

Operator Interview - Retired NZ Egg Farmer

Interviewee: Henry Calder - Retired layer-farm owner-operator

Background: Owned and operated a layer farm in Hawke's Bay 1991-2023; sold farm 2023; now part-time consultant / mentor

Interviewer: Iris Beaumont (Halberd Capital Partners - Research)

Date: Thursday, 4 June 2026

Duration: 32 minutes

Format: Phone call (Hastings / New York); recording transcribed by I.B.

Anonymisation: None - interviewee consented to attributed transcript

Note (I.B.): Calthorpe suggested we get an operator voice on production-cycle phases, spent-hen disposal, by-product economics, and the lived experience of selling a rural-zoned layer farm. He passed Henry Calder's number along - Henry ran a 90,000-bird free-range plus barn operation in Hawke's Bay for 32 years, sold up in late 2023 to a neighbouring sheep-and-beef family, and has been doing part-time mentoring since. Henry talks like an operator, not a consultant. Plain language. Used as complement to Calthorpe Part 8 on the alternative-use optionality piece.

[00:00:24]

I.B.: Henry, thanks for the time. We're doing preliminary work on a NZ shell-egg producer for a US private-equity client, and Rob Calthorpe suggested I talk to an actual operator on a few things. Production cycle, spent hens, manure, and the experience of selling rural-zoned land. Walk me through any of it in the order that makes sense to you.

[00:01:18]

Calder: Sure. Let's start with the bird because everything else follows from that. A commercial layer hen has three phases on the farm. Pullet rearing, peak lay, and depopulation. Pullet is zero to about eighteen weeks - that's pure cost, the bird is eating and growing and not laying anything you can sell. Industry rule of thumb on a Hy-Line Brown or a Lohmann Brown - the two strains you'd see in a NZ commercial layer shed - is the pullet costs you about NZ\$8-10 by the time she's at point-of-lay around eighteen to twenty weeks of age. So you've got eighteen weeks of sunk cost before the bird earns anything.

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Calder: Then she comes into lay. Production curve climbs steeply for about five or six weeks, and you peak somewhere between twenty-five and thirty-five weeks of age. Industry standard on a modern Hy-Line or Lohmann is around 300 eggs per hen per laying year, which translates to roughly 280 eggs per hen per calendar year once you factor in the lay-flat-to-flat cycle and the downtime between flocks. Depopulation - end of commercial life - happens around seventy to eighty weeks of age. We pulled ours at seventy-two on average. Some operators moult-and-restart and squeeze out another twenty to thirty weeks - takes the bird to ninety, hundred-plus weeks - but the egg quality drops and the shell quality drops, and you can't sell second-cycle eggs to the major retailers any more. So nobody serious does it now.

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Calder: So practical answer - on a 600,000-bird operation like the one you're looking at, you're cycling through about 600,000 birds every fifteen to eighteen months on the layer side, plus you've got a parallel pullet population of around 120,000 that comes online to replace the depopulating flocks. Total animal throughput on a farm that size - call it 720,000 to 800,000 birds in some stage of production at any one time. People underestimate that when they look at the bird count headline.

[00:07:38]

I.B.: What happens to the depopulated birds?

[00:07:42]

Calder: Spent hens. That's the term. Three pathways - and the economics on all three are bad. One - low-grade processing into pet-food ingredient. The domestic NZ pet-food market is the biggest taker. ZIWI, Mighty Mix, the smaller premium brands. They generally don't pay much for spent layer carcasses because the meat yield is low and the bone-to-meat ratio is high - we'd get NZ\$0.40 to NZ\$1.20 a bird depending on the year and the buyer, sometimes nothing at all. Two - rendering. Lowe Industries is the main NZ renderer, and they take spent hens for tallow and meat-and-bone meal. Same low pay. Three - live export to Pacific markets. Some Tongan and Samoan importers buy live spent hens at a small premium, but it's a small slice of the volume and the logistics are painful. The honest answer is that spent-hen disposal is closer to a cost than a revenue line on a modern NZ layer farm. You're paying for it through your culling and transport-to-renderer process about as often as you're being paid for it.

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Calder: There's a research angle here that I should flag. There's been talk for years - five, ten years - about higher-value spent-hen pathways. Mechanically-deboned spent-hen meat into processed-meat applications. Hydrolysed-protein into aquaculture feed. Some Massey University and AgResearch work on it. The honest commercial answer is none of it has scaled in NZ. So if a sell-side deck is treating spent-hen disposal as a hidden value lever, I'd want to see the offtake contract, not the research note.

[00:12:18]

I.B.: Manure?

