



High-Five for OLEX

Beef auctioneer Larry Witzel is President of Ontario Livestock Exchange (OLEX) Inc., Waterloo, ON. He is also President of the Ontario Livestock Auction Markets Association and represents the Livestock Markets Association of Canada on the Industry-Government Advisory Committee (IGAC) regarding traceability.



Larry Witzel states, “Producers want to ensure that, for whatever market cattle are intended, they be age verified as it offers sellers the best return.”

Managing a well-oiled, high-volume, profitable auction facility necessitates a quality team and best electronic technology.

Larry Witzel, President of the Ontario Livestock Exchange Inc., Kitchener, ON envisions the adaptation of Radio Frequency ID throughout his operation. This huge project will ultimately enhance benefits and premiums for producers, the cattle industry, and OLEX.

Incorporating RFID into existing sale clerking, livestock tracking, and data management system, aligns RFID with the seller, buyer, date, location, etc. The data replicator, using age verification data from the Canadian Cattle Identification Agency, allows birth dates to be determined instantaneously as the animals are scanned, even without a high-speed, internet connection.

Larry notes that food safety, animal health, and continued access to global markets have dictated the necessity for the most current, electronic technology.

“Larry says, “I encourage producers to be proactive and ensure that their animals carry RFID tags, prior to shipping. Otherwise, they become hiccups particularly in automated systems.”

OLEX is a designated-tagging site with the authority to ID untagged animals with its inventory of national CCIA tags. Consequently, some producers have off-loaded their tagging responsibilities to this operation.

OLEX, as an auction mart, is responsible by legislation to capture and report to the CCIA the national tag numbers of exported animals. Further, abattoirs and packing plants are obliged to download the retired numbers of slaughtered cattle.

Larry continues, “If staff have to stop to insert mandated RFID tags, there is a cost (\$10/head) to someone—and that someone is the seller.”

At four different checkpoints in the facility, from truck to sale ring, RFID numbers are captured.

With OLEX employing 16 full-time and 60 part-time staff, while selling over 170,000 head of dairy and beef cattle a year, the business must run like a well-oiled machine.

By mid-2010, Larry plans to have a total electronic model, which will be in sync with the National Agriculture and Food Traceability System. This strategy captures and reports the RFID identity of all animals (sightings) moving through OLEX facilities to the national database.

Livestock Ramps and Chutes

When livestock arrive by truck or trailer at OLEX, they are ideally unloaded at the correct entrance—

Cattle arriving by truck or trailer enter OLEX facilities.



dairy or beef. At both delivery points, each animal receives an individually-numbered hip tag (obsolete with full automation and RFID). This is an in-house tag that identifies each animal as it travels through the facility.

If being sold through the dairy ring, proof must be provided, e.g. Certificate of Registry. Otherwise, it is sold as a grade animal.

The producer is also assigned an ID number from the trucker's manifest.

Electronic Management

All inbound, 30-inch alleyways have synchronized scanners where slaughter animals hustle, head to tail.

System designer Destron Fearing has also installed powerful, wide-alley scanners/readers. The wide alley is 5-feet wide and 35-feet long. Moving at the speed of commerce—single file, or two or three-abreast—each animal's RFID number is scanned multiple times by six, large antennae mounted in the wide-alley scanning system.

The stationary readers, all synchronized with each other, transmit the scanned numbers to the buffer in the data router. The wide-alley, scanning software sorts and removes redundant RFID numbers. The numbers of the actual tagged animals flow through the reader to the recording software.

RFID tag numbers, instantaneously uploaded into the onsite data bank,

Larry Witzel states the payback of registered animals is huge. A producer can earn an extra 5-10 cents/pound for a slaughter animal to the US. This is an easy \$100!

provide the backbone for OLEX's system.

Larry cautions, "The quality and robustness of tags becomes more important than ever, as we eliminate hip tags and fully move to scanning technology."

Beef Designations

Prior to sale, cattle are categorized to determine if they qualify for export to the premium US market. Firstly are animals 30 months of age and under (age verified or dentition). Secondly are cows less than 4½ years old (dental inspection). Thirdly, animals age-verified and, born subsequent to March 1999, also qualify for export.

Larry remains very appreciative that Holstein Canada forwards birth date information of registered animals daily to CCIA's national database in Calgary. Nightly, OLEX extracts all new information and updates, which are integrated into its internal, high-speed, computerized system.

When age information is not readily accessible electronically, as in the case of unregistered animals, then an OLEX vet must determine age by dentition.

Those qualifying for the US are identified with a floppy blue tag in one ear—visible from the beef auction ring by US buyer agents.

At the same time and station, a yellow, CCIA RFID tag is applied for animals not already electronically tagged.

While an animal cannot move ahead in OLEX's complex system if there is any lapse in information, it remains the RFID tag that enables cattle to cross the US border.

Furthermore, if the animal does not move with an RFID tag, all or either the producer, trucker, or sale's outfit could be slapped with a \$250-\$500 fine by CFIA compliance personnel, as soon as detected.

