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## 1. Quick [ASK]

They didn't change the rules to suit the changed conditions. Habits had become institutionalised, and were becoming expensive to sustain.

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## 2. Welcome and announcements

Welcome to the October 2006 issue of [ASK]. For many people the season is more than 'just a bit' testing at the moment, and Suzie and I are thinking of you. At the end of the day it doesn't really matter whether the problem is natural or man induced - we know full well that it's no bloody fun while you are in the thick of it!

On the 'man-made' subject, if you have not yet taken the opportunity, I strongly urge you to make the effort and take the time to watch Al Gore's documentary, "An Inconvenient Truth". It is extremely well done, and quite frankly I am appalled at some of the comments emanating from our industrial and political leaders, denigrating the movie as fear-mongering or worse. If Gore (and many others) are correct, then an early start will be a great help in saving civilisation. If the story is wrong, will civilisation be any worse off for having done something positive. I doubt it.

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Following last months "Flexibility v's Overheads" item, I spotted this little gem. In a magazine article the author was talking about the apparently well known desire of budding internet muscians to race out and buy all sorts of 'toys' to assist them in their quest.

The author thoughtfully advised people to: "Get rid of their GAS" - that's Gear Acquisition Syndrome! I liked it.

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Just a reminder about the most important words in the Aide Memoire for Grazing Planning. They are right up the front of the Aide and they are very simple:

"When people are under stress is the time they are least likely to plan, yet it is the most important time of all to plan".

I cannot emphasise this enough. A little adjustment early saves a major adjustment (and usually a price debacle) later.

If your season has gone to custard and the likelihood is that (barring miracles) you are seven or more months away from a feed supply again, then do your maths. Create a written Grazing Plan. Adjust your numbers - carry what you can. If that is zero head, then it is zero head! Don't argue with the facts. The reality is that at times, when it doesn't rain, despite your best efforts 'any' stock on board is 'too many' stock on board. At some stage their presence will damage themselves, your land and your finances.

No matter how highly bred or intelligent they are, with a few exceptions relating to seedstock or stud animals, animals are ONLY a tool, and if the tool is not going to work properly for you till next year, then put it back on the shelf. It takes years to get over the ecological consequences of such damage, and even longer - how much longer - to deal with the financial consequences?? Call me on 02 9929 5568 or email me at [blward@the-farm-business-gym.com](mailto:blward@the-farm-business-gym.com) if you would like a hand with the maths. Sometimes it can be a bit daunting on your own.

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### **3. Other people's activities coming up**

KLR Marketing

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If you have not yet done this course, do it. I cannot tell you how much this course has contributed already to the bottom line for some of the people who attended in February and March. In one case the ultimate value will be many hundreds of thousands of dollars per year - so great are the changes the thinking has allowed the family to make. In another case I would estimate that it will add nearly \$300,000 this year.

Graham Rees tells me that they have a course coming up very soon at Orange - in fact only about 10 days away. This may be the last opportunity before it rains again, and you have to make vital purchase decisions:

October 21 and 22 at Orange, NSW  
November 10 and 11 at Yeppoon, Qld

For full details go to <http://www.klrmarketing.com.au>

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### **4. 'Rules' - don't be stuck with them**

I have become a great fan of the thinking and work of the Israeli born scientist, Dr Eli Goldratt. His work is widely adopted in industry around the world.

Goldratt has independently come up with many of the principles and processes that are so important, and now second-nature, to holistic managers. Concepts like Gross Profit and Weak Link are embraced by Goldratt. Is he successful? Well, in a word, 'Yes'. For example, Ford in the USA used his methods to reduce lead time on custom built cars. Delivery times of about 6 weeks after placing an order have reduced to a guaranteed 12 days, and less in some parts of the country.

How did Goldratt and Ford do it? Well they changed two things. Processes, and the rules underlying those processes. Let me explain, beginning with processes.

Goldratt identified that even in the most complex manufacturing plant in the world (and a car factory is right up there in that league - think of the almost infinite combination of engines, transmissions, interiors, and paint schemes that could feasibly be requested by a purchaser) the entire process is governed by the capacity of the 'weakest link' in the process 'chain'. So he developed some unique ways of increasing the capacity simply by strengthening the weakest link. The outcomes for Ford have been: massive increases in speed of movement through the plant, and as a result unbelievable increases in the capacity of a plant (without adding a single piece of additional equipment). In addition the car factories now have the ability to produce "runs" of just one vehicle, when previously the 'set-up' times would have suggested that runs should be in the order of hundreds or even thousands of identical vehicles at a time.

At first success came from within the process, by working on the weakest link. But Goldratt suspected that there was still more untapped potential. He realised that unwritten and unspoken 'rules' also limited production. For instance, in years gone by, scheduling the run of vehicles through a car plant involved about ten days work for up to 30 highly qualified people. Practically, scheduling could only be done once a month. If there was a breakdown or some other disruption that exceeded the 'Murphy factor' built into the schedule, orders would be pushed back till next month so the plant could get back on track. You get a sense of the thing already - a built-in time allowance for 'Murphy' means that if Murphy doesn't appear this month, the entire plant is operating substantially below its maximum productive capacity.

When computers appeared, scheduling became much easier. Now, even the most complex of schedules can be prepared and run by just one person in a few minutes. Goldratt identified a limiting rule! Even though companies invested in up to the minute scheduling technologies, in many cases they still ran the scheduling just once or perhaps twice a month. They didn't change the rules to suit the changed conditions. Habits had become institutionalised, and were becoming expensive to sustain. Ford seized on this, and began scheduling on a daily basis. In fact, they can even do it on an intra-day basis. This way they make sure they always meet their delivery commitments, every day. If Murphy strikes, they can deal with him there and then.

