

COP PAST, PRESENT & FUTURE

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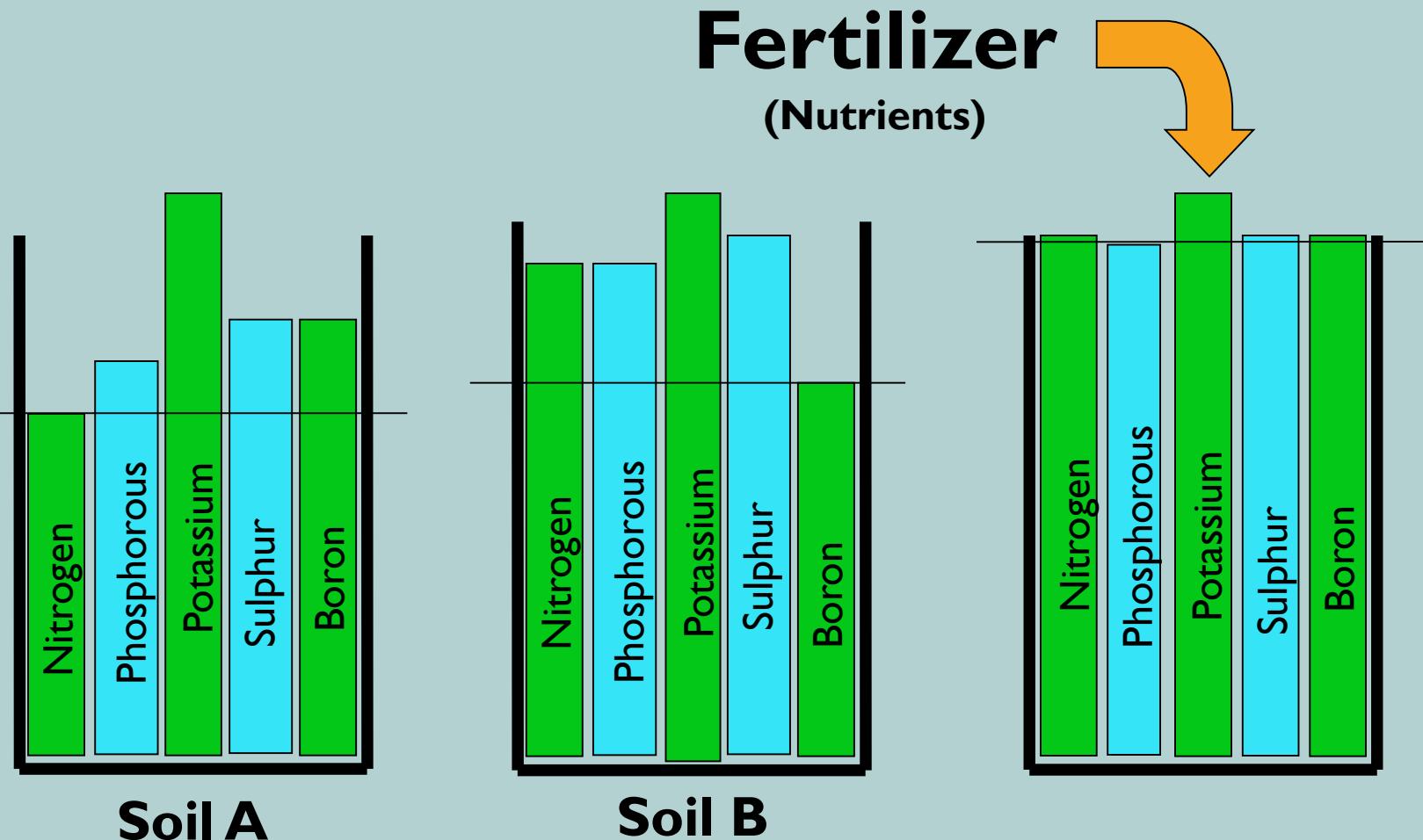
THEY SAID I HAD TO MAKE THIS
TOPIC SEXY BUT...



