

You've goat this – fill out your
M&E form!

Afternoon tea

25 minutes

Integrity Systems program updates

Demelsa Lollback

Integrity Systems Company

Virtual farm tour – AgTech in action: a journey to enhance productivity

Kent Rochester

K & M Farming

A late break - the risks and rewards



John Francis

Agrista

Today is a seed tomorrow the learning starts





MR SAM SAMPLE
10 SAMPLE ST
SAMPLETOWN VIC 3000

ELECTRICITY BILL SUMMARY

Supply address	10 SAMPLE ST SAMPLETOWN VIC 3000
Bill period	14 Jul 15 - 14 Oct 15
Issue date	16 Oct 15
Meter read	Actual
Your NMI (National Meter Identifier)	30000000000

Previous Activity	
Opening balance	\$573.44
Payments received - thank you	\$573.44 CR
Balance carried forward	\$0.00
Your New Charges	
Other charges & adjustments	\$15.44
Total electricity charges (incl. discounts and rebates)	\$309.65
Total amount due	\$325.09

Incl. net GST charges of \$28.46

*Payments received after the due date may incur a fee of \$12.00

Tax Invoice: **99999999999**

 Enquiries & moving address (7AM - 8PM Local Time Mon - Fri) (9AM - 5PM Local Time Saturday)	13 24 61
 Faults or emergencies, call ActewAGL (24hrs)	13 10 93
 How to pay your account	see reverse for payment options

