

Sam & Rachel Graham, Numbaa Dairy Farmers

## Red Cows - A Competitive Edge



Sam Graham, with his wife Rachel and three children Travis, 10, Adele, 8, and Toby, 4, operate a 400-cow herd at Numbaa on the New South Wales South Coast.



## Background

A trained physiotherapist, Sam returned to the farm twelve years ago to operate the business alongside his parents, Ron and Brenda, who are first generation dairy farmers.

**“Twelve years ago I became involved in the business. We sold the farm I grew up on and purchased another 6 kms away, we walked the cows to the new property. I was working two jobs at the time and then I moved back into full-time dairy farming eight years ago, when I took over managing the business with mum and dad,” Sam said.**

## Developing a new dairy and the herd

The new farm required several improvements. The Grahams updated the original 10-aside swing-over to a 20-aside double-up herringbone. They also built a new calf shed and expanded the feed pad.

**“There was quite a bit of infrastructure needed, but I liked the challenge of running my own business, the chance to expand and I enjoyed being involved in management.”**

Financially, buying the new property meant that the Grahams needed to grow the business and increase their herd size. Sam was not able to purchase the original dairy owner’s 170-cows with the new property; so, instead he expanded his herd using Australian Red Dairy breed genetics to increase profitability and give the business a competitive edge.

**“Dad began with a herd of 100 Illawarras on our original farm; but during the 1980’s, we changed to the Australian Red because we wanted diverse genetics, high production with an above average fat and protein component, high fertility rates, a low cell count and good feet and legs – so the cows can produce to their top potential.”**

With year round calving, fertility is vital to Sam’s operation: **“Our strong point is breeding high quality fertile cows,”** he said.

The Grahams have diversified into breeding a few bulls each year for artificial insemination. Sam believes investing in a breed that is suited to their specific farming system has been a vital decision in driving forward the farm’s profitability and production.

**“The advantage of the Australian Reds is that they have the highest fertility rating of all the breeds. They are more likely to go back into calf – giving us more peak production periods, more replacement heifers and a commercial edge. For us, it’s about having highly profitable cows to suit our system: we’re trying to have a medium-input, low maintenance and low stress cow.”**

Sam appreciates that building and maintaining a successful dairy has challenges.

**“I’ve made plenty of mistakes along the way. Dad has helped and guided me, but he has also allowed me to make mistakes and learn for myself.”**

## Milk quality

Changing breed has paid off with the Grahams winning the Dairy Farmers Australian Milk Quality State Award for three consecutive years. In 2015 they took home the main prize – the national award.

**“The Awards are based on low cell and plate counts, so cleanliness of the plant, regular servicing of the machinery, and regular refrigeration maintenance is important. The vet visits once a month to do pregnancy tests and we have protocols on the treatment of the cows such as monitoring the duration of treatments and keeping the treated cows’ milk out of the vat.”**

The Award is also based on the amount of milk produced. The Grahams produce over 3 million litres per year. High fat and protein is also rewarded, which comes down to the breed of cows.

## Feedbase

Over ten years, Sam has expanded the operation. The milking farm is 140 hectares and five years ago he purchased an extra 90-hectare runoff block for their younger stock.

The farm is predominately grass based (Kikuyu) which is over-sown with rye grass in autumn. In the dairy they crack their own barley, which is fed with canola. However the farm is flood prone, so the Grahams lease an additional 40 hectares for incalf heifers and a corn crop. This enables them to balance feed shortages with homemade silage.

## Soil and dairy waste management

Sam has soil tested every few years. Twelve months ago he attended [the Dairy Australia Fert\\$mart](#) program to learn about nutrient management guidelines, the efficiency and profitability of fertiliser use and soil health improvement.

Effluent from the feed pad is distributed to a selected paddock once a week. The Grahams also utilise free irrigation water through their local Council’s Recycle Effluent Management Scheme.

## Benchmarking and record keeping

Benchmarking and planning is vital for the business. Sam meets with an accountant every three months to budget.

**“It’s important to recognise your strengths and get the right advisors for your weaknesses. For example, finance is not my strong point, so I meet with an accountant every three months to budget and I’ve also just enrolled into the [Dairy Base](#) and [Taking Stock](#) program – more tools I can use for the business.”**

The Grahams also use the Easy Dairy Herd Management program and keeps detailed records to evaluate performance across the business.

**“Easy Dairy, amongst other things, helps us to benchmark the cow’s production. We also have a nutritionist who visits twice a year to look at our feedbase and production. Because genetics are important to us, we use the [Australian Breeding Values](#) to benchmark against other herd averages and we also use the Genetic Progress Reports to rectify any concerning trends in our genetics.”**

To make business decisions, Sam keeps informed on industry trends. He leads a local discussion group and he attends field days, reads industry magazines and publications and researches online.

## **Managing Staff**

With the expansion of the operation, the Grahams now employ two fulltime staff and two casual milkers. Initially, managing staff was new to Sam, but he approached management from the perspective of being an employee. He considered what an employee wants in a good employer and then made sure to provide a workplace with fair work hours and open communication. He works alongside his employees – both giving and receiving feedback.

**“I milk every morning with the staff. I find the herringbone quite social because you can have a meeting while you’re milking. One fulltime employee has been with us for ten years, which is a nice achievement. In the last few years we’ve expanded and now employ a second fulltime staff member who is considering farm ownership. Hopefully we can help him along that path.”**