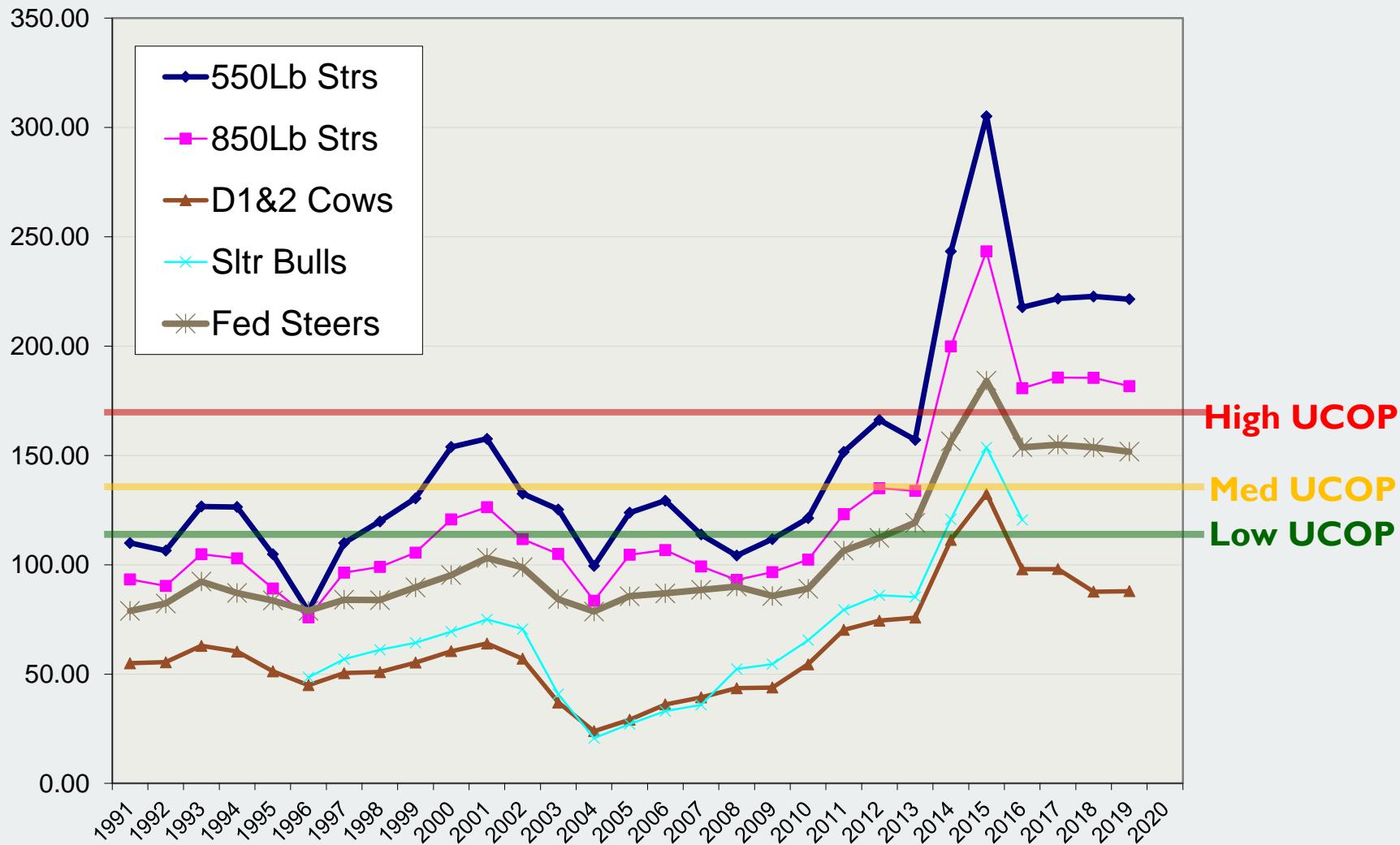
You can put lipstick on a pig, but it is still a pig!
COP not fun but it is vital to profitability