Account No: **900 000 000 000**

Total Amount Due: **\$325.09**

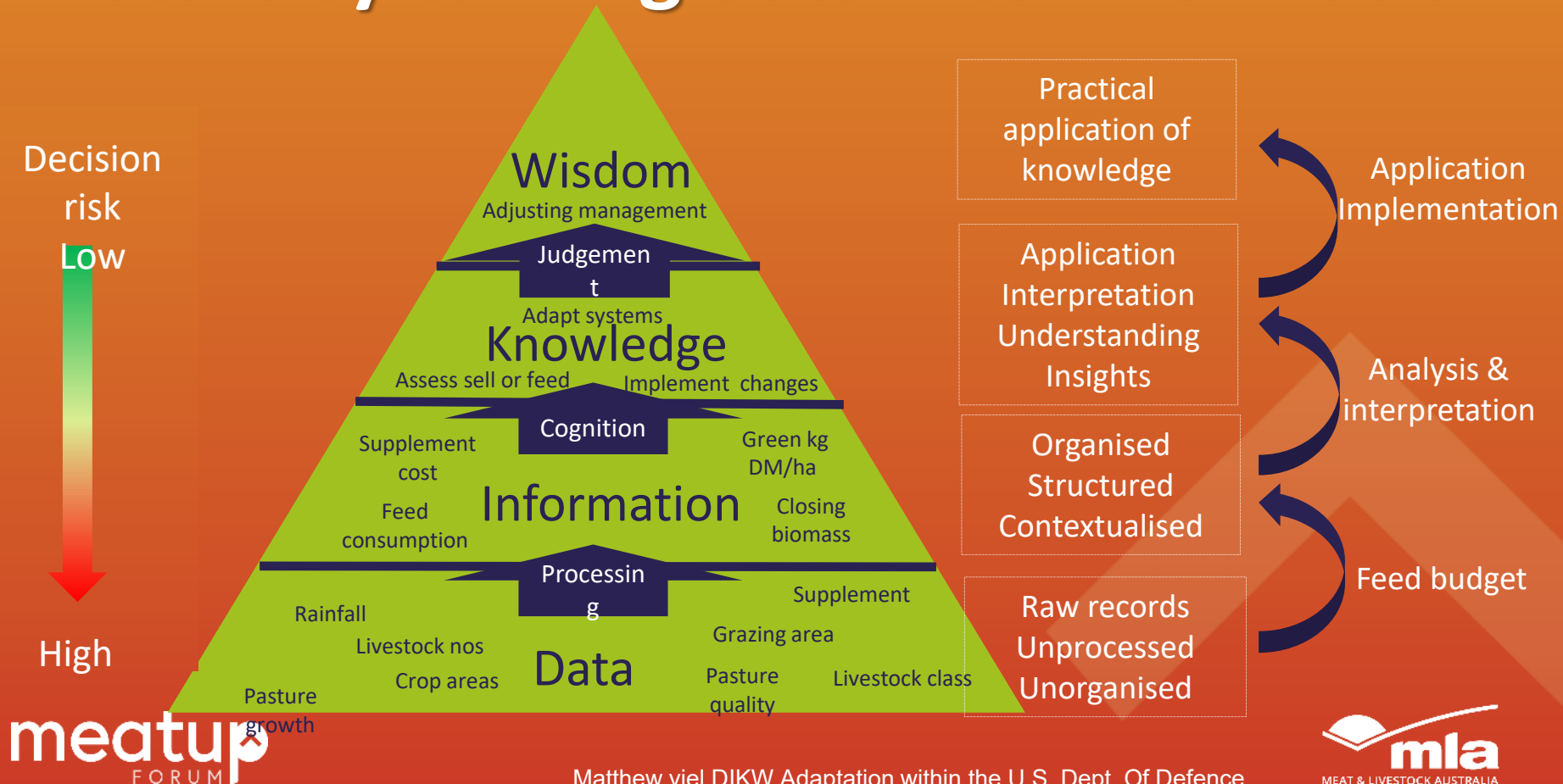
Due Date^a: **05 Nov 15**

Your Current Agreement:
Origin Standing

Your Average Daily Usage
& Indicative Greenhouse Gas Emissions

kWh	Tonnes

Start by turning data into information



Matthew.viel DIKW Adaptation within the U.S. Dept. Of Defence
<https://creativecommons.org/licenses/by-sa/4.0/deed.en>

The feed budget - from data to wisdom



Opening
pasture
inventory

+



Pasture
growth

-



Pasture
consumed

-



Pasture
wasted

=



Closing
pasture
inventory

Let's play a game – Choose
between:

A certain \$40

OR

You can flip a coin where:



