



From the Managing Director

Over the last few weeks I have travelled across the state to work with select clients and it is great to see some excellent crops. It is quite exciting to see the potential and hopefully we can get the crop in without some form of 1 in 100 year weather event happening.

The last quarter has been very busy. A large majority of work has been on research or industry development projects for agribusiness clients. Such projects provide us with great satisfaction as it enables our team to work on industry significant projects. It is a great way to stretch minds and develop our overall capacity as a business. Such projects make up about half of our business. The other half is individual farmer and agribusiness client consulting.

Another exciting project is the redevelopment of our Clare office. This redevelopment will enable us to cohabit the building with complimentary businesses and provide us with room for growth. While there maybe some short term inconvenience, the medium term plan will be excellent. We will end us with an additional meeting room and offices.

The other exciting initiative is the provision of I-Pads for all consultants. The rationale is to enable us to trial the development of enhanced services using this technology. We have been piloting the field application of I-Pads for a few months and based on this trial decided to expand their use across the business. We have noticed clients who are not comfortable with computers have taken to I-Pads and Smart Phones very well. Please watch this space for some new innovations.

I hope you enjoy this edition of In-Touch.

Dave

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Top 10 Tips for Reducing Stress in Grain Marketing

Many farmers apply preventative maintenance policies to getting harvest machinery organised. This practice limits break downs and provides a sense of control. Getting the office organised and having some basic systems in place can have the same effect.

Rural Directions Pty Ltd has these top 10 grain marketing tips to keep in mind this coming harvest:

1. Old season crops being delivered as new season need to have pesticide residue declared.
2. Has your NGR number recently changed? Is the NGR number on current contracts the same as the NGR number being used at time of delivery?
3. Are your grade spreads locked on all contracts?
4. Ensure delivery sites match correct port zone on contracts and are available to the greatest number of buyers.
5. Check delivery periods on current contracts.
6. Know how much grain you need to sell at harvest to cover finance commitments.
7. When looking at the value of current contracts, take into account grade spreads and freight rates.
8. Vitterra and AWB will be on the look out for people breaking OH&S rules at receival sites. Ensure drivers are fitted with fluro's, hard hats and closed toe shoes.
9. Understand that the "highest price" isn't always the best price for your business.
10. Ensure you have your canola chemical declaration filled out for every canola delivery.

After the success of the Rural Directions Harvest Service last year, and clients' feedback reflecting the value of the service, we are pleased to announce that we are going to continue with the service for the 2011/12 harvest.

The Rural Directions Harvest Service will:

- ✓ Provide access to qualified grain marketing advisors who analyse the market daily. This will increase confidence in your decisions.
- ✓ Increase your returns by matching grain to best net price and delivery terms.
- ✓ Save time by having grain sales and transfers done for you supported by confirmation of trade and delivery reports.
- ✓ Make paperwork easier with income and payment reports for tracking grain payments and end point royalties.

The service gives growers new flexibility and the ability to make a quick phone call to a qualified consultant to discuss their best selling options. This service saves clients looking through multiple text messages and price sheets, freeing up this time for other timely and crucial duties of harvest.

If you feel like you need support with your grain marketing then please call our grain marketing team on 08 8525 3000 to hear more about how we can help you.

Harvest Direct SMS

As we launch into a big harvest for most areas of the state, it will pay to be ahead of the game with what prices are available for your crops.

Harvest Direct SMS is a daily SMS to your mobile from the port zone of your choice. It provides an abbreviated summary of the Best Daily Cash price for a number of commodities for each day of harvest from more than 15 different traders.

The subscription runs from 1 October 2011 to 31 January 2012 and costs \$255.00 (GST inc).

For further information please Taryn on 08 8842 1103.

Subscription Services Survey Update

During June this year Rural Directions Pty Ltd undertook an online survey of those clients who subscribe to our Subscription Services products.

The survey was a huge success with 104 clients taking the opportunity to respond. So we thank you very much for contributing to the survey.

