

# Managing Growth

Pete and Ann Morgan

Morlands farm





# Pokuru

- 320 cows to 660
- 120 ha to 245
- System 2

# Success = Goals

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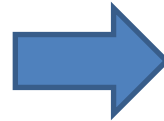
## Business

Policies = KPIs

KPIs = Lean

Lean = Profit

Profit = Debt reduction



## Personal

Income

Security

Family

Quality of life

Challenges





# Personal

- Family
- Community
- Environment
- Sport
- Interests



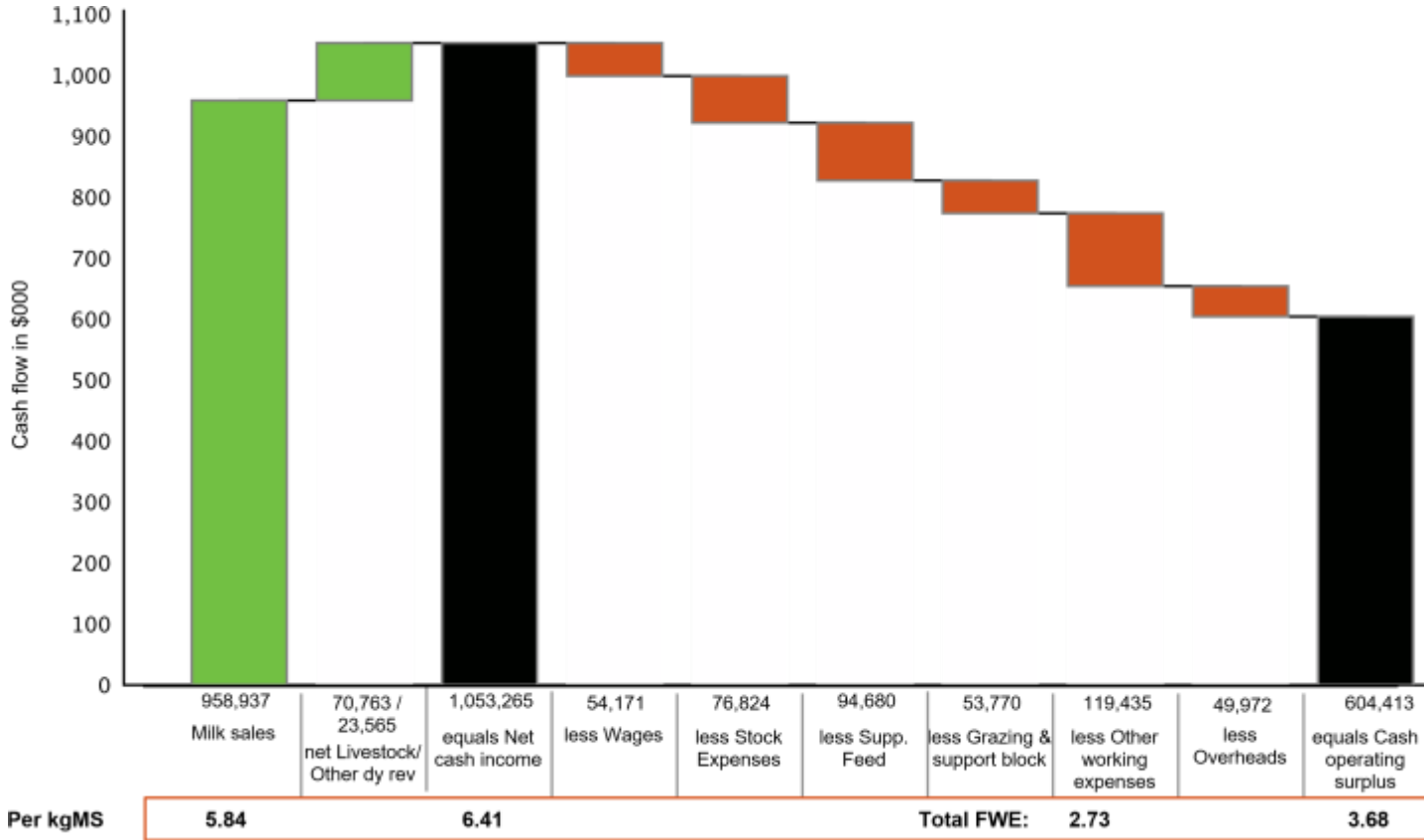


**Business Growth**



# Where did the cash go?

Income Farm - Working Expenses (FWE) = Cash Operating Surplus



