



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 group executive for Country Banking Australia Peter Knoblanche 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 Knoblanche 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 Knoblanche 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 Australia and New Zealand – 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 Knoblanche 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.”

Central Queensland farm business manager Anthony Dunn is livestock manager at ‘Echo Hills’ north-east of Roma and completed the Rabobank Farm Managers Program in 2012.

A fifth-generation farmer, Anthony was raised on a cattle property near Beaudesert and was subsequently livestock manager at ‘Nindooinbah’ in south-east QLD for five years prior to taking on the position of livestock manager of Echo Hills Farming Company in May 2010, a mixed cattle and cropping enterprise of 18,000 acres in total area.

Anthony says he gained crucial skills to help him kick-start some business aspirations he had for the enterprise he manages.

“We gained financial, time management, and strategic thinking skills, which all had to be implemented in a management project that was evaluated on the program, so I was forced to cement my ideas, get them down on paper and flesh out how to execute them,” he says.

“We had the ideas there but it wasn’t until we heard from Angus Taylor, one of the program presenters who discussed business partnership strategies for farm businesses, that we really got moving with our idea which centred around structured equity partnerships in agriculture.”

Anthony says he had a lot of these views and ideas in his head but it wasn’t until completing the Farm Managers Program that he was able to see how to clearly develop plans into reality.

“I also learnt that succession planning is critical – it’s a conversation that no one wants to have but everyone should,” he says.

“It’s about the conversation and the context in which the succession is going to take place. We need to address these issues early in order to keep young people on the land.”

Ironically, Anthony says in the past he thought succession planning used to be about going and getting a job away from the land because there wasn’t enough opportunity on the farm for all the children to make a living.

“But now, we need to make sure that its viable for young people to get back onto the properties for the long term. In this industry, we need to give people the option to make a go of being a primary producer,” he says.



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“We have two daughters and I have a concern that unless we do something different, the option won’t be there for them to stay on the land, and they may need to go and get a job elsewhere, but we need to retain people in the industry and ensure there is a strong, profitable future.”

Through the Farm Managers Program course work, Anthony also gained an understanding about the inherent connection between business success and personal health.

“One key area we looked at on the program was how your business wellbeing will be affected by your physical wellbeing – you have to look after yourself before you can look after someone else, or your business, for that matter,” he says.

Another valuable take-away from the program was meeting like minded people facing similar challenges, Anthony says.

“I really gained from the networking side of things – talking through issues we face, being able to sit with 30-odd people in similar positions as yourself with their farm management, bouncing ideas around what needs to change or how to do things better at home.

“We’re all in it together. And where else do you get the opportunity to engage like this with compatible farm managers to address these challenges?”

Anthony believes there is a crucial need for Australian agriculture to innovate in order to remain competitive globally – and he says it starts on-farm with the individual.

“There’s an old saying, that if you always do what you’ve always done, you’re always going to get what you have always got,” he says.

“It’s never become more apparent that you need to think outside the square – you don’t want to turn your whole property into a trial block but you need to have ‘new irons in the fire’. We need to innovate otherwise we’re not going to survive in agriculture in the long-term.”

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.

Producers interested in an application form or any further information on the Rabobank Farm Managers Program should visit www.rabobank.com.au/bmp or contact Rabobank business programs manager Nerida Sweetapple on 02 8115 4139 or email nerida.sweetapple@rabobank.com .

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