

# **COP PAST, PRESENT & FUTURE**

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Ministry of Agriculture**

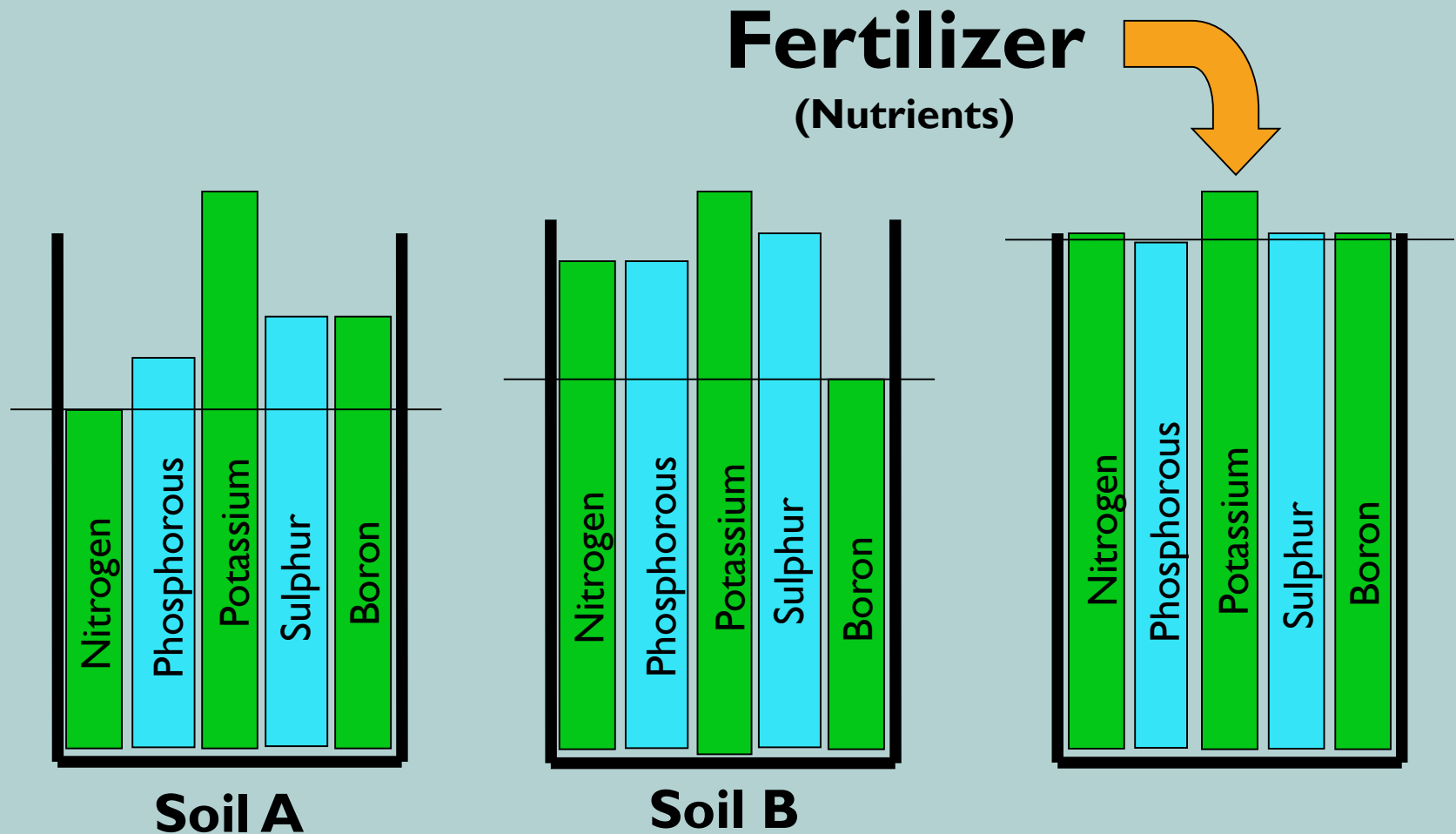
THEY SAID I HAD TO MAKE THIS  
TOPIC SEXY BUT...



