



ADVANTAGE

YOUR QUARTERLY FARMAX NEWSLETTER

AUTUMN 2014

TAKING STOCK

In this edition of *Advantage* we hear from farm investment and management company MyFarm, where FARMAX is being used from grassroots through to boardroom level.

Dairy farm syndicate investors and farm managers, Jen and Gavin Kay, hadn't heard of FARMAX before joining MyFarm, but today it is an integral part of their farm management toolbox.

The Kay's MyFarm story is just one example of how more and more dairy farmers are starting to use FARMAX and are now experiencing the benefits sheep and beef farmers have known about for years.

We also hear from John Cannon, one of the inaugural winners of the 2013 FARMAX Consultant of the Year awards. John is using FARMAX to quantify the innovations he proposes the industry needs to take if it is to have a brighter future.

I hope you enjoy reading more about what John has in mind, plus all our other stories in this edition of *Advantage*.

All the best for the season. If you're using FARMAX, you'll already be one step ahead of the game!

GAVIN McEWEN
General Manager



INNOVATION NEEDED FOR INDUSTRY TO FLOURISH

The inaugural North Island FARMAX Consultant of the Year said he will use his \$4,000 prize money to inject some innovation into the industry, which he believes can flourish – as long as there is change.

Hastings consultant, John Cannon, said in the 20 years he's been a farmer and agricultural consultant he's read a lot about what's wrong with the industry – but nothing with any solutions about what could actually be done to fix it.

John said to be frank about it, he's pretty frustrated by some parts of the current system and has been for a while.

He said he's got some realistic ideas about what needs to be done to improve things for sheep and beef farmers.

He's serious about sharing his thinking with the industry to gain some forward momentum and his recent FARMAX Consultant of the Year award win is helping him do so.

With his prize money, John is taking some time to write a paper that will demonstrate how sheep and beef farming can be better integrated with the supply chain, including processors and exporters, in order to minimise wastage in the system and maximise profit on farm.

John said there are a lot of costs in the current supply chain that are not delivering value to farmers. Instead of price taking and spot market mentality, he wants to shake up

things that he said have essentially been done the same way for the past 100 years.

"What we are doing in beef and sheep farming isn't working for farmers or processors anymore. I've got what I believe are some pretty innovative ideas about how we

might change things.

"I've been using FARMAX for 10 years and I'll use it to quantify

my ideas. **Continued on page 3...**

"I've got what I believe are some pretty innovative ideas about how we might change things."



John Cannon receiving his FARMAX award in 2013.

FARMAX
YOUR ADVANTAGE

NOT YOUR 'AVERAGE' FARMERS



Gavin and Jen Kay

Equity managers Gavin and Jen Kay invested in their North Canterbury MyFarm syndicate in 2011.

After farming for 10 years in the Northland region, they moved the family south to manage 'Peaks', a 157ha effective dairy farm on the south side of the Hurunui river.

Peaks was previously a sheep grazing and dairy support block. The Kays were involved in completing its conversion and are now in their third season milking 580 cows, with budgeted production of 276,000kgMS this year, having produced 258,300kgMS last season.

Jen said hitting production targets is never a foregone conclusion - and that's where FARMAX fits into the Kay's farm management toolbox.

The Kay's use FARMAX to record stock numbers and movements, feed types, values and purchases, supplementary feed made on farm, and all fertiliser applications. There is also a permanent record of paddock activities, such as cropping and re-grassing. Supplementary notes can be added to the records.

"In FARMAX we record what is actually happening, comparing it to the forecast. Not only do we know if we are on track to reach our production targets, it also alerts us so that we can investigate what we need to do or change to get back on forecast. In this situation, the ability to simulate different scenarios is very beneficial."

"...get smart with using technology and get your head around using programs like FARMAX..."

Jen said she is also impressed with FARMAX's powerful modelling capabilities, which they intend to use in the future to run different scenarios and be more involved in the farm's strategic development.

SMART DECISIONS KEEP YOU IN THE GAME

Gavin said in their dairy farming career, he and Jen have never captured so much information or been so accurate in their data recording and reporting.

