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**Rural Industries Research and
Development Corporation**

Research Uptake by Deer Farmers

pilot program

**A report for the Rural Industries Research
and Development Corporation**

by Gaye Cameron

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Foreword

This project focused on improving the deer industry profitability through research uptake. For some years research has been undertaken by RIRDC research officers resulting in information and publications being available to deer farmers. However some of the information has not been accessed or implemented for a number of reasons. This program assisted farmers to obtain this information and put it into practice. Deer farmers were also encouraged to participate in programs that other red meat producers have found to benefit their profitability.

The deer farmers participated in business workshops to analysing the cost of production and setting benchmarks as industry standards. They formed discussion groups to discuss and assess the production issues for meeting carcass specifications and weaning percentages and looked at the optimal time to market their products.

This report covers the results from the business bench mark program. There is a report on the formation of the discussion groups and the value of the groups. Results of a survey indicate deer farmers have taken up research and new skills.

This was a pilot program run in Victoria in 2002 and 2003.

This project was funded from industry revenue which is matched by funds provided by the Federal Government.

This report is an addition to RIRDC's diverse range of over 1200 research publications, forms part of our Deer Industry Profitability through Research Uptake R&D program, which aims to (i) analyse the costs of production, and set benchmarks as industry standards. (ii) address the production issues of meeting carcass specifications and weaning percentages, and (iii) assist farmers to market their products at the optimal time.

Most of our publications are available for viewing, downloading or purchasing online through our website:

- downloads at www.rirdc.gov.au/reports/Index.htm
- purchases at www.rirdc.gov.au/eshop

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Managing Director
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Ross and Di Lawrence. 'Rainbow Deer Farm', 36 McKenzie Road, Neerim
Nigel Barry, Margaret and David Barry, Bryson Barry. 215 Baynes Road, Alvie
Barry and Nancy Osborne. 'Alfa Downs', Browns Road, Rye
Clyde and Jan Sefton. 181 Seftons Road, South Purrumbete
Kay Gall. 2000 Thompsons Road, Drouin South
Terry and Joan Marhoney. Myres Road, Bittern
Jeff and Josie Varcoe. RMB 31, Millicent 5200
Sarah Morgan. RMB 3096, Walhalla Road, Tanjil South
Trevor and Kylie Picken. RMB 1882, Casterton
Graham and June Edyvane. 'Gracefields' 135 Latrobe River Road, Neerim South.
Chris Peel and Di Snell. 155 Crafters Road, Moriac
Andrew and Moraka McKinnon. RMB 1671, Casterton
David and Rose Laird. 'Hartdale Park' RMB 6575, Maffra

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Lionel Campion. Velvet Buyer
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Liz Clay. BioScape
David Beckwith. President Warnham and Woburn Society
Joan Mahoney. Deer Farmer Level 3 Deer Quality Assurance Program
Trevor Picken. Deer Farmer

Meat and Livestock Australia. Program BizCheck for Meat®, Enterprise Health Check®
Department of Primary Industries. Program Prograze®
Beef Cheque Board. BeefCheque® Survey

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Executive Summary

This project “Improving Deer Industry Profitability through Research Uptake-Pilot Program”, was run as a pilot program in Victoria in 2002 – 2003. This program was known to deer farmers as the “Profit Program”. The program aimed to improve the profitability of deer farmers by assisting them to improve their business, to improve their production methods and meet the carcass specifications for the export market. As well as help farmers to produce venison for the market at the optimal time usually in October. The research information to help farmers to be more profitable was available from a range of sources. The RIRDC research program has published a large number of publications and research papers for deer farmers. However some deer farmers were not aware of this information or are unable to put it into practice. New Zealand has also undertaken a number of research programs to help deer farmers become more profitable some of this information is easily adapted to our farming system in Australia. In recent times the beef and sheep graziers in Australia have improved their production methods through new programs for example “Prograze” ® and “BeefCheque” ® both of these programs are based on principles which would benefit deer farmers to improve their production and hence profitability.

The “Profit Program” encouraged deer farmers to join discussion groups. The dairy industry and more recently the sheep and beef industries have found that discussion groups have resulted in the biggest gains in production and profit for producers. The group provides a forum to introduce new research findings and profitable management ideas. At the same time providing practical advice on how these research findings and new ideas can be put into practice on the farm. The most important function of the group is the support and encouragement of members to fellow farmers. This support and encouragement is important if we expect farmers to make changes and to implement some of the practices beneficial to their profitability.

The Gippsland Discussion Group was formed in October 2002. There was a discussion group in this area some years ago but had been in recess for a number of years. The area is home to a large concentration of deer and deer farmers. The enterprises range from breeding hinds to velvet stags. The size of farms and range of experience varied greatly, this was used to advantage in the group as the program progressed. The Western District Discussion Group was a functioning group meeting regularly on farms. This group was agreeable to being part of the “profit program” as they new the benefit of the group support and could see the advantage of having more research information presented to the members. This group also had a range in experience and farm size but a limiting factor for this group was the distances between farms, up to five hours drive between members.

The program was delivered to the farmers on members farms. The advantage of being on a farm made it possible to give practical demonstrations, inspect infrastructure, pasture walks and discuss the management of the enterprise. The host farmer often benefited from the discussion and suggestions from the group as everyone had an opinion or experience to share. Visiting members often commented on good ideas presented on the day and some of the tips on design of the facilities and management methods the host farmer was using.