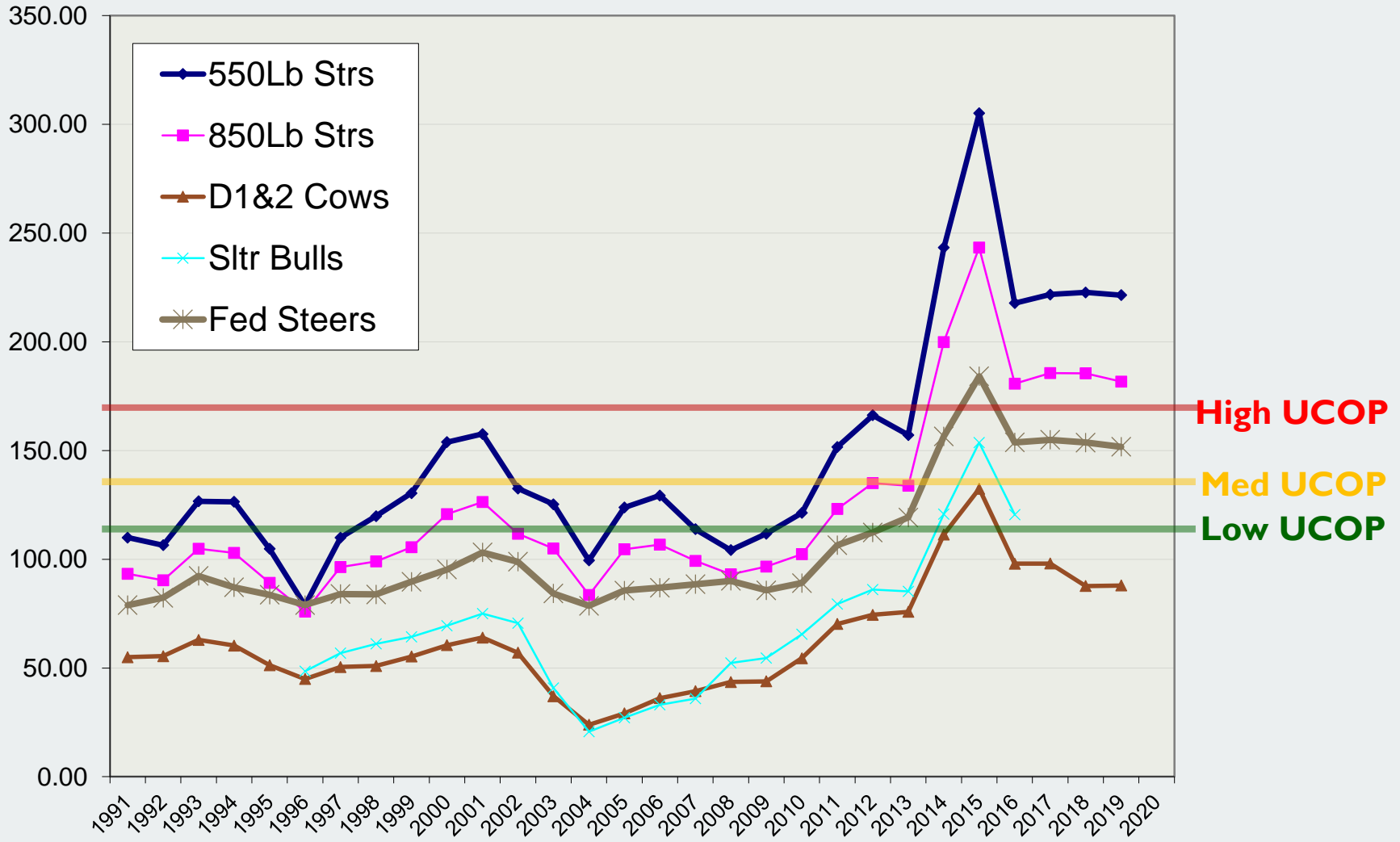
You can put lipstick on a pig, but it is still a pig!  
COP not fun but it is vital to profitability