Immediately following the auction, a number of actions occur very expediently for US-destined bovines.

Each animal is scanned again through the wide-alley reader to ensure its RFID number matches the trucker's manifest. Then, the vet completes individual health charts, which are taken to the local CCIA office for quick approval and stamping.

While truckers assemble their loads, the broker at the border is notified that a shipment is on its way for inspection.

The trucker must follow an assigned route from OLEX to the border—absolutely no variation. Here, a US veterinarian visually inspects each animal and approves each CCIA chart. He has the authority to reject one



This depicts an overview of cull cattle identified for the beef ring.



Each animal receives an individually-numbered hip tag upon entry. In 2010, these will become obsolete with full automation and RFID.



Destron Fearing's Paul Laronde installed this wide-alley reader with antenna, which captures RFID numbers. This allows animals to move at the speed of commerce.



This cull Holstein has been given a blue floppy tag making her eligible for the elite US market.



A veterinarian carefully inspects each animal designated for the dairy ring.

animal or the whole load.

Larry stresses, "You can see why we must get it right the first time. There is a huge cost to the industry if procedures are not followed to the letter."

Prior to BSE, OLEX exported 45-50% of its volume to the US; now 35-45% of animals meet American regulations. While Ontario's auction mart has lost many Holstein steers, this percentage is starting to rebound.

Inspectors

A real team approach exists at OLEX, and this includes designated, top-quality inspectors. With scanners on squeezes at every vet station, data is continuously documented and verified.

Under various sales and government acts, Larry is obligated to have the following experts on site for every sale. 1) One to two Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) inspectors check livestock for health and ensure facilities are appropriate to handle and care for cattle. 2) One provincial veterinarian, appointed by OMAFRA, conducts examinations and has the authority to put an animal down. 3) One or two Canadian Food Inspection Agency

inspectors, verify that all animals carry tags and inspect trucks to endorse humane transportation. 4) One or two inspectors from the humane society validate the proper handling and care of animals. 5) An independent, third-party veterinarian conducts age verification for export, prior to sale.

If an animal has a particular health issue, e.g. mobility, it is tagged with a pink slip and put in a segregated, *special care* area to be sent directly for beef—most humane handling practice.

Dairy Sales

Cows consigned for the dairy ring (purebred and commercial) are housed in an attached wing.

They undergo a more detailed inspection by a designated-dairy veterinarian. A beef-categorized animal (by vet or seller) would never be put through OLEX's dairy ring as it

A producer can earn an extra \$400-500 for a purebred animal in the dairy ring if she is accompanied by a Certificate of Registry assuring birth date, sire, and lineage.

From the head-gate, scanning system, a vet conducts dentition on this Holstein steer to determine its age and, consequently, its status for the US market. Antennae are mounted on both sides of the squeeze.



The auctioneer reads all veterinarian and seller notes to the crowd. If a Certificate of Registry accompanies a registered animal, it is provided to the buyer.



could jeopardize its reputation or best management practices.

At the time of sale, the vet's logged notes are announced to the crowd. Frequently, these are accompanied by messages from the dairy seller. Moreover, Certificates of Registry may accompany the animal, which are passed to the new owner upon sale.

Progress

Larry Witzel congratulates Holstein dairy producers for being very conscientious about animal ID and the general health of individuals to be auctioned—whether destined for the dairy or beef rings.

OLEX's emerging Livestock EXchange Management System (LEXMS) allows for more information to be communicated backward and forward among different segments of the industry.

Today's speed of commerce necessitates more factual and timely information—less paper and more electronic. This will result in producers obtaining additional information, including all RFID identification details on cheques/statements. Buyers will receive value-added data on animals, e.g. ID assurance, vaccinations, and individual herd health events.

OLEX becomes a pivotal link in ensuring healthy animals, food safety,

and a gateway to global markets with quality Canadian products. Recently, OnTrace Agri-Traceability assigned and verified a Premises Location Identifier to OLEX. This is necessary to report the ID of all animals moving through the sale's facility to the CCIA database.

Ultimately, this progressive initiative will result in benefits and premiums for the producer, cattle industry, and auction mart.

Holstein Canada extends a *high-five* to OLEX on its timely, progressive initiative!

OLEX Mission Statement

OLEX is a reliable gateway to North American markets for livestock customers and global product resale.

OLEX provides access to a large volume of packer buyers, both in Canada and the US.

OLEX presents a highly-competitive atmosphere, supported by full disclosure and vigorous bidding.

OLEX offers quality service by a competent, dedicated team of employees adaptive to current, electronic systems.



Relevant data on every animal is captured from RFID tags or keyed into an interactive computer program.



Young dairy calves are kept clean in a separate pen.



(l-r) OLEX's Barn Foreman Dave Hackcart and OMAFRA Inspector Corey Campbell are two of many competent multi-taskers who ensure that operations run smoothly in the barn.