The meeting was based on a simple format of sharing information and experiences, each member gave a short talk on what was happening on their farm or a problem they had encountered. This talk was a reflection of what was happening on the farms as the seasons changed and the deer husbandry went through its annual cycle. Members gave a short report on the pasture cover on the property, the deer condition score, the weaner weights as they progressed and deer husbandry issues as they arose.

These reports became more sophisticated as members became familiar with the units for describing the quantity of pasture and the condition score of animals. More of the members started to look at the feed value of the supplements they were using and the price of the unit of energy they were buying. Each meeting some new research information was introduced either by a presentation or on a pasture walk and notes to read at home. It did not matter which topic we covered one of the members had had previous experience or a practical application to share

As well as the discussion groups which were mostly focused on production issues group members were encouraged to participate in a short course called “BizCheck® for meat”. The three day course analyses farm business data to assess the profitability of the business. Figures from the tax return and physical farm facts were collected and this data was entered in the business analysis program. As well as the farmer being able to look at his own performance the figures were analysed as a group to give a bench mark for the group. This then enabled the farmer to see how he was performing in comparison to the group. Another benefit we found was the comparison with other grazing industries for example beef and sheep. Although the sample is small we do have some bench marks for the deer industry.

The pasture program followed the principles and activities outlined in the Prograze® for Victoria program. This is a program that introduces glossary of terms and explanation of units this allows farmers to access more information in order to make better management decisions. They are able to read reports and articles with more understanding even the ‘Weekly Times’ newspaper reports have adopted these terms and units. The practical application of the program over a full year followed the pasture growth and changes in quality and quantity. The fact that pasture is not available all year led to the discussions on management to have pasture for longer into these gaps and also what we should do to conserve access pasture or provide supplements. Quality and price of supplements was an important issue.

The deer production part of the program introduced a range of terms and units for farmers to understand research articles and reports. The communication between farmers and processors will be much improved if we are all using the same language. Producers are aware of the carcass specifications and why they are so important for the processor. Dressing percentage is important as this is the point where animals become carcasses. Guy Dockrill assisted the program with presentations on condition scoring and dressing percentages.

The discussion group members were very positive about the value of the program. Some skills had been put into practice immediately. Unfortunately this did not improve profitability this year as prices are low. This program will benefit producers in the years to come and the industry as a whole.

The members are enthusiastic about the value of the program. They have received valuable information and training. They are particularly grateful for the fact that the program was funded by RIRDC. Discussion group members are very keen to continue the program in some form preferably face to face, on farm and with a trained member or consultant.

1. Introduction

The project title is “Improving Deer Industry Profitability through Research Uptake-Pilot Program”. Due to the long title and for easy recognition of the program by farmers it was known as the “Profit Program”. This was a pilot program run in Victoria over two years 2002 -2003. As the title states the aim of the program was to improve the profitability of deer farmers. Deer farming has changed from a herd building phase, with the associated high price for livestock, to a production phase. This phase has different requirements including competing with other meats and in competition with New Zealand on the export market. New Zealand is producing velvet and venison on pasture base systems. Pasture systems tend to be lower cost compared to the supplementary feed or feed lot products. Deer farmers have realized that to be profitable they have had to change their management and look at the cost of production.

There were three areas identified that the program would address to improve farm profitability. The first one was the analysis of the financial performance of the deer enterprise. This helped farmers to identify their weaknesses and find ways to address them in order to become more profitable. This business analysis program allowed farmers to review their own business and to work in a group to compare their performance with other deer farmers. Although the group was small it has provided some benchmarks for the industry. This has allowed deer farmers to compare with other grazing enterprises using similar programs.

The second issue to be addressed was the production of deer to fit carcase specifications. The discounts for missing the target specifications were making consignments of deer unprofitable. The main concern for the farmers was to identify the weight range required and the dressing percentage expected of the consignment. Venison prices have been depressed in the last two years this has made it even more important for farmers to calculate the cost of production.

Over the past few years venison had attracted a premium price in the lead up to the winter market in Europe. Usually the price schedule would rise in October. This has not been the case while this program has been running. However it is important to help farmers realise that it is possible to select a date to consign animals and meet the carcase specification on the date. It is important to calculating the cost of the feeding program to meet sale dates and carcase specifications. Farmers became aware of the feed value of pastures and feed supplements and the cost per unit of energy. They were then able to make informed decisions.

1.1 Research Available to Deer Farmers

This project did not undertake any new research. The aim of the program was to identify research already completed which would assist deer farmers become more profitable. There has been a large amount of research undertaken in Australia and New Zealand. Both countries have published lists of industry research papers and articles. There is a wealth of information available to help farmers improve profit and have a lasting effect on the industry.

The research publications most likely to improve deer farmer profitability include: Australian Deer Industry Manuals, there is a set of seven manuals compiled by Chris Tuckwell covering all topic from pasture, deer health and management. These manuals have been used as course information at the discussion group meetings.

The Deer Industry Manual New Zealand Deer Master Project South Canterbury & North Otago Branch NZDFA has been another source of information used to give some bench marks and information on deer conception date benchmarks and weaning rate benchmarks.

A report by Paul Bertuch, Guy Dockrill and Paul Presidente 'Grazing/Drench Management of growing Stock For Target Weight Gain 1995 is focused on producing weaners for the October market.

As well as these publications three programs that have been successful in assisting beef and lamb producers improve productivity were used. They are PROGRAZE®, BIZCHECK for MEAT® and ENTERPRISE HEALTH CHECK®

The PROGRAZE® program has been a beneficial pasture program for the grazing industries. BIZCHECK for MEAT® is a business analysis program consisting of a three day workshop including data entry for each individual farmer and a group analysis to give some bench marks for comparison between farmers. The group bench marks can be used by the deer industry as business indicators.