"Because all our information is now in one place in FARMAX we can run any number of reports. When we needed to provide our end of season information to Fonterra, the information was all there and with the click of a button we ran the relevant report. Many farmers would be pulling this information together last minute, from numerous sources.

"The average dairy farmer probably doesn't need or want the degree of information or accuracy that FARMAX offers. However, with changes to the dynamics of farm ownership, and ever-increasing compliance and reporting demands, our advice is that dairy farmers get smart with using technology and get your head around using programs like FARMAX, because it can help you make smarter decisions and keep you in the game."

GAVIN AND JEN'S TOP FOUR FARMAX BENEFITS

1. **Accountability:** FARMAX takes any risk of disputes between us and the syndicate out of the equation. It makes us accountable and it's unambiguous in that respect.
2. **Recording:** Being able to easily reconcile feed and stock numbers is incredibly important in our business. With FARMAX you know exactly where you're at with your feed supply at any given time - what you have on hand, what you plan to use and whether it all balances.
3. **Compliance:** We already do a lot of recording and reporting, but the demands of compliance and the reporting that goes with it are only going to increase. FARMAX provides a comprehensive history and analysis of all your activities.
4. **Planning:** In FARMAX you plan your annual feed budget and enter data in 10-day increments. As long as you are consistently and accurately recording what you've been doing, you know how you are tracking and there's plenty of warning to alter the plan if you need to. When it comes to feeding decisions, the ability to run several scenarios and compare the outcomes is incredibly useful. There are no surprises when you are planning well with FARMAX.

FARMAX TRAINING 2014

This month we kicked off FARMAX training around New Zealand. Acknowledging feedback from last year, we have included more training sessions in more locations. We have also created a new Training Calendar which will make it easier for you to keep up to date with our training sessions. The sessions are all currently free of charge and are dependent on numbers.

The training sessions available earlier in the year will be the same as in previous years, but will involve more group work. Later in the year we will be implementing ideas from this year's annual survey, such as creating new tiers of training sessions, holding more courses in popular areas (at more convenient times of the year) and updating our training manuals.

We are always looking for ways to help you get more value from our products and training sessions, and would love to hear any feedback you have. Here are the dates for the remaining training sessions in March and April. **Green events are for sheep, beef and deer FarmTools and Pro. Blue events are for dairy FarmTools and Pro.** More courses are listed on the FARMAX website: farmax.co.nz/training-and-advice/training-and-events/



MARCH 2014	Tu 25 FarmTools Monitoring HAMILTON	We 26 Pro Monitoring HAMILTON	Th 27 Pro Analysis HAMILTON	
				Fr 04 FarmTools Monitoring NAPIER
APRIL 2014	Tu 01 FarmTools Monitoring NAPIER	We 02 Pro Monitoring NAPIER	Th 03 Pro Analysis NAPIER	
	Tu 08 FarmTools Monitoring GISBORNE	We 09 Pro Monitoring GISBORNE	Th 10 Pro Analysis GISBORNE	
Mo 14 FarmTools Monitoring HAMILTON	Tu 15 Pro Monitoring HAMILTON	We 16 Pro Analysis HAMILTON		

*Pro & Pro Analysis trainings are full-day courses
FarmTools trainings are half-day courses*

CONTINUED FROM PAGE 1...

By the time I am ready to share them I'll have crunched the numbers, run different scenarios and basically they'll already be tested for feasibility. I think this paper will generate some robust discussions that are long overdue."

Among other things, John is particularly interested in communication – improving information sharing through the use of technology between sheep and beef farmers, and strengthening relationships across the country, not just in the regions in which farmers are based.

A number of John's clients are award-winning farmers, and last year John was praised by them for his outstanding expertise as a consultant, which saw him take the North Island title in the FARMAX Consultant of the Year awards. John expects his discussion paper to be ready later this year.

IN BRIEF

ACCREDITED CONSULTANTS

Accredited FARMAX consultants are identified as being highly educated and experienced in using FARMAX. The purpose of accreditation is to ensure farmers get a quality service from consultants who are comprehensively and effectively trained. Accredited consultants are prioritised on the FARMAX website's Consultant Map and are referred to prospective clients ahead of non-accredited consultants. To find out how to become accredited, call the FARMAX HelpDesk today on 0800 327 629.

