

Global Veterinary Services and Hamilton Veterinary Services combine

Bringing stronger on-farm support

A boat on calm waters is relatively safe in inexperienced hands, but if conditions become rough you'll trust a more experienced skipper to get you home.

The calm waters can be likened to a good pay-out and regular rainfall. When performance is poor there is still profit to absorb the loss. When conditions become rough you want someone skilled to gain more efficiency and reduce the financial and personal stress poor performance can bring.

In such conditions, managers sometimes look at cutting costs to help the business survive. This is great, unless the revenue lost outweighs the costs cut, which leads to problems. For example, a reduction in fertiliser application usually results in reduced farm production.

There are many valid motivations behind farm business decisions, such as:

- Profitability
- Lifestyle
- Pride

Your farm can benefit from programmes such as Incalf and SmartSamm that help you into the top 10% of farm performance. They rank your system and predict the revenue gap between different levels of performance.

Showing you where to change management style and practices. The reliable predictions are based on extensive research in various farming systems.

Having established the revenue gap, it is necessary to estimate the costs incurred to achieve your target performance and calculate the benefit-cost ratio. Benefits can often be large, sometimes up to five times your cost or more.

Generally you want to double your money before you commit to significant expenditure and these programmes are great tools for this. It can be possible for the revenue gap to exceed \$100,000

in some cases, making it even more important to utilise the available programmes. Their utilisations make large increases in productivity and profitability possible through awareness of performance gaps and plans to reach new targets.

Areas that have significant impact on farm profitability include:

- Capital management
- Pasture management, grazing control, fertiliser and pasture renewal
- Body condition score
- Reproduction
- Mastitis
- Lameness
- Trace elements
- Disease management
- Personnel management

Plans must be made annually, in which you:

- Assess which areas will give the biggest gain
- Use all the expert help and tools that are available to achieve your targets

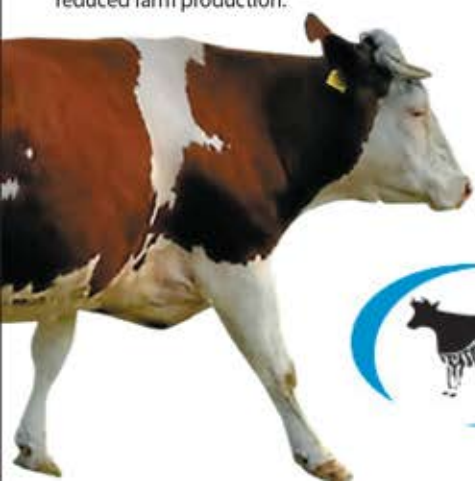
- Ask for estimates on the revenue or production gains and costs involved
- Develop a plan of who is responsible for what actions at what time.

Essential to success is reviewing these goals regularly. If you didn't achieve as expected ask why, both of the professionals involved, staff and of course yourself. If you establish the cause you can correct it next time.

If you want success, data collection is essential. You want to know if the money and time you invested is working. The other alternative is mediocrity and you don't want to go there.

Instead of being mediocre, choose new goals and achieve success. Then you will become the skilled skipper to bring your business through rough times.

Wishing you the best of success,
Andrew Gore BVSc



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