



# FARMING FOR PROFIT

Marlborough | August 2016

## WINTER SEMINAR

### **Your Number One Health Concern: You! & Taking a corporate approach to a family business**

**Thursday 11 August 2016,  
4pm-8pm (includes  
dinner)**

**The Clubs of  
Marlborough,  
(upstairs above the Convention  
Centre, Blenheim)**

### **Why come along?**

All farmers and their partners and staff are invited to dinner out thanks to Beef + Lamb NZ.

There is a great line-up of pre and after-dinner speakers to inform and entertain.

Book early as space is limited.

## **Guest speakers**

**Stuart Ellingham,**  
Horizon Farming Ltd  
general manager



Horizon Farming Ltd is a 6000 hectare Hawke's Bay farming entity that is made up of seven blocks of land. It's a sheep and beef operation running 50,000 stock units.

Horizon Farming Ltd is owned by one family but it is run as a corporate farm. It has a board of directors, a general manager and six farm managers, as well as 10 other fulltime staff.

General manager Stuart Ellingham says the corporate model is very effective because there is a lot more accountability around decision making. He says he acts as the facilitator of information between directors and

management, which then creates transparency.

## **Dr. Tom Mulholland**

Medical doctor,  
mental health  
advocate, Author, pilot  
and TV presenter.



Dr Tom Mulholland is the founder of the Healthy Thinking Institute. He has a 1st Class Honours degree in molecular biology. He describes himself as an Emotional Architect, designing tools for people to change their attitudes, and their lives.

"Healthy Thinking is the most powerful medicine I have discovered. It can prevent and treat stress and uncertainty and give you control of your emotions, improve your physiology and reduce stress and anxiety."

Dr. Tom is a speaker for Farmstrong, an initiative run by FMG and the Mental Health Foundation.



Dr Tom with a local supporter you may recognize.

With thanks to Beef + Lamb NZ.

## **Over-view of visit to Kintyre Downs, Gavin and Rosie Dowling's property**

The day attracted around 80 people and covered fertiliser, fencing, stock water and lucerne development.

Marty Burrows, Ravensdown, spoke on pasture response to capital fertiliser. Ben Lissaman, Liquid Action, spoke on stockwater options.

Greg Sheppard, Sheppard Agriculture, spoke on the value of subdivision. He said development needs to be evaluated on a case by case basis looking at not only the direct benefits to the area developed but also to the wider farming business. If you improve one area of the farm, what opportunities does it create elsewhere on the farm?

No one recipe fits all situations – the cost and benefits will vary from farm to farm depending on the land resource, livestock systems and level of management performance.

### Kintyre Downs Proposed development

- 9.5 km of Subdivision
- + 630 Stock Units to 3000 su
- 208 T Super Phosphate as Capital Fertiliser
- Livestock water system upgrade
- Forage (Lucerne) development

### Proposed investment

Subdivision \$46k

Livestock \$136k

Fertiliser \$93k

Water supply \$20k

Forage \$80k

TOTAL \$365k

Return on investment on extra 630su is 7.7%. Is this enough?

### Added Potential from fert & subdivision

	Downs	Hill	Overall
	120	280	400
Current SR	10	4	5.8
Stock Units	1200	1120	2320
Est. DM Consumed/ha	6000	2400	3480
Change in Olsen P	12	6	
Additional SU	6.36	3.18	
Potential SR	16.36	7.18	9.9
Potential SU	1963	2010	3974
Est. DM Consumed kgDM/ha	9816	4308	
Est. Utilisation	80%	65%	
Est. Total DM Grown kgDM/ha	12270	6628	8320
<b>Potential Increase in Carrying Capacity</b>			<b>1654</b>

### Return on investment

Livestock Gain (su)	1654
Farm Surplus \$/su (EBITR \$/su)	\$45
Additional Disposable Income	\$74,430
<b>Return on Investment</b>	<b>20.4%</b>

You also get capital gain from investing in to the farm. Are you developing for cash gain or capital gain or both?

