

Deer industry overview 2024

A Bell

Deer Industry Executive Chairman

The New Zealand deer industry sits on the cusp of transformative change. From the growing uptake of integrated farm plans to an increased focus on value-added products, there are several reasons to be optimistic about the industry's future.

Over the past few years, the investment of both time and money into strategic areas, and a sharpening of focus to weather storms, both literal in the case of Cyclone Gabrielle, and figurative in the form of Covid and the resultant demand slowdown.

There are about 1400 deer farms in Aotearoa New Zealand, running a total of 833,000 deer (2020), of which 582,000 are in the South Island. Deer farms are found throughout the North and South Islands on most land classes and climate zones. This reflects the innovative husbandry of deer farmers and the adaptability of farmed deer.

The largest herds tend to be found in the following regions - Central North Island, Hawkes Bay hill country, South Canterbury and in the high country of Canterbury, Otago and Southland. Venison and velvet are the two primary products that the deer industry produces for export, and there is also a co-products category that includes products such as deer sinew, tails, hides and more. This helps ensure that almost every part of the animal is used and that there is very little waste.

In 2023, venison exports were worth \$197 million, an increase from \$170 million in 2022 (15.8% growth), while velvet exports totalled \$124 million, up from \$96 million the year previous (29% increase)

Venison prices have recovered from the lows brought about by Covid and the subsequent lull in food service demand. Venison is exported around the world, with key markets being Europe, the US and China. New markets – such as South Korea - are being actively investigated. As health awareness grows worldwide, velvet demand in traditional markets – South Korea and China – continues to strengthen alongside. Velvet production has doubled over the last ten years, while the value has more than tripled. China's economic uncertainty as it manages its way through a slight slowdown will likely be mitigated by increasing focus on how to add value to velvet exports through a greater focus on several market segments, including traditional Chinese medicine, health foods, and functional foods (foods designed or processed to provide physiological benefits.)

Strategic focus areas

As part of our strategic vision for a thriving New Zealand deer industry, the Deer Industry Strategy 2022-2027 outlines five core areas for focus (Appendix 1):

- Market access and development
- Industry practice and capability
- Research and insights
- Policy and government relations
- NZDFA support and partnering

Market access and development

A recent DINZ delegation to Northeast Asia that included Board Chair Mandy Bell, executive chef Garaham Brown, and the market access and development team was a great opportunity to promote venison in our traditional velvet markets and meet with innovative companies developing velvet products in the Healthy Functional Food category.

The delegation was also there to continue negotiations over market access for frozen velvet from New Zealand. These conversations are ongoing but have been described as “constructive” by the Ministry for Primary Industries.

The US market remains the largest single-country export market for venison (the EU as a combined region is larger; see Appendix 2), and work is underway on how to add value to these exports through opportunities such as retail and chef-ready products.

Research and insights

Research and insights are a driving force behind science- and evidence-based improvements to the industry. The deer industry is a young industry, meaning there is still plenty to learn about how best to farm these majestic animals, both in terms of profitability and efficiency, but also how to meet to changing demands of society and markets.

Animal welfare has been a key focus of research in recent years, with a particular emphasis on the behaviour of animals’ post-velvet harvest. An in-house review showed that any discomfort felt by the animal’s post-harvest is low level and short-lived. Further work is ongoing to monitor post-harvest physiology and behaviour so a deeper understanding can be achieved.

Like all ruminants, deer emit methane, contributing to greenhouse gas emissions. To what degree, how deer differ from other ruminants in their emissions, and what can be done to mitigate said emissions – including through feed additives and vaccines – are all research areas that continue.

Policy and government relations

With the new government announcing several changes to the resource management system, the DINZ policy and government relations team is working hard to understand exactly what these changes will mean for deer farmers. With legislation expected to be announced in May, DINZ will work closely with New Zealand Deer Farmers’ Association (NZDFA) to communicate how these changes will impact the industry once the details are known.

Other key areas where DINZ is working with government include providing input on the country’s biosecurity readiness and response plan – both for an operational agreement on deer-specific Chronic Wasting Disease (CWD) and another operational agreement to progress readiness in case of Foot and Mouth (FMB) incursion. It also includes DINZ’s continued funding, partnership and work with OSPRI regarding TB management and traceability.