ENTERPRISE HEALTH CHECK® is a program to allow comparison of the enterprises on the farm and understand what drives the profitability of each enterprise.

Although the publications are user friendly some people have purchased them but have not read them. Deer farmers have found them to be better value after being shown some practical examples and demonstrations at the discussion group meetings.

2. Delivering the “Profit Program”

Discussion groups have been found to be the best method of improving production hence profitability in other primary industries. The DIAA (Deer Industry Association of Australia) supplied a list of members to be invited to the first meeting. This list was added to by members of the group and others contacting the facilitator. The benefit of the group is to use the experience of the members to demonstrate and explain how research has been put into practice on farm. New ideas and research can be introduced into this environment. The group also provides answers to problems and some practical suggestions to solve them. Farmers find it difficult to make changes but with the support of the group and some one with prior experience to encourage them they can be most innovative.

Two groups were formed one in Gippsland where there is a large population of deer and deer farmers. The other group is in the South West of Victoria. There had been a discussion group in the Gippsland area some years ago but it had been in recess for about five years. Starting the group turned out to be quite a challenge. Towards the end of the first year of the program we were looking for new members. This was achieved by advertising the activities of the group at the Victorian Branch of the DIAA bimonthly meeting, reports from both groups were given at the meeting. The facilitators report on the activities at the Discussion Group Meeting was mailed out to all deer farmers inviting them to the next meeting. These reports were published in part or as a whole in the Little Vic Deer Newsletter and in the Australian Deer Farmer Magazine. At the end of the 2002 program the members were asked to give some feedback on the project. The farmers were asked questions about content, presentation, what they had benefited from and asked to make suggestions about topics they thought would help them become more profitable. The answers to the questions and the suggested topics were worked into the new program. The venue was chosen to suit the topic for the day. By the time the program started again in 2003 word of mouth had spread the benefit of the meetings to other deer farmers with the result numbers attending meetings improved.

2.1 Gippsland Discussion Group

The Gippsland Group has the benefit of farmers not having to travel far to meetings. Members attended meetings more regularly making the program easier to deliver. It was possible to introduce members to the units and language required for them to be able to understand research results and reports. This group also has the advantage of a number of the members had attended courses run for other grazing enterprises for example “PROGRAZE” and “PASTURE FOR PROFIT”. The benefit to the group having members with this knowledge and experience is valuable. The farm reports given by the members improved quickly and were descriptive. Members used units i.e. Kilograms of Dry Matter per Hectare to describe pasture cover and ‘Condition Scores’ when describing deer. The program was organized for twelve months. The full two year program is summarized in Table 1.

Table 1. Gippsland Discussion Group Program

Date and Attendance	Venue	Topic
21/10/01 12	Nola Anderson & Deirdre Green Buln Buln	“Profit Program” planning meeting. Pasture walk, weed and pasture species identification. Grazing strategy for silage production
13/01/02 17	Ellinbank Dairy Research Farm Warragul	Bruce Manintveld presentation BizCheck for Meat Workshop. Business analysis program. Measuring farm profit, input data required
20/01/02 14	Ellinbank Dairy Research Farm Warragul	Individual farm interviews to enter data into the BizCheck for Meat program for analysis. Farm financial reports produced on the day.
10/02/02 17	Ellinbank Dairy Research Farm Warragul	Presentation of group report B. Manintveld Farmers were able to compare their results with group data. Discussion of the group bench marks.
17/03/02 8	Gary & Chris Leth Childers	Pasture quality and quantity. Autumn management of pastures. Discussion on shed design.
12/05/02 22	Ross & Di Lawrence Neerim	Pasture walk estimating pasture quantity dry matter per hectare. Pasture quality in Megajoules Metabolisable Energy (MJME)
14/07/02 17	Barry & Nancy Osborn Rye	Guy Dockrill presentation condition scoring deer Dressing percentage of deer. Improving returns by meeting market specifications.
15/09/02 10	Kay Gall Drouin South	Fodder conservation Comparing silage production to grain feeding.
10/11/02 11	Terry & Joan Mahoney Bittern	Joan outlined the Deer Industry Quality Assurance Program. How they have implemented the program on the farm Pasture walk assessing renovated pastures Pasture species specifically grown for deer.

Date and Attendance	Venue	Topic
09/02/03 12	McMillan Campus Warragul	Theory of how grass grows. Feed value of different feeds e.g. potatoes, carrots and cabbage Lionel Campion, velvet buyer, outlined market specifications for velvet. Lionel reported on his recent trip to Korea looking at velvet processing.
16/03/03 27	Di & Ross Lawrence Neerim	David Bechwith described line breeding, genetic selection and the benefits of genetics in production.
18/05/03 18	Sarah Morgan Tanjil South	Marie Nicholls Financial Adviser spoke about Tax, GST, ABN and primary producer status. Outlined the requirements of a good business plan. Farm walk discussion on cape weed control. Assessing quantity of feed on hand and the consumption rate by deer. Shed design and farm safety
27/07/03 21	Graham & June Edyvane Neerim South	Liz Clay gave a presentation on Organic farming the fastest growing primary industry. Implications for the European market. Warnham & Woburn soft ware breeding program.
21/09/03 TBA	Barry & Nancy Osborn Rye	Deer husbandry dates, weaning and joining. Drenching and vaccinating
16/11/03 TBA	David & Rose Laird Maffra	Cross breeding deer for venison production
206	Total Attendance	
37	Number of attendees	
12	Members attending more than half the meetings	

TBA these meetings have been scheduled after the completion of the report.