[00:12:22]

Calder: Layer manure is a real revenue line, and people miss it. A 600,000-bird free-range / barn / colony mix produces somewhere between 18,000 and 22,000 tonnes of manure per year. Ravensdown and Ballance Agri-Nutrients are the two main NZ fertiliser co-ops, and they buy poultry manure as a Class A organic input - typical pricing is in the NZ\$15 to NZ\$25 per tonne range depending on the year, the moisture content, and whether you've done basic stockpile aging. So that's NZ\$300,000 to NZ\$500,000 a year of revenue offset for an operation the size you're looking at. Not life-changing, but not zero. We did NZ\$280,000 a year in our peak Ravensdown years.

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Calder: Other small revenue lines - cracked eggs and Grade B eggs go to the egg-breaking / liquid-egg market. Versova in Australia is the dominant regional breaker. Grade A is your main money - typically 65 to 75% of total volume. Grade B and the cracked stuff is 25 to 30%. Outright spoilage and waste is 1 to 5%, depending on how good your grading line is.

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I.B.: That's helpful. Can I ask about your sale process? You sold up in 2023, right?

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Calder: I did. Late 2023. The buyer was a Hawke's Bay sheep-and-beef family - the next-door neighbours, basically. Twenty-five years of grazing the boundary fence together. They wanted the land, not the layer business. They've taken the sheds out, run cattle and sheep through the paddocks, and the free-range pasture has converted back to grazing. That's a typical exit for a small-to-mid layer farm in NZ. Neighbour amalgamation.

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Calder: I'll tell you what I learned from the sale process because I think it's the question your client probably has. The buyer who pays for a layer farm is a layer-farm operator - same business, different family. Mainland Poultry, Heyden, Better Eggs, the cohort. Or a neighbour buying the land at agricultural value. What I had a series of conversations about - and this is what your sell-side advisors will sometimes float as a scenario - is whether there's value in the land for some other use. Conversion to dairy, conversion to horticulture, sale to a developer, lease to a solar farm operator, sale to a data-centre operator. The honest commercial answer in 2023, and I haven't seen it change much in two years, is no. Not at this scale. Not in our part of Hawke's Bay. And I don't think it'd be different on the Canterbury Plains or in the Waikato either.

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Calder: The reason is consenting. NZ rural land is governed by district plans. Mine was Hastings District. A layer farm sits as a permitted activity in the rural zone because food production is what rural land is for. A data centre, a utility-scale solar farm, a horticulture operation at scale, a residential subdivision - those are non-complying or discretionary activities in most rural zones. You're looking at a multi-year resource consent process - typically twenty-four to thirty-six months from scoping to determination - and that's before construction. With submitter rights and Environment Court appeal rights along the way. So even where the underlying land could in principle be re-used, the timeline and the cost of consenting are real, and the buyer pool that's prepared to pay for that optionality up-front is small.

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Calder: Second reason - the actual buyer interest doesn't show up in rural Hawke's Bay or rural Waikato or rural Canterbury at the scale you'd need. The data-centre buyers - Microsoft, AWS, CDC - are concentrated in north-west Auckland because that's where the fibre and the grid sit. I had a single phone call from a small NZ data-centre developer in 2023 and they walked away as soon as they understood the grid connection cost. The solar farm operators - Lodestone is the main NZ one - are happy to lease farmland and run a sheep-grazing operation under their panels, what they call agrivoltaics, but they're paying a lease, not a buy-out, and they're not paying anywhere near layer-farm-going-concern value. And the dairy conversion route is real but it's capital-intensive - you're rebuilding the entire shed and effluent infrastructure - and Fonterra supply quotas are the gating issue. So the honest answer is the alternative-use optionality on a NZ layer farm is mostly a talking point, not a realisable bid.

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Calder: I'm not saying don't think about it. I'm saying don't pay for it in the headline price. Make the sell-side advisor put it in writing if they're floating it as part of the case.

[00:30:38]

I.B.: Henry - that's enormously useful. Last question - if a US PE firm is looking at a NZ layer producer, what's the one thing they should hear from an operator that they won't hear from the bank or the consultant?

[00:30:46]

Calder: The bird is a depreciating asset on an eighteen-month clock. Everything else - the sheds, the grading line, the brand, the customer relationships - is downstream of getting the next pullet flock home and into peak lay on schedule. The deal-defining operational question is your pullet supply chain and your ventilation reliability through the conversion period. Everything else is commentary.

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I.B.: Henry, thank you. I'll send you the deck once we've landed it.

[00:31:54]

Calder: Send it. I'll tell you where it's wrong.

[End of interview - 32:14 elapsed]