

Module 6

Margins

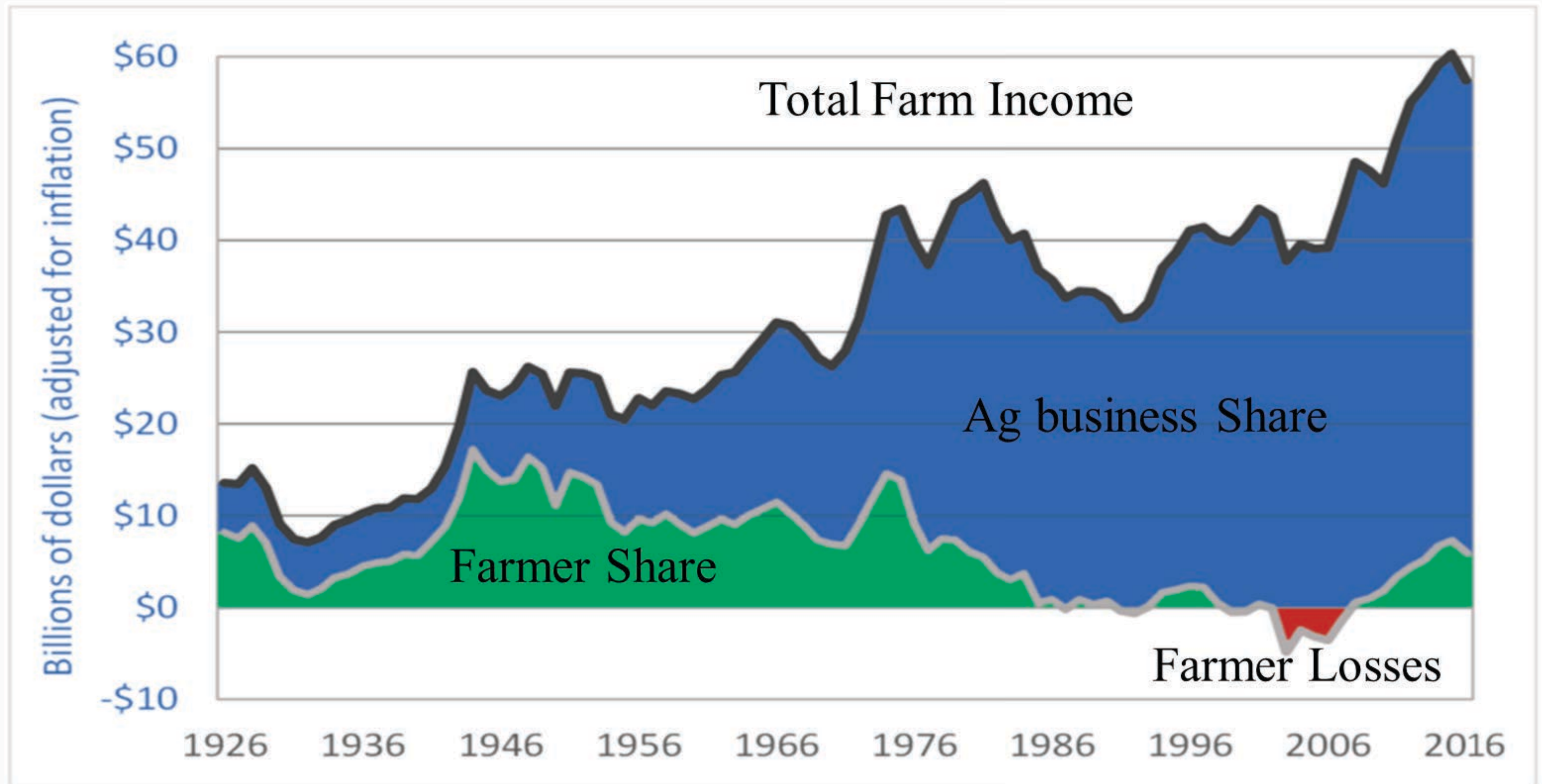


Economics vs Finances



Canadian Net Farm Income: 1926 - 2016

<https://www.darrinqualman.com/author/darrinq/>



Gross Product
(the big number)



Margin

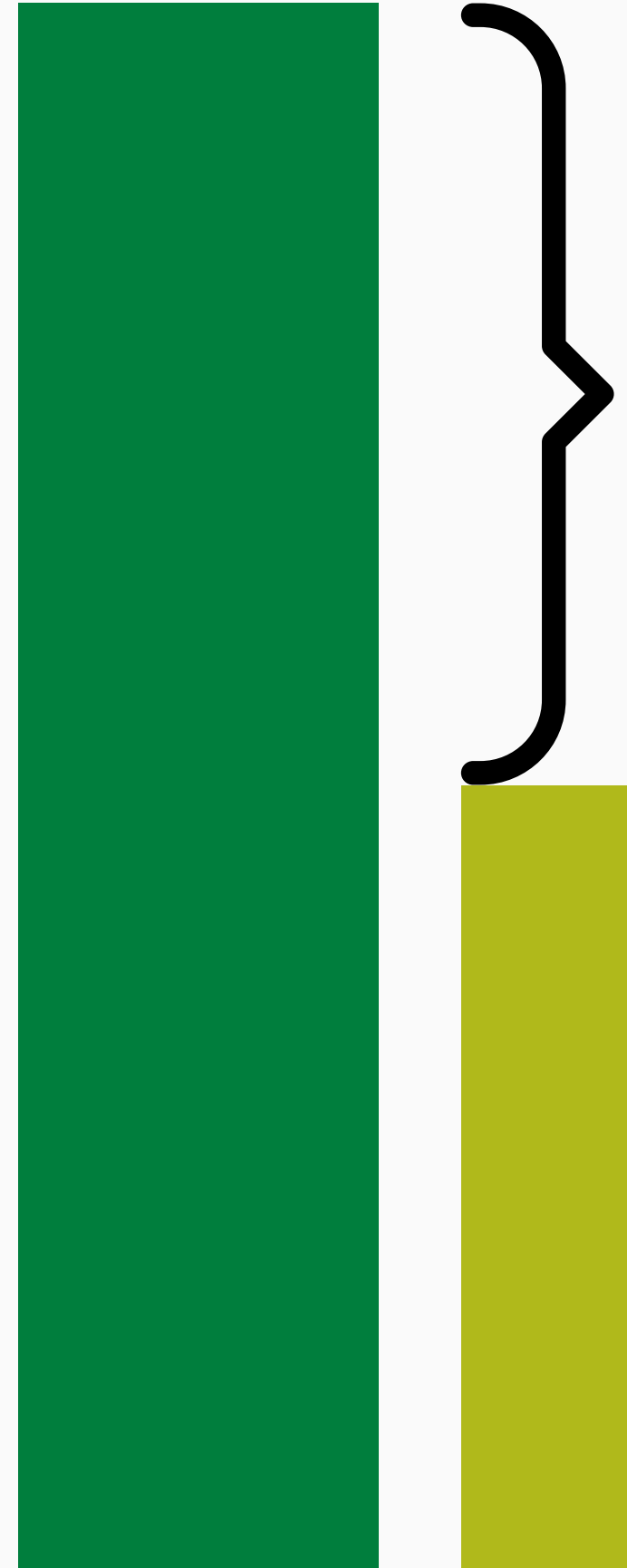
Cost of Production
(the small number)