2.2 South West Discussion Group

The South West Discussion Group was an established group meeting regularly on members properties. They agreed to participate in the program to avail them selves of some new information. This group has the disadvantage of distance between members, the distance is about five hours drive. This means regular attendance is not as common, most members attend the meeting held in their district. Not as many of the participants have attended grazing courses so not as much grazing information is available. However there are a number of members who are DIAA office bearers, this means more industry news is shared. The full program for the South West Discussion group program is summarized in Table 2.

Table 2. South West Discussion Group Program

Date and Attended	Venue	Topic
04/11/01 10	Richard & Sue Coffin Wallace	Planning meeting and farm walk. Weed and pasture species identification. Pasture renovation program
03/03/02 14	Henry & Solange Shapiro Lismore	Report on the World Deer Farming Conference. Pasture walk discussion on kilograms of dry matter per hectare (KgDM/Ha) Business benchmarking program outlined.
28/04/02 19	Ern & Dianne Harrison Leah and Brett Portland	Pasture quality and quantity. (Units MJME/Kg DM) Autumn management. Animal feed consumption and quality required for weaners.
07/05/02 12	Consultants Office	Data entry by farmers into the BizCheck for meat analysis. Farmer recieved business report on the day.
20/05/02 7	Nigel Barry Ballarat Office	Nigel McGukian consultant presented a business program de brief day. Industry benchmarks compared to other grazing industries. Results of the group business analysis discussed. Cost of production, break even price and return on capital discussed.
23/06/02 18	Nigel Barry Colac	Feeding and managing weaners. Growth rates to meet the pre-Christmas market. Megajoules of Metabilizable Energy of pellets & feed Pasture renovation program, pasture species for deer.
18/08/02 14	Clyde & Jan Sefton South Purrumbete	Talk by Guy Dockrill condition scoring deer and estimating dressing percentage. Improving returns by meeting carcass specifications.

Date and Attendance	Venue	Topic
13/10/02 13	Steve & Maria Lamplough Condah	Fodder conservation, pastures grown for silage, Annual rye grass pasture. Wind breaks and direct seeding wind breaks.
08/12/02 10	Jim & Jill Moir Horsham	Drought feeding and the alternatives i.e. agistment, selling stock, share farming stock. Quality Assurance program for deer the value of the program. (QA) Tips for putting the QA program into practice
02/02/03 12	Richard & Sue Coffin Wallace	Richard demonstrated velvet grading, preparation for sale and storage of the product. Pasture renovation on wet areas. Condition scoring stags going into the rut.
30/03/03 14	Jeff & Josie Varcoe Millicent	Growing maize to forage harvest for deer and feed as green chop. Industry news, current information about the Johne's disease program, new testing and the cost of the test.
07/05/03 11	Consultant Office	Data collection for the BizCheck for meat business analysis. Also the data for Enterprise Health Check analysis to compare the enterprise mix on the farm
19/05/03 12	Western Bulldogs Club Room Footscray	Discussion day with Nigel McGukian, business consultant, reviewing the group analysis of the business figures.
25/05/03 13	Trevor & Kylie Picken Casterton	Trevor spoke about stock handling, moving deer and flight zones. Better stock control, less damage and trauma on velvet, less bruising and carcass damage
20/07/03 9	Chris Peel & Di Snell Moriac	Pasture renovation program from bent grass to productive pasture. Animal consumption rate of pasture on offer, growth rates of weaners, estimated hind condition score. Fencing and infrastructure. Fodder crops for summer feed and in a pasture renovation cycle.
14/09/03 TBA	Clyde & Jan Sefton South Purrumbete	Deer husbandry, dates to drench, vaccinate, join and wean.
09/11/03 TBA	Andrew & Marika McKinnon	Breeding programs. Artificial Breeding and Genetics

188	Total attendance	
35	Number of attendees	
12	Members attending more than half the meetings	

TBA meetings scheduled

2.3 Profile of members in the discussion groups

The profile of the members of both groups ranges from small farmers through to large commercial farmers. A range of deer breeds and their crosses are represented including Chital, Fallow, Mesopotamian Fallow, Red, Elk (Wapiti). Farms have a wide variation in soil types and rainfall this determines the pasture species and enterprises that farmers are running. Experience in the deer industry varies from over 20 years of experience down to a few months. Off farm income varies and is from a wide range of sources bringing a wide range of experience and suggestions to every problem discussed. Some of the deer farmers are carrying two or more enterprises for example different species of deer, velvet production and venison production, breeding genetic stock, sheep, lambs, stud rams, broad acre cropping, beef, bull beef, goats, dairy agistment, fodder production and potato production. The meetings have been held on a Sunday afternoon. The timing was one of the points mentioned in the survey that members requested. Most farmers have off farm employment during the week.

Members now have much more awareness of research available to them. They now know about the programs available to other grazing industries and adaptable to their own situation. They have met at least one deer farmer who is practising new management methods and new skills. Another benefit of the groups has been the willingness of members to travel from Gippsland to the South West Group and vice versa. Also the Warnham and Woburn Society has taken advantage of members gathering for a discussion group meeting to have the Society meeting.

There have been two other discussion groups active in the past, one in the Central Region and one in the Goulburn Valley. Both of these regions invited their past members to a meeting to discuss the value of the “profit program”. Both meetings were successful in that information about the business program was discussed and some individual members did participate in that workshop. But neither group went on with the entire program as a group.