Industry practice and capability

As an industry good-body, DINZ strives to see the deer industry, and the wider New Zealand agriculture sector, thrive. As such, industry practice and capability has been, and will continue to be, an important focus for DINZ.

Integrated farm planning is a relatively new approach to farming that aims to help farmers with the growing complexity of farming. Budget 2021 allocated \$7 million over four years to help

farmers with the tools and support needed to meet current and future market requirements, as well as environmental responsibilities under regulations. This is something DINZ fully supports and continues the work DINZ has already in place to support farmers through practical tools, workshops and resources so that they may thrive alongside the wider deer industry.

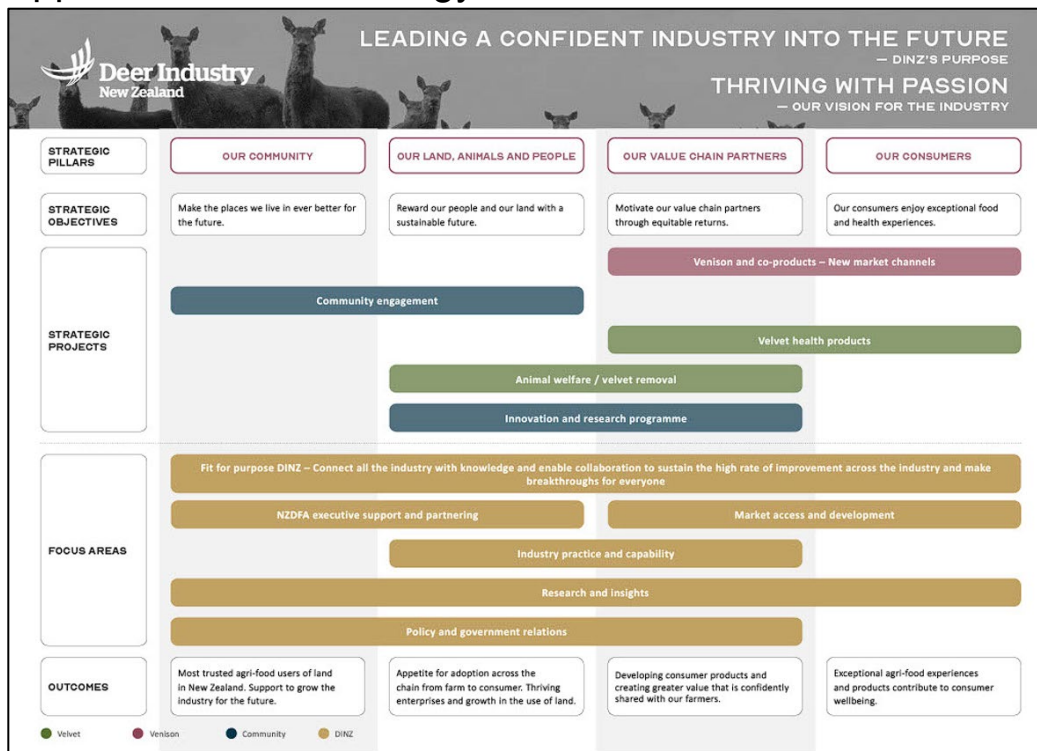
Creating more pathways into the deer industry and farming deer is another focus for DINZ so that the industry is set up for future, sustainable success. Utilising the immense knowledge bases of those who have come before and passing down that knowledge to industry newcomers, whether new to deer or farming in general, will be critical to the industry's future success.

The New Zealand Vet Association (NZVA) are a key partner for Deer Industry NZ, and a critical relationship that facilitates two-way communication between vets and those who are working to advance the deer industry. DINZ has a long history in working with veterinarians, many of whom have been an important part of creating foundational knowledge for the industry. Regular consultation with vets through the NZVA helps guide DINZ's approach in areas such as research priorities and velvet harvest.