Margins

Margins



Margin



Margin



Margin

Only 3 ways to make more profit:

1. Big number
bigger



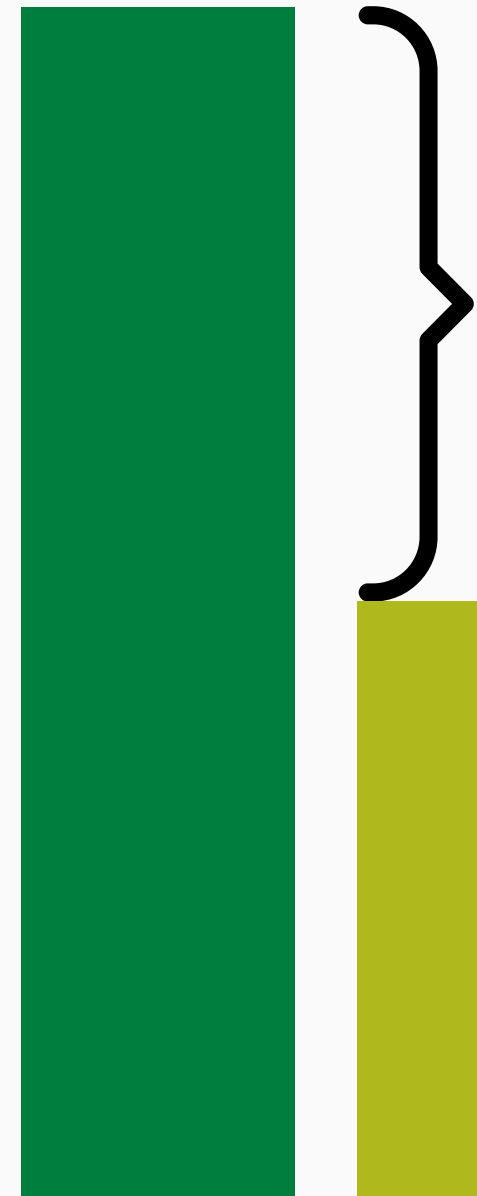
3. Increase turnover
(Margin)

2. Small number smaller

Reality

Don't increase turnover

Gross Product
The Big number



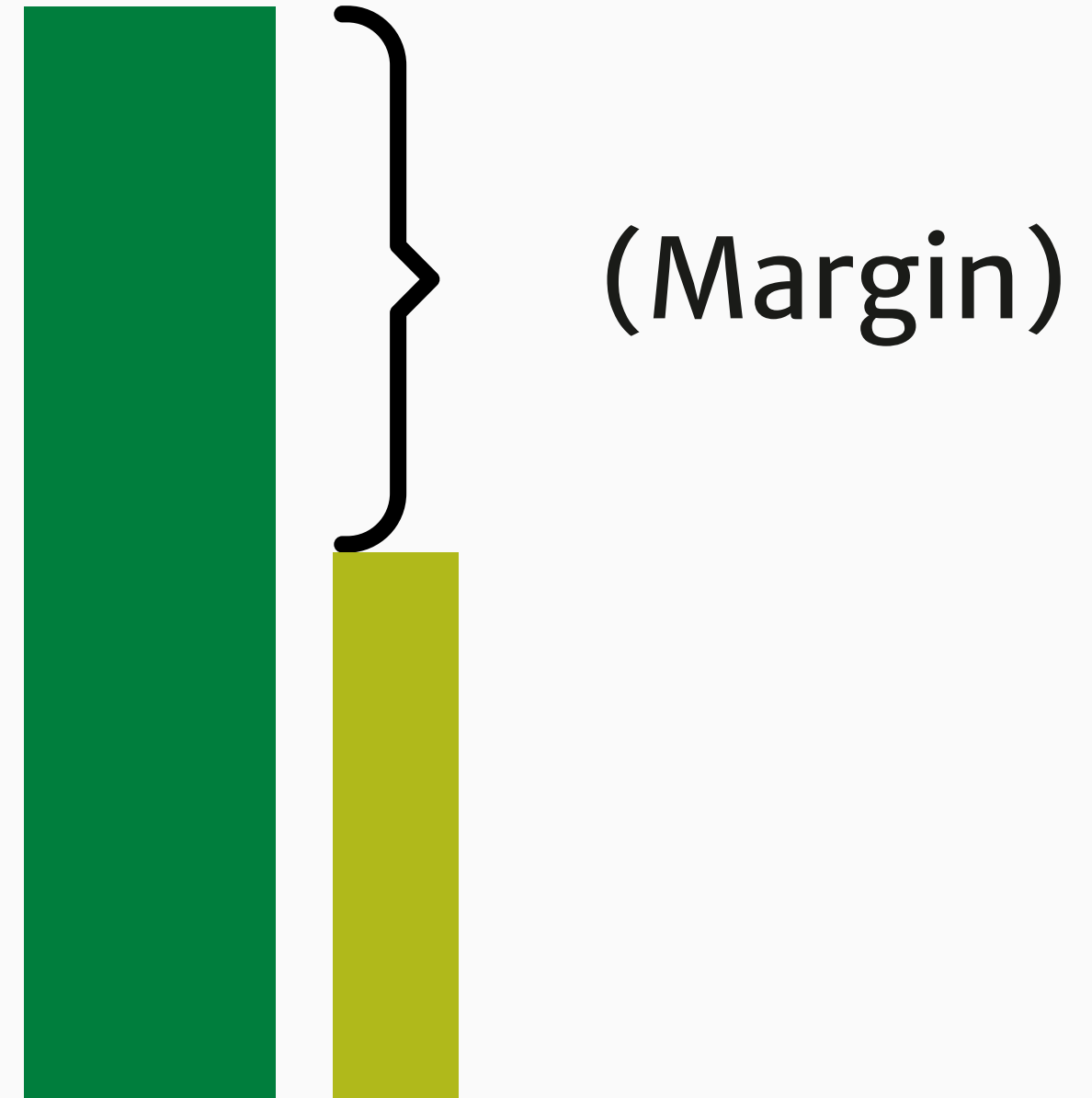
(Margin)

Cost of Production
The Small number

Reality

How do we still make this work?