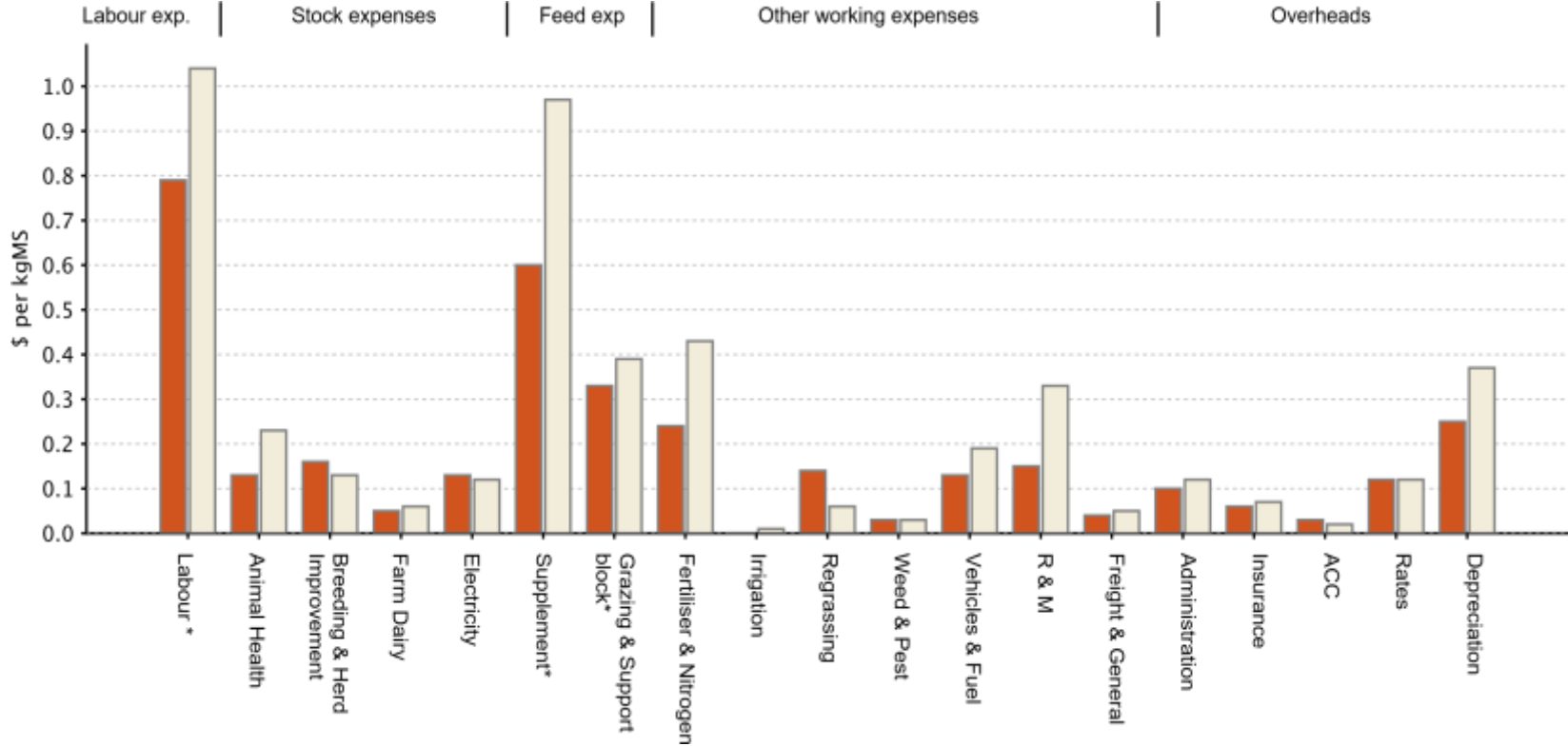
From your Cash Operating Surplus you need to cover interest & rent, tax, capital purchases, debt repayments and drawings



## Dairy Operating Expenses (\$ 2016/17 per kgMS)



■ Morlands Ltd
 ■ Benchmark




# KPIs and Drivers

- Operating Profit
- COP \$3.00/kgms
- Feed <\$0.25/kgdm
- Land and Environment
- Animals
  - » Production
  - » Reproduction
  - » Animal Health and Welfare







# Pasture First

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- How do we create a repeatable management system



How  
do we  
think  
about  
feed?