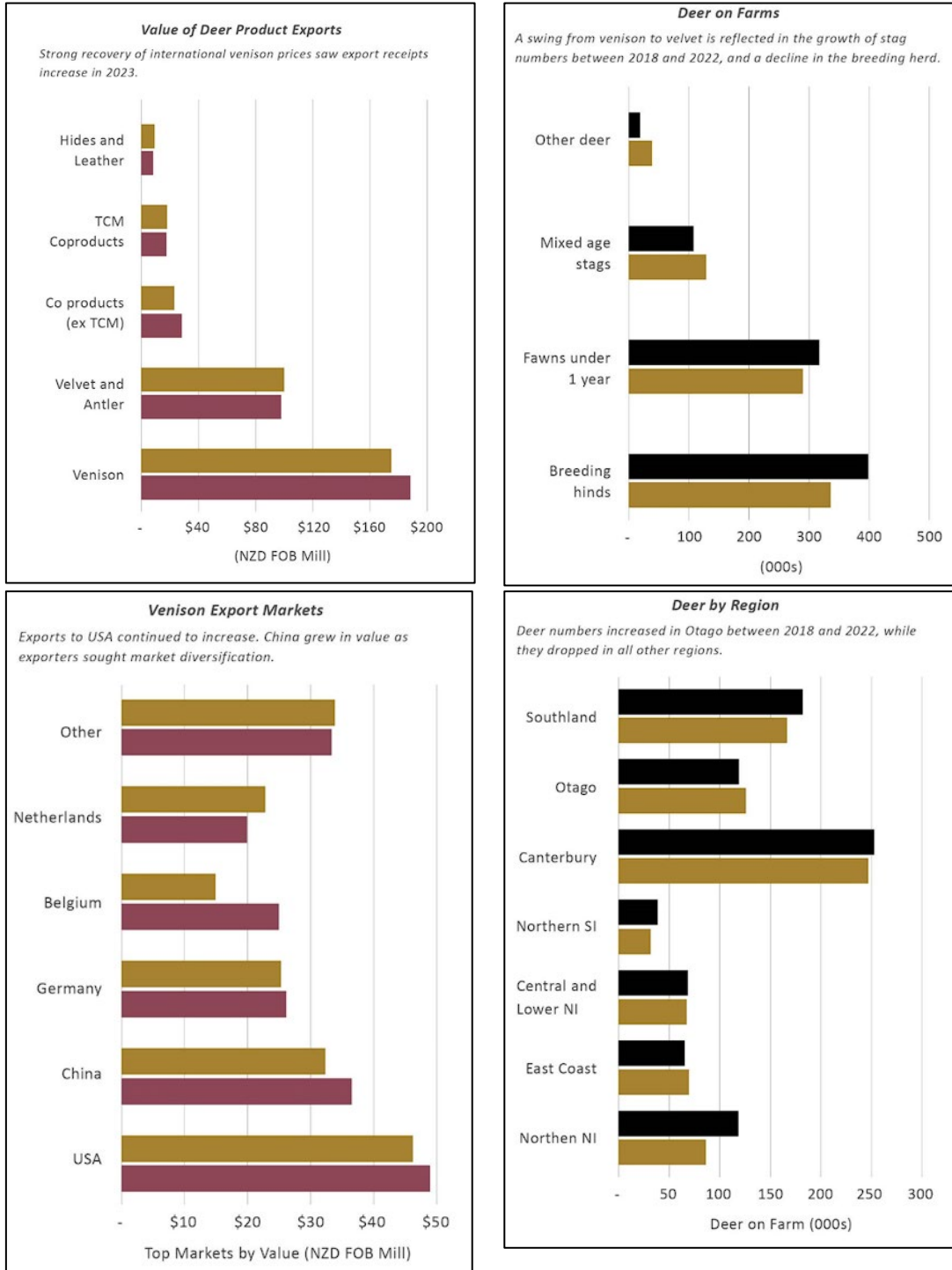
A critical issue facing the deer industry and veterinary profession include low numbers of Massey veterinary graduates including those graduating with deer experience. Veterinarians are critical to the NZ primary sector economy, to ensure quality products are exported that continue to have high standards of animal welfare.

As we head towards the 50th anniversary of deer farming in New Zealand in 2025, it is important to look back and appreciate how far we as an industry have come while also moving the industry forward. This may come through new markets, new innovations, new systems and processes, or new farmers. It's an exciting time for the industry, and while there will be challenges, the future is bright as we build on the great work and the partnerships that have enabled the industry to stand at the edge of value-add opportunities for success.

Appendix 1: DINZ strategy



Appendix 2: Industry Trends at a Glance



● 2018 ● 2022 ● 2023

Source: Statistics New Zealand