

New awards for top dairy businesses

A NEW dairyfarming competition will be launched next year. The Dairy Business of the Year competition will be open to dairyfarmers from Victoria, southern NSW (Riverina) and south-east South Australia in 2007, with plans to extend it to other areas of Australia in future years. The competition will recognise business excellence in dairyfarming, based on achievement of high levels of profitability and other business indicators.

The competition is being developed by Red Sky Agricultural and Intelact Australia. Dairy Australia and National Australia Bank are principal sponsors of the award and *The Australian Dairyfarmer* is the primary media sponsor.

Red Sky director David Beca said this initiative was in response to a long-held view within the dairy industry that a competition that recognises excellence in dairy business performance would provide incentives and knowledge to promote positive change on farm. "The concept of rewarding excellence in business and using this information to assist an industry to become more successful and to receive recognition in the wider community is well supported," he said.

"Although this principle has been implemented in Tasmania for a number of years, this has not previously been replicated with a dedicated competition on the mainland."

Awards will be presented to the best farms in five districts – Gippsland, Northern Victoria, South-Western Victoria, Riverina and south-east South Australia. There will also be awards for winners in three farm system categories, as well as a

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sharefarmer category and a young farmer category.

Winners will receive their prizes at an award ceremony with prizes valued at \$1200-\$1500 in each division and the overall winner receiving a prize worth more than \$6000.

All finalists will be invited to take part in a weekend retreat and have an opportunity to mix with experts in business performance, sharing their experiences, and developing friendships that could last a lifetime.

The competition will be expanded to other states with the exception of Tasmania in future. The winner of the existing Tasmania Dairy Business of the Year Competition will be considered for the overall prize in future years.

Entry forms for the competition will appear in the next edition of *The Australian Dairyfarmer*.

The competition will be easy to enter. Participants will need to provide approximately one page of data and then send this along with a set of their annual accounts to the competition organisers. There will be a Helpdesk they can call to assist them in

completing the questionnaire, and for a small fee they can have someone come out to their farm to assist them to complete the entry form.

Every entrant will receive a bound report detailing the results of their business analysis. This will include a written report detailing the strengths and weaknesses of their business with confirmation of where the key opportunities for

improvement in performance lie. In addition there will be graphical and numerical Red Sky reports that compare the business with district benchmarks.

Judging will be completed by Associate Professor of Agricultural Economics, Melbourne University, Bill Malcolm, along with an experienced NAB Agribusiness executive.

Judging will be on an objective basis. The key judging criteria will be Return on Assets, with other factors to be considered including profit per hectare, cost of production, milk production per hectare, pasture harvest per hectare, cost of feed, labour efficiency and core cost structure.

In addition the finalists will be required to provide a second set of accounts for the previous financial year so that consistency in business performance can be confirmed.

There will be an entry fee to the competition of \$285 plus GST. This will be discounted if entrants already have their data entered in Red Sky Farm Performance Analysis. NAB Agribusiness clients will also receive a discount on the entry fee. **D**