We subsidize
our Farm
Businesses



Reality

How do we still make this work?

We subsidize
our Farm
Businesses



1. Government
subsidies

Reality

How do we still make this work?

We subsidize
our Farm
Businesses

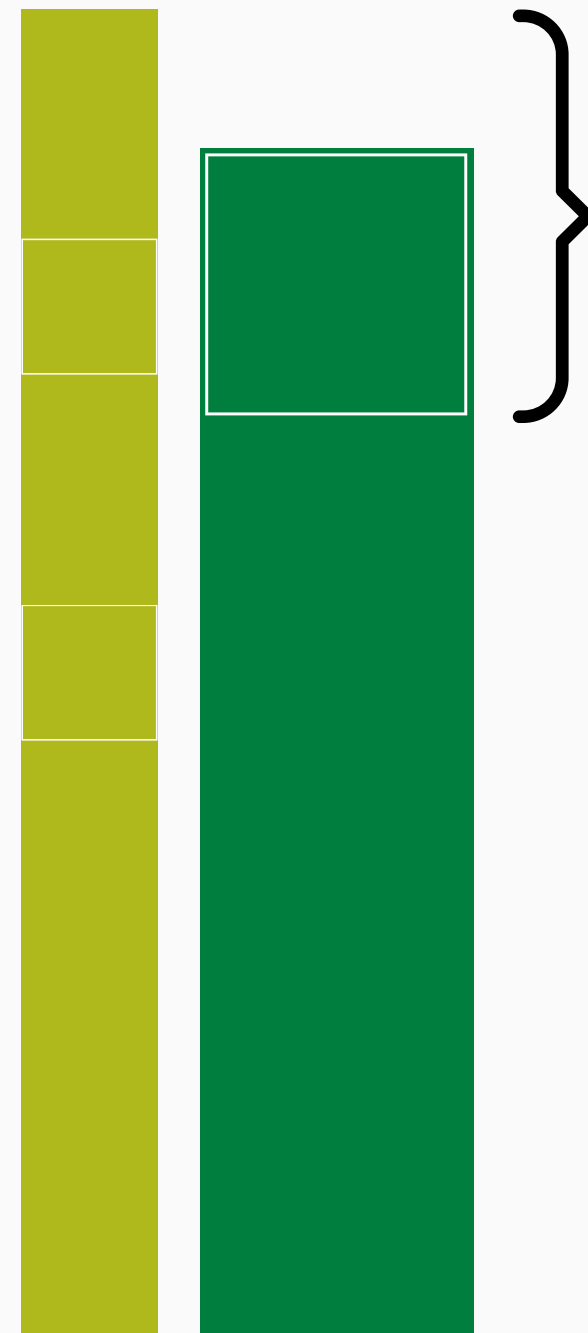


1. Government subsidies
2. Unpaid labour

Reality

How do we still make this work?

We subsidize
our Farm
Businesses



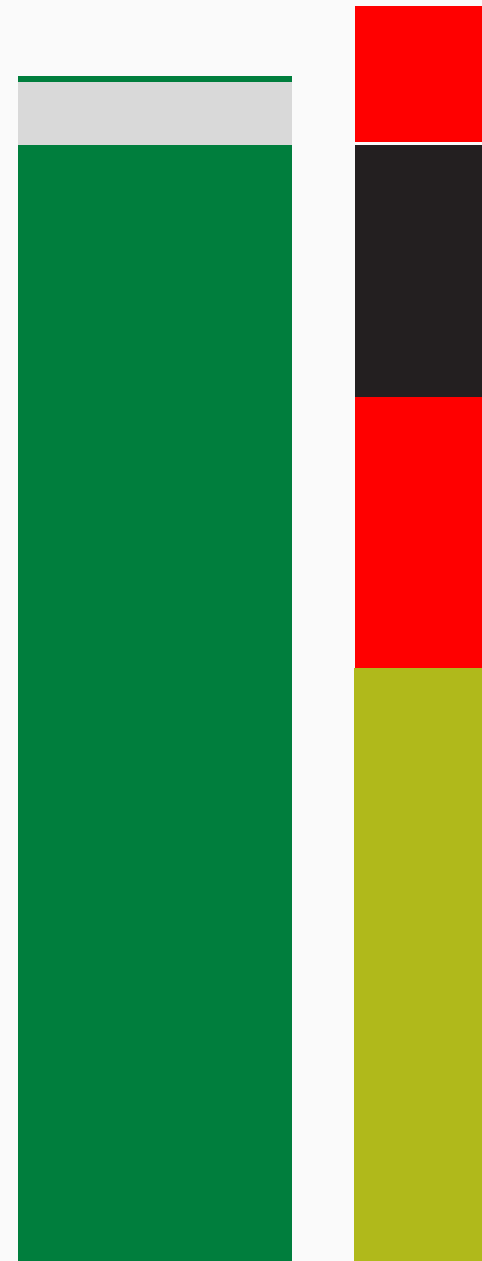
Margin

1. Government subsidies
2. Unpaid labour
3. Off-farm Labour
4. Land Appreciation
5. Inheritance

Reality

How do we still make this work?

