

Dairy NSW Cochrane Focus Farm Update

The Cochrane Focus Farm so far in 2014:

It's hard to believe that we are at the end of another year and this focus farm has now been running for nearly six months. This gives us a great opportunity to review the decisions and actions taken on the farm in 2014 and a chance to look to the future for 2015.

In 2014, the Focus Farm project has seen the group come together for two support group meetings in August and September as well as deliver the first open day for this focus farm project in November.

Our first support group meeting involved everyone familiarising themselves with the Cochrane's dairy business, getting to know each other and spending time understanding how the focus farm project works. This 115ha pasture based dairy with a predominantly kikuyu, rye grass/oats pasture system and home grown silage of sorghum and maize, had an average milk production of 482kgMS/cow in 2013/14. On our first review of basic financials, Dan and Bec had a milk income of \$14.13/cow/day and a margin over total feed costs (including irrigation, seed, fertiliser) of \$8.33/cow/day.

The second support group meeting saw a lively discussion regarding which key performance indicators that the group felt would be most useful for analysing the operation's progress. We also dove deeper into the pasture management and crop selection. On the day of the meeting, there was a suggestion that there needed to be an increase in the pasture allocated to the cows. Dan chose to increase the pasture available by 15%, dropped grain in the bail by 1kg and they saw a 1.2L/cow/day increase in production. The per cow income was \$14.74 and the margin over total feed costs including pasture was \$10.22. When put in context with the stocking rate at the time of 3.1 cows per hectare, this implied a per hectare milk income and margin over feed costs of \$45.70 and \$31.69 respectively. The group felt that this was a good snapshot measure of performance as it gave an indicative return to the two key farm assets, the cows and the grazable land.

The next meeting was the open day and it was a great success with over 70 participants. It was terrific to see interest from as far as Bega and the Hunter Valley with many farmers making a day of it to come that far. The day gave the dairy community an opportunity to understand the Focus Farm project and get a bird's eye view of what's happening at Dan and Bec Cochrane's dairy. Neil Moss gave a presentation on the finer details of the pasture and feed budgeting plan and reviewed some of the risk assessment and planning he had done with Dan and Bec. There was good discussion on how they were planning to meet the dry matter requirements for the herd over the next 12 months. The integration of grazed pastures, conserved forages and purchased concentrates throughout the year was also mapped and presented to the participants on the day.

So how are things now in December 2015? The extremely hot days of November resulted in death of a large proportion of the millet seedlings that were sown in mid-November. One of these paddocks has now been fully oversown with forage sorghum; the other patched up with some additional millet. Milk production has come back in line with most of the state under the hot and sultry conditions and the change over from winter to summer pastures. With a large area out for crop at the moment, the herd is still receiving some partial mixed ration with 4 kg DM of corn silage, 1.5 kg

of cereal hay and 1 kg of canola meal and the dairy is providing 8 kgs of wheat based concentrate. Milk income is currently at \$12.88 per cow and \$38.02 per hectare and the margin over feed costs is \$8.00 per cow and \$23.60 per hectare.

Dan and Bec's direction for next year will be to continue on growing the margin over feed costs improving their capacity to continue improving the farm and to manage debt. Running a high stocking rate continues to bring with it risk and constant focus on risk management will remain important. They look forward to sharing ideas with the support group farmers and service providers, and challenging those ideas with some hard figures to see what options are likely to give them the greatest return. Dan said he wants to increase their accountants' involvement and concentrate more on analysing the farms margins over costs with a view to tightening the understanding of the financial outcomes of the farm.

It has been a great learning process so far for the Cochrane Focus Farm project and many thanks need to go to all the support group members and to Roxanne Cooley and Greg Duncan from Dairy NSW and Dairy Australia. We all look forward to what 2015 has in store!

Natasha Lees, Focus Farm Facilitator



Participants enjoying lunch at the first Cochrane Focus Farm Open Day



Dan Cochrane discussing the forage planning on the farm walk at the November Open Day.