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

COP Affected by everyday decisions – know your costs & returns

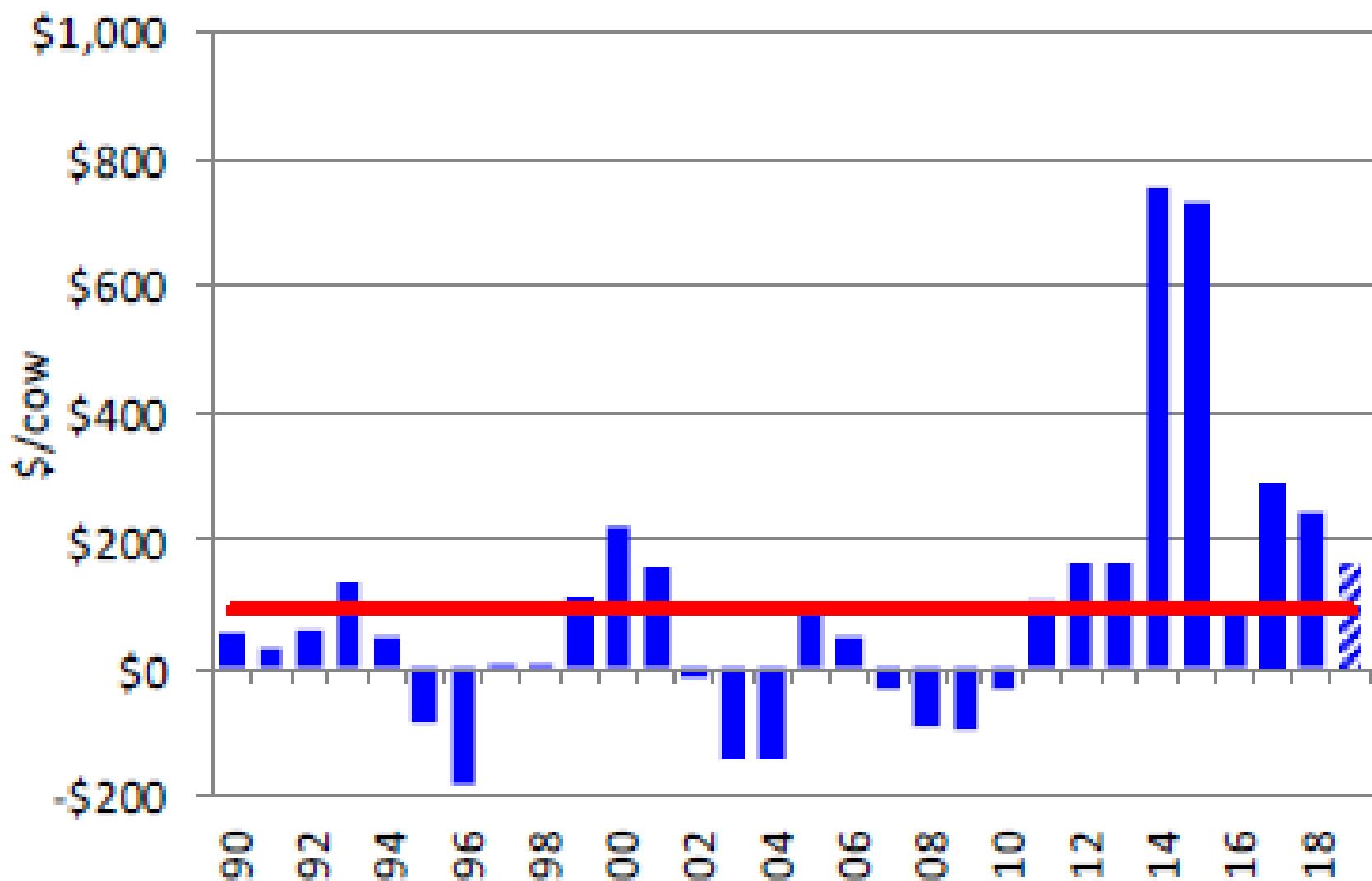


UCOP vs. CANFAX Average Annual AB Cattle Prices



