The Farm Business Gym

The effect of delaying action in an approaching drought

Stock on hand on Day 1	400	[A]	
Estimated days until you estimate there is a reasonable chance of growth	250	[B]	
Feed Demand in 'Animal Days' (ie Animals [A] x Days [B])	100,000	[C]	
Your field assessment shows actual feed on hand (in 'Animal Days') is only 50% of requirements	50,000	[D]	
Therefore the number of animals that can be carried through the full period is: 50,000 Animal Days [D] ÷ 250 days [B]	200	[E]	ie: You must sell/remove 200 head on Day 1 in order to get 200 (half the herd) to your anticipated end point

What happens when you delay selling for 50 days (20% of the time until your expected end point)

Animal Days of feed consumed if entire mob held 50 days (400 hd [A] x 50 days)	20,000	[F]	
Volume of feed (Animal Days) remaining [D] - [F]	30,000	[G]	
Days remaining	200	[H]	
Animals that can be carried for a further 200 days [G] ÷ [H]	150	[I]	ie: Sell/remove 250 on Day 50 in order to get 150 to your expected end point

If you delay selling for 100 days you must sell 83% of the herd to get the balance through to the expected end point

Animal Days of feed consumed if entire mob held 100 days (400 hd [A] x 100 days)	40,000	[J]	
Volume of feed (Animal Days) remaining [D] - [J]	10,000	[K]	
Days remaining	150	[L]	
Animals that can be carried for a further 150 days [K] ÷ [L]	67	[I]	ie: Sell/remove 333 on Day 100 in order to get just 67 head through to your expected end point

By Day 125 (half way to the expected end point) the entire herd must be sold!! Make your decisions EARLY