PRECISION FARMING & LOAM FARM MODEL

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June 2020



WHAT IS PRECISION FARMING?

• Early Definition:

- "use every acre (or animal) within its capability and treat it according to its needs" adapted from Hugh Hammond Bennett
- Site-specific technology-based management systems capable of using a vast array of data sources including:
 - soils, crops, nutrients, moisture, yield maps, equipment (sensors etc.).
 - animals (e.g. temperature, fertility), outputs (e.g. quality).
 - not one specific technology but a range of tools that farmers can use.
 - focuses on improving the efficiency and sustainability of farm operations.
- Closely linked with automation, 'Big Data' and GPS.
- Manage variability by using data to optimise inputs and outputs to maximise profitability.
- Concept around for many years, but now better tools and datasets.

Andersons

APPLICATION IN FARMING?

- Specific technologies have made strong inroads
 - 23% of English farm businesses using precision farming techniques; increased to >50% of cereal and general cropping farms
 - supplied as standard in large tractors & combines (>300Hp)
 - requires integration with farm management software

Technology	2012	2016	2019	Typical Approx. Cost
GPS (incl. auto-steering)	22%	~ 55%	~70%	£6K-£12K
Soil mapping	20%	~25%	29%	£12 - £25 per ha
Variable rate application	16%	~20%	25%	built into equipment
Yield mapping	11%	15-20%	~17%	Typically £3 – £7 per ha
Telematics	2%	~5%	~10%	Often free initially (1-3 yrs), then annual cost

PRECISION AGRICULTURE: LOAM FARM

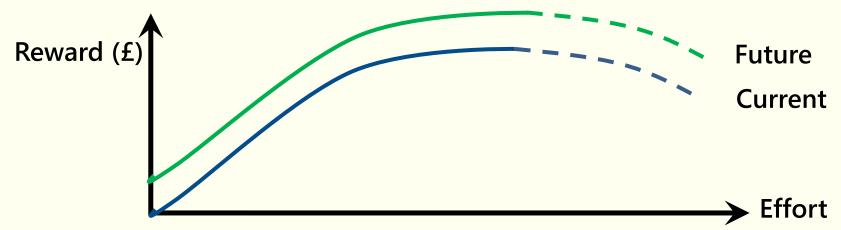
600 Ha of combinable crops (W. Wheat (300 Ha), W. OSR, S. Beans)

Wheat Enterprise £/Ha	2019	P. Ag	% Ch. •	Prev. limited precision ag. usage	
Wheat Yield (t/Ha)	9.96	10.14	+1.8% •	Some machinery is precision ag.	
Output	1,482	1,510	+ 1.0 /0	capable.	
Variable Costs	512	495	-3.2% •	Gains dependent on weather	
Gross Margin	971		+4.5%	conditions	
Overheads*	442	433	-2.1% •	Can under-performing areas be	
Rent and Finance*	239	239	0%	improved?	
Drawings*	79	79	0%	If not, should they be cropped?	
Production Margin	211	264	+24.8% •	Could these be used for other	
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Source: Andersons



IS IT WORTHWHILE?



- To a certain point, yes, thereafter benefit is questionable
 - the larger the scale, the more likely a farm will benefit
 - remember to manage time efficiently
 - good farming fundamentals (e.g. manage soil PH) still key
- Key question Does this technology inform my decision-making, or is it a distraction?
- Over time, evolving technology should bring more reward for same effort



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