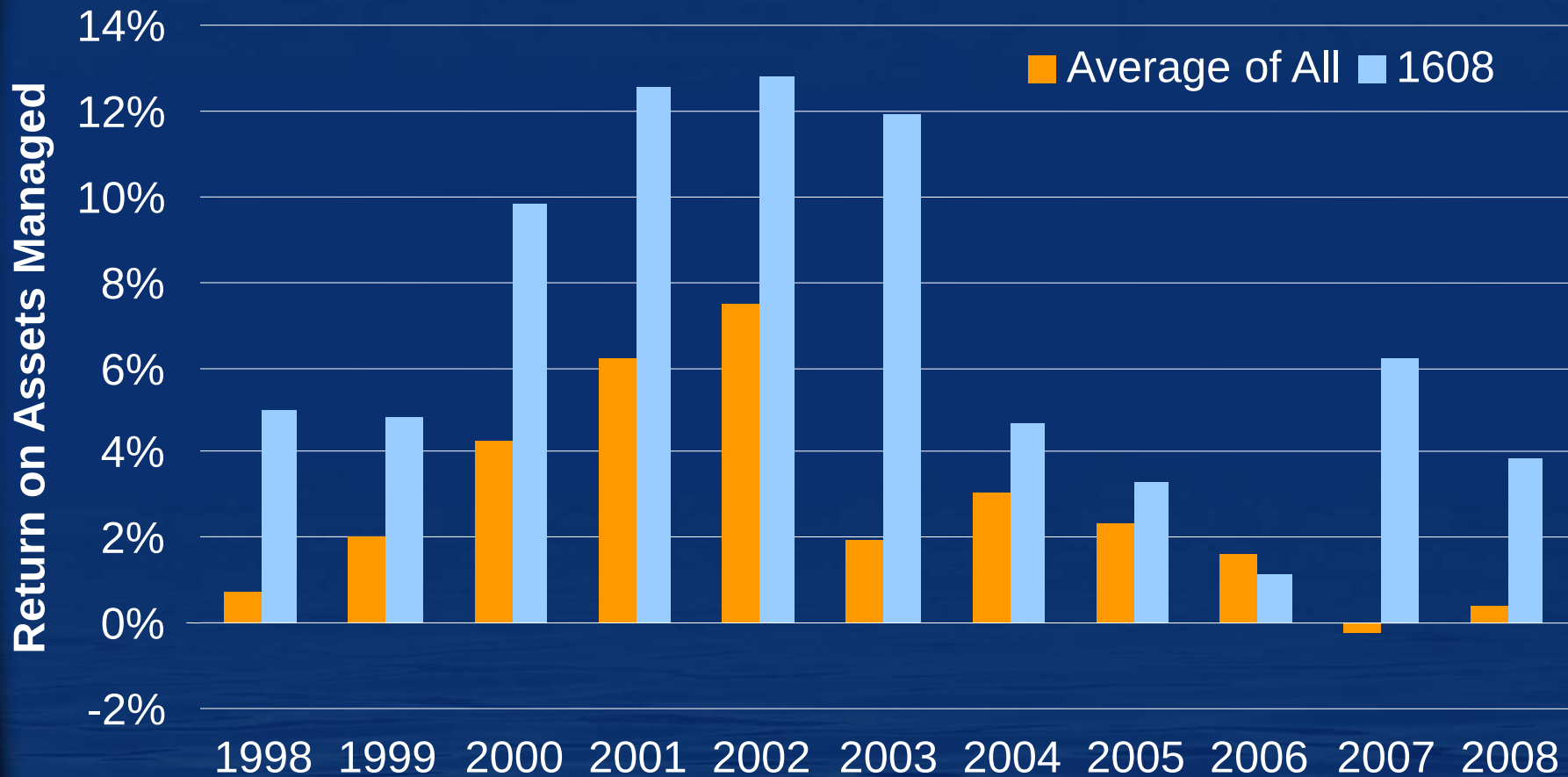


Keys to Sheep Enterprise Profitability in the Near Future

Content

1. Strategy
2. Tactics
3. Answers for immediate decisions

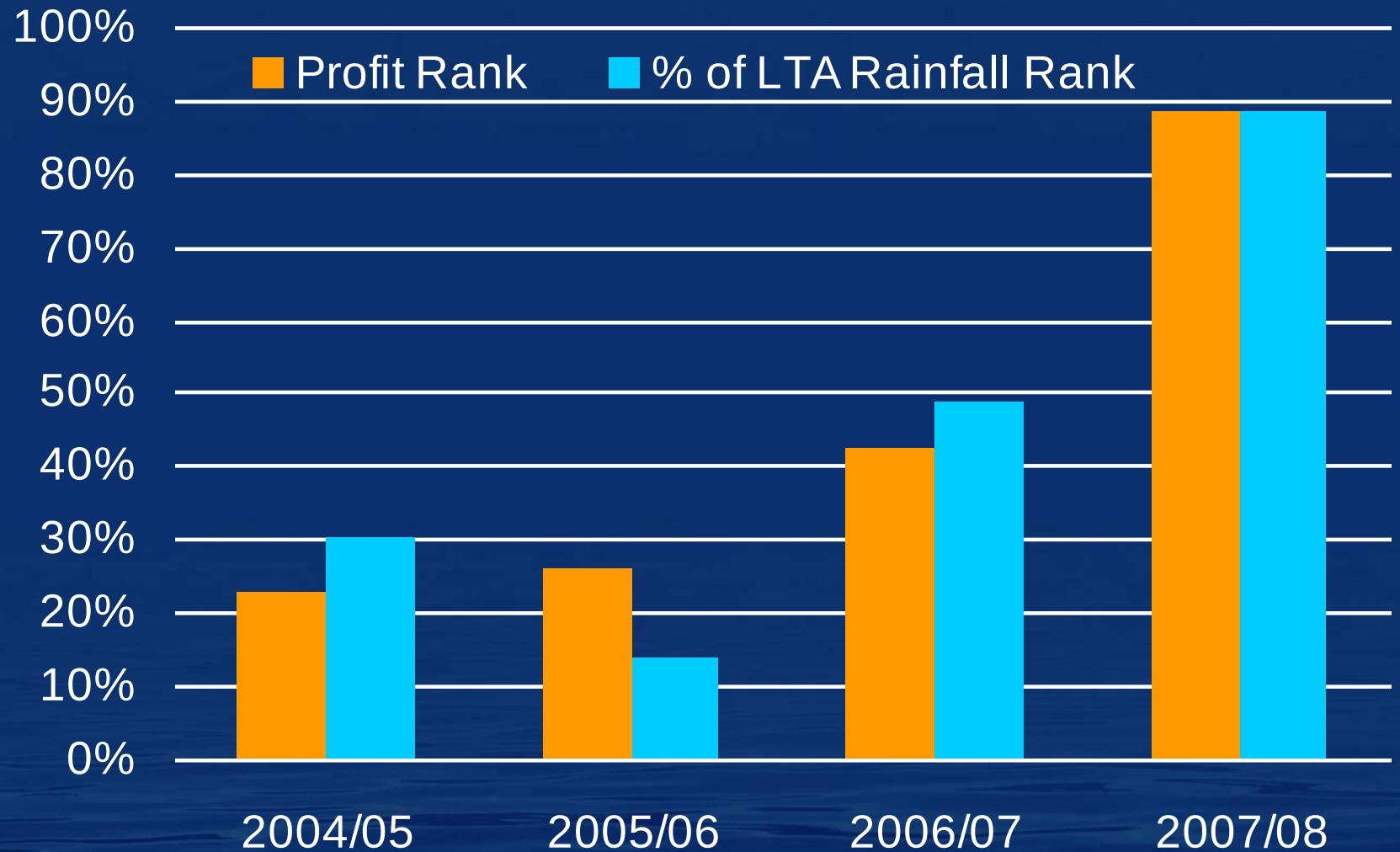
Profitable Management



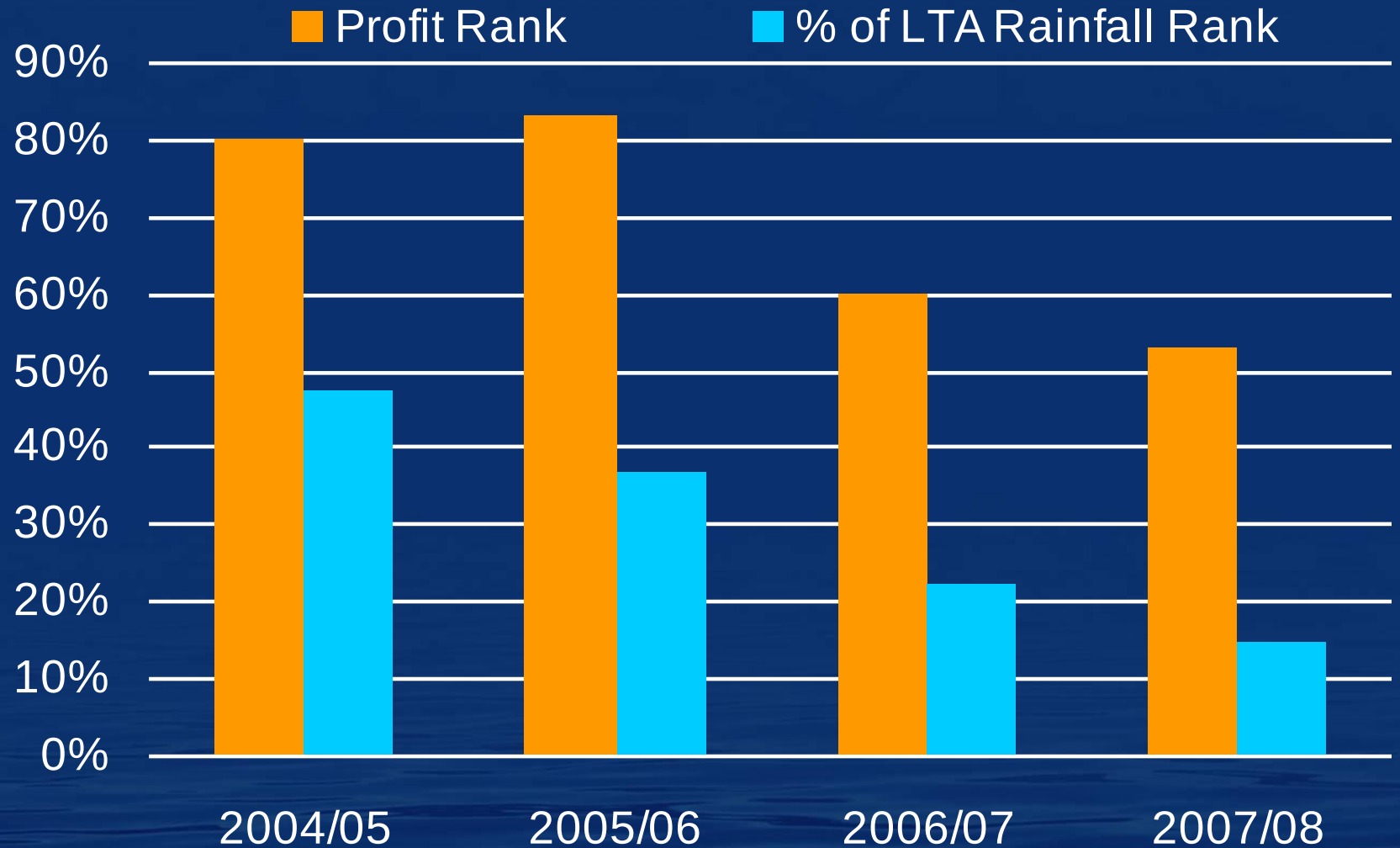
1st Key Message

Understand the difference between strategy and tactics, being very clear about the long term strategy and very good at making the tactical decisions to weave your way to your goals.

Some production systems depend on better seasons to achieve above average profitability



Other production systems outperform their rainfall



2nd Key Message

Know where the strengths and weaknesses are
in the production system – don't guess.

Tactics for better long term profitability

1. Don't persist after the opportunity has disappeared
 - Historical probabilities of seasons.
 - Cost of acting if the season turns out OK v loss avoided from acting
2. Don't let an opportunity go to waste
 - Have provisions for taking opportunities
 - The appropriate stocking rate
 - Fodder trading opportunities (buy or sell)
 - Trading opportunities – what is the minimum acceptable return
3. Don't lose sight of the strategy
 - Provisioning to restock
 - A clear long term genetic direction
 - Preparation for production risk
4. Address structural issues
 - Labour requirements
 - Debt

Questions