3. Business workshops for deer farmers

The “Profit Program” started off with the business workshops to help deer farmers understand the business of deer farming. Farmers have to be able to examine the fundamental cost and revenue drivers in their business. If the individual farmer is aware of the indicators and the profit s/he was generating they might be stimulated to improve their performance. By encouraging them to participate in a group workshop they would be able to compare their performance with others to see if improvement was possible and to what extent that might be. The bench marks could then be used by the industry and other farmers, particularly other deer farmers but also other graziers who might look at farming deer as well as sheep and beef.

The program we chose to do the analysis was called BIZCHECK for MEAT®. This program was written for beef and sheep producers with funds from Meat and Livestock Australia (MLA). This is a program beef producers have become familiar with through the BEEFCHEQUE® program, a discussion group program to assist beef farmers to learn new skills and implementing research. The BIZCHECK for MEAT ® program was not customised for use by deer farmers, venison figures were substituted for the lamb figures and the wool column was used to put in velvet figures.

3.1 Gippsland Business Group

Encouraging deer farmers to attend this workshop was very difficult. The reasons for not attending were many and varied. The confidentiality of the results was a problem, people would like to have bench marks to make a comparison but they were not prepared to go in the collection sample. Some did not see any benefit in knowing if they were making a profit, others were prepared to subsidize the deer enterprise with off farm income. Some producers did not want to disclose off farm income. Others were in the transition of buying a new farm, others were changing circumstances in partnerships. Eventually twelve farmers in the Gippsland area committed to the program. A summary of some of the indicators and the results of eleven farms analysed are in Table 3.

Table 3. Results of BizCheck for Meat® analysis Gippsland Group 2000/2001 Data Summary Sheet for Selected Indicators

Indicator	Deer Group Middle Range	Deer Average of highest 25%	#Target B'mark Meat Medium	#Target B'mark Meat Strong
Production: Water use-Farm Income/ha/100mm High rainfall (>800 mm) (\$/ha/100mm)	70	188	35-45	Above
Size DSE/Household ('000 DSE/HH)	2.2	11.9	5-10	Above
Operating Costs (%)	117	41	60-50	Below
Debt as a ratio of Farm Income (ratio)	1.4	0	1.5-0.7	Below
Livestock Investment: Value of livestock as a % of Livestock income (%)	390	130	200-150	Below
Machinery Investment: Machinery clearing sale value as ratio of Farm Income (ratio)	1.34	0.34	0.6-0.4	Below
Farm Profit/ Household (\$'000/HH)	-13	42	30-60	Above
Non-farm Income Net non-farm income/Household (\$'000/HH)	43	88	5-15	Above
Disposable Income/Household (\$'000/HH)	33	80	30-60	Above
Net Worth or Equity/Household (\$'000/HH)	702	1,541	400-800	Above

DSE Dry Sheep Equivalent

HH House Hold

Target Benchmarks BIZCHECK for MEAT® EDGE Network® MLA

The results showed a wide variation in performance as they usually do with any group. Beef groups show the same spread and variation within a group.

The workshop program is run over three days, day one is an introduction to the workshop this day outlines the financial information and physical figures farmers would need to put in the program to be analysed. Some information is from the tax return, other information includes stocking rate, kilograms of product sold and rainfall. On the second day the farmer had an appointment with a Beef Officer Bruce Manintveld, Department of Primary Industries to put the data into the program. At that meeting farmers were given printout of their financial analysis. This was reviewed by the Beef Officer. After the eleven farmers had put their data into the program these results were sent to MLA in Canberra to be analysed as a group. Each members results remain anonymous. The third day was a debrief day to look at the range of results in the group and to investigate possibilities of improving individual farmer performance.

3.2 South West Business Group

The South West Business Group members used the same program as the Gippsland group but they had a different course structure for the business analysis program. The farmers were spread out some farmers lived near Ballarat while others were near Portland. Instead of bringing everyone to a central point for the first day the data was collection on the farm by a consultant or a Department of Primary Industries Beef Officer. A summary of selected indicators and the results of the group analysis are in Table 4. The group discussed their results at a meeting in Ballarat. The difficulty in running courses for deer farmers is that most of the consultants do not like working weekends, but most deer farmers can't attend courses during the week.

Table 4. Results BizCheck for Meat® analysis South West Victoria 2000/2001 data collected from 12 deer farms

Indicator	Deer Group Middle Range	Deer Average of highest 25%	#Target B'mark Red Meat Medium	#Target B'mark Red Meat Strong
Production: Water use-Farm Income/ha/100mm High rainfall (>800 mm) (\$/ha/100mm)	90	186	35-45	Above
Size DSE/Household ('000 DSE/HH)	2	7.6	5-10	Above
Operating Costs (%)	74	35	60-50	Below
Debt as a ratio of Farm Income (ratio)	15.4	1.4	1.5-0.7	Below
Livestock Investment: Value of livestock as a % of Livestock income (%)	327	148	200-150	Below
Machinery Investment: Machinery clearing sale value as ratio of Farm Income (ratio)	1.9	1	0.6-0.4	Below
Farm Profit/ Household (\$'000/HH)	32	82	30-60	Above
Non-farm Income Net non-farm income/Household (\$'000/HH)	65	70	5-15	Above
Disposable Income/Household (\$'000/HH)	49.3	108.6	30-60	Above
Net Worth or Equity/Household (\$'000/HH)	489	768	400-800	Above