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

Cow/Calf Returns



Source: Cenfax Research

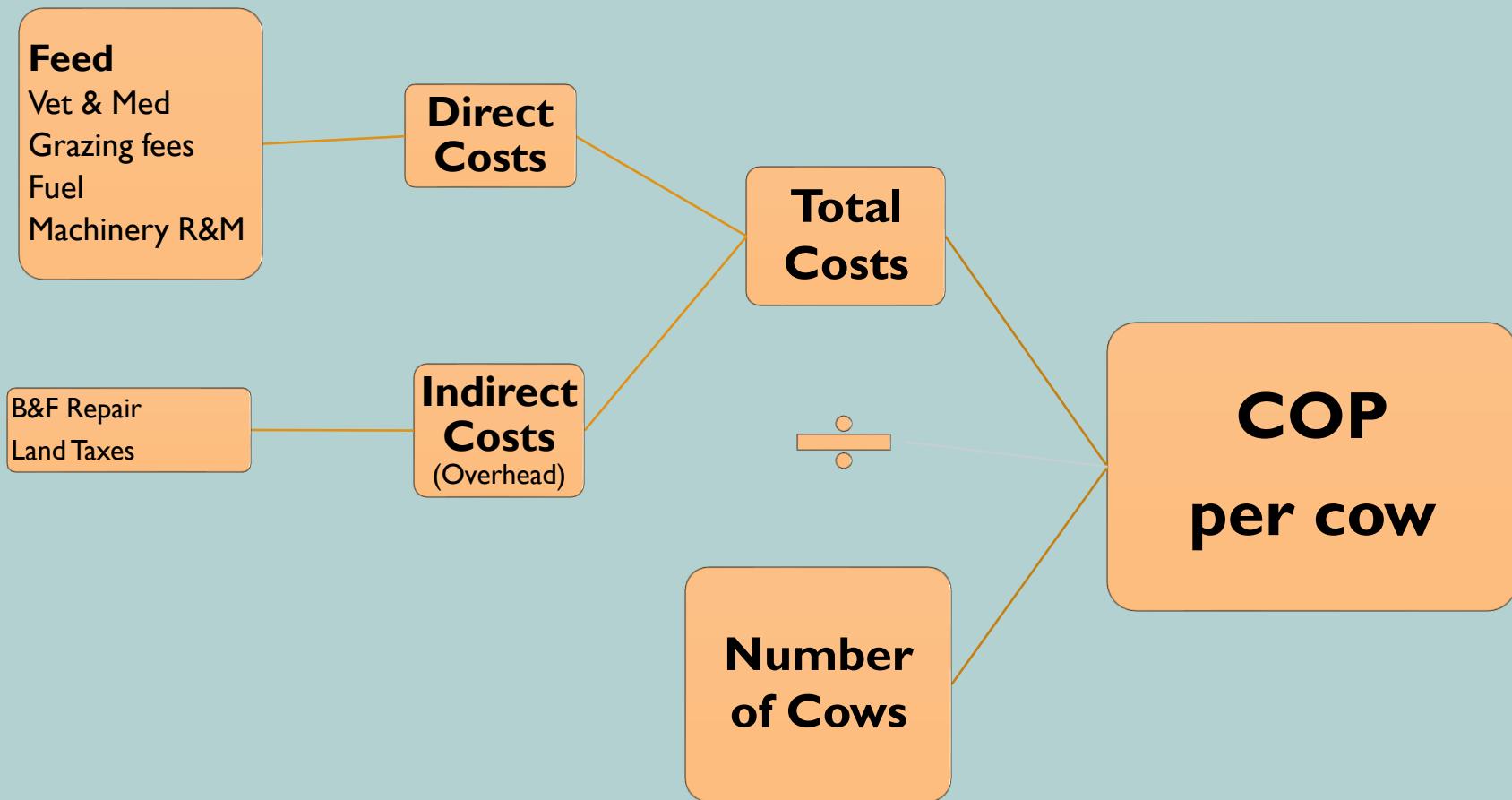
COP CALCULATORS

- WHAT'S OUT THERE?

