

# Holstein Milk to acquire Aussie cow genetics tech firm for RM60m

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Aini Ideris and Loi responding to media queries at the Holstein Milk signing ceremony with UPM. — Picture by Sharina Ahmad

**KUALA LUMPUR** — A Khazanah associated company the Holstein Milk Company Sdn Bhd is to acquire a top cow genetics technology company in Melbourne, Australia with 2000 acres of land and 1500 pure hosting blood genetic animals worth of RM60 million.

Holstein Milk managing director Loi Tuan Ee said the acquisition will be the base to inseminate the breed and send them back to Malaysia.

“This is the major investment for us and the only way for us to accelerate our genetics development rather than relying on a handful of cows that we have in Malaysia,” he said during the signing Memorandum of Agreement (MoA) with Universiti Putra Malaysia (UPM) to jointly establish an industry center of excellence (UPM-FarmFresh ICoE).

He said the group has injected RM15 million through its subsidiary FarmFresh to set up ICoE which acts to further boost the country’s production aspirations and deliver improved farming sustainability through research.

“The RM15 million contribution by Holstein Milk will also be used to develop and transfer technology on dairy farming, as well as production of dairy and dairy related products.

“We believe our synergy and strengths will enable both parties to efficiently develop this ICoE which will also support the government’s establishment of a National Dairy Board envisioned for early 2018,” said Loi.

He said improvement of dairy herd genetics can impact herd health, longev-

ity, reproductive traits, and many other vital aspects of dairy cattle production.

“It can also lead to increased milk production, milk quality, and overall animal performance. Efficient sire selection is the primary avenue for an immediate impact on genetics in a dairy cattle operation,” he said on the sidelines to the reporters.

Loi said the dairy market in Malaysia is estimated to be RM2.9 billion annually and it is believed to be a big window on the formula milk.

“The opportunity in the market is there but it’s how fast we can build the infrastructure and and production will be based on the number of the cows we need,” he said.

“The major component is how fast we can grow our business. This is why the

collaboration is important for us to get the good genetics,” he said.

The ICoE is another example of private-public partnership and which is expected to be ready by Feb, next year and will be spread out over 60 hectares of the University Agriculture Park in Serdang.

Loi said one of the group’s aim is to provide a direct link between science and practice to enable the livestock sector in Malaysia to become more innovative and to take advantage of new farming practices, technologies and cutting-edge research to deliver greater value to the Nation.

UPM Vice-Chancellor Prof Datin Paduka Dr Aini Ideris said the ICoE will also be able to be an excellent teaching and learning center that will encourage UPM

students to participate in modern dairy farming which can be very lucrative and offers a satisfying career.

“The ICoE will bring great benefits to researchers, students, educators, as well as optimize the use of UPM land and resources pertaining to the dairy farming industry,” she said.

The signing was witnessed by the Ministry of Agriculture deputy secretary general, policy Datuk Mohd Sallehuddin Hassan.

With only 5% of milk consumed in Malaysia produced locally, there is an urgent need to boost domestic production of dairy products to help reduce the country’s rising import bill and the planned ICoE in UPM is a step in the right direction.