### Lucerne: simple finishing model

	Cost \$/ha	Area	Cost \$
Lucerne	\$ 800	100	\$ 80,000
Production	8,000	kgDM/ha	
	800,000	kgDM/ha	
Energy	12.5	MIME/kgDM	
	10,000,000	MIME	
Liveweight Gain	200	g/d	
Ave. Energy Requirement	15	MIME/35 kg Lamb	
Number Grazing days	180		
Lwt Gained	36	kg/lamb equivalent	
Lambs Grazed Continuously	3608	36 per ha	
Lwt Produced	129870	1299 per ha	
Lwt Value	2.2	\$/kgLwt	
<b>Value in Lwt Gained</b>	<b>\$ 285,714</b>		
<b>Value in Lwt Gained/ha</b>	<b>\$ 2,857</b>		

### Summary:

Understand all elements of the development process

- Soil fertility
- Forage production and quality
- Subdivision and grazing management
- Livestock water

- Livestock systems and performance
- labour
- Determine where the biggest gains can be made and address these first
- Determine your timeframes for development, for changes to the farming system and to reach target performance levels.

Thanks to Gavin and Rosie.

## **Westpac Bayleys Marlborough Farmer of the Year 2016**

For all those competitive farmers out there, this is your chance to shine.  
Entries closed on August 1<sup>st</sup> for this competition but I'm sure you should have read about it before now.



The field day on the winner's property will be in late October/early November so watch this space. You can

follow the event on Facebook (search for Westpac Bayleys Marlborough Sheep & Beef Farmer of the Year).

Thanks to committee chair Chris Dawkins and his team of Greg Sheppard, Richard Gorman, Malcolm Taylor, Peter Anderson, Sarah O'Connell, Lachie Grant and Richard Borrell (Westpac sponsor rep).

Competition aim:

The aim of the competition is to promote profitable sheep and beef farming by identifying efficient and innovative farms with sustainable systems in the Marlborough Province.

The judging will focus on a quadruple bottom line to ensure the most well rounded sheep and beef operation wins the award.

There are \$63,000 worth of prizes.



## **From the CHAIRMAN Richard Gorman**

I would like to thank Will Grigg on behalf of the committee for his time on the Beef and Lamb Farming for Profit Team and

also his contribution to the Beef & Lamb NZ Farmer Council and the Federated Farmers Meat & Fibre committee. Your contribution will be missed. The group visited Meadowbank in June 2011 as part of the winter forage tour and were particularly impressed with the pasture development. We all wish you the best.

Andrew Nation has now joined our Committee. Andrew and the team at Rabobank have supported us at all our field-days and we welcome him aboard.

### **Andrew Nation and the Lincoln University drone**



It has been fantastic to hear from shearers, scanners, contractors and casual farm staff how well most stock are looking and scanning results have backed this up. Some

farms have had record scanning.

Let's hope we all get the rains to finish the job. Great effort on condition score, reducing numbers, supplementary feeding, grazing-out etc to achieve this.

Thanks, Richard Gorman.

### **Dog coat for your working dog**

Stuart Burrough, The Vet Centre, is leading an initiative called Working Paws to assess sheep dogs and provide information to farmers on kennels, dog coats, feeding and disease/death prevention.

Andrew Harman (shepherd and dog trial enthusiast) said he has seen big benefits from putting a dog coat on his working dogs. They require less feed over winter and are more active in the mornings. They line up each night for their coats, even the beardie!



Thanks to our model Andrew.

Why not sell your rental property in Auckland and buy some dog coats as a better return on investment.

## Things to do in August



Order and plant some trees.

## OUR NEXT EVENT

**Mark it in your calendar!**

**Thursday 11 August  
4pm afternoon tea  
4.30pm Stuart Ellingham  
6pm Dinner  
7pm Dr Tom Mulholland**

**All very welcome.**

**RSVP to  
[theresa.laws@beeflamb  
nz.com](mailto:theresa.laws@beeflambnz.com)**

## YOUR COMMITTEE

- Richard Gorman, Chairman
- Simon Todhunter
- Paul Newton
- Richard Laugesen
- Fraser Avery
- Andrew Nation
- Joanna Grigg

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