

Managing volatility in your business

Planning ahead to cope with change is the key to success in a volatile market.

- Clear targets
- Clear route
- Monitor

Financial management is the combination of data, cash, procedures and systems

What is Financial Management?

Fuel in the car: Cashflow management

Satnav/GPS – Target setting and Risk aware planning and reporting

Spare wheel and a blanket: Risk Management

Passport, drivers licence and insurance – Compliance reporting

Rev counter – commercial decision making

Leading Questions

Pig Farmer - **R. Norton**

Briefly describe your system

Output is Vanity Why?

Cost of putting in place an extra sow

What systems do you use to monitor

“how often

do you have a long term plan

In a bad year how do you handle it

What are the big risks on your farm

Who helps you set target, plan and monitor

Dairy Farmers Eamonn and Darren Healy

Describe your current set up

Do you have a plan and what is it and why did you do it

What are the main risks for your farm

How do you monitor your performance and cash flow

What do you need to get right first

Debt and Drawings – what impact have these on your farm

Impact of milk price on your plan

Who helps you set target, plan and monitor

Volatility – A Pig Farmers Perspective!

By Richie Norton, Co Kilkenny.

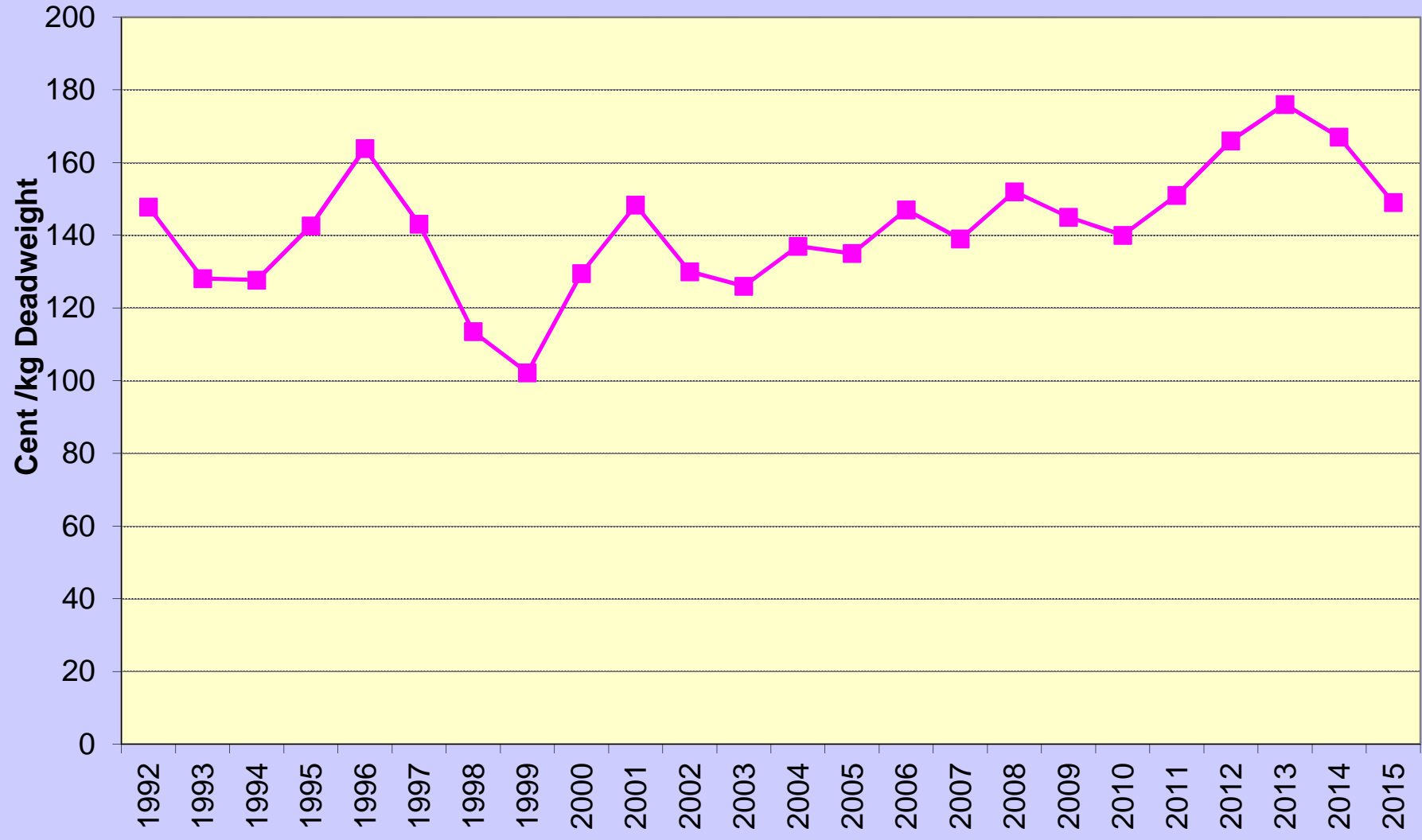
Pig Unit

- 750 Sows -rear pigs from birth to slaughter
- Sell pigs at 106kg liveweight

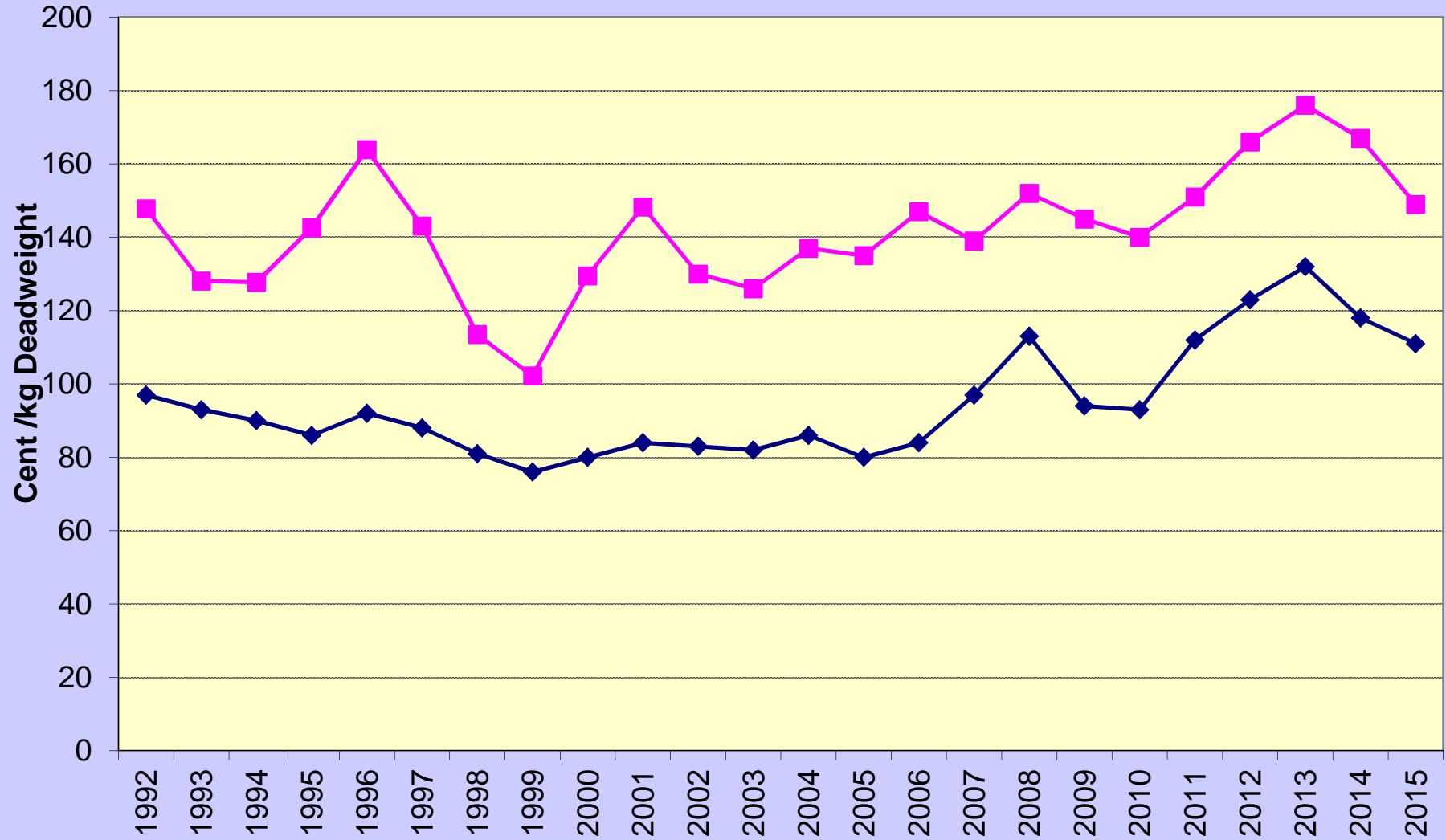
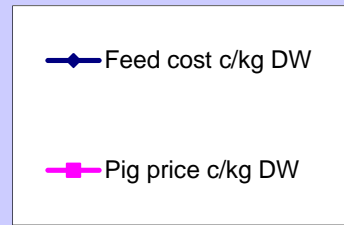