BC AGRI COP WORK

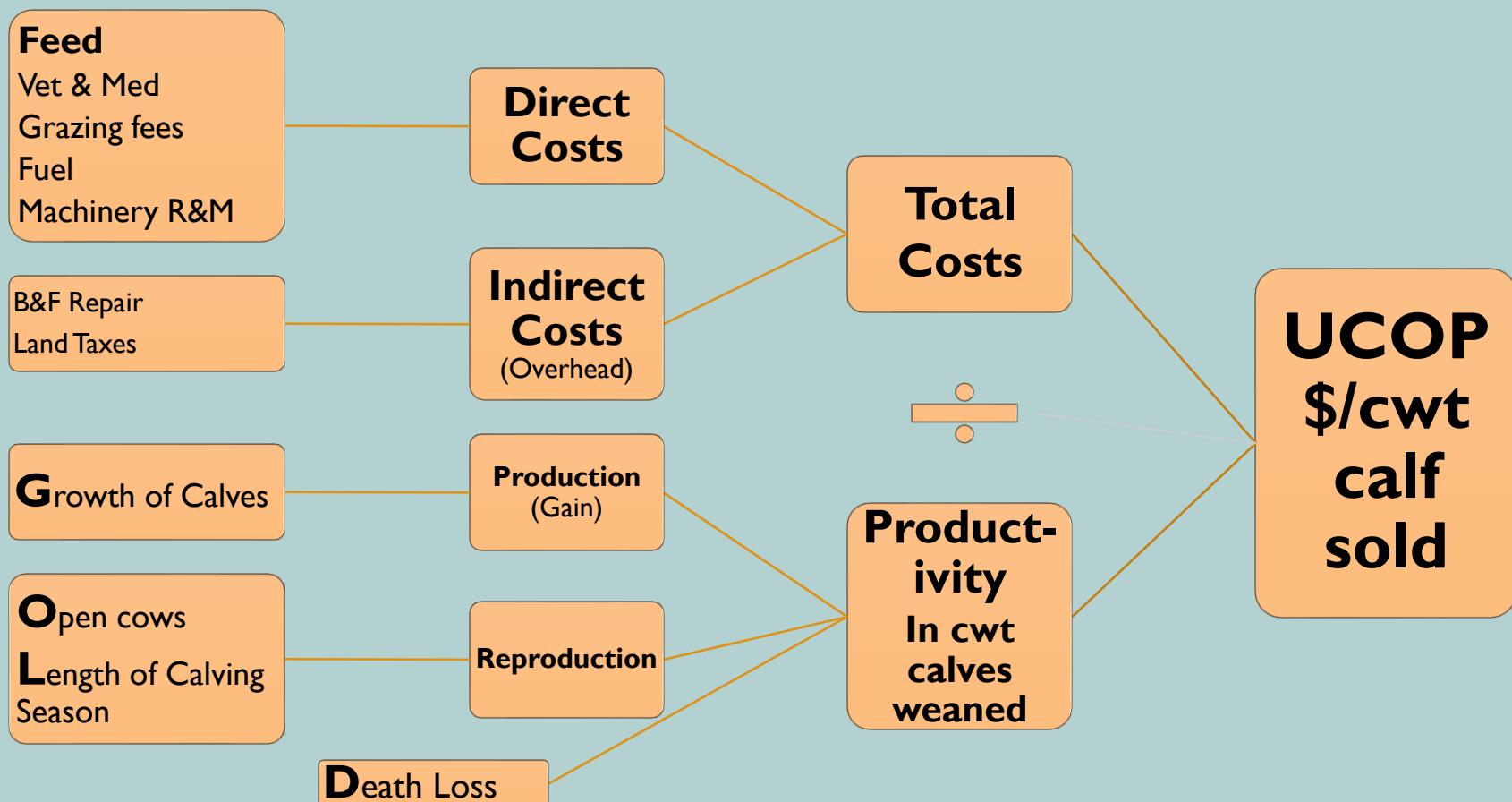
- Beef FBA 1989 – 93 (Roger Keay)
- Baseline Data Studies 2007 & 2014
- UCOP 2016
- Forage Module 2017 not completed