DSE Dry Sheep Equivalent

HH House Hold

Target Benchmarks BIZCHECK for MEAT® EDGE Network® MLA

It was unfortunate that only seven people representing four businesses were able to come to the debrief day after the group results were published. However it was a worth while day for those attending. Those that did attend reported to the discussion group at the next regular weekend meeting. Nigel McGukian consultant with Rendall McGukian and Associates presented the day. One of the questions addressed on the day was whether velvet or venison was the most profitable enterprise. With the figures we have at present and the experience we had to draw on at the time velvet was the most profitable enterprise at this time. However farmers were concerned about the physical fact that there are not enough genetically superior stags available to set up a large profitable operation. After testing a range of models the break even price for velvet was \$110.00 per kilogram and for venison \$5.00 per kilogram. These figures will vary considerably depending on the inclusion of expenditure, operating costs, imputed capital cost and owners labour. Nigel McGukian made the comment that compared with other grazing industries i.e. sheep and cattle the deer bench marks were about the same. There is a big range of producers in the industry and the better producers are making money as do the better beef producers.

Nigel's opinion on the day considering the figures provided was that there are three main areas for concern for the deer industry:

- the price of the product i.e. velvet and venison,
- the high capital value in land and infrastructure
- feeding deer to meet carcass specifications and genetic improvement of stock.

3.3 Business Group 2001/2002

Deer farmers were not interested in analysing their business results in the year 2001/2002. Some of the reasons given were that they were in drought and unusually high feed costs. Some had a good idea of where they were at present and needed more time to put some management decisions into practice before looking at another set of figures. Some deer farmers were leaving the industry because of low prices, some have retired, while others have changed enterprises to take advantage of better returns in lamb and buying beef while prices were cheap. The spread of participants made it necessary to have data collected by consultants or beef officers near to the farm. A selection of results of the group from Gippsland and South Western Victoria are shown in Table 5.

Table 5. Results of BizCheck for Meat® analysis South West Victoria and Gippsland Group 2001/2002 data collected from 15 deer farms

Indicator	Deer Group Middle Range	Deer Average of highest 25%	* Grazing Bench marks
Farm income per effective hectare \$/ha	463	1,877	536
Farm operating costs as a % of the income %	62	148	49
Operating Costs per hectare \$/ha	390	1,074	252
Farm Operating Surplus/ha \$/ha	177	688	227
Farm Operating Surplus / land value %/land value	5	15	10.8
Total stocking rate livestock per pasture ha DSE/ha	16.7	42.1	13.8
Return on managed farm capital %	-2	5	7.6

DSE Dry Sheep Equivalent

* Grazing Benchmarks South West Victoria Monitor Farm Project 2001/2002 Lee Beattie

Data was collected and analysed to compare the venison enterprise to a velvet enterprise. This program is called ENTERPRISE HEALTH CHECK®. Farmers in the group have now received a copy of both programs for their use.

Nigel McGukian presented the group data. This year we looked at a different group of indicators. Some of the figures have been inflated by a large farm in the input sample. This makes the point that larger operations can be viable and perhaps scale of most operations was a limiting factor to profitability.

Ten people were able to attend the de-brief session centrally located in Melbourne. Nigel McGukian compared some of the bench marks in the deer analysis with some in the beef industry, for example farm operating surplus per land value in beef would be higher in the middle range but the top 25% of deer farmers would be the same as for the top 25 % of beef farmers and considered to be good in any industry. The total stocking rate indicated a high stocking rate which might be due to off farm feed, beef producers have found purchasing feed or even conserving fodder was not as profitable as growing and utilizing green pasture.

4. Pasture Program

The pasture program followed the sessions outlined in PROGRAZE® for Victoria. This is a practical program for graziers developed by New South Wales Agriculture. Usually the PROGRAZE® program runs over eight months, one meeting per month. This allows farmers to follow the changes in maturity of the pasture plants and changes in quantity and quality. An activity or topic was covered at each meeting with practical demonstrations to reinforce the talk. Members of the group went on a pasture walk on the host property to identify weeds and pasture species. The main activity undertaken each walk was to assess the amount of pasture in the paddock in kilograms of dry matter. This concept was explained and demonstrated early in the program and practised each farm meeting. Participants also assessed the quality of pasture on hand in Megajoules of Metabolisable Energy (MJME) and percentage of Crude Protein (%CP) each meeting. Members started to feed test fodder they had conserved or purchased to make decisions on feed rations. Another activity was sharing information on the price per MJME of purchased feed. Although some people did not think the topic of watching grass grow would be stimulating they were pleasantly surprised and found value in the information presented each meeting.

Another important outcome of the program was that some members could see the value of the PROGRAZE® program and attended the full course with local beef farmers. This stimulated even more interest and understanding in the discussion group as this information started to flow into the group discussions and pasture walks. Prior to the 'Profit Program' few people were aware of the nutrient value of pasture and the low cost of the energy compared to grain rations. They had not perceived themselves as pasture producers harvesting the pasture with deer.

Although the PROGRAZE® manual is not available for purchase members received Australian Deer Industry Manual No. 6 Assessment and Grazing Management for reference. This covers the principles and grazing management practised in the "Profit Program".

5. Deer Program

The survey results at the first meeting showed that most people had a high level of understanding of the animal husbandry required to run a deer herd. The “Profit Program” concentrated on deer nutritional requirements. The main focus was to understand the quantity of dry matter required and the nutrient concentration in that dry matter. This helped farmers develop feeding programs for weaners. Weaner growth is important for both velvet production and maiden hind joining weight. Weaner must meet carcass specification when prices are at a peak.