**Taranaki** *near Kaitake River, Taranaki*

**190,000kgMS "once a day"**

**Taranaki** *near Kaitake River, Taranaki*

**Exceptional co** *ur an*

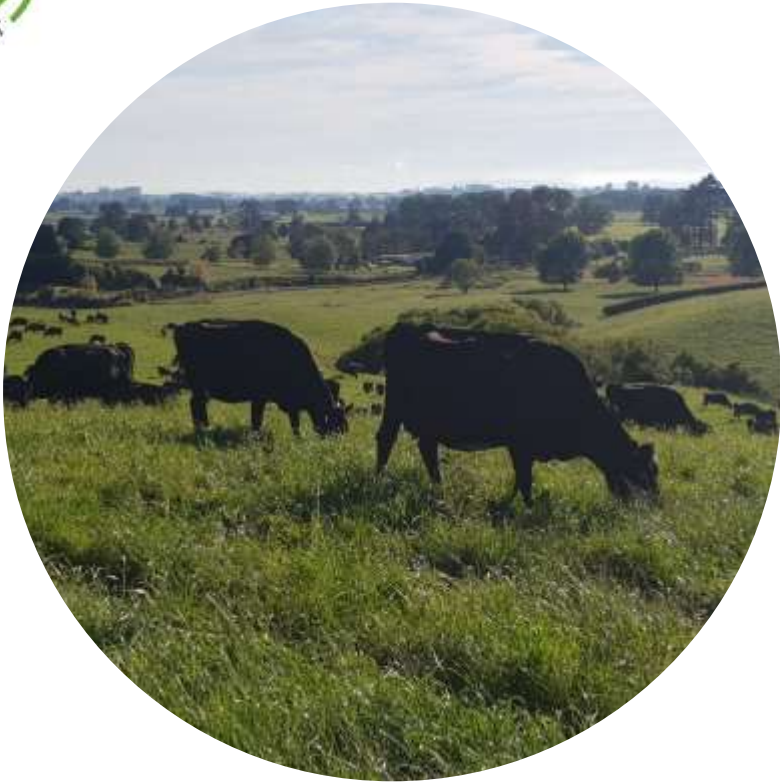
**180 ha**  
|  
**3 c/ha**

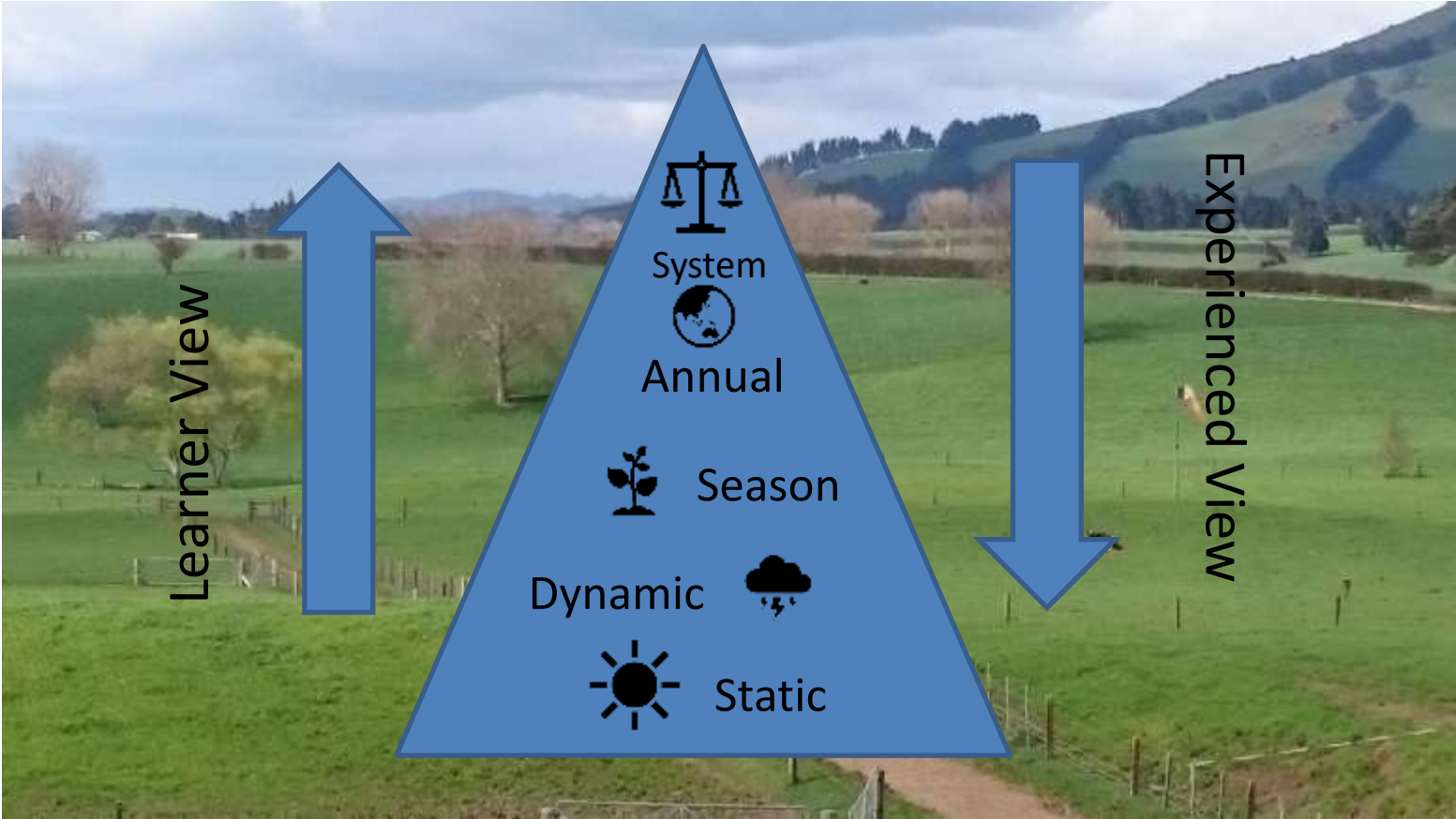
**\$5 an**  
**200,000 kg MS**  
↓  
**\$25/kg MS**