Heads wins \$100



Tails wins \$0

Risk - effect of uncertainty on objectives



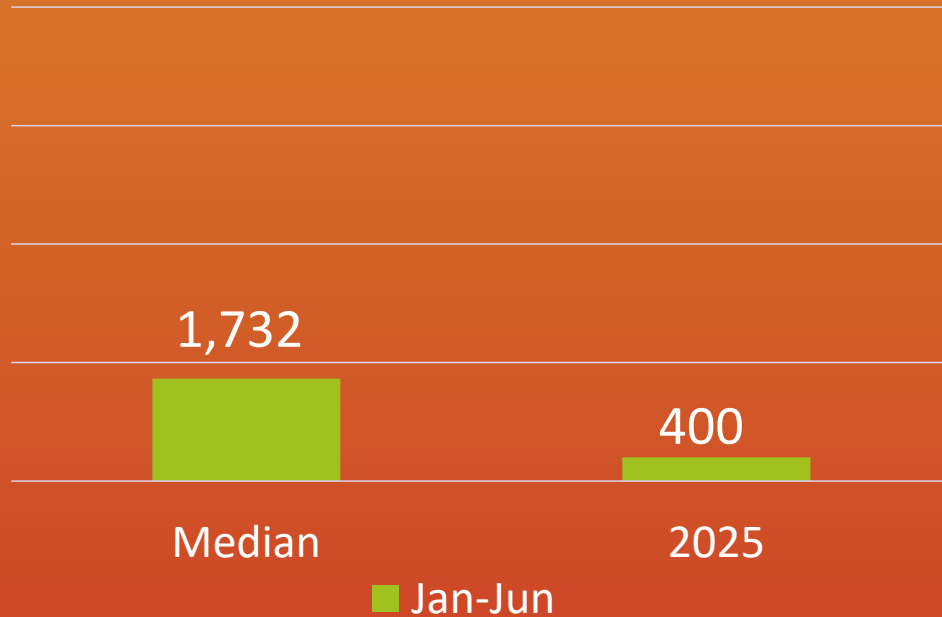
\$1 million



Loss aversion bias is one of the biggest risks in livestock businesses

Quantifying the situation

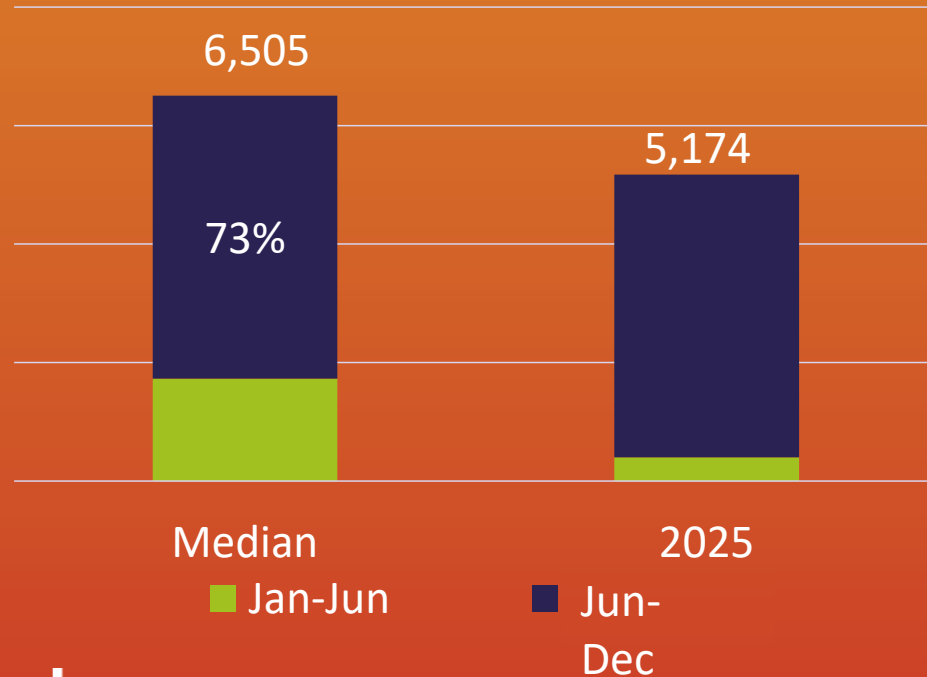
Wagga pasture growth (kg DM/ha/yr)



Certain: Jan-Jun (end May)
Shortfall 1,300 kg
DM/ha
27% DM produced

Quantifying the situation

Wagga pasture growth (kg DM/ha/yr)



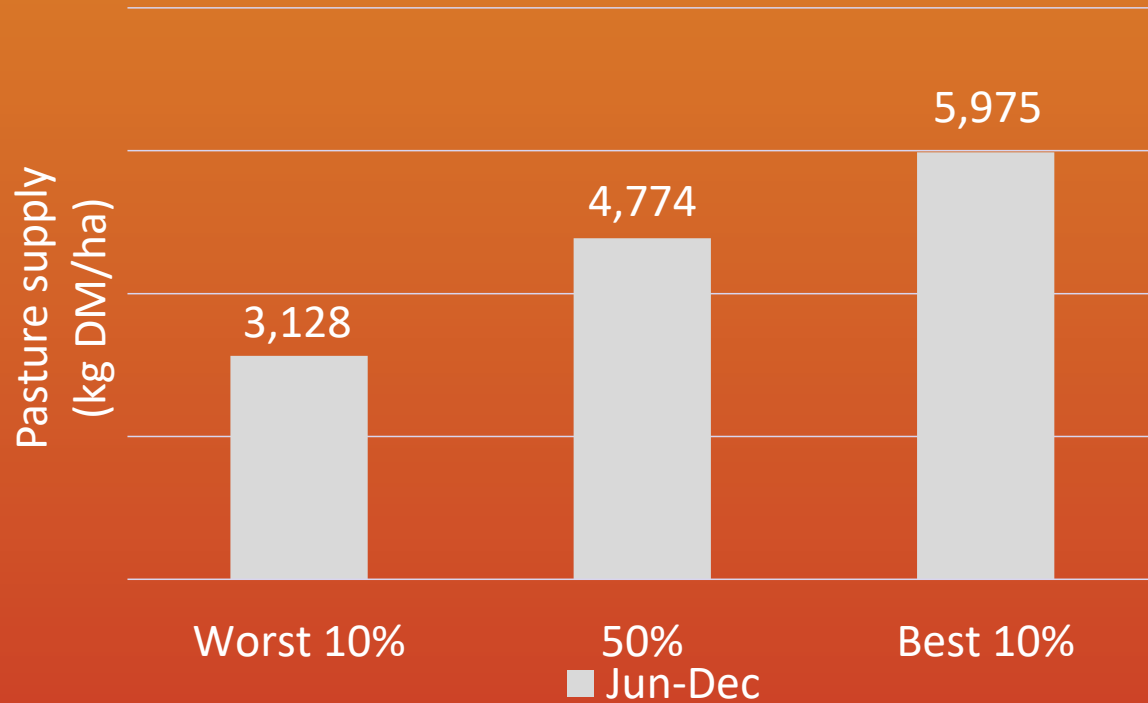
Uncertain: Jun-Dec
50% probability of
producing more than
4,774 kg DM/ha