To find out more about the survey and the compiled results, please go to <http://www.ruraldirections.com/pages/contact-us/newsletters.php>

Vitterra Occupational Health and Safety

As of 1 October, 2011, Vitterra will have new site safety rules for all growers, carriers, contractors and passengers accessing their sites. Visitors must have successfully completed their safety induction and been issued with a Vitterra Safety Card.

This process should only take about 20 minutes online and will have to be completed before going to a Vitterra site. The induction covers the topics of traffic management, operating equipment, and the reporting of incidents and injuries. It also includes a short assessment component.

The safety induction program can be completed on the internet by visiting www.vitterra.com.au and, alternatively, contact the Vitterra Service Centre on 1800 018 205 for a hard copy.

Canola Sustainability Declarations

Some buyers are now offering grower's premiums for sustainably grown canola and this is causing a lot of confusion and prompting questioning of whether or not to sign. The declaration is required to access to the European biodiesel market, which is placing pressure on the global canola supply chain to comply with its standards.

The current value for sustainable canola over non-sustainable canola ranges from \$1 to \$2/mt but this could be subject to change with the spread from sustainable to non-sustainable potentially widening in the future.

Glencore have contacted Rural Directions Pty Ltd with a request to renegotiate 11/12 contracts with a desire to convert these contracts to sustainable canola. Glencore, as is the case with other buyers, are paying a premium of \$2/mt to renegotiate the original terms of the contract. We believe that other buyers are either actively, or about to renegotiate contracts.

In order for farms to be considered a sustainable supplier of canola, the producer needs to sign a declaration stating that they comply with the following 6 principles:

1. Crop shall not be produced on land with high biodiversity value or high carbon stock and not from peat land.
2. Crop shall be produced in an environmentally responsible way.
3. Safe working conditions.
4. Crop production shall not violate human rights, labour rights or land rights.
5. Crop production shall take place in compliance with all applicable regional and national laws and shall follow relevant international treaties.
6. Good management practices shall be implemented. Once the declaration is signed, the business is exposed to an external audit of their compliance to the 6 principles.

We understand that any premium is good, however should you be audited, there are hidden costs to time and productivity. There are many questions that we have been discussing within our team that include:

"We know that the buyer will pay for the actual audit, but who will fit the bill for your time to complete this audit process?" The answer is that you will, but will the value of the premium be enough to make this worthwhile?

"What are the costs and consequences, if any, of not complying?" Will you then be in breach of contract?

The other side of the argument is; if you choose not to sign the declaration are you limiting your access to the higher value European biodiesel markets?

These are just a few of the questions that we suggest every grower considers before deciding whether or not to sign the declaration.

What Women Want

We are pleased to announce that we will be offering a women's only pre-harvest workshops again this year. Last year we offered 4 of these 2 hour sessions and they were met with overwhelming demand. This year our women's only delivery team of Julianne Fiebig and Taryn Baker will be taking the pre-harvest women's workshops to the Mallee and South East districts.

Over recent times we have appreciated that it is often the ladies in the businesses who do a lot of the work over harvest, especially in the office. However, many other pre harvest briefings held in machinery sheds and shearing sheds are aimed purely at the men. The focus of these workshops is to help these important women pick up a few tips and tricks before harvest to hopefully make their lives a little bit easier during the busiest time of the year.

Julianne Fiebig has been working in our grain marketing team for over 4 years and co-delivered the workshops with Taryn Baker in 2010.

"We had an absolute ball delivering these sessions" said Julianne. "To see the ladies learn a few new things was just fantastic and the group interaction was excellent".

"We saw people sharing their own ways of doing things and the ladies really appreciated that they could ask 'dumb' questions, that if they were in a mixed group they may not have been able to".

"We would love to see as many women come as possible. If you're a beginner you're sure to learn something and if you're an old hand at running the office during harvest we'd love for you to come along and share your wealth of knowledge with the rest of us!"

