HOW TO USE THE NORTHERN PRODUCTION PLANNING MODEL

This guide is designed as a general scenario-planning tool for calculating the potential of Cow-Calf and Backgrounding operations in the Great Clay Belt in Northern Ontario.

This fully integrated tool allows the user to input basic information into any white box, relative to the type of operation they are interested in, such as Cow-Calf herd size and/or contracted Backgrounding operation. The tool then provides the associated requirements based on acres, nutrition, etc. and a resulting detailed income statement in addition to potential financing options, thereby allowing the user to consider the feasibility of various potential 'scenarios'.

The information contained in this tool has been generated through a review of existing available literature and numerous consultations with various experts. This tool is made available by the Beef Famers of Ontario and funding from the Government of Ontario.

Disclaimer: This tool is intended as a guide for direction only and must not be used as an operational planning tool. Interpretation, validation and use of this information is solely the responsibility of the user and neither the authors nor the Beef Farmers of Ontario shall be held responsible for any decisions made based on this information.

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Intro

This is the home page for the model, which includes information regarding the model and contact information for the Beef Farmers of Ontario. To enter the model, simply select the ENTER button or arrow on the right.

Index

From this menu, you can access any of the individual aspects of the model. You may return to this menu from any page by selecting the INDEX button or BFO logo, located in the top left corner of all pages.

Herd Information

Insert herd-specific information to customize the model to your herd in the space provided. Throughout the model, any white boxes may be altered to customize the model to a specific herd.

Nutrition Requirements

In this section, you will find all the information about the nutrition requirements for the herd values entered previously (in the *Herd Information* section). Some values may be entered on this page for customization to your operation, such as pasture/hay yield, fuel and lube pricing, and the current price of barley, salt and minerals.

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Land & Feed Production Requirements

This includes information about the demands of your land and operation. At the bottom of this page, you will also find a calendar for a visual representation of the anticipated pressures on your operation at any given point throughout the year.

Equipment Requirements

These are estimated expenses for equipment costs and labour. The values used in the model include some prices of equipment purchased new, and for other equipment that is more commonly purchased used, the approximate used price has been considered. The values used in the model calculations can be found in boxes on this page.

Market Information and Modelling

This page may also be customized, with the current market prices and operation expenses. The model will then provide you with a breakdown of the expenses and income expected from the operation, as well as specifically from the cow/calf operation and the backgrounding portions of the farm. These outcomes are provided considering the *Current Market*, prices from one *Year Ago*, and a *Three Year Average* for optimum planning.

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Establishment Costs and Financing

This section of the model provides the operator with a variety of financing options to support the operation, as well as takes into account support from the government and various programs. There are three financing options presented; *traditional financing*, *leasing & traditional financing*, and *private investment partnership*. For the private investment partnership option, some values, in terms of land values and the required equity may be customized. This option will also provide an estimation of anticipated investments, owner operating income and owner equity over 10 years of the operation.

Summary

Here you will find a printer-friendly summary of some important values in the model. This page is beneficial for a quick glance into production planning and provides the significant values from each of the sections above.