Sharpie

toywys.co.nz



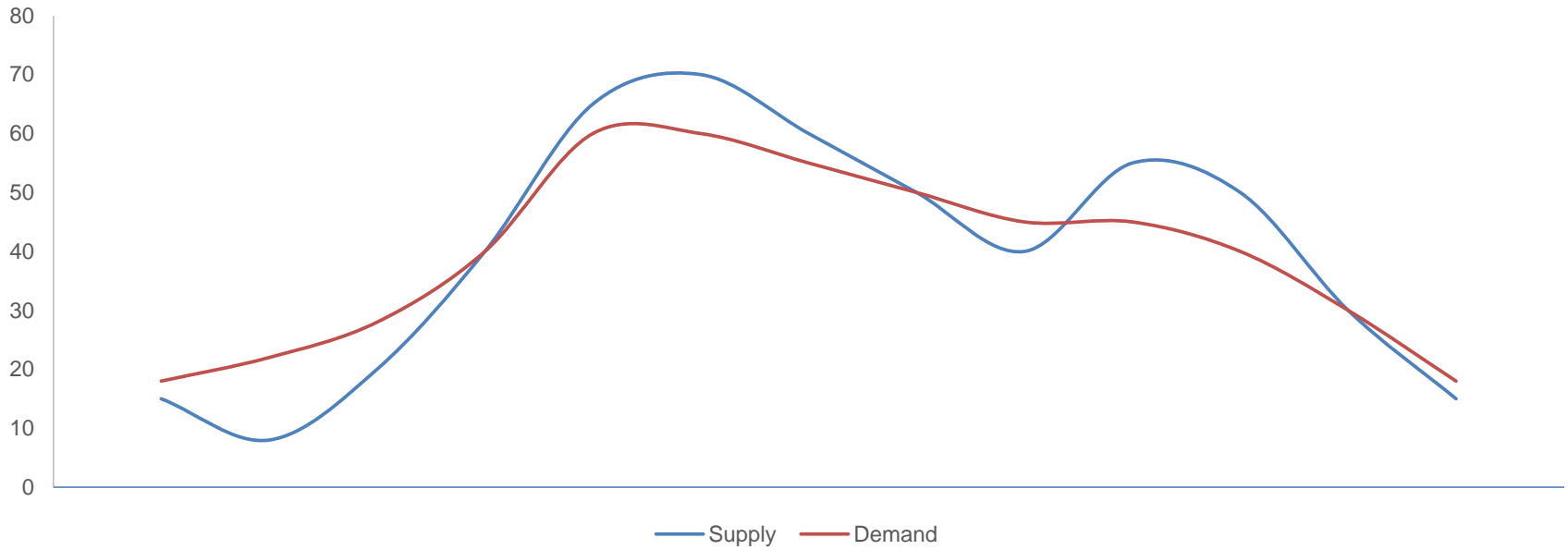






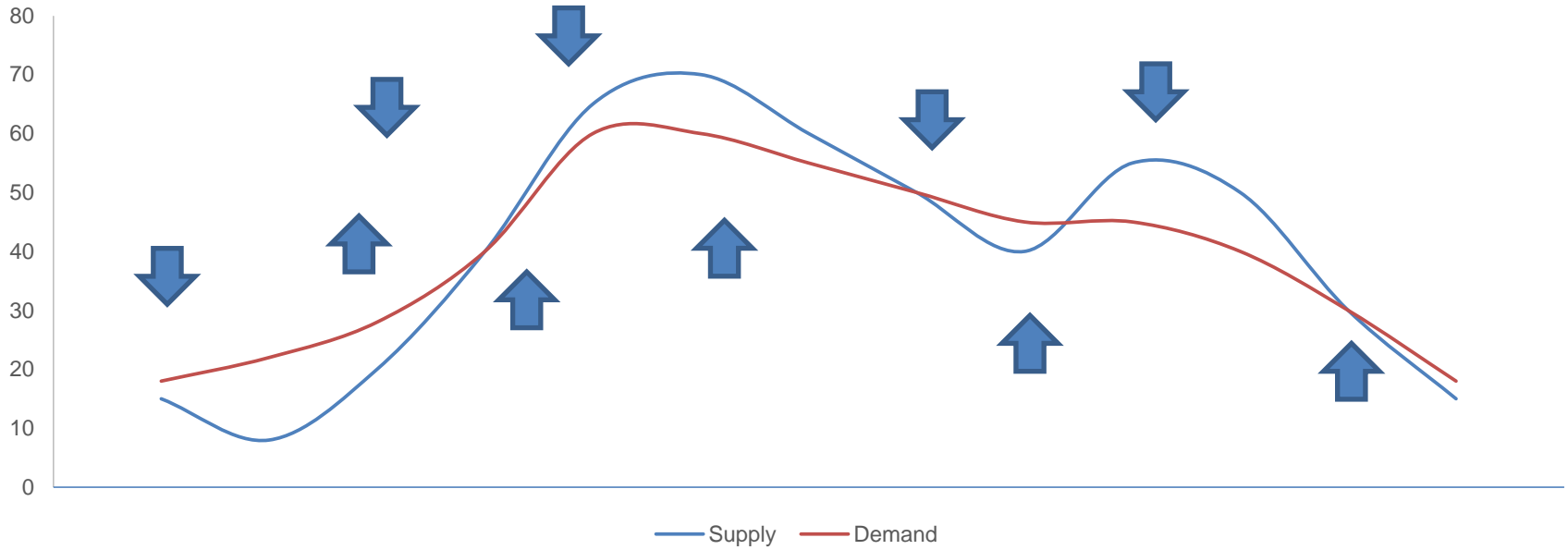


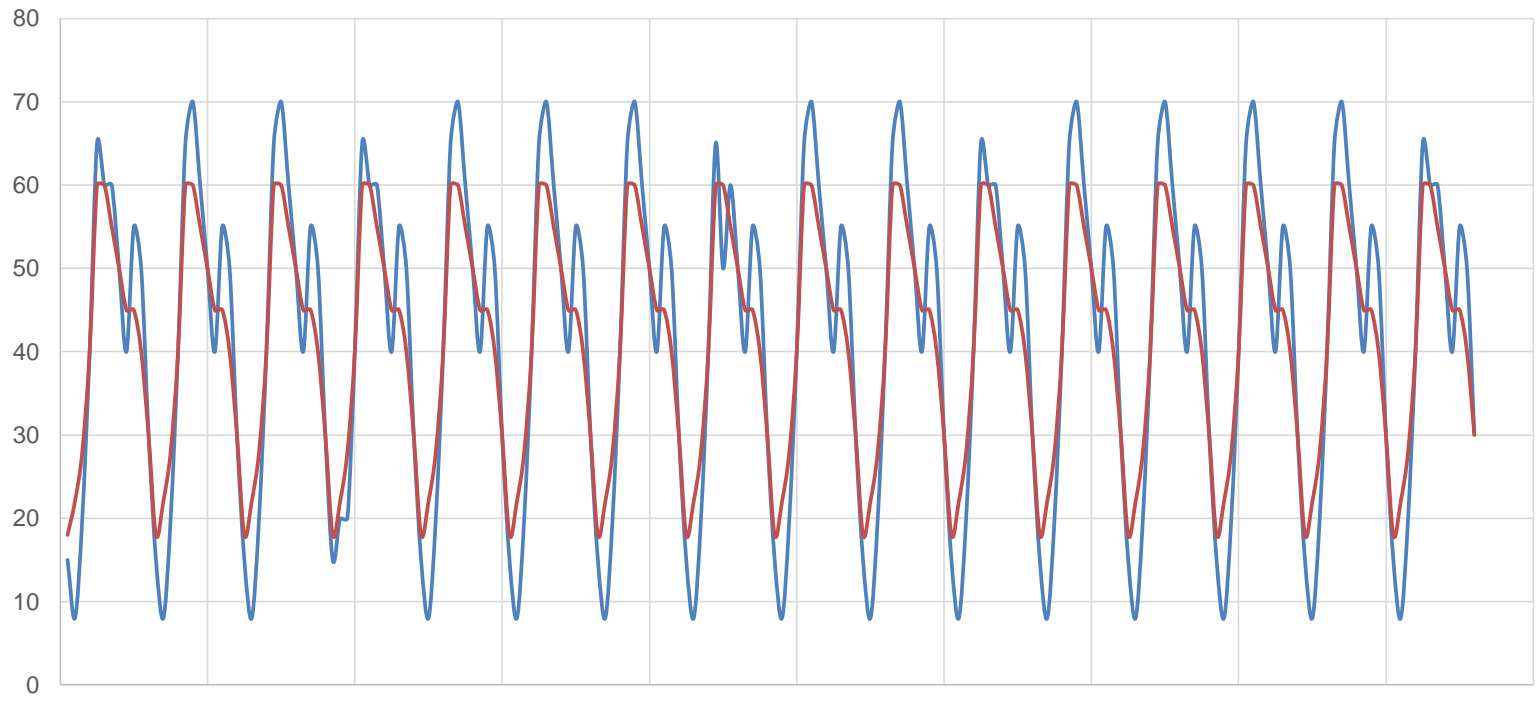
## Pasture Supply vs Demand



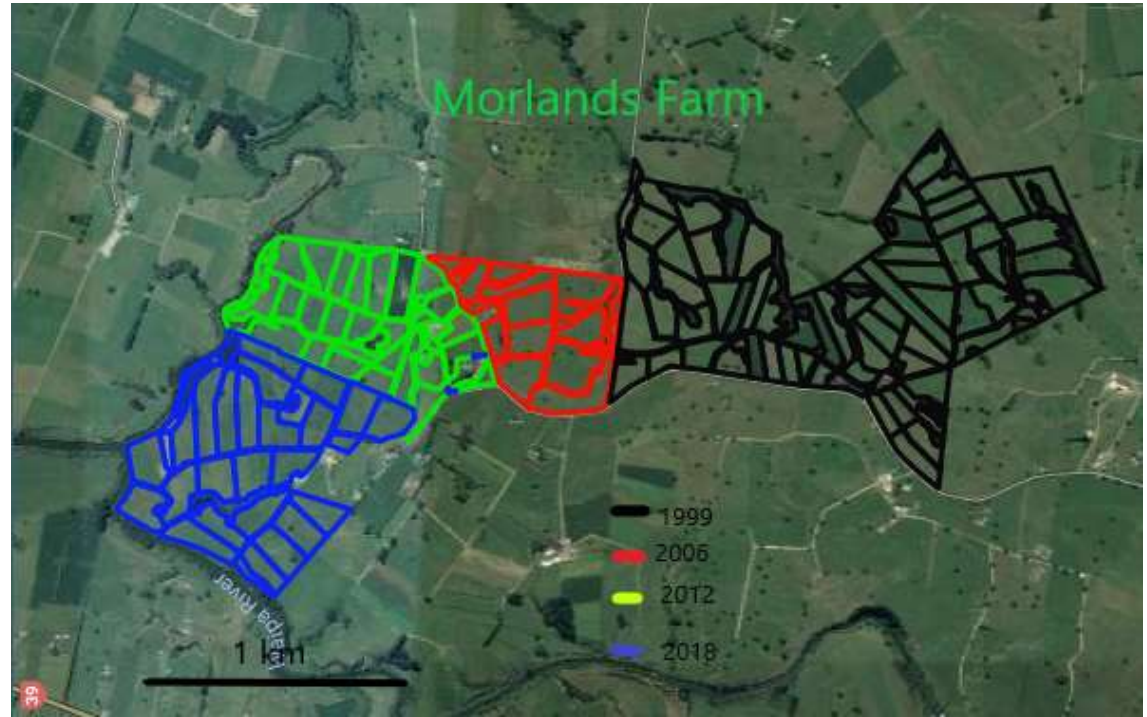