**WHY THE INTEREST  
IN COST OF  
PRODUCTION?**

# COP Affected by everyday decisions – know your costs & returns

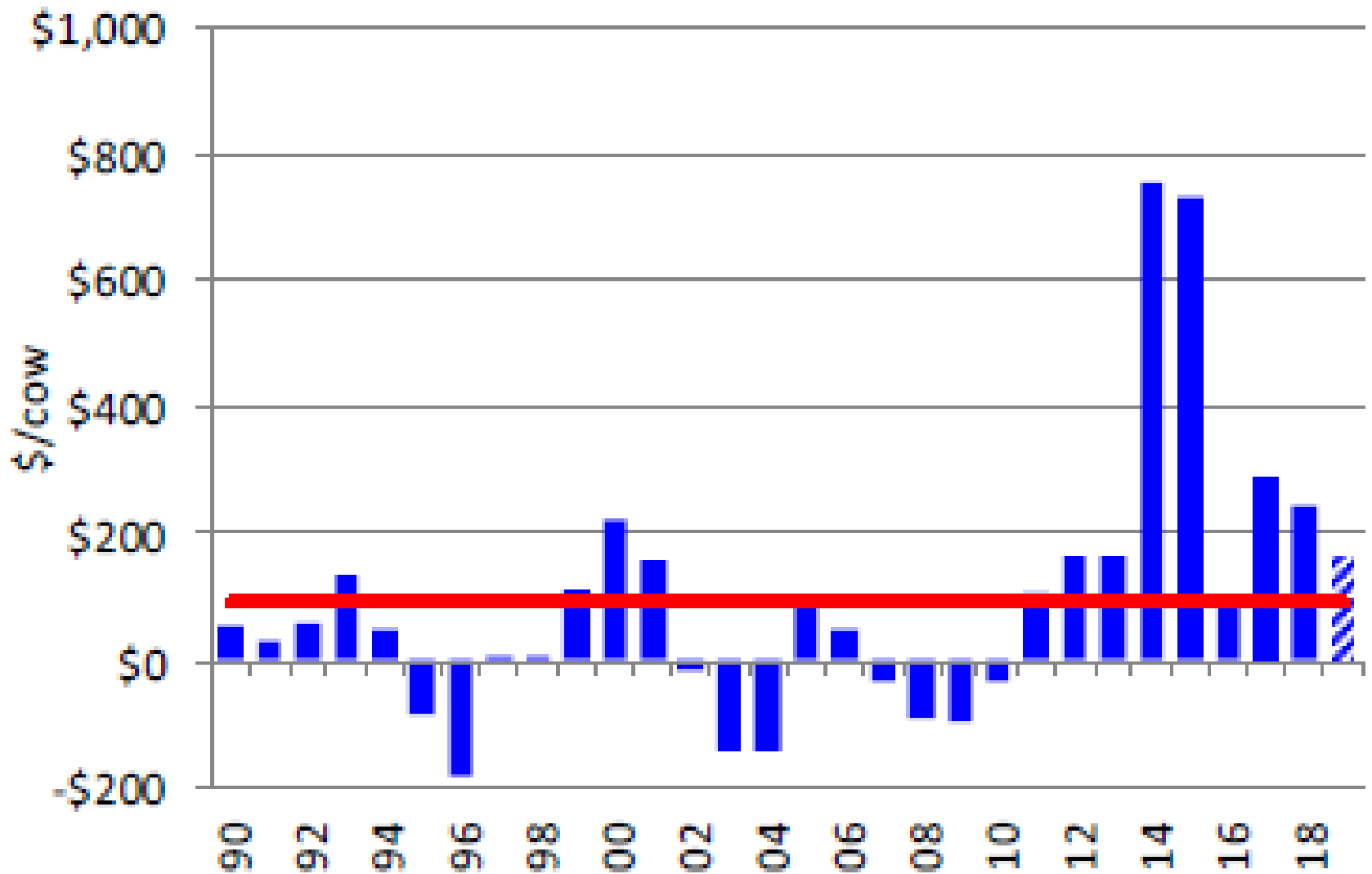


# UCOP vs. CANFAX Average Annual AB Cattle Prices



**Low UCOP sets you up for being more profitable in the long haul.