Margin over Feed Cost 1992-2015

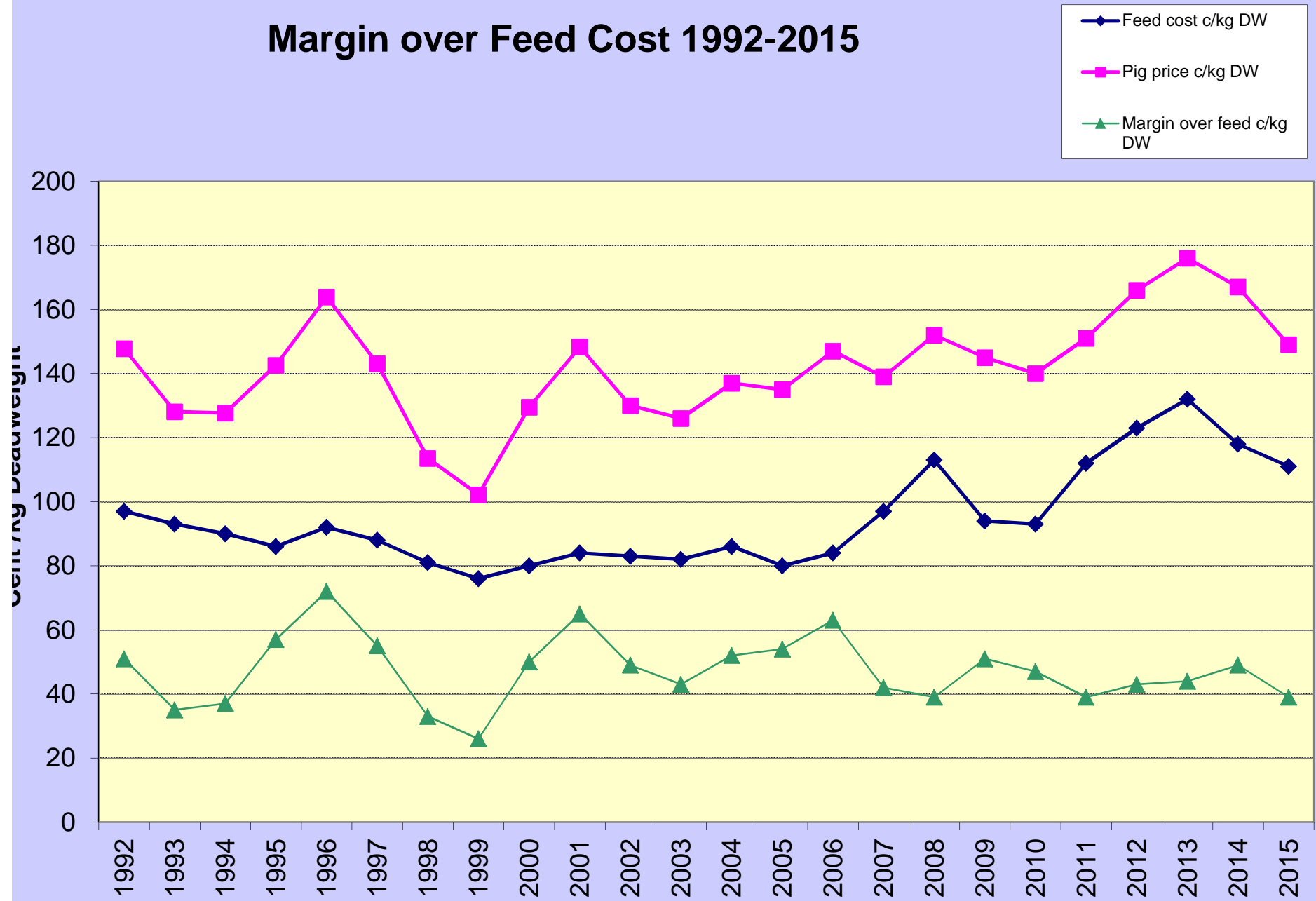
Pig price c/kg DW



Margin over Feed Cost 1992-2015



Margin over Feed Cost 1992-2015



Turnover is vanity, profit is sanity....



Pig Detailed Report



PIG RECORDING SYSTEM on e-PM Pig Detailed Integrated Herd Report

	31/12/2011	31/03/2012	30/06/2012	29/09/2012	21/12/2011	TARGETS
PERIOD FROM						
PERIOD TO						
NUMBER OF WEEKS		13.0	13.0	13.0	52.0	
Goal Setting						
KEY PERFORMANCE INDICATORS						
NO. PIGS PRODUCED / SOW / YEAR	26.6	26.4	25.4	26.2	26.1	26
P.G MEAT PER SOW PER YEAR Kg	1982	1939	1849	2042	1951	2202
TOTAL FEED PER SOW PER YEAR TONNES	6.85	6.81	6.82	7.43	6.91	8.1
STOCKS AND BALANCES						
TOTAL OPENING STOCKS	22165	22305	22676	22153	22165	
TOTAL CLOSING STOCKS	22305	22676	22153	22019	22019	
TOTAL BALANCE	0	0	0	5	5	
SOW BALANCE	0	0	0	5	5	
