

Merry Christmas from Meridian Ag

The team at Meridian Agriculture would like to wish each of you a very Merry Christmas. Thank you for your support of our very special business. I hope that you can look back and attribute great value to the partnership between your business and ours over 2016. This year has been one of many challenges and each of us has probably walked a path that was in some cases unforeseen at the end of 2015. I hope you can retell your 2016 with some laughter and some learnings.

In January 2017 I'll step down as the CEO of Meridian Agriculture as my family relocates to central western Queensland. I will continue to work for Meridian Agriculture managing projects and supporting the staff. We are currently in the process of appointing a new CEO to the group. We have had some outstanding candidates and by early January, we will be able to announce the new CEO.

Anna Cochrane

Monaro Farming Systems

The Monaro Farming Systems group was established in 2007 by a progressive group of local innovative producers with support from Meridian Agriculture with an aim to build capacity and continuous improvement in the Monaro grazing Industry. Over the previous eight years, MFS has grown from strength to strength and now consists of 63 farm businesses which equates to over 200 individuals and has secured over \$550,000 in project funding.

Some of our core project areas include soil fertility, pasture improvement, enterprise performance and genetics. The MFS Soils Club continues to grow with a data base of over 2000 soil tests, identifying district trends in soil nutrient profiles and encouraging producers to monitor paddocks regularly to target fertiliser investments. We currently have



Paul Blackshaw joins the Meridian Ag Team

It is with great excitement that we announce that Paul Blackshaw will be joining the Meridian Agriculture team in January 2017 as a Farm Business Advisor. Paul will be based at Rutherglen in the north-east and provide services in:

- Farm business management
- Financial analysis
- Benchmarking
- Succession Planning
- Industry Projects

Paul is an agricultural economist who has worked for the Department of Economics, Development, Jobs, Transport and Resources for the past four years delivering the Livestock Farm Monitor Project – a financial and production benchmarking report for the Victorian Livestock Industry. He has also worked as a rural financial counsellor, a viticulture extension officer and a viticulturalist. He brings a depth of skills and knowledge to our team and will work with Jim Shovelton at Euroa, and the team at Hay in NSW to deliver a comprehensive suite of services to our clients in the north of Victoria.



an MLA funded pasture trial looking at the performance of alternative legumes (biserullas, serradellas) versus the more traditional and their adaptation to the Monaro soil types and climates. We are also currently working with NSW DPI and CSIRO to host two trial sites looking at P efficient legumes i.e. serradella's performance in low P soil types.

We have an active benchmarking group comprised of 15 farm businesses which has just analysed three financial years of data. Our traineeship program has been running for five years and has trained eight young school leavers with practical skills in the grazing Industry coupled with a Cert III in Agriculture. A recent achievement has been the installation of four moisture probes across the region to value add onto our seasonal forecast modelling work.

The MFS group collectively manages 123,988 hectares on

the Monaro and is responsible for approximately 40% of total production. Members run approximately 375,500 sheep and 25,000 head of cattle, produce on average 1,875,845kg of wool per year and turn off over 2,500,000 kg of sheep meat

and 4,207,000 kg of beef annually. For more information on MFS please visit www.monarofarmingsystems.com.au.

Article by Nancy Spoljaric

Client Profile: John Forsyth

This newsletter we interviewed one of Mike Stephens' clients, John Forsyth from Cavendish in Western Victoria, who decided to take a proactive approach to succession planning a few years ago and worked with Mike through this process.

The Forsyths farm on 900 hectares near Cavendish, running a 4,000 head self-replacing composite flock using White Suffolks as terminal sires. They sell some lambs as suckers and aim to finish the balance on summer crops.

Here are a few of John's insights!

What is the biggest change you've seen in agriculture/your business in the past 10 years?

'Basically on our farm 10 years ago I was farming with my father and now I have swapped over to farming with my son. Ag wise, I think we're learning to deal with a lot drier seasons in the last 10 years; this one is a nice exception! We now take a more responsible view to our production.'

