistic about the future. "The industry is looking good despite POMS. Prices are going up, so is demand for on-grown and our output is increasing at the same time.

"Even though it's been a challenge I enjoy growing oysters and working on the water most days. Any other job would be too easy I reckon."



Working the lease

SCL on the International stage

Over the past months SCL has hosted several overseas delegations or visitors from both the oyster industry and other associated organisations.

SCL sees this as an important component in promoting the oyster Industry and of course SCL itself. But more importantly, it's also a two way learning process.

Recent visitors have included an oyster growers' delegation from Hyogo, Japan; oyster growers from California; a technical sharing visit from MOANA, NZ (for three weeks including Eyre Shellfish); and a visit by the Animal Health Australia Board.

All these interactions provide great networking opportunities for SCL staff and they are planned so as to not interfere with the company's day to day operations.



Alex Jack of Seapa, and recent Japanese visitors Toshihiko Doi, Masaki Onishi, Ito Daisuki and Yukiko Burns