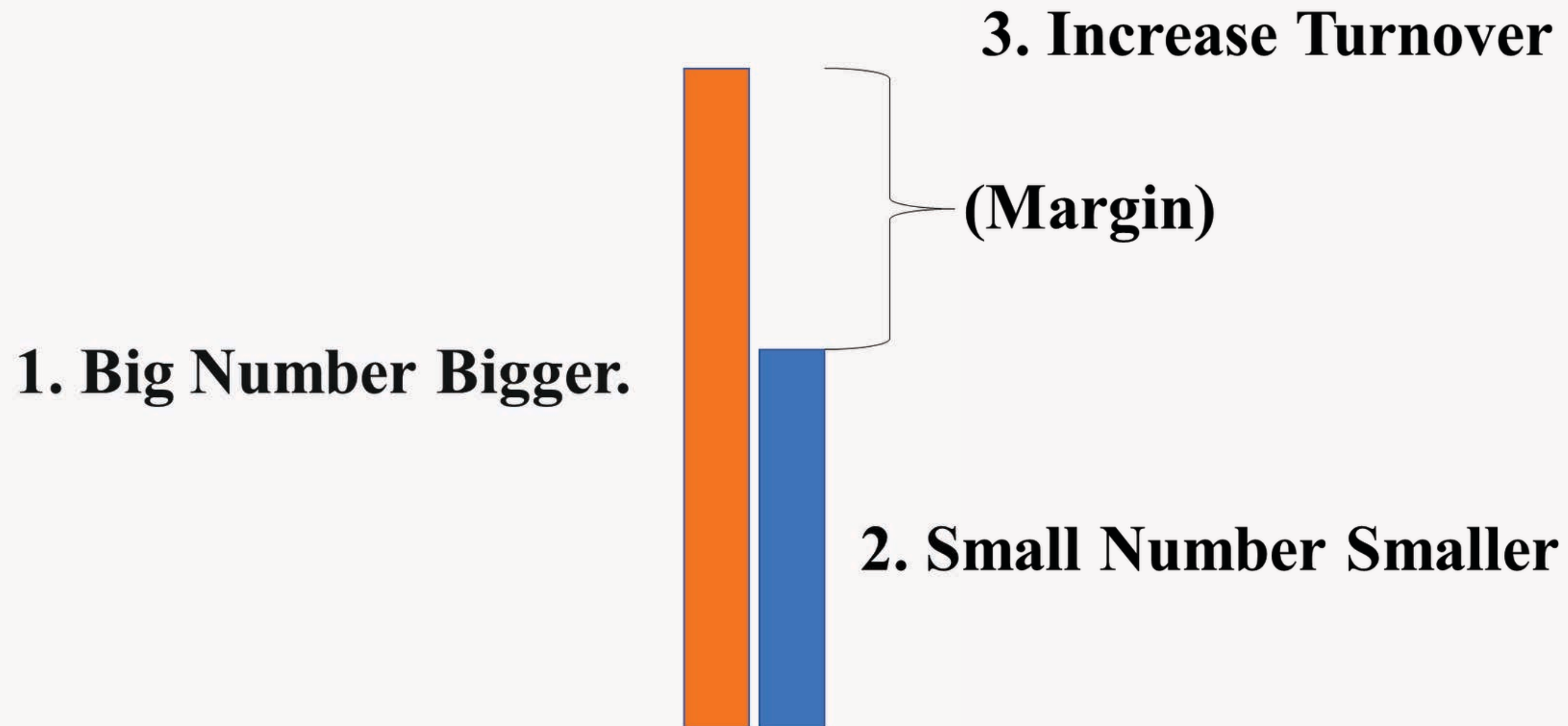
We subsidize
our Farm
Businesses



Margin

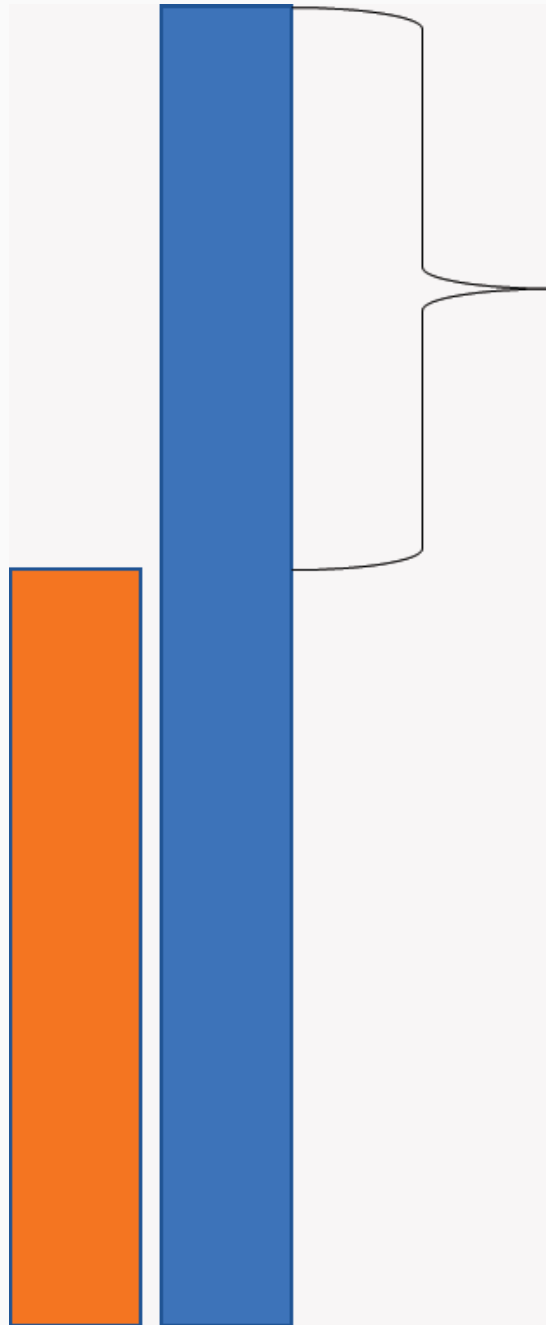
1. Government subsidies
2. Unpaid labour
3. Off-farm income
4. Land appreciation
5. Inheritance

Only 3 ways to make more profit:



Reality

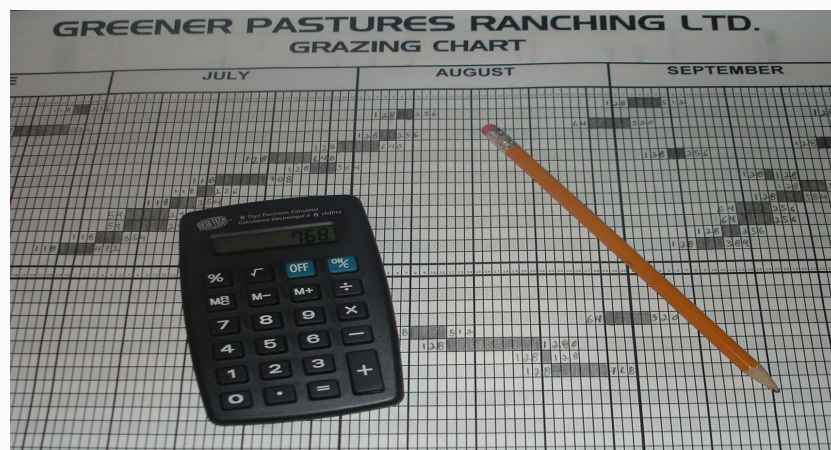
Gross Product
The big number!






