

Dr Geoffrey Fordyce: Boosting Herd Profitability

Dr Geoffrey Fordyce, a leading expert in grazing management and fertility, has dedicated over 40 years to studying the northern Australian cattle industry. With a lifetime of research and hands-on experience in beef cattle systems, particularly in tropical environments, his work has focused on improving cattle reproduction and boosting the profitability of beef businesses. **Gulf Savannah NRM spoke with Dr Fordyce to get his top tips for producers.**

Are producers missing out on easy wins to improve profitability?

Practical change equals behaviour change, which is often a challenge. This means changes won't be easy, even if they're technically simple in principle.

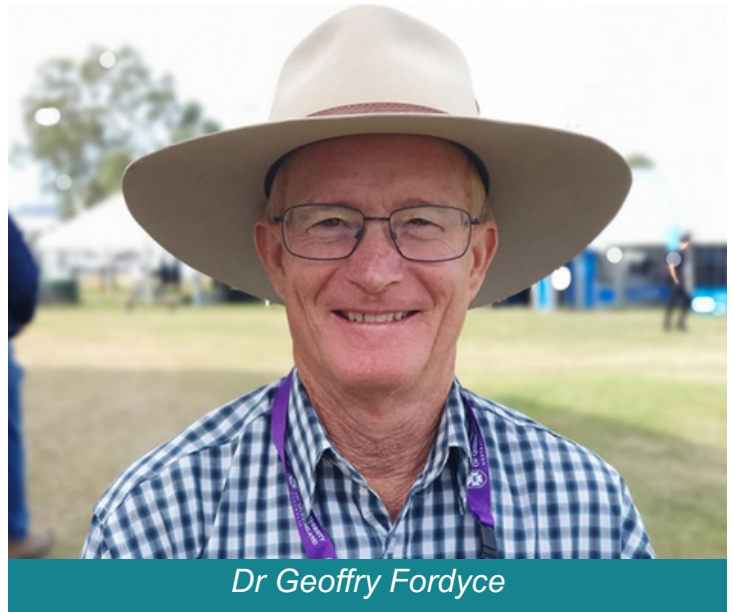
A beef business is a feed production system where available feed is transformed into live weight. Your earnings depend on the kilos you produce multiplied by the market value of those kilos—so the focus needs to be on how many kilos you are producing and how much it costs to produce them.

For example, one producer with 1000 cattle and another with 2000 cattle could produce the same live weight or kilos, but the 1000 cattle have half the production costs, and that makes a massive difference to profitability. The biggest wins come from improving reproduction, as its impact is worth the same as growth and survival combined.

Should producers spend more time on their business strategy?

Cattle operators first, and business owners second, tends to be the default in beef production systems; however, we need to flip that script and prioritise being business owners first.

You can distil the system's key elements into kilos of grass, used to produce kilos of cattle: to derive dollars of income, at dollars of cost. Every decision you make should be through evaluation of those four elements, with a focus on achieving the best business outcomes.



Dr Geoffrey Fordyce

The Farm Business Resilience Program is jointly funded by the Australian Government's Future Drought Fund and the Queensland Government's Drought and Climate Adaptation Program.

What are the first steps to refreshing your business strategy?

Cattle operators need to start by conducting an accurate annual pasture budget and stocktake. From there, you can calculate the kilos of pasture available for cattle, the kilos of cattle you should have, the kilos of live weight you can produce, dollars of income, and the cost per kilo of live weight produced.

Fundamental to business success is to always ask the right questions, and keep doing it, and to recognise when you need independent professional advice.

What's your advice to producers to increase profit margins?

- Feed, water, and control are the basic fundamentals. You can't effectively implement better management practices unless you have these essentials in place.
- Count your kilos of grass and kilos of live weight; these provide the basics of knowing what's achievable and whether you're operating to your potential.
- Your country will determine how many kilos you can produce. For example, you could be in 90-kilos-per-year country—that's what steers and cows can produce. Understanding your feed base and improving it through the likes of stocking rates, spelling, improved pastures, and supplementation underpins live weight production capacity, and thus, sales and income.
- Your business product is live weight. Every animal in the herd produces weight, which consists of annual growth plus the weight of a calf weaned. Think this way when making the kilo, kilo, dollar, dollar decisions.
- The best bang for buck often comes from addressing bull power. Ensure your mating team is fertile, disease-free with no sub-optimal genetics. Then, only mate what is needed, which is easily achievable in the modern world.

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For more information call 13 25 23 or visit daf.qld.gov.au/droughtassist.

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