COST OF PRODUCTION BEEF-COW/CALF



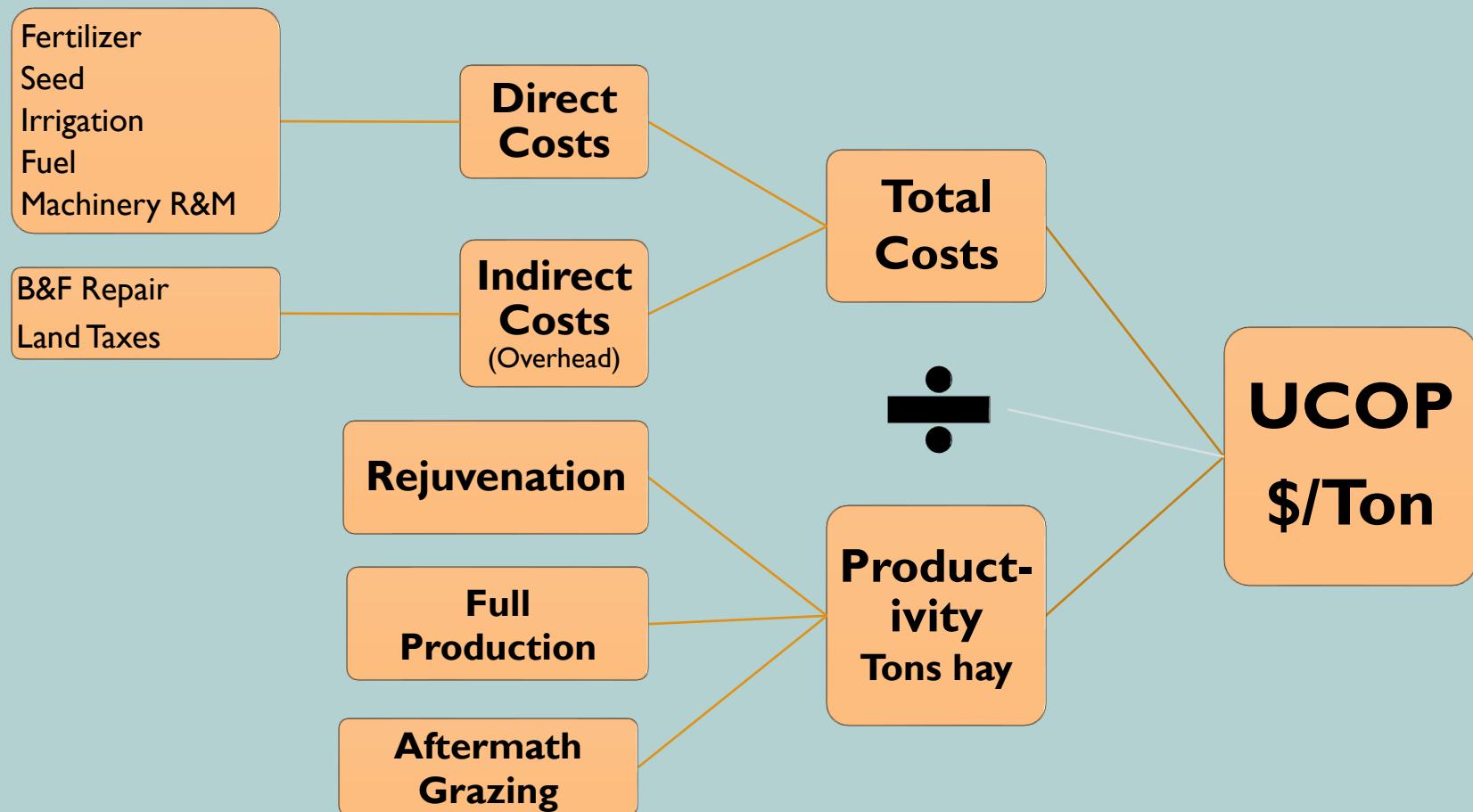
Early efforts allowed comparison with other ranches of different sizes

