



SW  
DAIRY  
LIMITED

# April 2024

## CHAIRMANS REPORT

Dear Supplier/Shareholders,

As season 23/24 is all but completed most of us now have shifted focus to season 24/25 (where does the time go?)

The season across our supplier base has ended up pretty good considering some wet and challenging and drier conditions. We are on track to produce approximately 31 million Litres with our 26 suppliers respectively for the 23/24 season.

Some areas have received some nice rain early April and I hope all of our supplier's receive the rain needed to kick start the feed wedge coming into the new season.

I hope all of you have had a chance to have a break whilst the cows are out, or almost out!

As you are aware our current milk price still remains at \$9.30 kg/MS and is unlikely to change this season.

SWDL have been continuously engaging on a regular basis with ProviCo, a focal point being next seasons forecasted milk price. SWDL acknowledges the challenges processors are facing and understand that not only do farmers need to be profitable and sustainable but also processors, in order to have a prosperous dairy industry.

Given the fall in dairy commodities over the last twelve months we anticipate a drop in milk price next season. What this will be is anyone's guess at this stage, but as soon as we know more you will be notified.

The discussion group days have been great and relevant to what is happening on our farms. Effluent, Farm Succession & Calf Rearing, (although numbers were a little light on). Thank-you to Rachel and all that made the effort to attend.

Yours Sincerely,

Brad Couch  
Chairman  
SWDL

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## ProviCo Update from Ben Anderson

To coincide with the seasonal reduction of milk we completed our annual maintenance program during March. The plant didn't receive milk from 2<sup>nd</sup> – 23<sup>rd</sup> March and during that time we worked with other companies to manage the milk supply. Some of the activities conducted during the shutdown included servicing of specialist equipment, annual regulatory testing (boilers, pressure vessels, suppression systems etc), thorough plant cleaning activities and intrusive works associated with the Miscellar Casein Isolate project (MCI). A concrete slab was poured, and 2 x 150,000 silos were installed (photo below).



Some of the common applications for MCI include senior nutrition supplements, sports nutrition, coffee creamers (which are used extensively through North America), cheese milk and yoghurt ingredient extension. The product will be manufactured into 20kg bags and be used as a semi-finished good by other manufacturers in their formulations to satisfy the above-mentioned applications. First product is

expected December 2024.

Soon you will see advertisements promoting SWDL as we move into the recruitment season. We want to continue to work with SWDL to grow the cooperative and ProviCo. As I have previously stated, as established SWDL seasonal suppliers, you are the best promoters and examples of the farming model so don't underestimate the influence you can have through conversations to prospective farmers based on your experience.

If you think that there are potential suppliers of SWDL that you think there would be benefit in touring the facility to understand what ProviCo is about please don't hesitate to let me know and we will arrange for a visit.

## **Announcements**

### **Calving Books**

We are printing our first batch of SWDL calving books which will be delivered in May. If you are looking for a calving book for this year, please let Rachel know.



### New Arrivals

Congratulations to Daniel & Alex Ryan on the safe arrival of Archie William Ryan

And

Congratulations to Jayne & Callum Day on the safe arrival of Emma Elizabeth Day

And

Congratulations to Paul and Helene Foster on the safe arrival of Oliver Robert Foster

## CHAIRMANS REPORT CONTINUED

### Investment fund update

SWDL are still exploring the concept of managing a farm or farms on behalf of private investors, with the idea to mentor the next generation of young dairy farmers with ambitions to farm ownership.

A great deal of work has been done to date, and more work to be done in order for this to proceed.

If feasible, SWDL Board believe this concept would provide an immensely positive outcome to not only SWDL, but foremost, guidance & leadership guidance to young farmers ambitious to learn, succeed & ultimately purchase, within our local community. Note, this would only go ahead however, with full support from you, the Supplier/Shareholders. Myself, the board and Rachel will keep you informed when the project is more finely tuned.

### Discussion group update

The start of the year has been busy for discussion group as we pushed to cover everything before calving starts.

Our effluent day at Terang was well attended and covered off on the crucial elements to making the best out of our dairy effluent. With nutrient levels varying so much between dairy farms, Rachael Campbell encouraged all those attending to get your ponds tested use these results in conjunction with your soil tests to place the effluent where it is needed most.

March saw us at Timboon for a day with Meagan Compton to discuss the taboo topic of succession planning. For those who are looking to step back from the farm in the near (or not so near) future, the importance of understanding your expenses and what you will need to live off financially was crucial to planning a successful retirement. The possibilities that come with succession planning and the who's and the how's are so variable that the importance of having a professional involved was highlighted to those in attendance. If anyone would like contact details for Meagan, please let Duncan or Rachel know.

