

April to June 2015 Quarterly report

FarmIQ

Key highlights and achievements

FARMIQ SYSTEM WINS RESEARCH AND DEVELOPMENT AWARD

FarmIQ has won the Discovering Gold category of the 2015 Wellington business awards with the FarmIQ System – farm management software for the red meat industry.

The win recognises that FarmIQ has brought together Wellington IT capability and the company's agribusiness expertise to make a difference for New Zealand farmers.

The System has been developed to help the industry deliver consistently high-quality meat cuts to export markets and better profitability for farmers.

FarmIQ contracted IT company Fronde to develop the software. The original brief was for over 1200 high-level user stories (each representing a user need that would be addressed through the software). The core functionality took 22 months to build and was completed in May 2014.

The FarmIQ System has broken new ground in several ways. The key points of difference are:

Technical:

- Cloud-based farm management software – One of the first to offer Software as a service (SaaS) to farmers
- Bringing together all aspects of the farm in a single software system, for the first time
- Early adopter of HTML5 technology – enabling offline functionality for farmers, who often have limited internet access across their farm
- Capable of integration with a range of devices and software, including data capture devices, data suppliers and third-party specialist rural software
- An off-line/online integrated companion mobile app

For farmers:

- Providing red meat farmers with the ability to view information about a single animal from its birth to its carcass performance – a hugely significant new development for the New Zealand red meat industry – and it is linked to the potential to supply more animals into premium programmes and earn higher returns
- Supported by teams working with red meat farmers to explore the potential for measuring and monitoring, in particular through use of EID-tagging technology that enables individual animal management
- Enables beef and deer farmers to get more value from the EID tagging that they are required by law to do as part of the National Animal Identification and Traceability (NAIT) programme, by also using the tags to better understand animal performance

- Giving farmers good information that they can use to produce consistently high-quality meat (where other research projects have focused more on aspects such as disease resistance or quantity)
- Integration with processor grading and payment systems, as illustrated by the BeefEQ programme, which features reporting through the FarmIQ System and payment of premiums for animals that make the grade.

The Discovering Gold category applies to research and development projects completed during 2014. It was sponsored by NEC New Zealand.

IQ FARMER REFLECTIONS

The 11 farmers running IQ projects around the country met recently in Gisborne to discuss progress. Some of them give their view on the FarmIQ System now.

Rob Lawson is on Moana Farm in Otago and says the FarmIQ System is a “serious piece of equipment”, with many functions that farmers can take in different directions.

“The big learning for us is the System will provide you with answers. The most important thing is you’ve got to know what the question is.

“We started off measuring everything, but we didn’t know what question we were trying to answer. We learned to ask a question, measure something and make a comparison and then we get an answer.”

“For example we are moving our focus back to concentrating on our younger maternal animals and hitting the key performance targets required for high production.”

He views the FarmIQ System as a “one-stop shop” for farm information. “It’s user-friendly and practical. You do have to keep up with it,” he notes.

Sam Morrah of Ohineumeri Station in Hawke’s Bay is managing a bigger property now with more staff, and says he’s shifted his focus recently to using the System more for compliance and running the farm operations. Using the System to record and monitor livestock performance is “good and important” he says, but he’s keen to make the most of other functions as well.

They are recording environmental aspects, health and safety, animal health treatments and chemicals as well as paddock diaries. Over time this will build a valuable farm history. “It’s all those everyday things that we should record. For example, I’m recording how I’ve established pasture or crop in a paddock – what we used and why it didn’t work or worked well.”

He’s using it to help cover his health and safety responsibilities as an employer too, recording meetings and incidents. “We’ll have a 7.30 meeting on a Monday to discuss the coming week and health and safety, and we might discuss a hazard like greasy tracks after a wet weekend and note that care should be taken. We discuss vehicle maintenance and make sure we all know what is due for a routine check

or service. If we make a few notes and say it's been done or discussed, it will be there forever and a day and give us something to be referred back to, if necessary."

He expects their FarmIQ System usage will go up: "We will use it more because it's now part of our mindset."

Ian Hopkins of Mairedale Farm in Manawatu says the System is in "a good position" now. "You can do a lot with it and get a lot of value out of it."

He suggests that new users begin with the Calendar. "People just have to give it to a go. You can start organising and planning tasks in the System and recording key things you've done. On the Calendar, as soon as I drench a mob of lambs, I flip forward a month and put the next drench in as a task to remind me when they are due.

"Then you can see other possibilities, like recording your soils, fertiliser and chemicals applied. You've got to do these things anyway. The thing I like is you're getting it all in one place.

"There are so many systems that different companies are putting out there now that I haven't got time to worry about them. FarmIQ is covering the bases: it's all in one place and I'm going to do it once. I've got that now, with the FarmIQ System, CashManager Rural and Farmax, and I will completely ignore everyone else's. I can put so much into the FarmIQ System."

Ian says he's fast reaching the point where he won't need a paper diary. "The other morning I had 70 grazing cows and 50 grazing bulls going home and one cow going to works. As I moved the mobs in the morning, I recorded all that on the phone with the app. Then as the truck was driving away, I did the "send grazing stock", then put the phone in my pocket and – job done. It just e
paper diary at night."

Barry Crawford of Rosebank Farm in Southland says it's "in a good place now". Wife Julie has been at the helm for much of the work with the System while Barry concentrates on the day-to-day farming operations. Barry has just downloaded the FarmIQ phone app and is exploring what it can do.

They're putting in a lot of farm information. "It's going to build up a big bank of data to call back on. We'll be able look back on any season and see what it was like and get benefits from that."

Duncan Mackintosh of White Rock Mains Farm in Canterbury says the FarmIQ System is becoming "a real integrated part of the farming day".

And he's using it in many different ways. "At the moment we've got a lot of dairy grazing on and wintering cows, so I'm using the map for working out break sizes. It's a pretty handy tool to have."

A couple of seasons ago the Mackintoshs identified they could do a better job of growing out ewe replacements and they're using the System to monitor progress. "Last year's scanning was the best

ever," says Duncan. "This year we've come through a very dry period and by focusing on the weights and condition scores of ewes we're hoping we can still achieve good scanning."

The Mackintoshs also do a lot of cropping and do preplanning and recording on the System, including what's in each paddock and chemical withholding periods.

Investment

Investment period	Industry contribution	MPI contribution	Total investment
During this Quarter	\$ 2.33m	\$ 1.84m	\$ 4.17m
Programme To Date	\$47.77m	\$47.28m	\$95.05m