The price of certainty

Sell early
secure
certainty

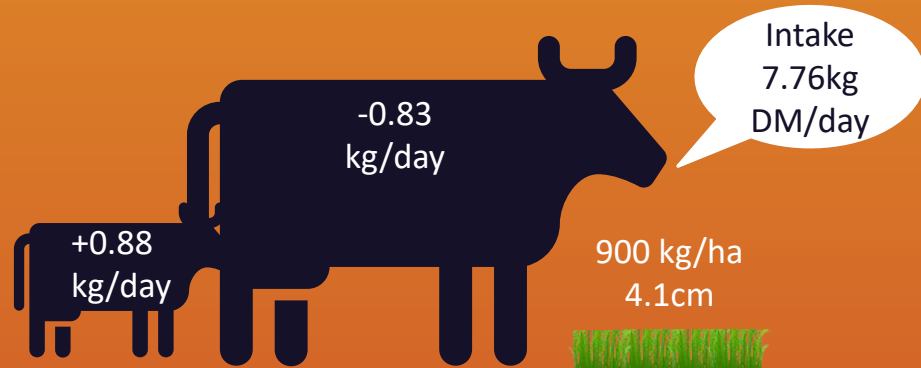
Retain & feed
Uncertain
future

What does the uncertain future look like?



The value of alternative feed supplements

eg Gibberellic acid



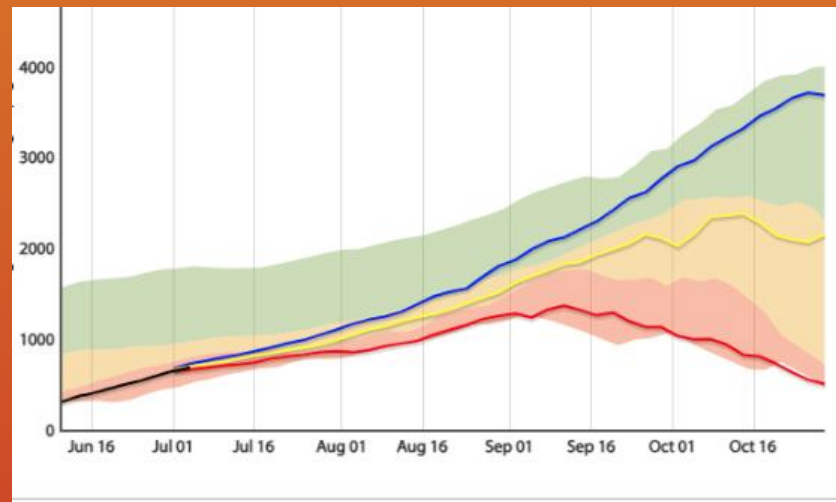
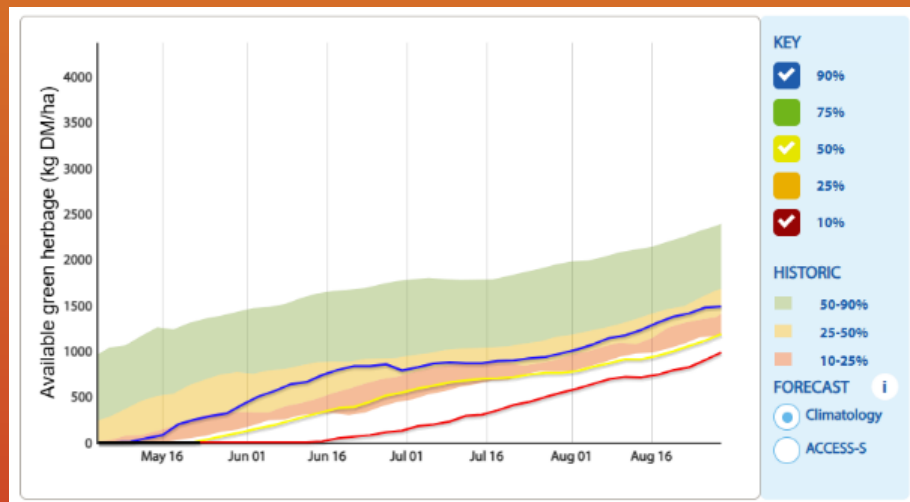
\$82/ha