**

# Cow/Calf Returns



Source: Calfax Research

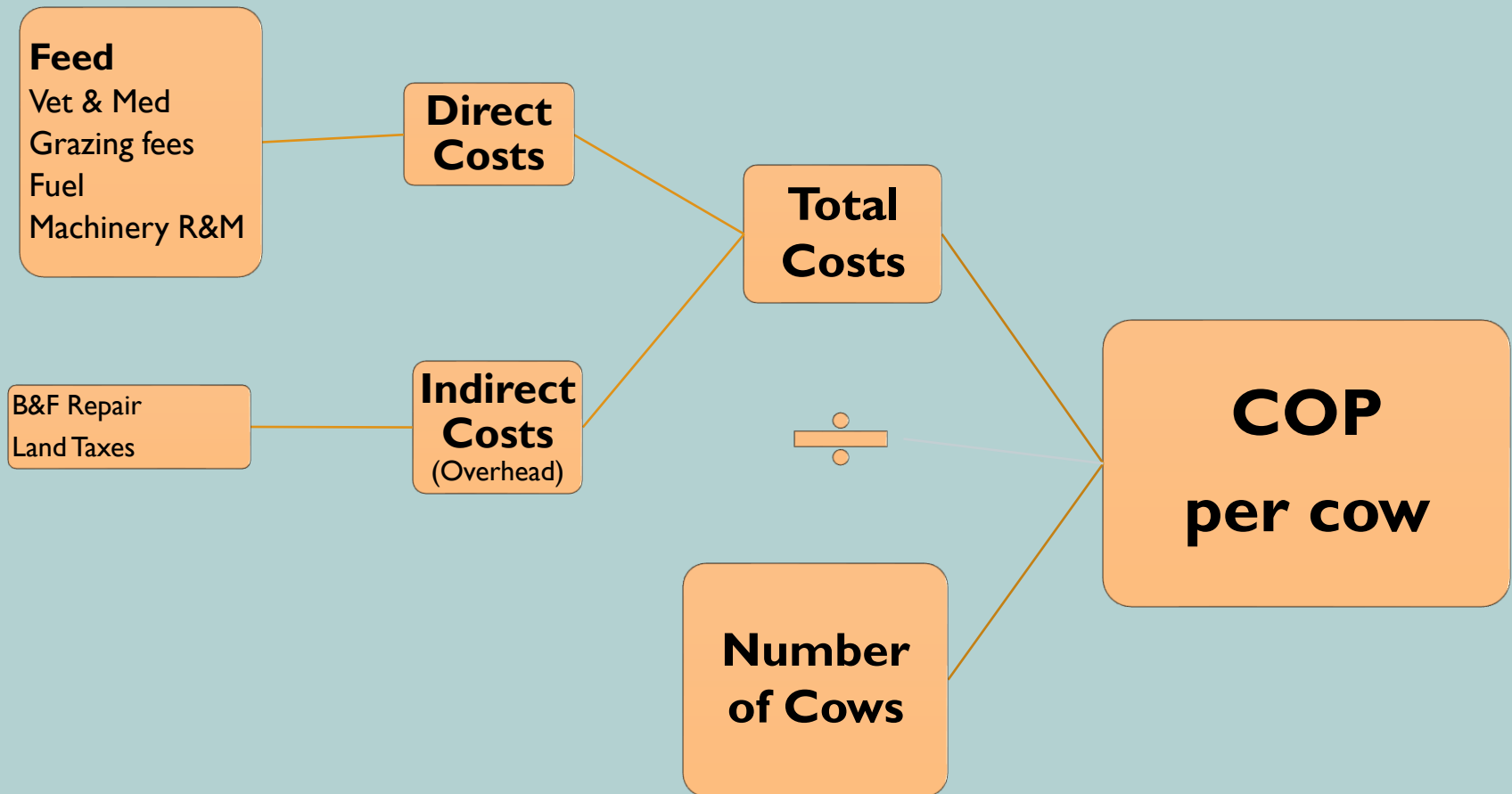
**COP CALCULATORS  
- WHAT'S OUT  
THERE?**

# **BC AGRI COP WORK**

- Beef FBA 1989 – 93 (Roger Keay)
- Baseline Data Studies 2007 & 2014
- UCOP 2016
- Forage Module 2017 not completed