## Pasture Supply vs Demand





1999 to  
2018





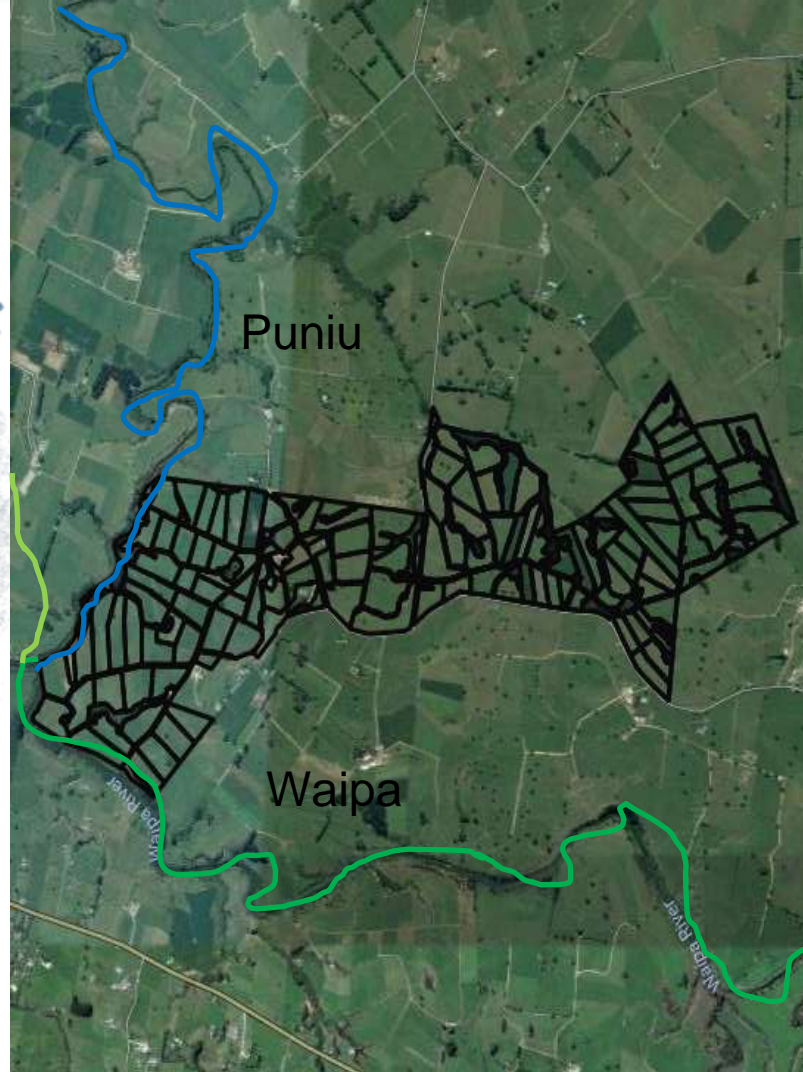


**Options**

Alpa River

# Rivers

- Puniu
- Waipa







## Riparian Management



# Equity Partnership

- Why we are farming?
- Complementary skills
- Agreed policies
- Regular robust reviews
- Team approach







# Equity Partnership

## Robust decision process

- Sound evidence
- Viable logistics
- Right direction



# Future

- Our changing roles
  - staff
  - progression
- Succession
- Technology





## Summary

From our experience

Know where we are going

Be as objective as possible but think broadly

Keep everyone connected to seasonal growth