Record Keeping Systems

 Grazing Chart



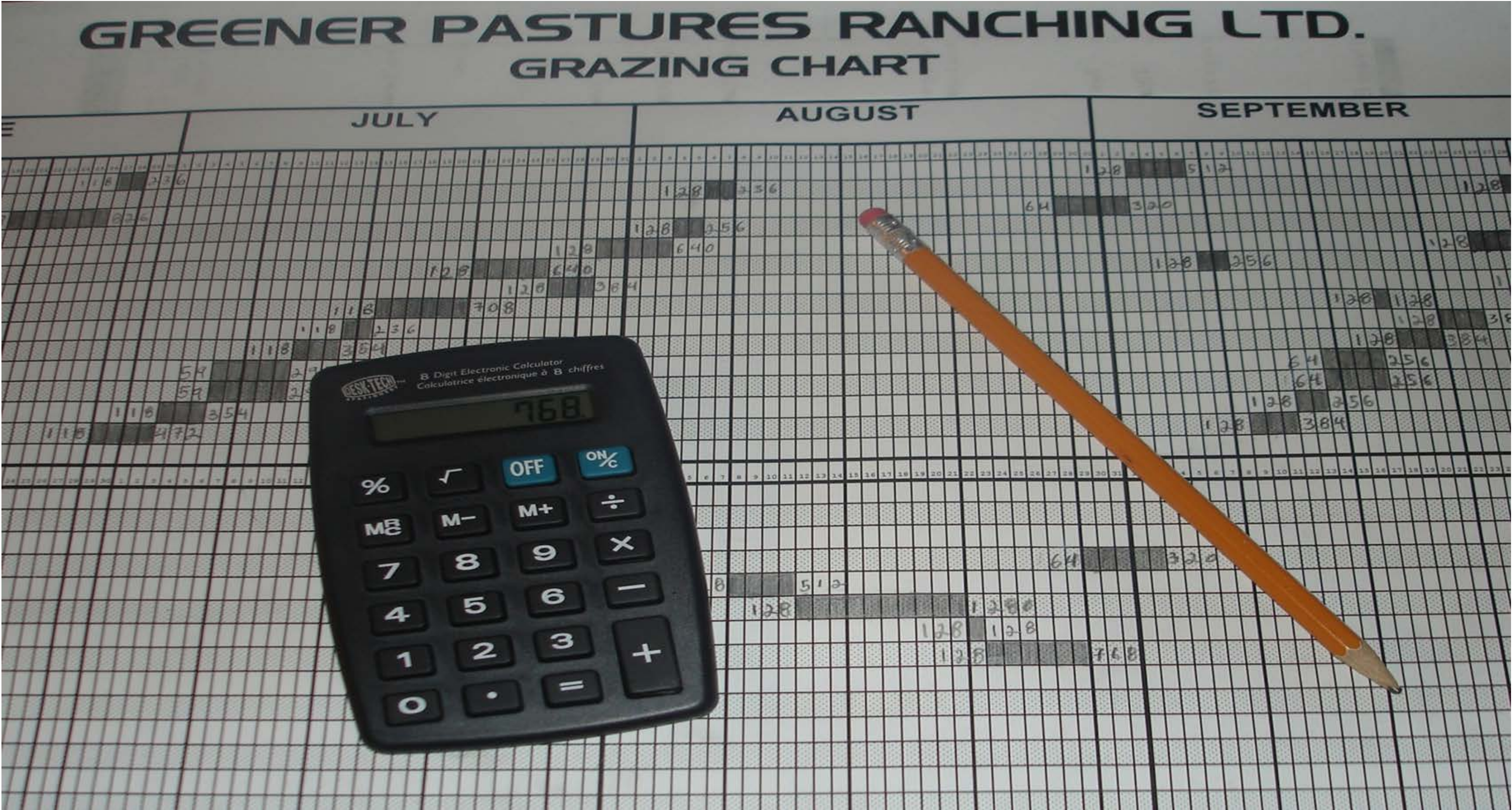
 Grazing Book



 Online Software



Grazing Chart



Grazing Chart

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Grazing Chart

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Yield

Lbs/Acre, ADA's, SDA,AUM, AUD?

ADA's

Yearling (500+)=0.75AD	Cow/Calf (Calf=100-200lbs)=1.75 AD	Dry Cow =	1.5 AD
Yearling (700+)=1 AD	Cow/Calf (Calf=300-400lbs)=2 AD	Bull (Breeding)=	2 AD
Yearling (900+)=1.25AD	Cow/Calf (Calf=400-500lbs)=2.25 AD	Bull (Not Breeding)=	2.5 AD