@

15 DSE/ha

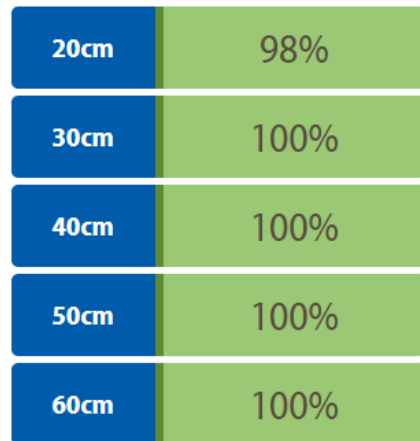


Things change – watch the indicators



Current - Borambola

Soil Moisture



Change

7 days ▲ 3%

30 days ▲ 5%

Rainfall

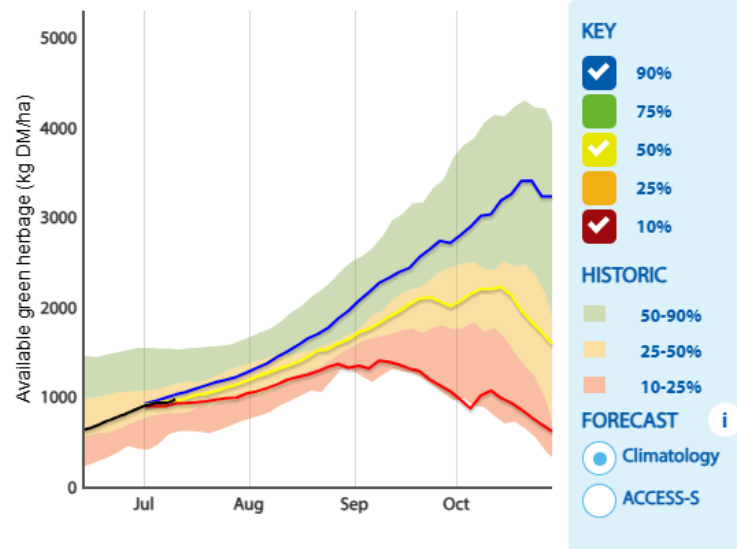
Since 9am
0mm

Yesterday
1mm

Soil Temperature

@ 20cm
9.3°C

Projected green herbage available relative to historic variation

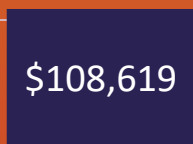


Current Growth (modelled) 14 kg/ha/day

Profits over 15,000 DSE

The downside

The upside