Members were encouraged to weigh weaners regularly. Comparison of weights and growth rate were related to the feed ration being offered. The cost of the ration was estimated. This helped farmers understand the benefit of feeding to achieve market specifications on a particular date. Unfortunately the usual price rise in October did not occur. This led to the discussion of forward selling or forward contracts. In the past the farmers had not fully understood the benefit of the forward contracts. Everyone is much more aware of the advantages now but the contracts are not available at present. The members were taught how to condition score stock by using the “Body Condition Score Charts”, this skill was practiced at each meeting.

Guy Dockrill gave a presentation to both groups on condition score and dressing percentage. More people are weighing animals before they sell them and making estimates of carcass weights. This has helped meet the carcass specifications but low prices have not made farmers more profitable at this stage.

6. Questionnaire

In order to evaluate the program at the end of two years it was essential to find out what skills and knowledge deer farmers had before the program started. Since the program was intending to work in three main areas business, pasture production and feeding deer to meet market specifications. A questionnaire for graziers was adapted from the BEEFCHEQUE® program with permission from the BeefCheque Board.

6.1 Results of the questionnaire at the start

The survey results indicated that the deer farmers are confident with the general farm skills and basic deer husbandry but are not familiar with the new terminology and pasture skills. The business skills were the least used and the least confident in using.

There were 25 surveys returned. A wide range of people were involved from people with no deer at the time through to 600 head. All enterprise types were represented. There was a big variation in the proportion of total income from the deer farm enterprises, but a majority of people had more than 50% off farm income. It is interesting to see that there was a tick in each box on the survey. This indicated that there was at least one person confident in using one or more of the skills on the list. This is very important as the uptake of the skills will be much quicker if a peer is already competent. As well as people saying they were confident in using a skill they also indicated they "need more practice" This indicated they are prepared to implement some of the new ideas.

6.2 Results of the questionnaire at the end of the program

Fifteen people were asked to complete the same questionnaire at the last meeting in the program. The questionnaire and the results are in Appendix A. Both the surveys were anonymous.

Business activities

The biggest uptake of information was in the business activities. The activities people had started to practise in the last two years included

- Assess the sustainability of your farming practices, 7 people
- Calculate the cost of production, 6 people
- Farm operating costs as a % of income, 6 people, only one person was already doing this activity before the program started.
- Compare your costs of production with industry averages, 6 people.

The twelve members of the BIZCHECK for MEAT® Gippsland Group were asked to complete an evaluation sheet at the end of the three day workshop to rate the value of the course. A summary of the results of the evaluation is in Table 6.

Table 6 Evaluation of BizCheck for Meat® program 2002 program

Comment	Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
BizCheck for meat will improve my profitability	1	8	3	0	0
A follow up course in business would be beneficial	4	4	4	0	0
I think this course is worth the fee paid.	3	8	1	0	0
The refund from RIRDC encouraged me to do this course.	2	6	3	1	0
I would recommend other deer farmers do this course	3	7	2*	0	0

*a comment was made "depends on the stage of development"

There were a number of other issues arising out of using this program for the analysis of data to achieve some industry bench marks. One concern is it is not specific to deer. The industry may have to customize a program for deer farmers. There are several programs to choose from, making an informed comparison before choosing one would be beneficial. The method of collecting the data needs to be addressed. Farmers felt that there had been variation in the data collection depending on the consultant. The start up day was a valuable day. People would prefer to have a group meeting at the beginning and at the end of the program.

The program analysis did not take into account the GST as a separate business item, on bigger properties this is significant and will affect the cash flow budget. Some of the benchmarks were not very useful in decision making on the farm. Some people did not put in their off farm income they wanted to see how the farm figures looked on their own.

The awareness of deer farming as a business has definitely improved. More information is required before we can claim these early figures are indicative of the deer industry. BIZCHECK for MEAT® soft ware program has been supplied to the participants for their own use. The ENTERPRISE HEALTH CHECK®. Program has been supplied to comparing enterprise mix.

Pasture activities

The pasture activities were the next area of uptake the activities people had started in the last two years.

- Estimating stock performance on a pasture of known quantity and quality, 7 people
- Calculate paddock pasture growth (kilograms of dry matter per day) 4 people had started this activity compared to one person who was doing it before the program started. Ten people responded to this question saying they needed more practise.

Deer activities

Fewer people started deer activities, people were already using a larger number of these activities before the program started. The activity most people started was the estimating condition score of deer, 6 people have achieved this skill. For a summary of the final survey results see Appendix A.

7. Benefits of the “Profit Program”

- The discussion group format has worked well for the transfer of skills and knowledge.
- Face to face delivery for transfer of information is the method most farmers preferred as indicated on the survey, 10 people out of 15.
- Holding meetings on the farm is valuable it allows practical demonstrations. However it limits the methods used to present the information as most meeting were held in a farm shed.
- The main value of the farm visit is to look at what the farmer is doing well.
- Every farmer is doing something well sharing that with other farmers benefits the industry.
- Most farmers are active learners, once they see something in practice they are able to achieve better results on their own farm.
- Awareness of grazing programs such as PROGRAZE® will benefit deer farmers.
- Deer farmers are looking at other grazing industry programs i.e. business courses.
- A customized bench marking program would be beneficial.
- Deer farmers see themselves similar to other grazing enterprises in production methods.
- We need to continue the momentum and enthusiasm of the groups.
- The groups are valuable for the exchange of information both for the uptake of research and changes in the deer industry.
- Deer farmers have more skills to become profitable when prices improve.
- Members are attending and participating in discussion groups and sharing experiences and management decisions.
- Members of the group have had the benefit of support while making constructive changes if we expect farmers to make change this support is valuable.
- Farmers are aware of the cost of production and how to calculate it they are likely to take forward contracts if they became available.
- Farmers said they felt they had value for the levy money spent on the program.
- Problem solving is shared.