IMPROVEMENT TO ADDING NITROGEN IN FARMTOOLS

Maintenance releases of FarmTools and FARMAX Pro (for sheep, beef and deer) were unveiled earlier this month. Among the enhancements in FarmTools is the ability to specify the date and block that nitrogen has been applied to. This was rated in the top 10 enhancements for the 12/13 development survey – your feedback drives our development plan!

ANZ PASTURE PRODUCTIVITY LOAN

Great to see one of our major banks helping New Zealand farmers improve their farm systems. ANZ's pasture productivity loan has a low interest rate (well below the current), and is designed to help sheep and beef farmers improve farm productivity and profitability by increasing pasture and forage growth. FARMAX is a great way of demonstrating a plan to help apply for this loan.

FARMAX TIP

Dry conditions are starting to bite, putting pressure on feed reserves over autumn and winter. Hitting key targets, such as pasture covers and tugging weights, will become more difficult unless you start forward planning. FARMAX recommends contacting your consultant now and extending your FARMAX file into 14/15.

DID YOU KNOW?

It is a widely held myth that in New Zealand there are 20 sheep to every 1 person. While this was true in the early 1980s, it is now incorrect. In 2013, our sheep-to-person ratio was seven to one. New Zealand still has a high sheep-to-person ratio compared to other countries; in 2013 in Australia there were around five sheep per person.



FARMAX ANNUAL SURVEY RESULTS ARE IN!

A big thank you to everyone who gave us some of their time to complete the 2014 Annual FARMAX Survey. Once again we received a phenomenal response. Here's a snapshot of the results. More comprehensive results will be available soon on our website.

HOW SATISFIED WERE YOU WITH THE SERVICE OF THE HELPDESK?

87% of people said they were satisfied or very satisfied with the HelpDesk's service. While this is a pleasing result, our goal is even higher and we are investigating ways we can further improve the HelpDesk service.

HOW COULD WE IMPROVE THE HELPDESK?

The most popular answer to this question was for the HelpDesk to have different/longer hours (36%). We will definitely look into this! 22% of respondents wanted more services, such as notification that their file has been loaded or follow up on an issue.

HOW COULD WE IMPROVE TRAINING?

More than half of the respondents (54%) said they would like different training sessions for different abilities/levels of knowledge. We currently have three training courses, but it is clear you would like more distinction between ability levels. More feedback on this would be appreciated – please email support@farmax.co.nz with your suggestions! 27% of respondents want more training sessions and 27% want us to ensure users know about upcoming training opportunities.

I FIND FARMAX EASY TO USE

76% of people agreed or strongly agreed with this statement. While this is a good result, there are more things we know we can do to make FARMAX easier to

use. Improvements could include advances to the user interface or more comprehensive training manuals and videos.

FARMAX IS VALUABLE IN ASSISTING MY/ ME AND MY CLIENTS' MONTHLY DECISION MAKING

86% of people agreed or strongly agreed with the above statement. This is a great response, but we will continue to strive for ways to make FARMAX even more indispensable to your business.

WHAT IS THE MOST DISAPPOINTING ASPECT OF FARMAX?

The most common responses to this question were that FARMAX cannot link with other computer programs (29%) and FARMAX cannot link with financials (27%). Specifically, Overseer and Cashmanager were the programs most requested to be integrated with FARMAX – both of which we have been working towards.

In summary, this feedback is incredibly valuable for focusing our future developments and improvements in the right areas. The good news is that we are very committed to reinvesting in the company, its people, and our products and services. We have a number of initiatives already underway looking to build on the feedback you have given us. So please watch this space!

CONGRATULATIONS GEORGE!



Featherston sheep and beef farmer George Ritchie (left) participated in the survey and is the lucky winner of the Windows tablet that runs FARMAX, making it easy to

do FARMAX monitoring and analysis while moving around the farm. Thanks again for your feedback George.

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