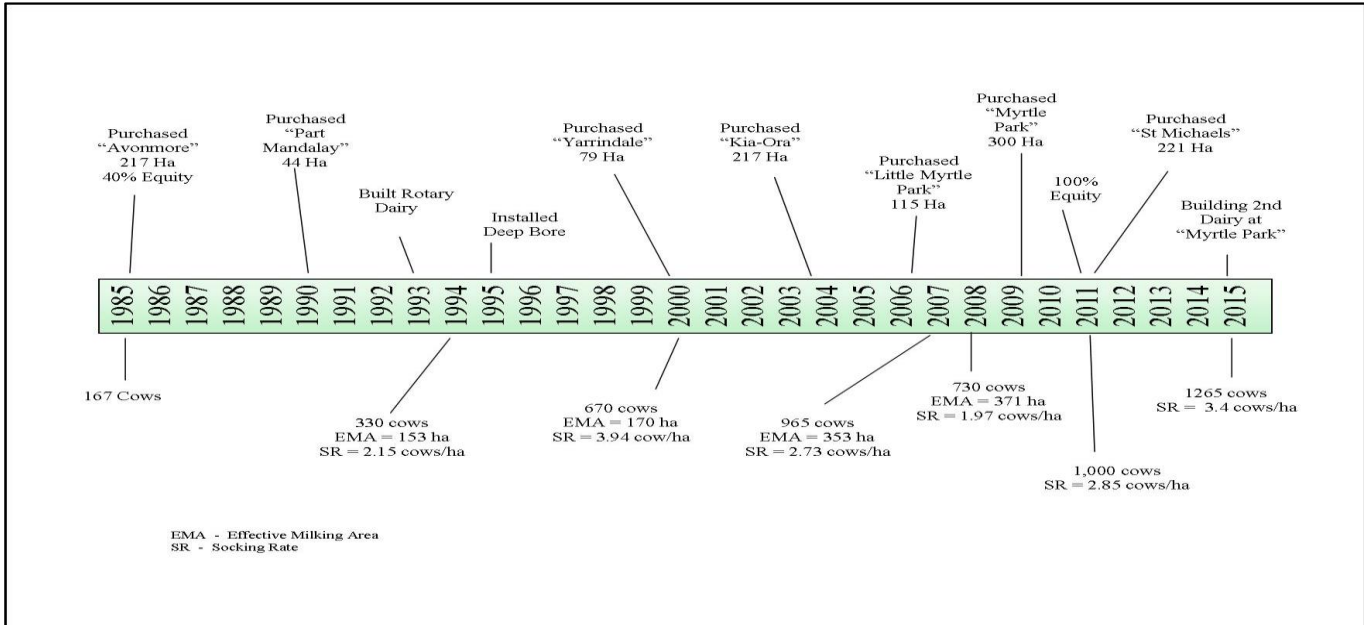


# Project 20:20 – On-farm field walk

*Kydd Family Company - Neville, Ruth, Daniel and Steven Kydd*



## Physical Characteristics Farm Size:

- 510 Hectares in Dairy farm of which 430 Ha can be irrigated
- 44 Hectare irrigated block 20 kms away
- Myrtle Park 417 Ha grazing/silage property 8 kms away
- St Michaels 221 Ha grazing/silage/development property 10kms (adjoins Myrtle Park)

## Water Right:

- 1696 Megalitre Entitlements across all properties ( We regularly use over 5000 Megalitres)
- Spearpoint used for stock and dairy
- Deep bore 217 Megalitres

## Dairy:

- 50 Unit rotary built in 1993, 40,600lt Crown Milk Vat

## Employment:

- The farm is operated by the equivalent of 9 full time people.

## Cow Numbers:

- 1125 Crossbred Cows milking now
  - 480 Heifers
  - 450 Yearlings
  - 65 Bulls

## Production 2015/16:

Litres	7,067,956	
Butterfat	347,240	4.91%
Protien	275,054	3.90%
MS/Cow	497kg	

**Calving Pattern:** Seasonal calving - June and July

- Synchronise heifers to calve 2 weeks before cows.
- Milkers given PG injection 3 weeks prior to start of mating then inseminated on heat detection with the aid of Bulling Beacons and tail paint. Then given PG after 7 days of AI. Inseminated for 14 days and submitted 954 cows (82%) then bulls went in. Much lower submission rate this year but decided not to continue AI, the bulls will find the cows better than we can if they are not showing strong heats due to sore feet and wet conditions.
- Usually 4 to 6 % empty.
- Usually 67 to 69% Conception rate to AI on Pregnancy Test