John farmed all his life with his father, who passed away earlier this year and was still active until then, when Adam came home and as he has taken more and more responsibility, John has gone into a teaching role. The main focus has been communication on all levels.

'You have got to farm to your strengths.' John is sure that they are capable of that.

What do you think the biggest change will be in the next 5 – 10 years?

'Technology, we've come a fair way in the last 10 and I think things will keep changing. We see it all the time. More innovation and that is what going to be the driver, affecting all sectors of the operation.'

When did you decide to take structured actions towards succession planning? And what sparked it?

'Our local BWBL group, Mike was part of that at the time, as a presenter along with Andrew Speirs. One night we had a meeting on succession planning and it was from there that I went back and decided to take the plunge, enabling Adam to become a 5th generation farmer

What was your biggest fear at the time?

'Basically, that we may not have been able to get all the parties to be happy with the result. Fear of the unknown, you know it's got to happen but you don't know what it's going to involve or what's going to come out along the way.'



How do you feel now, looking back on where you've come with it all?

'Quite satisfied.'

Basically after dealing with the actual plan we've dealt with over a third of the farm succession, and I think the future looks very good for achieving the full transition for the next generation with all parties quite happy, at this stage!

Mike said it would be really, really easy if we had three boys and three farms, but it's not so we need to go another way and come up with alternatives.'

Why did you choose Mike/Meridian?

'Experience. He's got all the credentials and he was quite easy to work with.'

What has been the difference to your business/farm since using Mike/Meridian Ag?

'Probably given Adam a lot more direction and the knowledge that it's his farm, I didn't want him turning around and working until he's 40 or 45 and then finding out he won't have a farm to farm. I think it's given him security and he knows where he's going. He's now got direction and options, which is one of the key reasons we wanted to do it.

It's given the other two boys some cash in hand through Adam purchasing part of the farm, which has enabled them to buy houses and set themselves up in their lives. Jo and I have to look after ourselves, which is fair. It hasn't made much of a difference to us financially etc, we've addressed part of it and the next step won't be now as hard.

If it could all be as simple as that sounds!

How do you spend your downtime/time off farm?

'Lawn bowls, Jo is involved in golf and other organisations, we like to travel a fair bit, last holiday on the Sunshine Coast, previous to that was America!'

What is the best piece of advice you've ever been given?

From my father: "To look and see what is actually going on in the paddock and not assume what's going on. You've always got to keep learning."

Thank you very much to John and the rest of the Forsyth family for sharing your insights and experience with us for the newsletter.

Interviewed by Dan Korff

Stay Smart with your Lambs

The prices we are receiving for our lamb are in a strong state, and as MLA data shows, over the past three years the 'lows have continued to rise'. See figure below.



We can speculate over what the dollar will do, and we can see the impact it had when it was above parity in the above graph, but we might be better to focus on ensuring our products fits into the right market and hits those specs so we can avoid penalties and lost opportunity when finishing and selling our lambs.

There are several processor contracts out there now for varying markets. The challenge in strong markets is often waiting too long to make the 'best' move, when perhaps what we should be doing is focussing on the feed we have on hand and its allocation, making a sound judgement on how far that will get us, and either locking into a contract or setting

yourself a market date (for a selected market) that you will aim to hit a certain set of specifications.

Know your current weights.

Assess your current feed situation.

Research your market options.

Lock in your plan.

By following these rough steps (which many of us do in our head subconsciously!), we can ensure that we don't waste feed and eliminate the risk of shooting from the hip on sale decisions.

We are in a great position to a) sell well suited lambs into a strong market, b) take the opportunity to develop long term market relationships, and c) utilise the feed we have on offer in the most efficient way for meat production.



Article by Dan Korff

Setting Goals 2017 – Production, Business, Family

"Would you tell me, please, which way I ought to go from here?"

"That depends a good deal on where you want to get to," said the Cat.

"I don't much care where—" said Alice.

"Then it doesn't matter which way you go," said the Cat.

"—so long as I get SOMEWHERE," Alice added as an explanation.