◆ Sheep or Goats

(8:1 Dry Cow) = 0.2AD

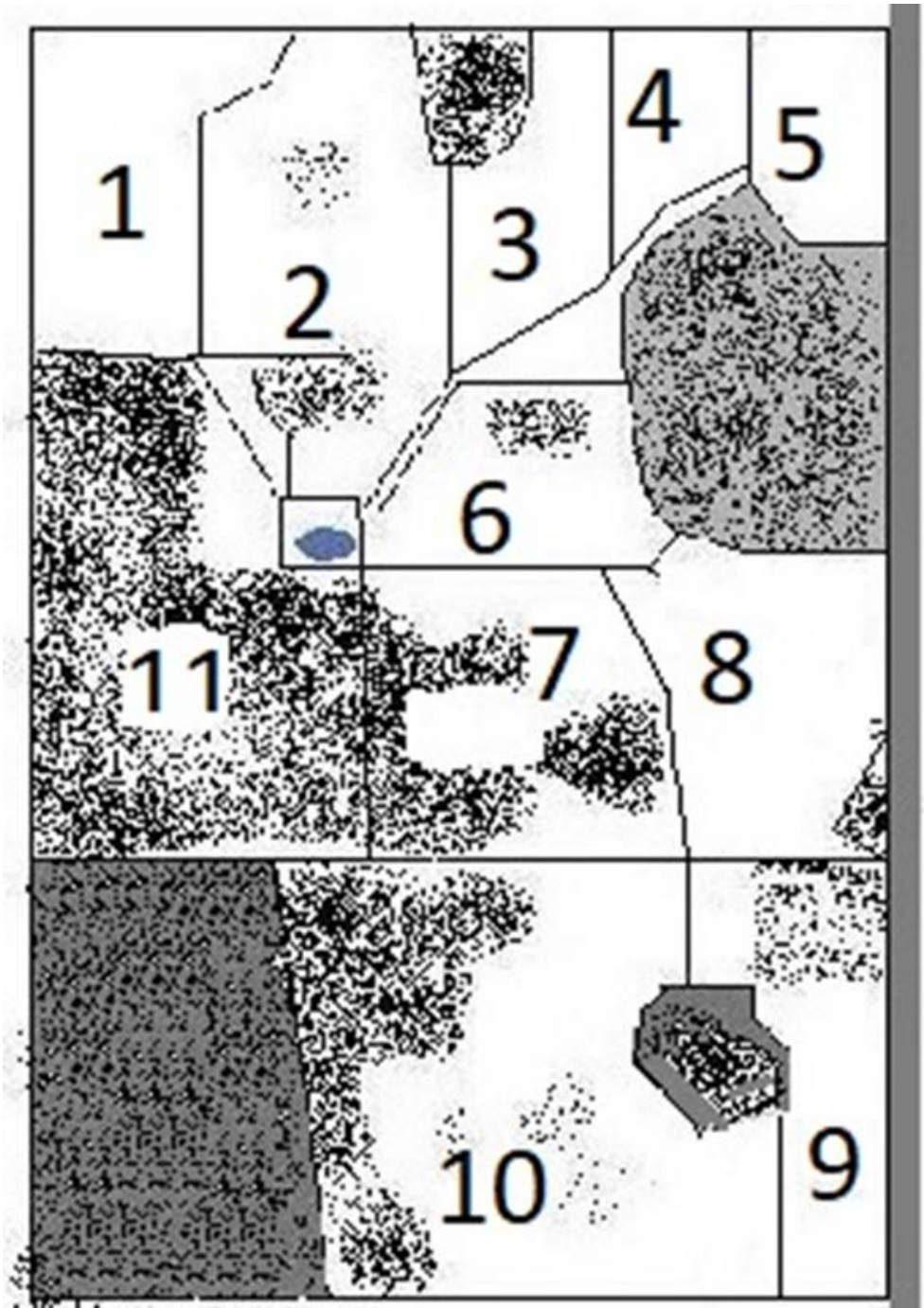
◆ Chickens

(200:1 Dry cow) = 0.0075



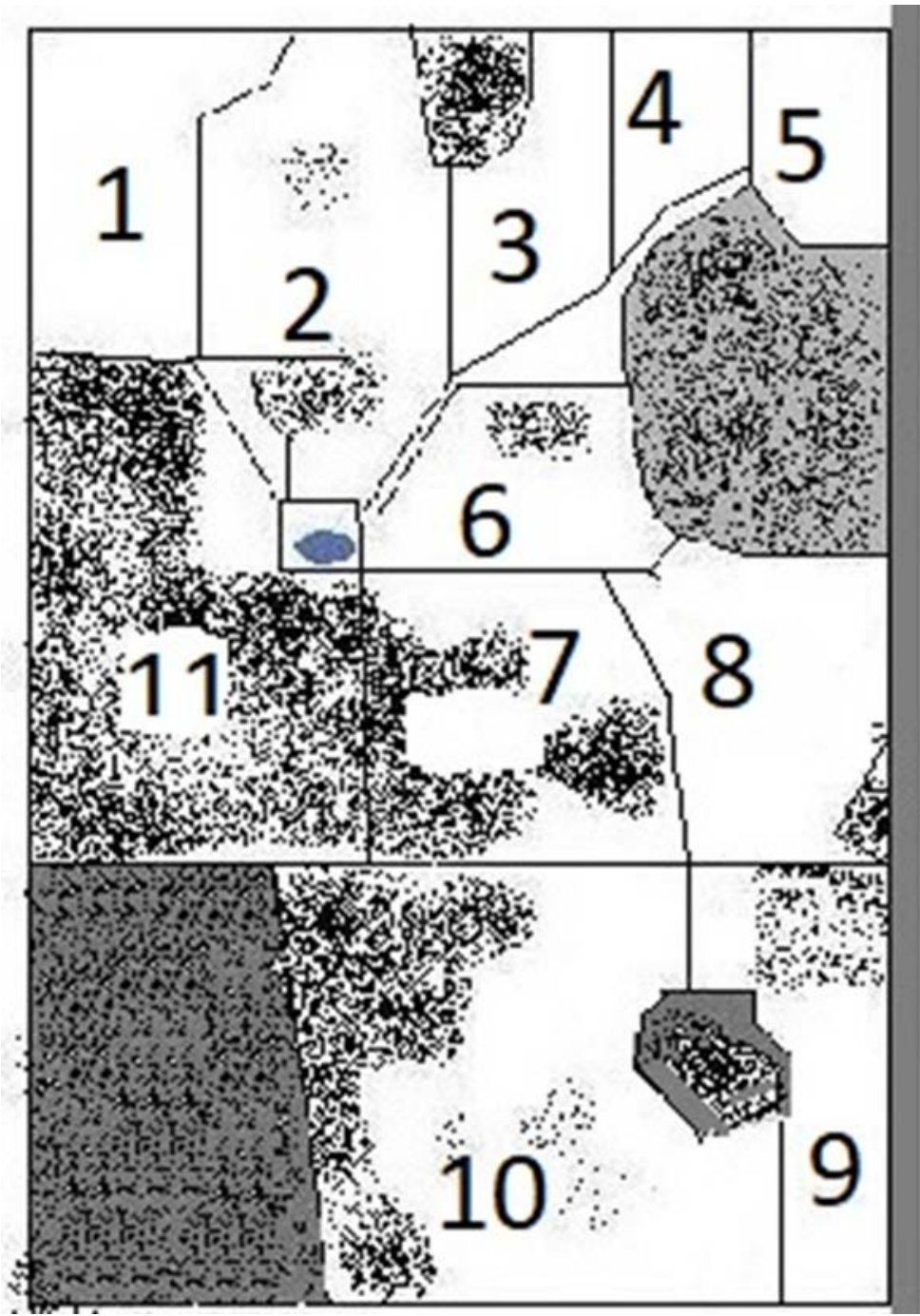
Planning

PADDOCKS / fields		MAY																															DM Need	
Size	Number / Name																																	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		
		S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M		
12 ac	1																																	
15 ac	2																																	
8 ac	3																																	
6 ac	4																																	
15 ac	5																																	
30 ac	6																																	
10 ac	7																																	
15 ac	8																																	
8 ac	9																																	