Topics that will be discussed include how to manage grain contracts, keeping record of grain deliveries, an introduction to using Ezigrain, reconciling payments and general office management.

These short sessions are jammed packed with information but the presenters will also make sure they give you a few laughs, let you share your own stories and ideas and may also be armed with Tim Tams or something else sweet and full of calories. If you can't find a babysitter please feel free to BYO toys and bring the littlies along.

The workshops will be held at Clare and Freeling in late October. The workshop will also be held at Loxton, Bordertown, Naracoorte and Murray Bridge during the first week of November. For more details or to register your interest call 08 8525 3000 or email grain@ruraldirections.com.

CONGRATULATIONS

A big congratulations to our YP Field Day Competition Winners for 2011.

- Day 1 - Barry Clapp
- Day 2 - Sue Roberts
- Day 3 - Chris Heath
- Management Training Voucher - Duncan Crawford

We would also like to thank everyone for taking the time to visit our site at the field days.

Doug and Wendy Avery – “Moving Beyond Reasonable Drought”



Doug and Wendy Avery of Bonavaree Farm Co Ltd in Marlborough, New Zealand visited Australia in August to present information at the National Bestprac Forum which was held in Hawker. Doug also presented some information at a Rural Directions Pty Ltd client forum that was held in Clare after the Bestprac Forum.

In association with their son Fraser and daughter-in-law Shelley, Doug and Wendy run a dynamic business that produces wool, prime lambs and lucerne seed.

Doug and Wendy started farming in one of the wettest decades since records began and had a “crunch time” when in 1996, they moved into one of the driest periods on record. There was a strong sense of failure as the accepted farming systems failed and the land was exposed to significant erosion risk.

Doug reached the point where “he didn’t want what he had, but didn’t know how to get what he wanted”. After much soul searching, Doug began to investigate grazing systems based on a chemical fallow and lucerne pastures. This system has gradually evolved beyond lucerne and includes lucerne, winter rape, feed barley, saltbush on the northern slopes, clover and other high performing forage crops. Average stocking rate across all paddocks is 12 ewes/ha with 180% lambing and lamb growth rates of 400 gms/day. Tagasaste has also been

planted to provide forage for bumble bees which assist with lucerne and pasture seed pollination.

The system that is now being used is seen as being sustainable from a number of different angles:

- The system is resilient to extreme weather and extreme variability (from 330mm to 900mm) between seasons.
- There are relatively low requirements for energy and additional water, beyond seasonal rainfall.
- There are good levels of groundcover and the system is kind to the soil.
- The system provides habitat and doesn’t displace wildlife.
- Money is made in good years and not all lost in bad years.
- The system recovers quickly from shocks and stresses.
- The business is able to attract and retain talented people and quality companies want to do business with Bonavaree Farm.
- The system includes “quiet periods” when the labour requirements are low, providing an important time for the people to rest and refresh.
- The system produces things that are in high demand for good prices.

A number of the participants at both of the presentations compared the above list to their own farming systems, and saw some areas which they felt could be improved. Doug described how he moved from “concern thinking” to “influence thinking”. In doing so he identified solutions to the problems and has been able to take control of his farming system.

Doug is now a member of Farm IQ System Ltd that provides an opportunity for all New Zealand farmers to improve their knowledge of their farming system through a number of training, development and support programs.

As Doug also presented at the National Bestprac Forum, Doug’s session can be viewed on the Bestprac website – www.bestprac.info

Harvest Efficiency

The 2010 harvest is still in the mind of many farmers as a result of the frustrations with logistics and grain handling that it caused. It has led to many farmers thinking and planning about how they can better manage their on-farm harvesting and logistics operations.

Understanding risk management, applying a logistics management approach prior to harvest, and maximising field efficiency can all be helpful strategies to increase effectiveness at harvest.

Recently Rural Directions Pty Ltd provided some seminars on harvest efficiency at GRDC grower updates. If you missed these presentations, refer to <http://www.ruraldirections.com/pages/contact-us/newsletters.php>