What 'rules' do you think we have carried over in agriculture?? I met a couple the other day who have changed a few. Mark and Blaine McAfee live at Fresno, California. Mark used to be an electrician, but became a dairy farmer. What rules did Mark and Blaine change? Well here are a few: They don't pasteurise their milk - it is whole, raw milk, just

like we drank as kids. The state of California allows but does not encourage this practice, and it is not widely adopted. Then, they take the dairy parlour to the cows! Because there is no need for the very expensive and heavy stainless steel heating equipment to pasteurise the milk, the dairy can be mobile. Like the cows, it is moved frequently to fresh grass.

And as you might guess, the McAfee's don't sell their milk like others do: instead, they deliver their milk to hundreds of shops 'on consignment'. Shop-keepers do not take an ownership risk handling the McAfee's milk. If a shop doesn't sell the milk between deliveries, the McAfees haul it home and feed it to their calves - it is still whole raw milk just like calves normally drink! There is no wastage.

What rules did they put in to allow them to do this: Firstly, they have their milk tested once per week by the government of California. That is far more than required by law. They post those tests results on their web site for all to see, every week <http://www.organicpastures.com/labtests/> If you look you will see that never once have they failed a test. Secondly, building on these test results they have developed an intensely loyal customer base of shop-keepers and consumers who depend on their products, and who wade in to support them, whenever government bodies or industry organisations attempt to shut them down. It is still the same old story for them: the banana that leaves the bunch, gets skinned.

Nobody suggests that changing the rules is easy, but properly done it is usually highly profitable. Have a look at your rule book. What rules can you change?? It doesn't have to be big rules, such as Mark and Blaine have challenged. A very simple rule change might help.

Here is a provocation to consider: in the days of modern high-tensile suspension fencing, what rule says we have to put in gateways to get animals and vehicles through fences?? Challenge the rules that govern your operations. Please.

P.S. Mark and Blaine were in Australia, at the Slow Food conference. They were also invited to address Food Standards Australia & New Zealand about legalising whole raw milk sales in each country. Don't hold your breath, but one day, it just might happen.

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## 5. Update your Diary

You can download the audio of previous Teleconferences from the Gym site. Go to [www.the-farm-business-gym.com/sound-tracks.html](http://www.the-farm-business-gym.com/sound-tracks.html) and select the link for any of the stored files.

BOOK NOW FOR: Teleconferences scheduled in the next little while. They are each 'no-charge' and feature outstanding speakers from within our movement.

Oct 24 - Mark Gardner addressing family succession issues from a holistic viewpoint  
12:00 noon EST, 2:00pm NZ, 10:00 am WA, 8:00pm on 23th RMT (USA)

More details and Book at <http://www.the-farm-business-gym.com/teleconferences.html>

Nov 28 - Micahel Kiely addressing the opportunities for graziers through Carbon Trading  
12:00 noon EST, 2:00pm NZ, 9:00 am WA, 6:00pm on 27th RMT (USA)

More details and Book at <http://www.the-farm-business-gym.com/teleconferences.html>

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## **6. Books and Materials you can use**

"The Weather Makers - the history and future impact of climate change"

Dr Tim Flannery  
ISBN 1 920885 84 6

Not since The Future Eaters has Tim Flannery written so well. In this book he lays down a logical, reasoned discussion why, in his and many other scientists opinion, we have a problem, and what the scale of the problem really is. Flannery, like many of his peers, believes that we will "have this problem till the end". Either we will address it or it will eat us.

Flannery believes that there is a model that can be quickly adopted, that would allow the world to address the issue head on. He details the work - and the speed of the work - that went into a global initiative addressing the depletion of ozone from the atmosphere, by banning CFC's. He shows how, once the science was in, people acted, and he says we can do it again. In fact he argues that the people of the world are in a better position with the CO-2 problem than they were with the ozone problem, because individuals were powerless to stop CFC's. If governments had not acted or manufatcurers of appliances had not chosen to act we would have just been forced to keep using products containg the offending CFC's.

On the other hand, Flannery argues that we can all take actions at home that would reduce our own personal CO-2 output by more than 70% in just a few months. For instance there are many things we can each do that reduce our personal demand for electricity. Whilst not appropriate for every one, hybrid vehicles, solar electricity panels and water heaters are now readily available for us to all use. For many city dwellers these are pretty simple choice to make. And the interesting thing is that a global problem can be substantially addressed at a local level. All people need do is make the decision!! When the people lead, the government must follow.

**COMING SOON**

After years of waiting, the new Holistic Management Handbook is about to return to the bookstores! Written by Allan Savory, Jody Butterfield and Sam Bingham, it will be

available on October 30th. The Book Connection in Dubbo has 50 copies on order - so give them a call and get in the queue. It is very good.

By the way:

Most books we recommend are available at The Book Connection in Dubbo, NSW  
Ph: 02 6882 3311 Fax: 02 6882 3311 or email [orders@bookconnection.com.au](mailto:orders@bookconnection.com.au)  
(Also ask David Pankhurst about their Mail Order Catalogue - it is terrific)

or

Scorpio Books in Christchurch, NZ

Ph: 03 379 2882 Fax: 03 379 2886 or email [scorpbk@ihug.co.nz](mailto:scorpbk@ihug.co.nz)

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## **7. Quotes that mean something - I have carried these over again from last month, because I think they are relevant to this month's subjects, and important.**

"The less you know, the more you believe".

-- Bono

"Ultimately there are no global issues. They are all local issues".

-- Wendell Berry

"If you think for a moment that a government that should never be allowed to choose our religion, should have the right to choose our food system, you're wrong".

-- Joel Salatin

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This publication is intended as information and not advice. You should test any ideas contained herein towards your own holistic goal.

Regards, and keep well

**Bruce Ward**