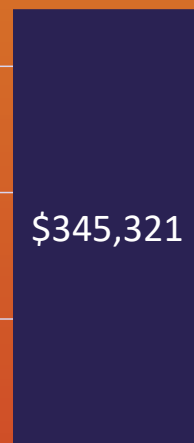
Worst 10%



Bad



Median



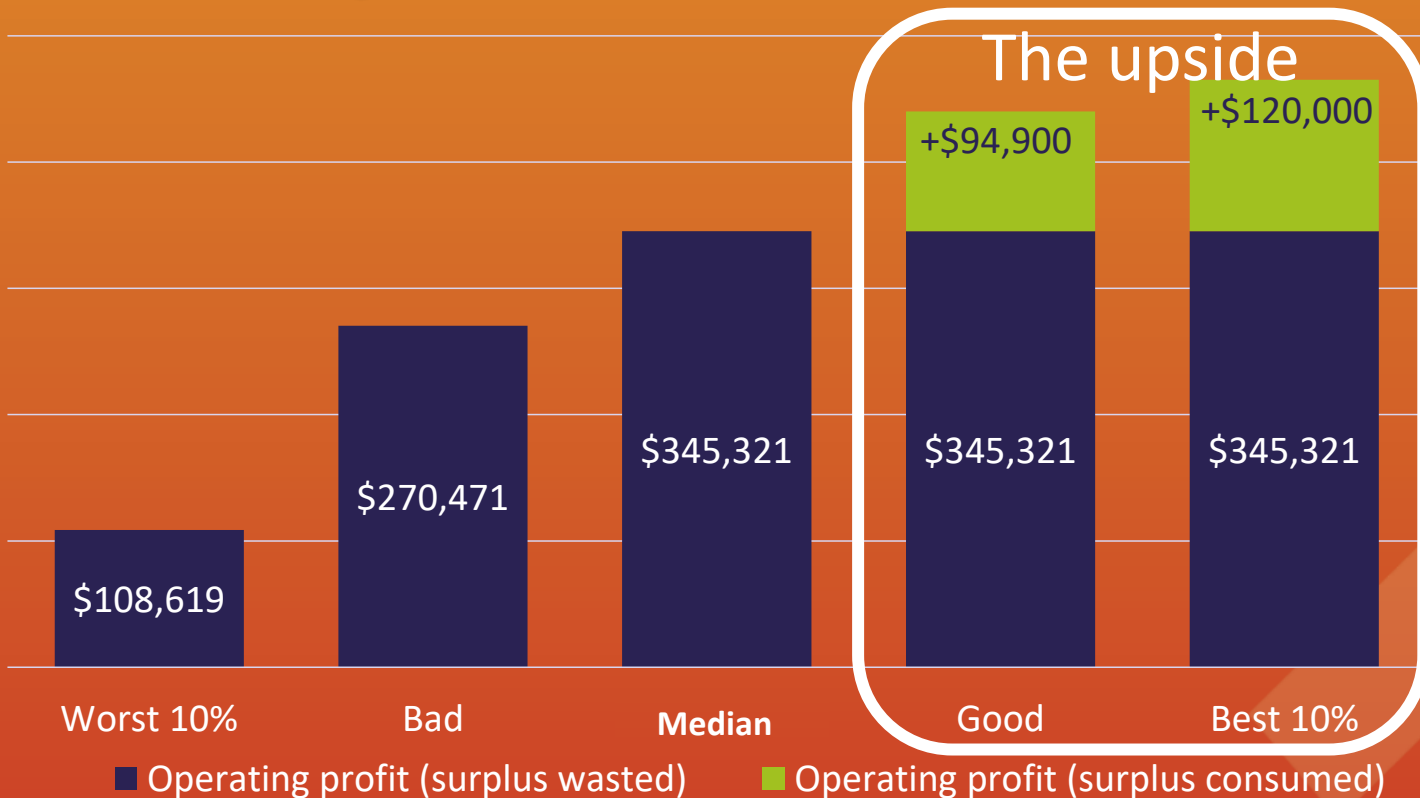
Good



Best 10%

■ Operating profit (surplus wasted)

Have you planned for the upside?



Profit
without
a dry
Autumn
\$665,000

Key messages



Start with the feed budget



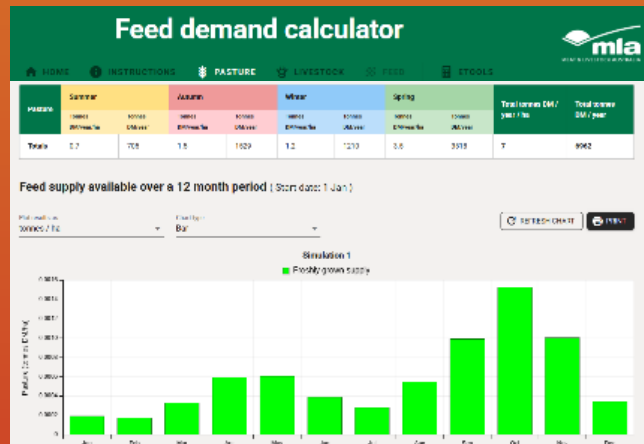
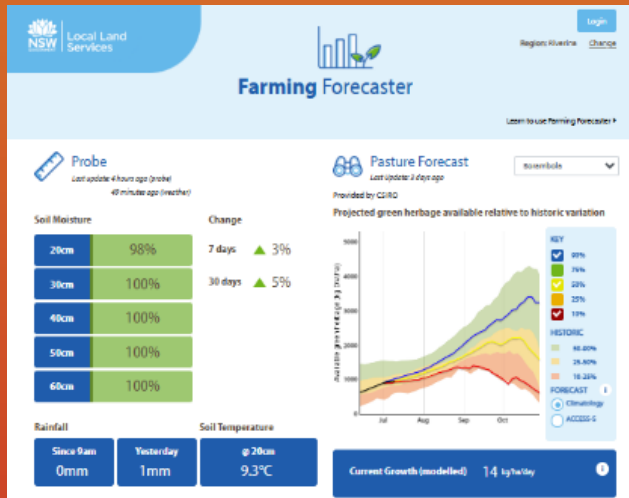
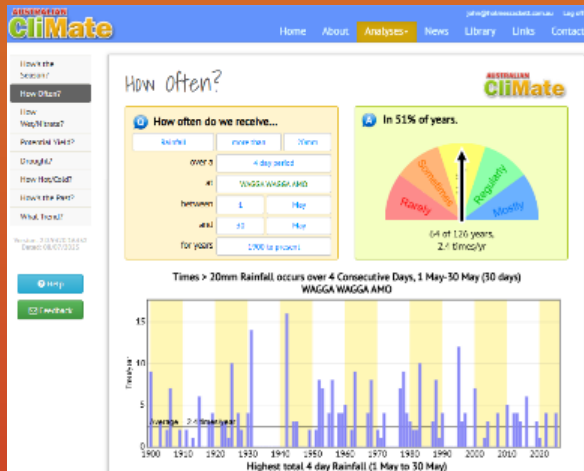
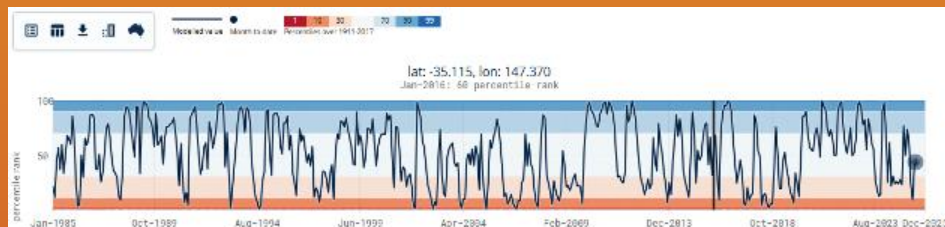
Watch the indicators