UNIT COST OF PRODUCTION BEEF-COW/CALF



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

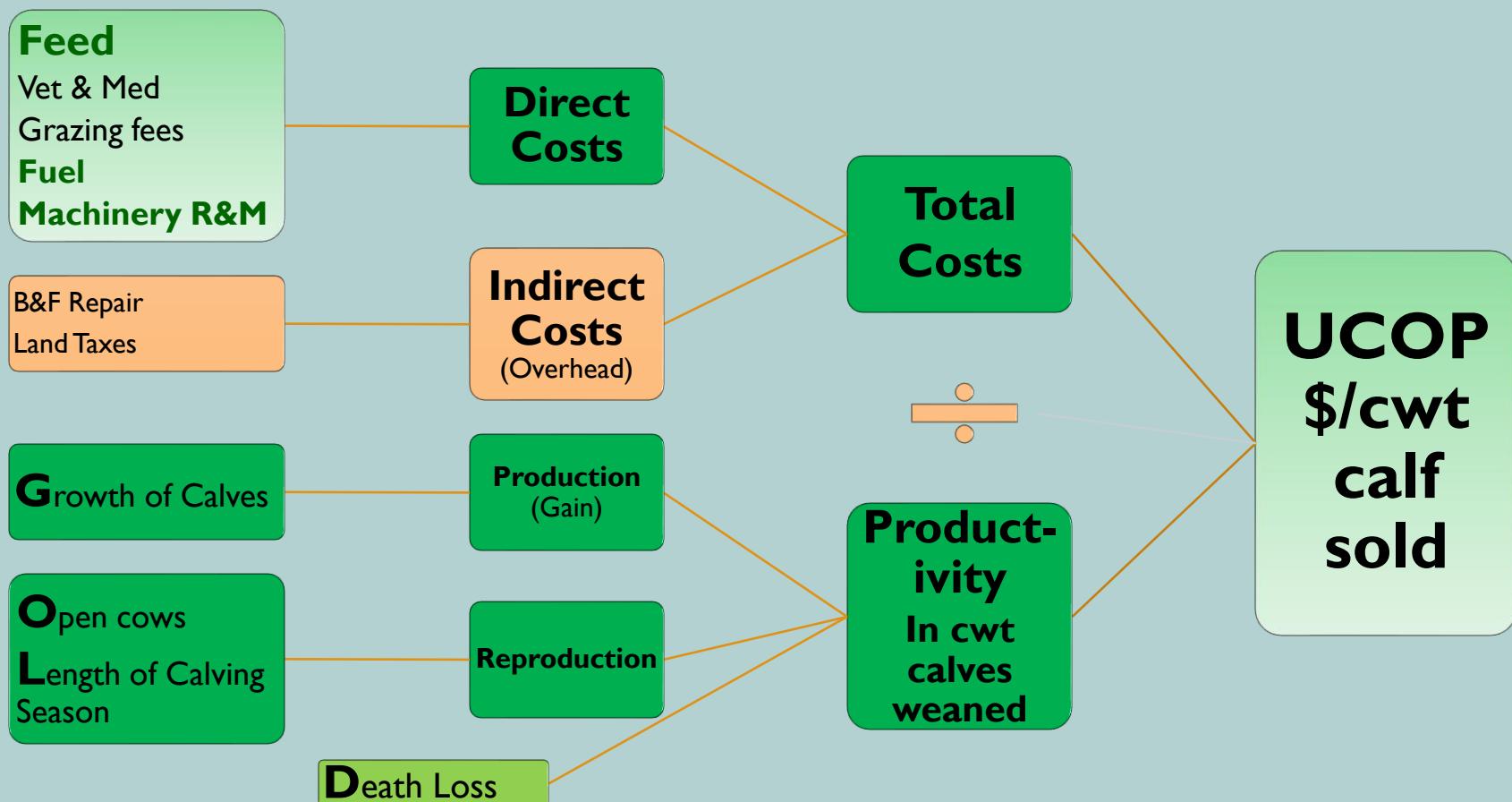
(UNIT) COST OF PRODUCTION FORAGE



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

agri benchmark

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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. →

POTENTIAL BCFC PROJECT?