Earlier in April we met at Allansford for the timely discussion of calf rearing, a topic that many of us chose to avoid if we can, but a good turnout resulted in some strong discussion around current calf feeding practices, the importance of getting into your calf shed to understand drafts (or lack of), feeder heights and the stocking rate of each calf pen all being crucial to calf rearing success.

Melissa Lewis introduced attendees to the idea of Milk Math, and the benefits of working off dry matter intake (DMI), rather than traditional 4L to optimally feed calves.

Our last event before calving will be held on the 7<sup>th</sup> of May in Cobden, focusing on updates around biosecurity on farm.

More information will be sent this week.

## **POTENTIAL SUPPLIERS FOR 2024**

Rachel is continuing discussions with potential new suppliers for SWDL. If you have any farmers that you believe would suit our group, please let Rachel know

### **ProviCo Rural Rebate**

The ProviCo Rural rebate has been confirmed once again and available exclusively to SWDL suppliers.

Up to 5% rebate is available on all ProviCo rural products.

I will begin sending monthly reminder emails next month for any refundable purchases

## Supplier Focus

Kerry & Katrina



The Sisters



156Ha (53Ha leased)



215 Milking cows



Kerry & Katrina, along with their children Sophie and William, have been back on the farm 5 years now, with the sixth season shaping up to be the biggest so far. After taking the leap and purchasing the herd off Katrina's parents, Andrew and Loretta McRae this year, the couple have decided to invest more into the farm and renovate the dairy before calving starts at the end of April. After 5 years on a 34% share, the purchase of the herd means they will now be on a 50/50 share.

After mentoring Katrina and Kerry for the past 5 years, Andrew is happily taking a step back from the decision making, and is encouraged by the changes and improvements that are being made to the farm. The family farm was originally purchased by Andrew's Parents in 1961, and after farming there their whole lives, Andrew and Loretta decided in 2019 to finally hang the cups up and retire. The decision was made before Katrina and Kerry had decided to come back, so most of the herd had been sold by the time they returned. They survived the first season with a herd pieced together with empty cows off other farms and some in calf heifers.



Figure 1. A Before photo of the dairy



Figure 2. During the deconstruction process

The dairy has limped through the last few years while Katrina and Kerry decided if the dairy farmer life was for them, but now they are settled in to the farm, the repairs and improvements were certainly needed. Christopher stall gates have been installed which has resulted in the dairy shrinking from 18-a-side down to a 16-a-side, but will have the benefits of a better fit for their frame of cows. The dairy improvements have been completed on a budget and Kerry, along with Katrina's uncle Greg and a few neighbours who have popped in to help, have worked tirelessly to get the dairy completed. A majority of the steel work for the dairy has been purchased out of second-hand dairies and Kerry jokes that the only new pieces will be the rubberware and the hose clamps. Continued page 5...

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*Fair and Equal for all farmers*

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Over the last few years, Katrina and Kerry have invested heavily into the farm. Three years ago, GA Datamars collars were installed on the milking herd, this has been a huge time saver for both of them and resulted in significantly higher in calf rates on the herd. With the collars also came an auto draft system on the dairy, streamlining the process of drafting cows in the old dairy. Significant time has also been spent on their soil health and pasture quality, a newly formed passion for Kerry.



The couple milk a whole Friesian herd (minus Sunny, their one jersey cow which suppliers will recognise from the diary this year), and utilise mostly ABS and GA genetics, joining for high components, high BPI, darker coat colour and fertility. With the huge improvement in fertility that has come from the collars and the pasture improvements, Katrina will now begin

to focus more on health traits. With the use of the data collected from the collars, the herd test results and the breeding records, Katrina picks cows to join to sexed semen each season. They traditionally work on 6 weeks of dairy semen followed by 6 weeks of beef, but the hopes are to eventually reduce the length of joining. Katrina and Kerry have their own speckle park bull which they collect and AI with at the end of joining each year, meaning no bulls are ever used for mop-up. This will be the first year there has been excess heifers in the system, and Katrina is excited to cull some of the poorer cows from their herd. They have just recently given up their out paddock and have moved all young stock back to the main farm, this will allow greater control over the younger cows, as well improve the biosecurity of the herd.



*Figure 3. The dairy finished and ready for the season ahead*

Both Katrina and Kerry are excited for the future, and are looking at installing robots onto the farm in the long term to further reduce the labour requirements but to also allow further flexibility in their already busy schedules, and to follow their vision of 'work smarter, not harder'.