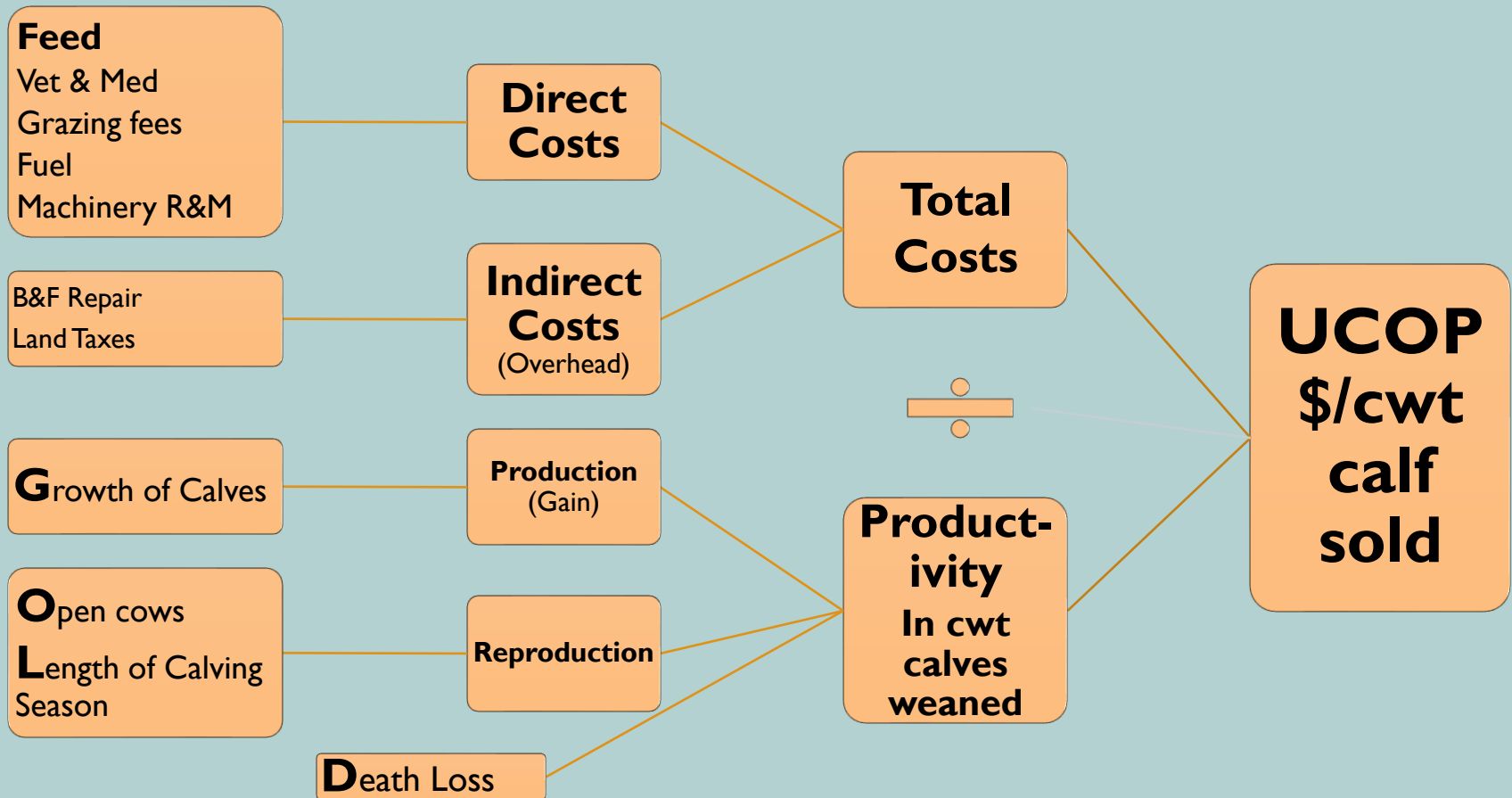


# COST OF PRODUCTION BEEF-COW/CALF



