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Business Diversification

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Chester Partnership

Introduction



Chester

- 2500 ha in the Meander valley based at Westwood
- Mixed farm:
 - 8500 composite ewes
 - 700 beef cattle
 - 410 ha of irrigated cropping
 - 130 ha of forestry

Introduction



- I worked around made friends, connections and mistakes.
- Sam did the same thing.
- I returned in 2013, Sam returned in 2016.
- We both took over management in 2018.
- We have focused on expanding and intensifying what we already had.

The journey – 2018 to 2024



- ROA from 7.5% to 2%
- Stocking rate from 8 DSE/Ha to 17 DSE/ha mid-winter
- Mating
 - 4500 ewes to mating 8500 ewes
 - 400 cows to mating 700 cows
- Cropping 200 ha to 410 ha under irrigation
- Irrigation water from 1150 ML to 2000 ML
- Harvested 151 ha of Nitens
 - 92 ha back to pines
 - 15 ha to natives
 - 44 ha to pasture
- Thinned 21 ha of mature pines
- Planted 102 ha of pines
 - 92 ha of ex Nitens plantation ground
 - 10 ha of new country
- Remnant bush locked up - 100 ha to 153 ha
- Fenced-off waterways from 2 km to 12 km
- Paddock conversion - 80 paddocks to 115 paddocks of pasture.

The journey



- There are 100 ways to skin a cat!
- We have achieved these increases by
 - Dispersing the cattle stud
 - Subdividing paddocks (10 ha)
 - New reticulated watering system
 - Good team and network of people involved in the business
 - Increasing labour efficiencies through
 - laneways
 - new or improved yards
 - stock handling equipment
 - new and more efficient cropping equipment.

Succession



A successful succession plan has allowed us to develop the business in our own way.

- Mum and Dad started the conversation early on
- family of 6
- 3 siblings home at one stage
- discussions were finalised in 2018
- Mum and Dad still have directorship of a couple of trusts, just to make sure Sam and I follow out the agreed succession plan.

Succession



Succession



Taking over management



Once the succession plan was decided on and formalised, there were a few things that were implemented that stand out and were very beneficial.

- Dad threw a management retirement party.
- Office.
- Mum and Dad moved off farm.
- Dedicated managers.

Taking over management



Current management



- Now two dedicated managers- Sam the cropping manager and myself the livestock manager.
- Three other employees:
Jim (20yrs) Wayne (5yrs) Andy (1yr).
- Mum still does 50% of the books and Dad is officially off the books (retired?).
- To allow us to run the business like this there are a few things we have put into place that make it all work as smoothly as possible:
 - weekly meetings
 - monthly meetings
 - quarterly meetings
 - benchmarking
 - outside help.



Infrastructure and equipment



- 200 km of new fencing
- 120 new water troughs
- 15 km of laneways
- 2 new sets of Proway sheep yards
- Direct drill
- Grain feeder
- Amazon spray rig
- Multi disks with seed box
- Rotary air seeder
- Shearing shed extension
- Cattle yard upgrades
- Tapari sheep handler with EID reader

Infrastructure and equipment



Infrastructure and equipment



Infrastructure and equipment



- Water was the biggest hurdle, after creating a domestic water plan the subdivision of paddocks became easy.
- Header tanks with now a ML of capacity and up to two weeks' worth of water stored
 - Pumps only run on off-peak hrs
 - 3' to the tanks – 8km
 - 2' to troughs – 30km
- Benefits of troughs are well known: reduction in dark cutters and up to 30 % increase in daily weight gain, better pasture utilisation and of course the reliability.

Infrastructure



Infrastructure



Infrastructure



Infrastructure



Sheep management



- In the past we bought in 2 yo second cross ewes but have since moved on to a self-replacing composite flock, with 3000 ewes going to a composite ram and the remaining 5500 ewes to a terminal.
- Ewe management
 - mobs of 2 - 3000
 - moved every 5 - 7days
 - 4 different management groups
 - ewe lambs
 - 2 tooths
 - 3 - 5 yr olds
 - 5 - 6 yr olds.

