



Rabobank

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Succession a key focus of young farmers' business management program in Year of the Family Farm

With 2014 the International Year of the Family Farm, the pressing issue of farm succession will be a key focus of this year's Rabobank Farm Managers Program.

The program – which is designed to strengthen the operational and strategic skills of tomorrow's farm leaders – will cover succession planning for farm businesses, along with a range of topics including leadership, business planning and financial and economic management.

Applications are now open for the 2014 Farm Managers Program, which will be held in Victoria in June.

Now in its ninth year and modelled on Rabobank's highly-respected Executive Development Program, the Farm Managers Program is open to all progressive young farmers from across Australia and New Zealand from a range of agricultural commodities.

Rabobank CEO New Zealand Ben Russell says the Farm Managers Program is an excellent platform for young farmers looking to step up and take on more responsibility with their operations, giving them the confidence to add value and have impact on-farm.

"There comes a time in many families when the younger generation begins to integrate into the family farming business, taking on more responsibility with management decisions," Mr Russell says.

"The aim of the program is to support the younger managers and provide them the business knowledge and tools to succeed. With succession planning a big focus for many agricultural families, and being the International Year of the Family Farm, the Farm Managers Program is a great opportunity to focus on succession and ensure the next generation is in good stead to manage the challenges ahead with regard to running the enterprise in future."

Mr Russell says that farm succession is not just an issue for the farming families involved but it has a direct and long-term impact on future food production. We need farmers to run our farms."

According to a recently-released Rabobank publication, 'The Future of Farming', in most productive, developed food and agriculture-producing countries, more than half of the farmers are above the age of 55.

"In New Zealand and Australia – and certainly in other countries in the world – most farms are family-run operations, owned and operated by one family and often passed down from generation to generation," Mr Russell says.



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“The ‘family’ in family business is the source of its greatest strength and potential for its greatest downfall. Addressing this issue properly for the future sustainability of these operations is key.”

Farm business manager in the North Island’s Central Plateau, Sam Bunny, manages Rangitaiki station – a 9,050 hectare property running 80,000 stock units of sheep, beef, dairy heifers and deer, as well as potatoes. Sam completed the Rabobank Farm Managers Program and says the lessons learnt were “invaluable” skills that have helped him improve his management style and structure on-farm.

“Since completing the Farm Managers Program, we have seen many changes take place across the business and there have been some incredibly positive results,” Sam says.

“There was a big focus on business planning so I went home after the course and wrote a large-scale business plan for the property I was managing at the time – this focused on a number of things, but overall, we had a three-year strategic plan that looked at where we were and where we wanted to be with production.”

Sam says he set clear goals that really helped turn an average-performing farm into a high performing operation.

“We were feeding our stock more effectively, getting the balance of our stock policies right, having those targets set and budgeting well,” he says.

“We lifted on-farm performance all-round. We got high lambing percentages, better lamb growth rates, better weaning growth rates with our cattle, and we lifted our live weight production from 250kg/LW/hectare to 400kg/LW/hectare. Then of course, all that flowed on with financial benefits.”

On a personal level, Sam says the market improvements on-farm and in his management style was recognised by his employer, resulting in a promotion to manage the largest operation in the Landcorp Farming portfolio – Rangitaiki – where he is currently driving more positive change on-farm.

“The Rabobank program certainly helped with getting me to the next level – no doubt about it,” he says.

The deer enterprise on Rangitaiki is the largest deer farm in the Southern Hemisphere, running 9,000 breeding hinds and replacements and 7,500 weaners which are taken through to the spring to be finished. The sheep and beef enterprise consists of 22,000 Romney ewes and 6,800 Romney hoggets, 1,500 Angus cows with 600 R2 steers, and 380 R1 replacement heifers. There are 21 permanent staff on-farm.

Sam says the Farm Managers Program had a strong focus on ‘healthy thinking’ which has helped a lot with being mentally fit’ to manage Rangitaiki.



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“The main thing is not dwelling on the negative stuff which always used to play over in my head and get me down when something didn’t go to plan,” Sam says.

“If you get rid of those negative thoughts and think about the future, rather than the past, you’ll be happier and a better manager. Especially managing 21 people, there’s always stuff going on that can get to you, but you can’t sweat the small stuff. You need to think positively and shift your mindset.”

Succession planning was another focus of the Rabobank program that Sam gained insight into.

“The succession focus of the program is something that I quiet enjoyed. There were quite a few guys on the course who were going through succession issues and I found it interesting to see how difficult it can be,” he says.

“It’s inevitable for many farmers our there and forward planning and openness is a really good start.”

Applications for the 2014 Rabobank Farm Managers Program are open until 28 April. Only 36 applicants will be offered places on the program which will be held at the Grange Cleveland Winery, Lancefield, Victoria from Monday 16 to Friday 20 June, 2014.

“I have told a lot of people about this program – it’s just got such a broad range of topics that a very relevant to everything that we do in farming,” Sam says.

“I can’t imagine anyone not getting anything out of it. You really will see the positive response back on-farm. Don’t hesitate to get on the course, you won’t be let down.”

Producers interested in an application form or any further information on the Rabobank Farm Managers Program should visit www.rabobank.co.nz/bmp or contact Rabobank business programs manager Nerida Sweetapple on +61 2 8115 4139 or email nerida.sweetapple@rabobank.com.

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