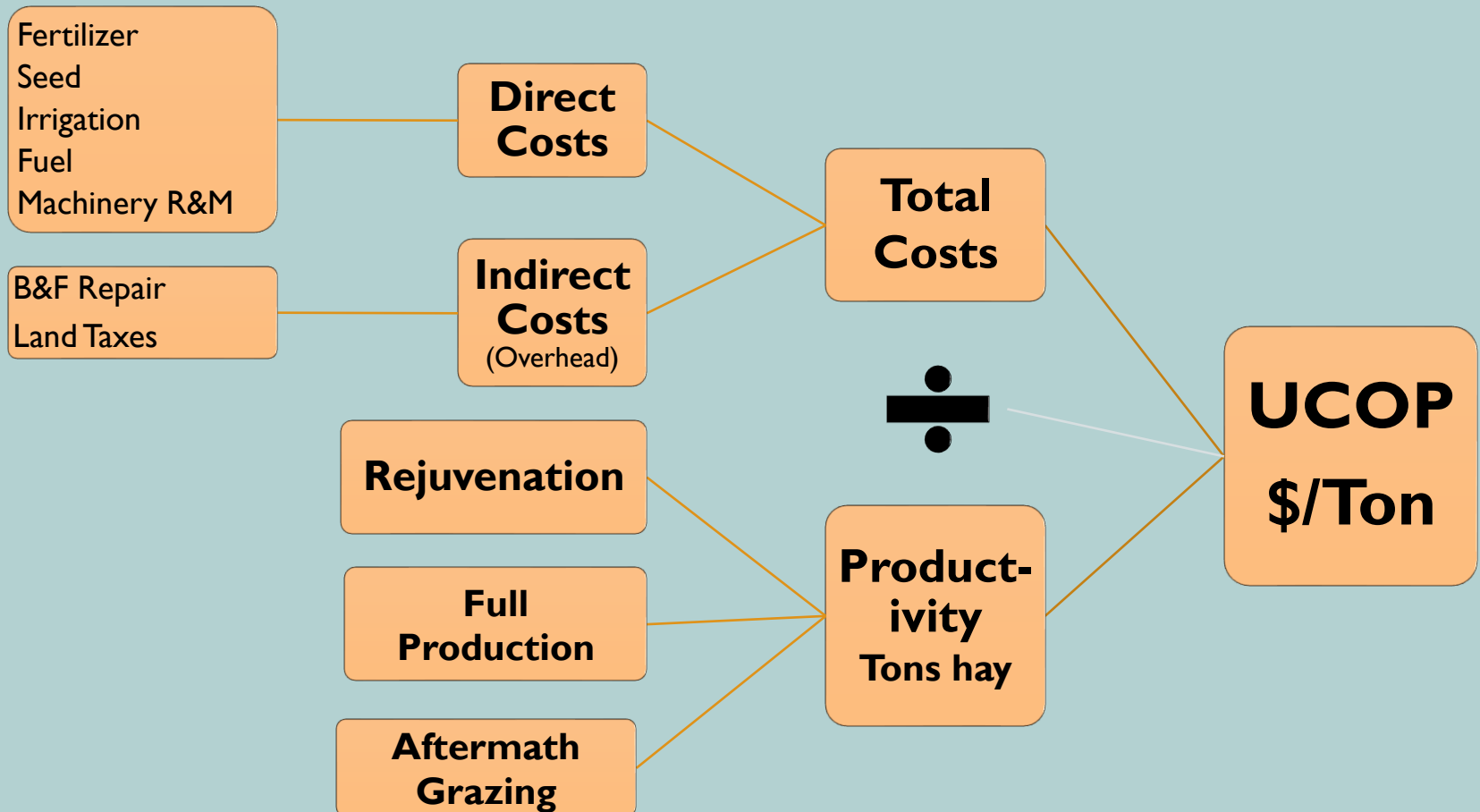
Early efforts allowed comparison with other ranches of different sizes