PIGLET BALANCE	0	0	0	0	0	
WEANER BALANCE	0	0	0	0	0	
FINISHER BALANCE	0	0	0	0	0	

Benchmarking: Irish Producers

2 GROWING PIG PERFORMANCE

	NATIONAL			MY HERD
	AVERAGE	Top 25%**	Top 10%**	
AVERAGE WEANING WEIGHT KG	7.0	6.8	6.9	7.7
AVERAGE FINISHER LIVEWEIGHT KG	102.9	101.0	102.2	103.5
AVERAGE DEADWEIGHT KG	78.4	77.0	78.0	78.5
KILL OUT %	76.1	76.2	76.3	76
WEANING TO SALE				
DAILY FEED INTAKE g	1,613	1,543	1,549	1806
AVERAGE DAILY GAIN g	660	667	681	684
FEED CONVERSION	2.45	2.31	2.28	2.64

Compare your herd against top 10%, top 25% of Irish farms quarterly

Benchmarking: European competitors

'Two From Seven'

	Denmark	Netherlands	Ireland
Pigmeat /Sow/Year (kg)	2,247	2,464	1,904
Feed / Sow / Year (T)	8.295	8.413	7.172
Feed Kg / Kg Carcass	3.69	3.41	3.77

**Target: 2000kgs of pigmeat + from 7000kgs meal
(composite feed)**