

# CO-OPERATIVE FARMING

## Building a better business case

By John Flynn

In an industry where keeping up with costly new technology helps to achieve best management practice on-farm, a group of Innisfail growers has joined forces to meet the challenge head-on.



With tight margins and the cost of replacing capital equipment climbing, the example being set by Sundown Harvesting shows that small cane growing enterprises can survive and thrive if farmers take a co-operative approach to business.

Established in 1970 as a partnership between four farming families with a specific interest in harvesting, the business has grown to include planting and fertilising equipment as the growers work to boost productivity and improve their environmental stewardship.

The group cuts across 750 hectares annually, equating to around 70,000 tonnes of cane.

Half of this belongs to the partners and the other half belongs to nine other growers in the immediate area.

Sundown Harvesting partner **Sam Spina**, who brings to the group a wealth of experience in rural banking, is a big believer in the co-operative business model.

"We've tried to establish ourselves as a group that's a little bit progressive," Sam said. "We try and have new machinery, we finance new machinery and make repayments rather than trying to have a lot of repairs and maintenance every year."

And he says none of the farmers would've been able to achieve what they are doing now on their own.

"We have found as a partnership we've been able to finance machinery at a higher level - more sophisticated machinery, good haul-out equipment, good planting equipment as well as good fertilising equipment," he says.



*Pictured: Above: John Guglielmi at the controls of Sundown Harvesting's new GPS-equipped Case IH 8800 machine. Top: Sundown Harvesting is a partnership between four farming families who have pooled resources to invest in harvesting, planting, fertilising and GPS equipment.*



In straight-forward economic terms, it is about achieving economies of scale, getting maximum value per unit cost from capital equipment that needs to be operational for much of the season to justify the capital outlays.

It's a business model Sam believes is suited to the smaller growers in the Innisfail area.

"Probably 75% of growers that supply South Johnstone mill are under that 5,000 tonne or the hundred-acre mark," Sam says.

*"As a partnership we've been able to finance machinery at a higher level - more sophisticated machinery, good haul-out equipment, good planting equipment as well as good fertilising equipment,"*

"As individuals, those growers would not be able to invest in the machinery that we invest in.

"A new full track harvester costs close to \$600,000, GPS mapping and auto-steer on that harvester, almost \$35,000.

"It's the same sort of money involved in installing the GPS mapping and auto-steer technology in the planting tractor and that's a lot of money for a grower that produces 5,000 tonne of cane."

The co-operative approach also assisted with the business case in seeking funding assistance for equipment through the Australian Government Reef Programme, formerly known as Reef Rescue.

Assistance from the program has been put towards a GPS and auto-steer system on the planter, the GPS and auto-steer systems on a new harvester and a variable rate control system to be attached to the four tonne, triple row, stool splitting fertiliser box.

Working in tandem with GPS, the variable speed control system will help the growers to get into the more technical elements of crop mapping and adjusting the rate of fertiliser being applied on-the-move.

Given that soil types can vary greatly, even within individual rows, the system will mean nutrients can be applied more strategically and more frugally.

That is a good outcome for the Great Barrier Reef and for the fertiliser bill.

Most importantly, it won't be just one farmer using the fertiliser box. The variable rate system is a shared resource among all of the partners in Sundown Harvesting.

"When we lodge our applications for Reef Programme funding it's always better that those applications benefit a large amount of hectares," Sam said.

"I guess I can understand that not only government, but all of us, want to be able to get the best bang for our buck and the best bang for our buck comes from being able to spend that sort of money and have a lot of hectares utilise that technology."

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Watch our Virtual Bus Tour visit with Sundown Harvesting  
[www.youtube.com/canegrowers](http://www.youtube.com/canegrowers)

*Pictured: The Sundown Harvesting group has worked hard to recover from the damage caused by Cyclone Yasi in 2011 and in 2015 posted solid yields from renovated blocks.*

*“Our yields have been fantastic, I’ve been cutting about 120 tonnes to the hectare everywhere I’ve cut and I think as a group we’ve been averaging around 100 tonnes to the hectare so it’s been very good.”*

## Growing and harvesting with GPS

Nearly five years on from the double whammy of the disastrous wet La Nina season in 2010 and Cyclone Yasi in 2011, the Sundown district last year had the locos from South Johnstone Mill racing against the clock to keep up with demand as cane bins quickly filled to overflowing in 2015.