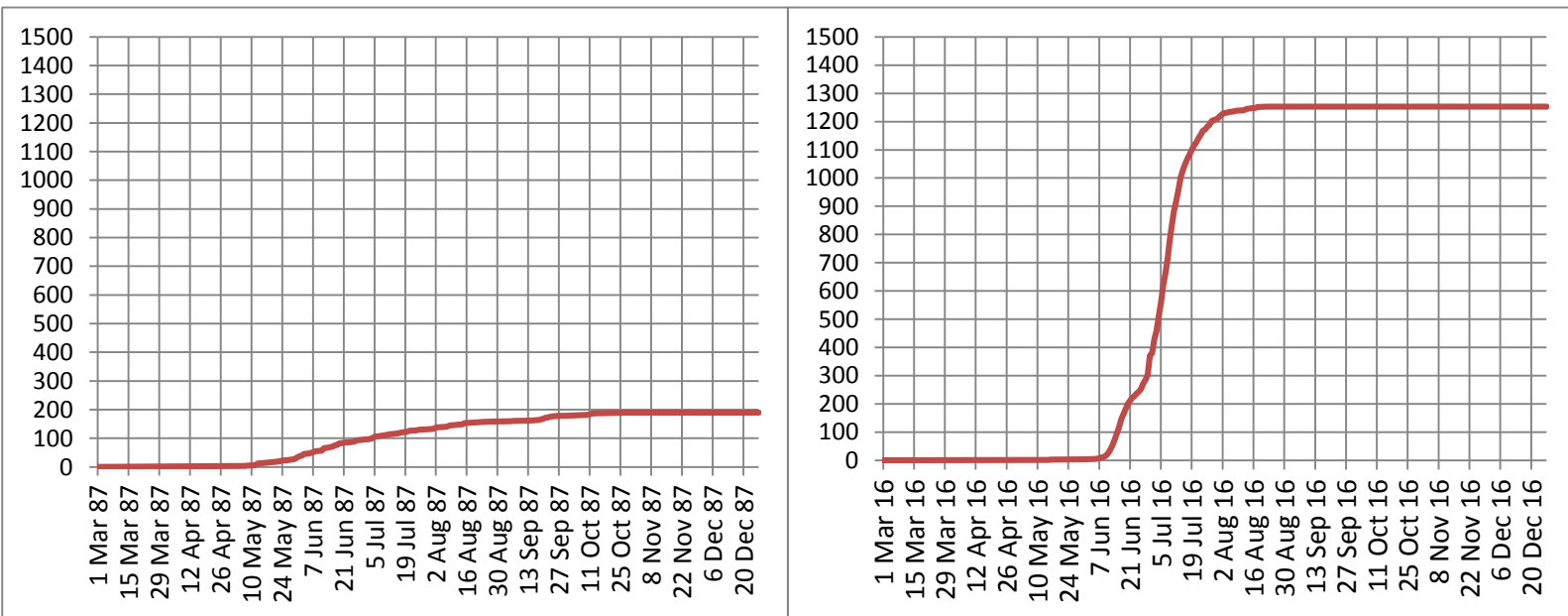
**Fodder:**

- 2062 ton Wheat Average cost \$318/ton about 1.6 t/cow
- About 8000 dry tonne in storage at start of season
- Water Allocation: 2015/16 23% Purchased 2945megs Temporary Water and 500 megs Bore water  
2016/17 100%

*Calving Pattern- Comparison from 1987 to last year*

1987

2016



## Our journey of growth - Neville and Ruth Kydd

***“It all depends on us – if we want to achieve something it’s up to us to make it happen, it won’t happen unless we make it happen.”***

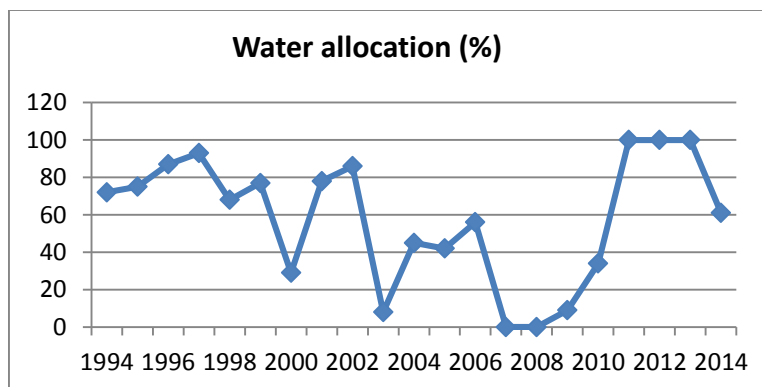
Neville started as an apprentice, moved into sharefarming before buying our farm. I was nursing and milking cows on days off. We couldn’t afford to buy in Gippsland so we moved away from our family to somewhere we could ‘nearly afford’. We purchased a rundown irrigation farm at Finley in 1985 with 40% equity. We could see that the farm had potential to allow us to grow the business. We dreamed of milking 250 cows doing 250 kgs of fat/cow.