Actual Grazing

PADDOCKS / fields		MAY																															DM Need	
Size	Number / Name	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		
		S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M		
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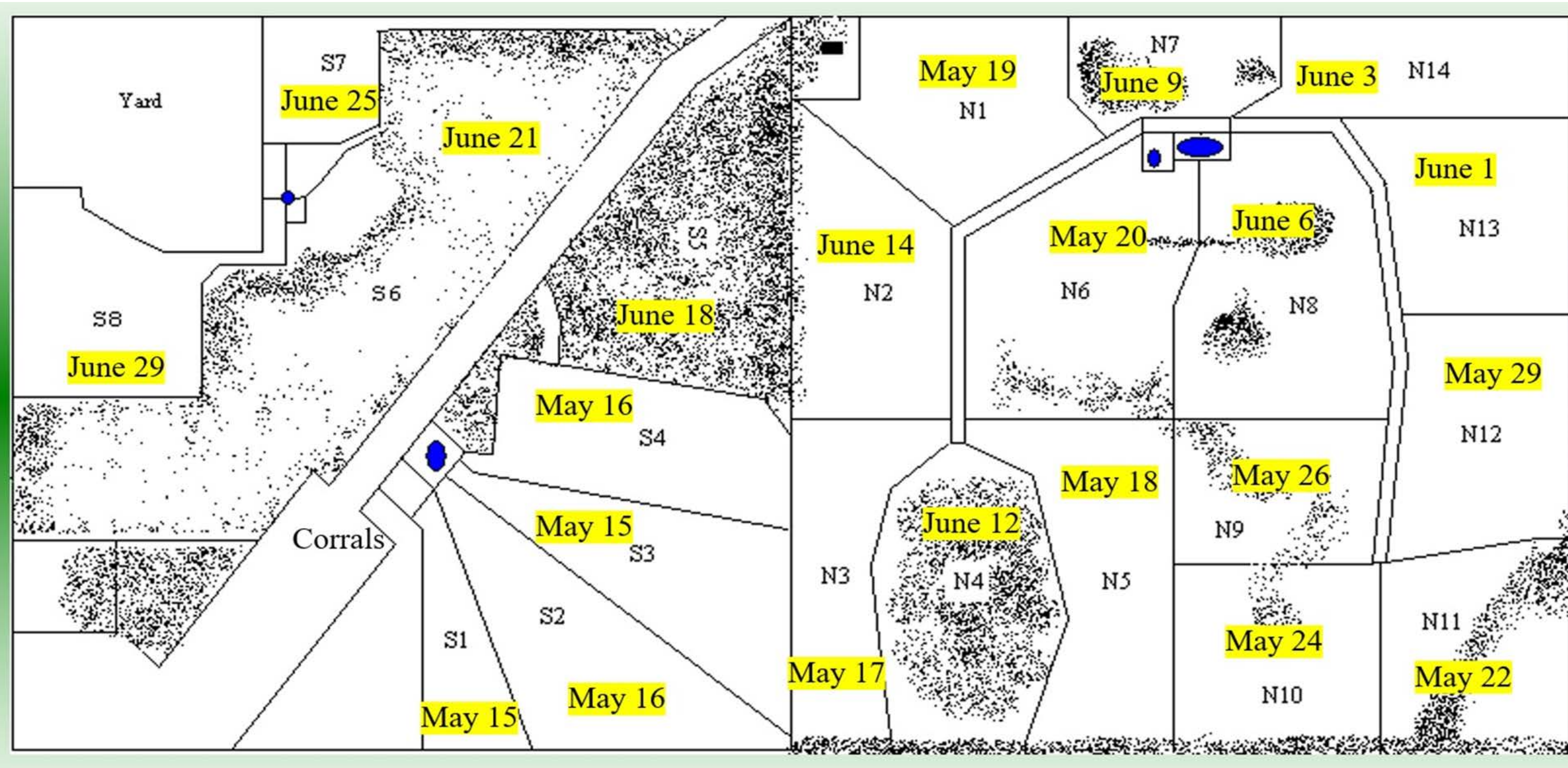


Calculating

PADDOCKS / fields		MAY																															DM Need
Size	Number / Name	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
		S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	T	W	TH	F	S	S	M	
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Record Keeping



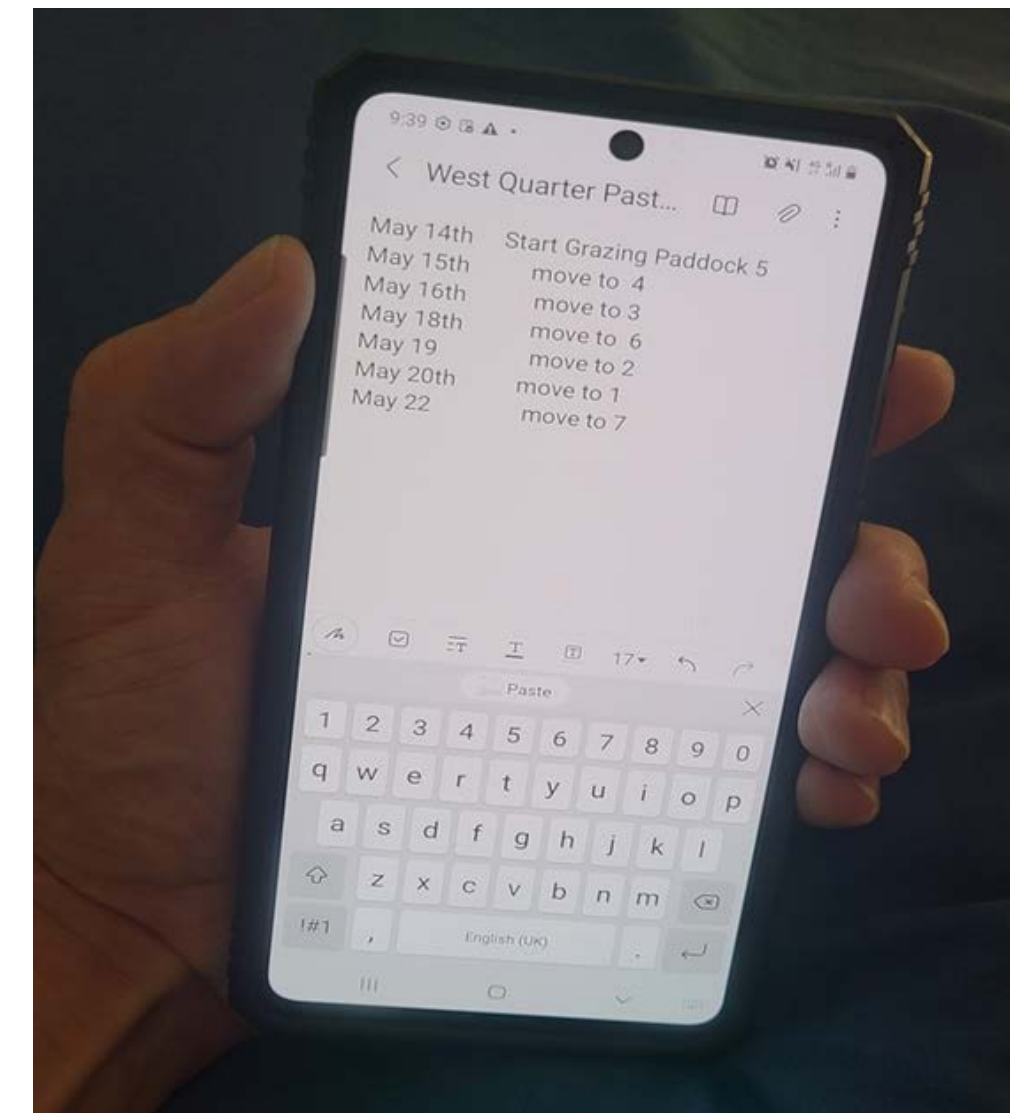
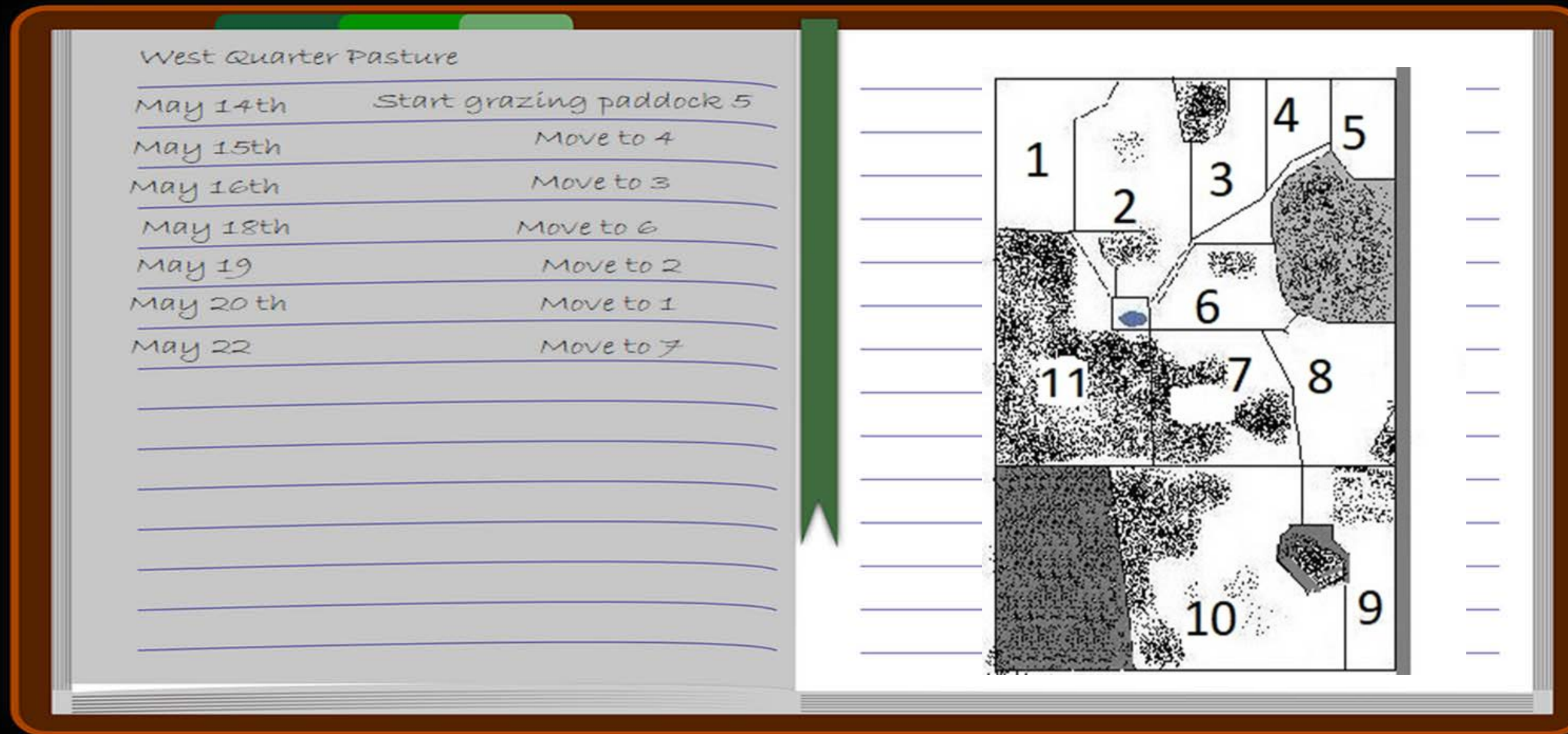
Excel Grazing Chart

