

## CASE STUDY



Tim Rhodes, General Manager  
Agribusiness, Wi Pere Trust

# MODELLING TAKES FARMING TO THE NEXT LEVEL

**Tim Rhodes has a lot on his plate. He's charged with running the Wi Pere Trust's three farms in the Gisborne front country, which include Tangihanga and Otara Stations and Wi Pere finishing farm.**

And it's no small responsibility. The 4,863 hectares of East Cape land is a taonga for Wi Pere whanau. Tim is charged with growing the farm's commercial success for the family's future generations.

Collectively, the farms winter 21,000 breeding ewes, 5,700 hoggets and 10,000 trade lambs, which are predominantly FE tolerant Coopworth.

There are also cattle, predominantly Angus with a little Hereford blood, including 1,000 cows, 300 heifers, 1,500 trade bulls and 800 prime steers and heifers.

Including Tim, 14 people run the farms with three operational managers reporting to Tim.

### FOCUS ON MODELLING

Tim joined the Trust in 2003 as operational manager of Otara Station. During the first year the farm became a Meat and Wool Beef Focus Farm. It was during this project he was first introduced to FARMAX decision support software.

He said he was more than a little rusty using it to start with. But with perseverance and encouragement from industry stalwarts such as Rex Webby from AgResearch and farm consultants Peter Fraser and James Anderson, Tim has mastered FARMAX which has been instrumental in what he describes as "taking the farms to the next level".

"FARMAX is an excellent predictor of what's going to happen. On a monthly basis I use it to test different strategies for short-term scenarios around feed budgets such as feed deficits or surpluses. Long-term I

use it annually to set, test and determine overall farm strategy and policy – and this is where I find it adds immense value to our farming operations."

### SUPER-CHARGING STRATEGY

In 2010, Tim and the Wi Pere Trust set up a strategy group of experts to super-charge their planning and take the farm to the next level.

FARMAX played a key role.

Initially Tim used FARMAX to create a strawman over a 12 month period – a draft proposal of what he thought the farm could achieve over the next five years. He said it was a 'no holds barred' scenario of what might happen if everything ran perfectly and there were no variables to put a spanner in the works.

"Of course it was over the top – but what we did was start pulling it to bits and looking at what we thought was realistic and what wasn't.

FARMAX was crucial in helping us determine what policies would and wouldn't fit, it identified where our feed deficits were going to be and where demand was outstripping feed supply."

After modelling different scenarios, Tim said the group was in an informed position to further investigate their options, a number of which have been put into practice, including developing the finishing farm.

"The group decided that we needed to split the land into three farms to better utilise the land parcels – it was only the two stations at the time. There was a separate FARMAX file set up for each farm to test the proposed policies.

"But it's important to remember that FARMAX identifies opportunities or raises red flags – you

"...FARMAX is an excellent predictor of what's going to happen..."



have to do the legwork to further investigate those opportunities or issues.”

Tim brought in soil experts and did more modelling in FARMAX to test different scenarios including draining the land – which was soggy and wet in winter.

“We used FARMAX again to model how much DM we could get from the land based on two scenarios – draining it or leaving it wet. The cost to drain the land was a significant investment – so we needed to be sure we were doing the right thing.”

He said changes were made to the land over a period of time, and today it has exceeded their expectations in terms of the return on investment.

“We drained the land and FARMAX predicted the amount of DM we would get incredibly accurately. Income has actually been better than expected because of market-related variables.”

#### **BENCHMARKING GIVES THE REAL OIL**

Tim said once you know how to use FARMAX it's quick and easy to model different scenarios.

“Our land is entirely integrated now and when something changes on one farm, it affects the others, and so I use FARMAX to understand the impact of the change across all three. It really does a beautiful job by

taking out the guess work, saving me time and giving me confidence in the decisions I'm making.”

He also uses FARMAX benchmarking data to track annual production and compare the farm year-on-year.

“On paper it might look like you've had a really good or bad season, but benchmarking data helps you understand whether that's actually the case.

“For example in a bad season you can check your production and if you can see you are actually on track and still improving, then you know it's because of the vagrancies of the market rather what you did or didn't do. We can all cut corners by cutting back on spending but if you are trying to crack production then benchmarking data helps you understand the true situation.”

Tim said ultimately with understanding comes benefits, and for a corporate farm FARMAX is an important tool for strategic policy planning and testing – but he said smaller farms can get even more out of FARMAX.

“I absolutely recommend FARMAX – and not only for big farms. In fact, the smaller the farm, the more precise FARMAX can be. The trick is understanding what you are trying to achieve in the first place, and then committing to use FARMAX properly to help you get there.”

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