Since then we have grown to 1260 cows doing about 500kgs solids/cow and 7 million litres/yr in a pastured based system with 1.3t grain fed per cow. Production per cow is not high but our aim is to make an overall profit; to maximising the difference between milk price and expenditure without compromising our long term sustainability. Managing pasture is the key to our system.

We run a seasonal calving, three-way crossbred herd which cope well with the distances they have to walk and are a hardy and economical cow for our farm, not too heavy on the clay based soils, low cell counts, high fertility and generally “tough”. We have bred for high fertility, easy calving, low cell counts, easy milking and good temperament. Breed is not important to us. Maintaining premium quality milk throughout the year is critical. The three-way crossing gives us the benefit of the highbred vigour and a simple breeding system.

Over the years through the benefits of the challenges that life imposes on us like droughts, floods, interest rates and changing government policy we have learnt to be prepared and to be flexible. We like to keep at least 12 months-worth of silage stored on the farm so that we don’t have to purchase feed at high prices. We know storing silage is expensive

but it gives us the confidence to plan ahead and removes the risk of having to purchase feed when it is simply not profitable. With an average of 425mm rainfall we are heavily dependent on our irrigation scheme as part of our feed cost. Our allocation is decided on an annual basis and if it doesn’t rain in the mountains we don’t have water. The graph shows our historical water allocations over the past 20 years. We need to be flexible to manage such a volatile commodity.



We are not particular about how many cows we milk. If the sums don’t add up we will sell cows or choose to take a production cut to achieve long term viability. Having a high fertility rate allows us to rebuild numbers quickly when seasons permit it.



We have been completing a comprehensive annual analysis since 1994 so we can compare our performance from year to year and to monitor for any trends that might be creeping up on us. Brian Crockart analysed our data for a project for the Future Ready Farms project and Peter Havrlant has updated the info for the last few years.

Our two sons work in the business with us and we employ another 3 full time staff and 2 part timers. We use contractors for silage making, some fertiliser applications, weed spraying, land forming etc. The staff are mostly back packers or agriculture trainees wanting to gain experience. We try and fit the job to the person. Steven is a mechanic so he does all the mechanical work on the farm and a lot of the tractor work, Daniel is really good with the cows and pasture management. The staff start with milking and are then given more responsibility as they prove their interest and skills. We encourage them to do any training they want and we attend most industry initiatives in our region.

In 1996 we did an Australian Institute of Management Course. This gave us a better view of our business and taught us that if we want something to happen we have to make it happen. If we want to be profitable it's up to us to make it happen. We have to learn the skills, do the research and analyse the figures on every part of our business to make it profitable. We do lots of mini budgets to analysis the cost/benefit of each decision, full budgets on big decisions and annual analysis. The benchmarking gives us a good comparison of how we are going compared to ourselves but it is retrospective; budgets are used for looking forward.

We are in the process of building a new dairy on the Myrtle Park property. We are concerned that the stocking rate is getting too high on the dairy farm and that it is putting too much pressure on the cowshed, laneways, cows and staff. It makes us vulnerable. Also to get a good return on the money we have invested in developing the property, we need to get a better return than just grazing and fodder production. We are hoping to build an economical dairy which will pay for itself in 5 years. With the insecurity in the water market we need to make sure we don't over capitalise our investment and ensure that we have options if we can't secure enough water to run the farm as a dairy farm.

Building relationships with our suppliers and other dairy farmers is critical to our business. Their support, understanding and commitment to our business helps us to be successful and in turn we hope that they will be successful. We also have many dynamic dairy farmers in the area that support each other, all operating different businesses but sharing knowledge for the betterment of the industry.

Living at Finley has many challenges but it has allowed us to grow our business so we can have our sons and their families work with us on the farm and to live the lifestyle we choose.