Are you overvaluing certainty?

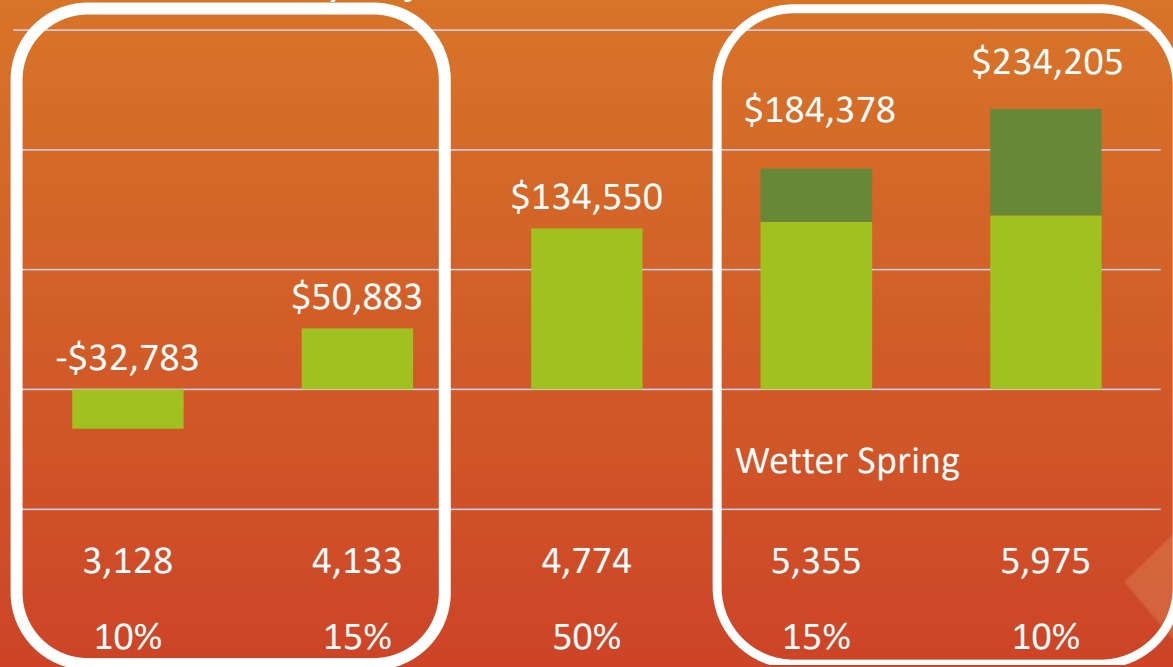


Tools to assist



How do I capture value?

Probability adjusted returns from retention



Expected value
of retention
\$123,000