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T												
1	GREENER PASTURES RANCHING Ltd.																															
2	Instructions																															
3																																
4	Fill in all of the data on the January Page. Tittle, date, paddock names and acres. From here, all the data will transfer to all of the other pages.																															
5	You are only able to type into the yellow spaces as the rest of the spreadsheet is locked to avoid accidental loss of formulas.																															
6	Every 5 rows are a different colour as those are the areas that will calculate out together in the summary. Like paddocks should be grouped together.																															
7																																
8	You can track precipitation for your own records but it does not effect any other part of the chart.																															
9																																
10	The Animal Days Calculation boxes are there just to help you add up the Animal Day Values and can help you to adjust them throughout the year.																															
11																																
12	The key to the chart is the row at the bottom called ADV. These boxes have a formula but you can write over them on any date. The formula is simply a duplicate of the previous cell.																															
13	If you change one, all of the others following should change with it. This allows us to adjust the ADV as often as we see fit.																															
14																																
15	The chart at the bottom is a guide to help get a relitive ADV harvested every day. It can value the different classes of livestock relative to what they eat.																															
16																																
17	<table><tr><td>Yearling (500+)=0.75AD</td><td>Cow/Calf (Calf=100-200lbs)=1.75 AD</td><td>Dry Cow =</td><td>1.5 AD</td></tr><tr><td>Yearling (700+)=1 AD</td><td>Cow/Calf (Calf=300-400lbs)=2 AD</td><td>Bull (Breeding)=</td><td>2 AD</td></tr><tr><td>Yearling (900+)=1.25AD</td><td>Cow/Calf (Calf=400-500lbs)=2.25 AD</td><td>Bull (Not Breeding)=</td><td>2.5 AD</td></tr></table>																				Yearling (500+)=0.75AD	Cow/Calf (Calf=100-200lbs)=1.75 AD	Dry Cow =	1.5 AD	Yearling (700+)=1 AD	Cow/Calf (Calf=300-400lbs)=2 AD	Bull (Breeding)=	2 AD	Yearling (900+)=1.25AD	Cow/Calf (Calf=400-500lbs)=2.25 AD	Bull (Not Breeding)=	2.5 AD
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20																																
21	The grazing pressure allows you to record the amount of residue you left behind each year. It is only for reference in the following years to compare.																															
22	In a drought I might graze heavey and get a high number of AD but in reality the grazing pressure will help me adjust for rainfall and management.																															
23																																
24	Fertilizer values allows you to add a value for fertility added.																															
25																																
26																																
27	Start of Grazing																															
28																																
29	Go to the first day of grazing and type a number 1 on the appropriate paddock. Nothing happens. That is because we have not added the ADV at the bottom.																															
30																																

Grazing Chart

[illegible]

Grazing Book







Keep everyone on the same page

Assign roles and manage your operation from anywhere.

- 📍 Look up pasture history and plan cattle move records, all in one place
- 📍 Make informed decisions with carrying capacity and rest days at your fingertips
- 📍 Help team find paddocks, gates, water in the field – never lose a water valve again
- 📍 Take photos to monitor pasture and soil health
- 📍 Reports for NRCS, GAP certifications



Record Keeping System

✓ What is the Farm's context?



✓ What will work for them?