At the controls of Sundown Harvesting's new GPS-equipped Case IH 8800 machine, harvester operator John Guglielmi was as well placed as anyone to comment on the industry's comeback.

“Our yields have been fantastic, I've been cutting about 120 tonnes to the hectare everywhere I've cut and I think as a group we've been averaging around 100 tonnes to the hectare so it's been very good, haven't see a year like this for quite a long time,” he said.

“The farmers have invested a lot of time and money in replanting crops, getting rid of damaged stools and trying new varieties - they couldn't all do in one hit, they took a few years to get them right.

“We're probably at the stage now where all the paddocks that were damaged from Yasi have now been replaced and are producing good cane.”

Even in the better seasons when cyclones stay away, growing sugar cane in a district which can routinely receive four metres of rain during a wet season brings with it a unique set of challenges to farming productively and sustainably.

Those challenges are compounded given Innisfail's geographical position in a valley at the junction of the North and South Johnstone Rivers, one of the larger and more spectacular tropical river systems emptying into the sensitive Great Barrier Reef lagoon. ►



For Steve Austin and the other partners in Sundown Harvesting, preventing the loss of farm inputs into the river system has meant adopting new farming methods and buying into technology that keeps pace with industry best practice.

Their co-operative approach and the benefits of economies of scale have paid dividends in every area from soil health and nutrient management to weed management, drainage management and harvest management.

Many of the processes are linked under the broader heading of precision farming, utilising GPS-driven machinery.

Blocks are mapped out during planting and machinery movements from then on are GPS-guided, right through to harvesting and binning out.

"We finally got into the GPS because we wanted to get into a bit of precision farming, keep farming universal," Steve explains.

"We've got a lot of farms around here plant different size rows and it's very hard to cut. We do a lot of damage to cane when some fellas are planting four-foot-ten, others are planting five-foot- four."

The shift to a precision farming system fits neatly with the industry best practice accreditation system, Smartcane BMP.

Having already fitted his billet planter with GPS and auto-steer, all going to plan, Steve is intending to phase in minimal till cultivation during the next planting cycle.

It means only the immediate plant zone will need to be tilled and the inter-row spacing will be left alone.

Less cultivation ultimately means less disruption of the soil and a significantly reduced risk of sediment and nutrient loss.

"We want to dig the ground up less because we're trying to save and trying to get into more precision farming," Steve said.

"With the precision farming you keep the bin tractors on the hard soil, you keep the harvester on the hard soil. We look after the stool, we grow better cane.

"If you look after the cane growing and grow a bigger crop that means we're going to have less grass and with less grass, there's less chemical and less chemical is better for the reef, everyone will tell you that."

Utilising funding assistance secured through the Australian Government Reef Programme, Sundown Harvesting recently installed a GPS mapping and auto-steer system in its new Case IH 8800 full track harvester.



It means that with an occasional tweak of a joystick, the harvester driver will be able to cut along the rows with a level of accuracy never before achieved.

"Because most of the planting operations are done with a GPS installed planter, when I come to a block I can just program that paddock in and I can start," harvester driver John Guglielmi explains.

"If you've got a block that's badly sprawled cane and flat and you can't see where you're going, the theory is that you can go start a block at any point and keep going in a straight row and come out the other end in a straight row instead of jumping over 20 or 30 drills.

"GPS gives the stools a much better chance to come back," John says.

As growers in the Sundown district know only too well, productivity losses associated with damage to stools after very wet weather and difficult harvest conditions can impact seriously on a farmer's bottom line - and not just for one year but an entire growing cycle. ■

*Pictured above: The 2015 Sundown crew*



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