Sheep management



Sheep Issues



- After going to mating ewe lambs we have had considerable trouble with toxo, losing about 40 % of foetuses annually with the scanned in lamb ewes.
- Run too high a proportion of ewe lambs.
- COP has crept up within the last few years and now it is hard to bring back down, and we are feeling the pinch.

Sheep



Cattle management



- Dispersed our Poll Hereford stud in 2017
- Breeder/finisher operation
- Increased female numbers
- Started using red composite bulls, Hicks Beef
 - Hybrid Vigor
 - Still red
- Run mobs of 100-250 hd, moved every 5 to 7 days
- Run in three different management groups
 - heifers
 - 2 year olds
 - mixed aged girls
- Finish 80 % steers to a live weight of 550kg with an average MSA index of 63, other 20 % get sold on A+ at end of spring.
- Mate heifers at a weight of 330 kg live, and all heifers that don't make weight get sold on A+.

Cattle management



Cattle



Trees



Native Trees

- 153 ha of remnant bush locked up.
- Plantations harvested near waterways have been replaced with native trees.
- Fenced off 12 km of river frontage and planted natives where possible along the river.
- Larger dams have been fenced off and we have planted the edges with natives.
- Around 12,000 native trees and shrubs have been planted around the farm over the last five years.
- NRM have been great with all these projects.

Trees



Trees



Trees



Plantation timber

- All plantations, both pines and nitens, harvested in the last few years have gone into Mum and Dad's superannuation and have proven to be financially successful.
- Given opportunity for us to reassess the land options for the harvested country. Everything that has gone back into plantation has been pines as they have performed better than the nitens in our climate and soil types.
- Private Forests Tasmania has been a huge part of these decisions and establishment of the plantations.
- Trees have been planted in an unproductive country and has provided shelter around pivots and dryland paddocks.

Trees



Benefits of trees



- The benefits of having trees incorporated into our farming system have been huge:
 - reduced wind damage and erosion of cropping ground
 - reduced evaporation of irrigation dam water
 - increased biodiversity
 - healthier waterways and improved water quality
 - shelter and shade for livestock
 - better lambing percentages
 - increase in weight gain
 - increase in pasture production.

Cropping



- Sam runs the cropping program.
- All irrigated – 410 ha
- Crops include; poppies, peas, onions, potatoes, broccoli, broccolini, grass seed, carrot seed, beetroot seed.
- A clover/plantain/chicory mix is used as a break crop, normally down for two years.
- Direct drilling a lot of the peas and poppies now.
- Just purchased more water out of the Meander, along with the new dam which will allow us to expand the cropping operation.

Pasture renovation



Pasture renovation



- Currently renovate around 100 ha a year.
- Paddocks are cleaned up in winter
 - rock picked
 - trees and limbs pushed up and burnt
 - dams filled in
 - drains cut.
- Direct-drilled winter fodder in December
 - Kale and swedes
 - Green globe turnips.
- Strip grazed over winter with weaned calves.
- Worked and sown down to summer fodder - chicory, clover, radish, leafy turnip.
- Grazed with lambs early summer.
- Direct drilled with permanent pasture in early autumn.

Pasture renovation



Diversification



- Diversification for us is risk management and utilising land classes to their highest potential.
- Many advantages to running a diverse business and if you get the mix right, all areas of the operation will complement each other.
- The mix of sheep and cattle help with pasture and worm management.
- Trees create a better environment to produce the livestock, while utilising the poorer soil types.
- Cropping allows us to maximise the return of certain soil types and reduces the risk in a red meat downturn.

The future

- Create two sustainable and financially viable farms.
- Continue to develop the irrigation system.
- Continue to subdivide paddocks.
- Increase stock numbers further.
- Continue to improve KPIs on all operations.



Top three take home messages



1. Just because your grandfather put a fence there...doesn't mean it should still be there.
2. Work for the future and live in the now.
3. Knowledge is knowing a tomato is a fruit... Wisdom is knowing not to put it in a fruit salad.

Tools, resources & training



- Top 3-4 tools/resources/training producers need to know about?
 - Field days, NRM, TIA, Sheep Connect, Pinion, MLA.
 - Always try at adapt or change one thing you learnt on the day in your own business.
 - Independent advice
 - Whats APP., communication.

Thank you.

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