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

TAKE HOME MESSAGE

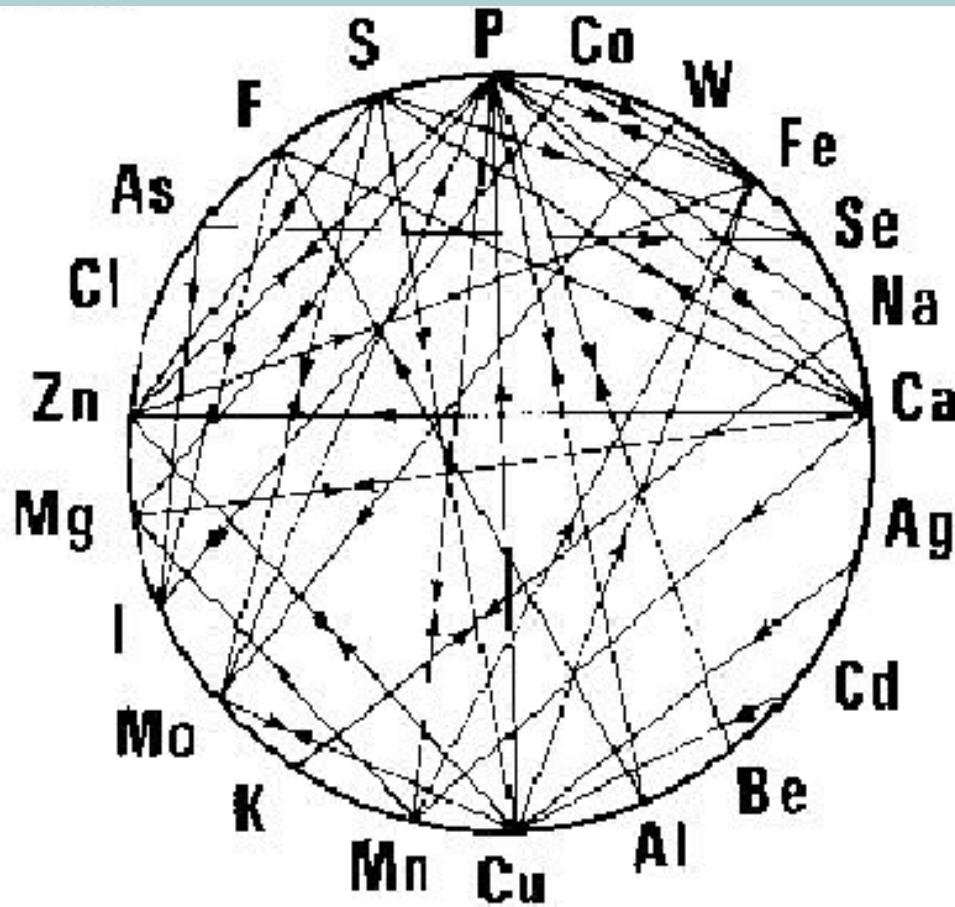
- **Keep good financial & production records and learn how to calculate your own COP to use in your decisions.**
- **Look at benchmarks for clues to where you may need to dig deeper.**

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

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

