

Petworth Monitor Farm

Collaboration Ventures

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Collaboration Ventures Take-home messages

- Collaborative farming can generally be defined as working together for mutual benefit
- Collaboration has to benefit all parties
- Benefits may not just be financial e.g. enjoyment of working together
- Wide range of options, which can be adopted to specific circumstances
- Discuss implications with all your business advisors (and with friends)
- Identifying ways to make your business more efficient is something all farmers need to do in order to secure the future sustainability of their arable business.
- Review your business costs, strategies and KPIs as these are crucial elements in helping to make beneficial future business decisions.
- Making very little margin from your current production, shows that your profit is very susceptible to market change.
- Question your business objectives and undertake possible scenario planning: – how reliant is your business on BPS, is this the crucial element?
- Benchmark your business with similar producers
- Have a succession plan in place
- Benefits of collaboration include more cost-effective purchasing, gaining additional knowledge and additional management time
- Establish all ground rules at the outset – DON'T ASSUME

Rob Fox - The benefits of collaborative / joint ventures

- Economies of scale can spread fixed costs however, this isn't a definitive fact and depends on the type of (JV) agreement.
- JV's often brings additional skill sets allowing you more time to concentrate on the things you are good at.
- Machinery syndicates can also be a way of reducing fixed costs
- JV's can help you gain additional knowledge and expertise without the need to hire additional staff together with technical & precision equipment. (equipment)
- Increase more cost efficient purchasing and marketing opportunities
- Enable a simpler and more beneficial system to evolve (eg a joined up approach to agronomy, cropping and storage strategies)
- More heads to resolve problems with different skill sets and knowledge
- Additional management and, possibly, free time, along with the fact you are not farming in isolation
- It is important to the success and robustness of any JV that a professional agreement is undertaken and subsequent JV meetings have minutes produced so everyone is clear on agreed decisions etc.
- It is crucial to keep staff informed, adequately trained and involved in decisions as this element is crucial in the development of operational efficiency and overall business productivity.

AHDB resources

- Understand your business costs with AHDB's benchmarking tool Farmbench at ahdb.org.uk/farmbench
- Monitoring tools are available at ahdb.org.uk/tools
- Sign up to market information and research newsletters at ahdb.org.uk/keeping-in-touch
- Find out what's going on at other Monitor Farms and Strategic Farms at ahdb.org.uk/farm-excellence
- All AHDB events can be found at ahdb.org.uk/events
- For guidance on how Brexit will impact your business, see ahdb.org.uk/brexit

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