# UNIT COST OF PRODUCTION BEEF-COW/CALF



**UCOP – the one number needed to assess profitability of whole operation**

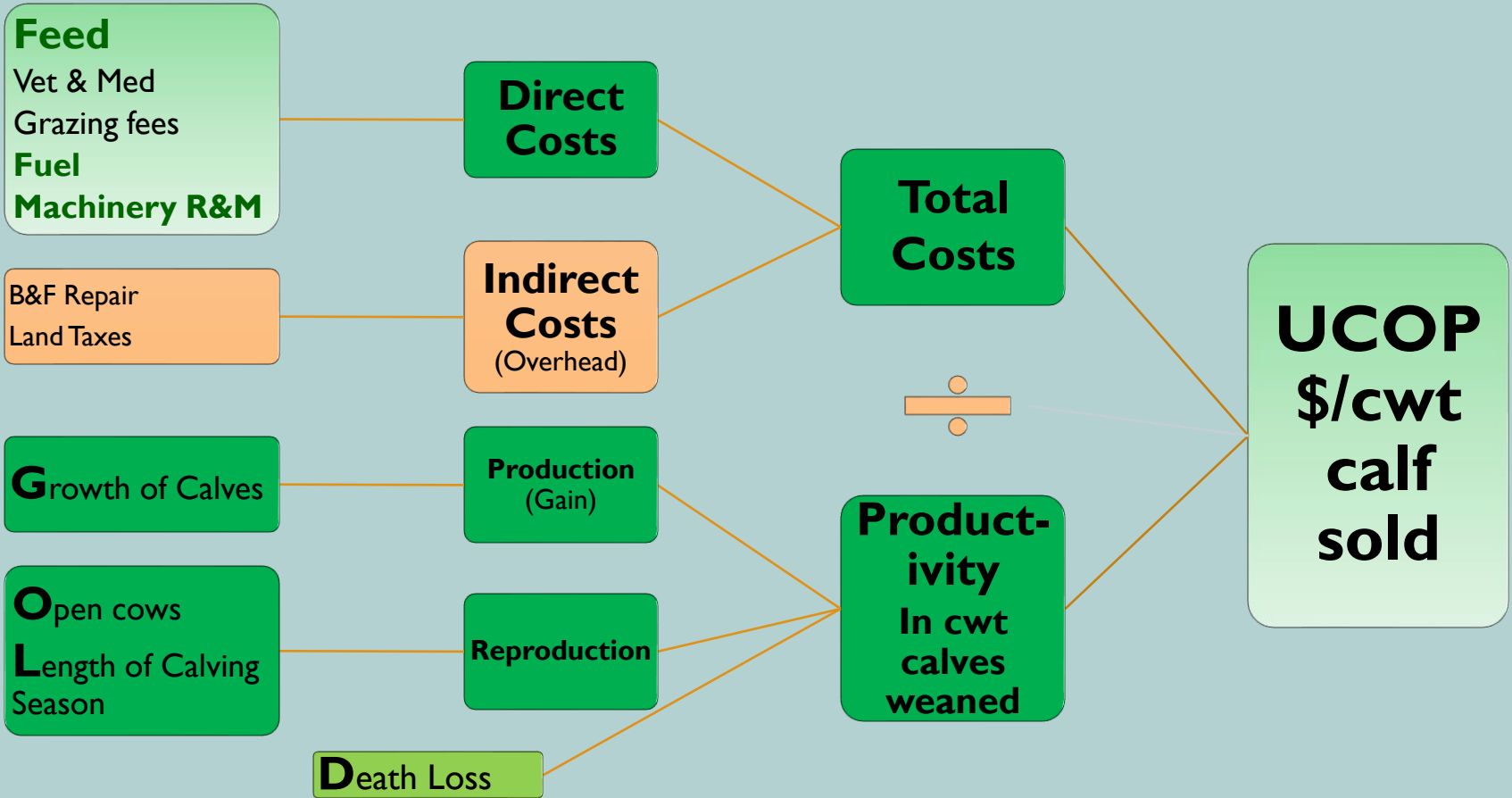
# (UNIT) COST OF PRODUCTION FORAGE



Per Acre to assess cropping options, per unit sold to assess profitability

# UNIT COST OF PRODUCTION

## FORAGE GREATLY AFFECTS BEEF-COW/CALF



# AB AGRIPROFIT\$

- Producers voluntarily submit financial numbers in exchange for analysis & benchmarks
- 22 years running but future uncertain
- Great Resource!!!
- <https://www.alberta.ca/agriprofits-resources.aspx>

## CAVEATS FROM AGRIPROFIT\$ APPLICABLE TO ALL COP

- Benchmarks allow for comparison of individual crop costs and returns to other farms in a similar production area.
- **Benchmarks should not replace individual cropping and financial records.**
- There is a danger of over or underestimating costs and returns if basing them on regional and provincial benchmarks and forecasts.
- Strategic planning is **more effective when individual costs are used.**
- Managing unit costs of production is one of **the most significant strategies to ensure profitability** in a mature commodity market.

# OTHER CALCULATORS & RESOURCES

- **Sask Ag**
  - <https://publications.saskatchewan.ca/#/products/76529>
  - <https://publications.saskatchewan.ca/#/categories/1477>
- **MB Ag**
  - <https://www.gov.mb.ca/agriculture/farm-management/production-economics/>
- **FCC**
  - **AgExpert Field \$399/yr (\$499/yr if you bundle it with AgExpert Accounting)**

**WHAT'S COMING?**



# TIPS

- Towards Increasing ProfitS
- Run from AgriStability data (AgrilInvest by request)
- Whole farm
- Beta testing now

# **CANFAX BEEF COP NETWORK**

- **CanFax working on setting up a national network to collect data.**
- **Part of an international cooperation to look at beef competitiveness globally.**

# CANFAX BEEF COP NETWORK

The screenshot shows the homepage of the agri benchmark website. At the top left is the agri benchmark logo. To its right are navigation links for 'Who we are' and 'Contact Us'. Further right are 'Login' and a search bar. A row of seven colorful icons represents different agricultural products: a red pig, a green leaf, a blue cow, a brown pig, an orange apple, a green plant, and a blue fish. Below this is a large world map. The main heading reads 'Welcome to our global network'. Below the map are three featured content blocks: 'Did you know?' with a pig image and text about boar finishing, 'News and Results' with a line graph and text about price indices, and 'Our global network' with a world map and text about partners. At the bottom, there are three columns of text: 'Who we are' (agri benchmark – understanding agriculture worldwide), 'Value and Approach' (Farmers decision making is the key for global agricultural production), and the THÜNEN global networks logo.

agri benchmark

Login | Search...