8. Recommendations

The most important recommendation is to support the discussion groups. This might be with funding or training. Members may benefit by having some 'Working in Groups' training. The group might select a member to have facilitator training. It is hard work to get a group started it requires some support and imagination to keep it going but the benefits are many and varied.

9. Appendix A

Questionnaire results

Two Years ago we asked you to fill in this form as a starting point to our program. We would like to see if the program has been successful by asking you if you know more about your farm and business

In the following list of activities, would you please indicate whether you have used the activity \checkmark = YES, or X= NO, have you started using this activity in the last 2 years \checkmark = YES, or X= NO Do you need more practice \checkmark = YES, or X= NO

The numbers in the table are people saying yes, 15 people participated in the survey.

ACTIVITY	Already Using \checkmark -yes X=no	Started in the last 2 Years \checkmark -yes X=no	Need more Practice \checkmark -yes X=no	No Response
Estimating paddock pasture quantity (kilograms dry matter).	4	5	5	1
Estimating pasture quality (digestibility/energy).	4	7	3	1
Estimate stock performance on a pasture of known quantity and quality.	2 YES 3 NO	7	3	0
Use of "FeedTest" for Fodder quality (energy, protein).	2	4	9	0
Estimating fat score.	6 YES 1 NO	7	1	0
Identifying major pasture species and weeds.	6	7	1	1
Calculating farm average pasture cover (kg dry matter).	4	5	6	0
Calculating paddock pasture growth (kg/DM/day).	1	4	10	0
Calculating a short term feed budget on paper (estimating how much stock need, how much feed in the paddock and how long it will last/ how much supplement needed.).	3 YES 1 NO	5	6	0
Calculating a long term feed budget (more than one month).e.g. Have I enough feed to get through winter?	4 YES 1 NO	5	5	0
Understanding a soil test.	4	5	5	1
Using a soil test to work out fertiliser requirements.	5	7	3	0
Building up a feed wedge.	5	2	8	0
Managing a feed wedge in winter.	5	2	8	0
Controlling a feed wedge in spring.	5	4	6	0

ACTIVITY	Already Using √ -yes X=no	Started in the last 2 Years √ -yes X=no	Need more Practice √ -yes X=no	No Response
Using an electric fence.	6 YES 1 NO	6	2	0
Using more paddock sub-division.	7	4 YES 1 NO	2	1
Strip grazing.	4 YES 1 NO	1 YES 4 NO	3	1
Rotational grazing.	7	6	1	1
Back fencing.	3 YES 1 NO	4 YES 3 NO	4	1
Using nitrogen to boost winter growth.	3 YES 1 NO	4 YES 3 NO	4 YES 1 NO	0
Using nitrogen in spring to boost silage or hay crops.	3 YES 1 NO	3 YES 3 NO	4 YES 1 NO	0
Spray grazing broadleaf weeds (eg capeweed).	8	4 YES 3 NO	0	0
Estimating animal live weight	9	2	4	0
Using scales to weight stock	9 YES 1 NO	1 YES 2 NO	2	0
Estimating dressing %	7	2 YES 1 NO	5	0
Estimating \$ value of slaughter stock	8	2 YES 1 NO	4	0
Estimating fat score.	4 YES 1 NO	6	2	2
Calculate growth rates of deer	7	3	5	0
Calculate growth rates to grow animals for a target market	6	1 YES 1 NO	7	0
Assessing stock against market specifications	7	2 YES 1 NO	5	0
Calculating weaning percentage	7	2 YES 1 NO	5	0
Calculate meat produced per ha.	4 YES 2 NO	1 YES 1 NO	6	0
Calculate the cost of production of meat produced	4 YES 2 NO	2 YES 1 NO	6	0
Calculate the cost of production of each farm enterprise	3 YES 1 NO	4	7	0
Calculate the profit from the farm	5	5	4 YES 1 NO	0
Assess the sustainability of your farming practices	3	7	4 YES 1 NO	0

ACTIVITY	Already Using √ -yes X=no	Started in the last 2 Years √ -yes X=no	Need more Practice √ -yes X=no	No Response
Use a quality assurance program	2 YES 2 NO	5 YES 1 NO	4 YES 1 NO	0
Calculate the cost of production	3	6	6	0
Calculated your stocking rate according to your effective grazing area	5	5	5	0
Farm operating costs as a % of income	1	6	8	0
Calculate the equity in your farm	3 YES 1 NO	3 YES 1 NO	7	0
Calculate production of product velvet/venison per hectare	5	3	6 YES 1 NO	0
Calculate farm income per hectare.	3	4	7 YES 1 NO	0
Compare the costs of a velvet enterprise with a venison enterprise.	4	6	5	0
Compare your costs of production with industry averages.	2	6	7	0
Compare your production methods with other farmers.	4	7	4	0
Preference for delivery of the program	High Priority	Medium Priority	Low Priority	No reply
Face to face delivery	10	2	0	3
On line course	4	6	3	2
Correspondence course	5	5	3	2
Seminars	5	7	0	3

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