"Oh, you're sure to do that," said the Cat, "if you only walk long enough. (Lewis Carroll 'Alice in Wonderland')

Unless you have set goals for 2017 you could end up getting somewhere but it may not be where you want to be. The challenge in a family farming business is that the goals really need to include goals for the family (as a whole) and for individuals. It is important that those personal goals are matched with the production and business goals. All the individual goals need to be SMART (Specific, Measurable, Agreed, Realistic and Time bound).

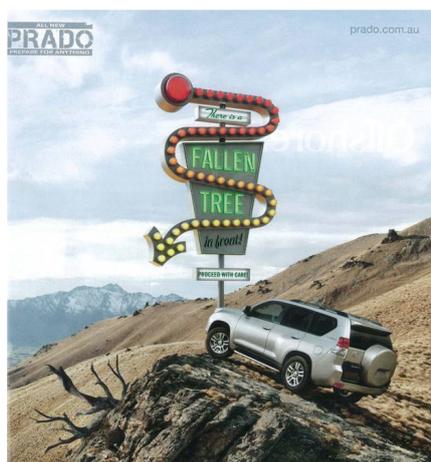
The conversation could have continued,

"What's new about that?" asked Alice.

"New?" said the cat, "New? Nothing new

and you knew that so why did you ask?" "Well" Alice started to reply but the Cat interrupted, "No it isn't well to have to tell what you should know you are so slow, and don't say no to what you know or what you knew that isn't new....." "But Alice interrupted....."

The reality is that we all know that if we don't spend some time setting specific goals that we may lack the drive and sense of urgency to achieve them. We also know that unless the goals are measurable, they are no use. It would be useless to set goals in a family situation (and on behalf of staff) without seeking input and agreement from those affected by those goals.



The goals have to be achievable and time bound.

Unless the goals for each component are linked, something or some-one will come unstuck.

So how about setting one or two major goals for your business, your production plan, your staff and your family life for 2017, pasting them on the office door.

Best do it now or the Cat'll getcher!!

Article by Mike Stephens

Let's get to know Jim Shovelton



If you could attract unlimited funding from an industry body, what project would you want to do and why?

I would like to see work undertaken to define the potential productivity of pastures systems, if all limiting factors were removed. It has been attempted in horticulture and in an irrigated dairy system. If we don't know what the potential is it is difficult to identify which cost effective components to integrate into our livestock systems.

In your opinion what is the biggest challenge in Australian Agriculture?

Keeping ahead of declining terms of trade through improved efficiency of production.

Tell us about your family and values that are important to your family life?

Ann and I have two married sons and two granddaughters. Spending time with them and watching the granddaughters enjoy country life.

Where did you go to school?

Primary and part secondary in Euroa. Part secondary and Uni in Melbourne.

What is the most important lesson you have learned in life?

Don't dither.

What is your favourite holiday destination?

I don't have a favourite holiday destination because we rarely go back to the same location There are so many interesting places and cultures to see that provide different perspectives.

If you could invite five famous people for dinner, who would you invite? (if they were alive)

Ayan Hirsi Ali, George and Amal Clooney, Fred Hollows, Leonard Cohen.

Why did you choose to work for Meridian Agriculture?

I enjoy working in a team environment with the opportunity to bounce ideas off other members of the team and to tap into their expertise.

Fertilizer for next year

There have been significant downward movements in some fertilizer prices since last season, which could offer savings on your fertilizer bill by being choosy about the fertilizer you use. If you would like to discuss your options please contact a Meridian Consultant.

A Cautionary Tale

In the 2015/16 harvest a grower who had a large area of canola, arranged for two headers to direct harvest it. One driven by his son, the other by his father. Immediately following harvest there was significant rainfall. As a result there was a large amount of self-sown canola. The estimated value of the grain loss was \$40/ha on the area harvested by the farmers son. There was no significant loss on the area harvested by the farmers father. The moral is that particularly in heavy fragile crops slow and steady pays.



Meridian Ag Newsletter:

We will continue to email out newsletters to clients and networks, as well as being available on our website. If you want to ensure that we have your correct email address, please contact us on 03 5341 6100 or email us at info@meridian-ag.com.au

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