Who we are | Contact Us

Welcome to our global network

**Did you know?**  
Relevance of boar finishing varies widely between countries →

**News and Results**  
Price Indices from the Producer's Perspective - An Alternative to the FAO Meat Price Indices →

**Our global network**  
Learn about *agri benchmark* partners, clients and represented countries. →

Who we are  
agri benchmark – understanding agriculture worldwide. **Check out our new video!** →

Value and Approach  
Farmers decision making is the key for global agricultural production. →

THÜNEN  
global networks

## **POTENTIAL BCFC PROJECT?**

- **Reboot UCOP Forage Module**
- **Possible UCOP Webinar with BCCA/BCFC?**

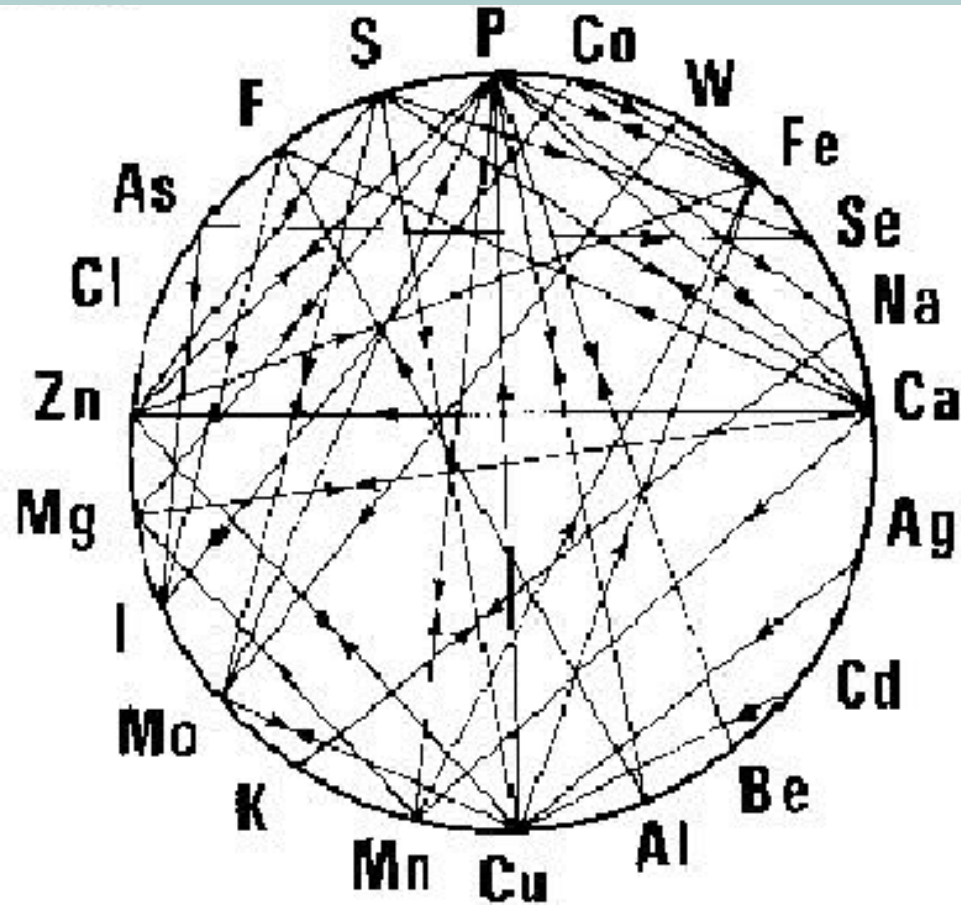
## **TAKE HOME MESSAGE**

- **Keep good financial & production records and learn how to calculate your own COP to use in your decisions.**
- **Look at benchmarks for clues to where you may need to dig deeper.**

# QUESTIONS?

- **If you want copies of the links or the UCOP worksheet give John, Karen, Nicole, Katie, Marissa or I your e-mail.**
- **Presentations on BCFC website.**

# MINERAL INTERACTIONS IN FEED/RATIONS (TEST YOUR SOILS & FEED)



# MANAGEMENT CAN CHANGE SOIL HEALTH

- Conventional agriculture = tillage
- No-till/reduced tillage has been widely adopted in western Canada since the 1980s

