

Tuesday, April 24, 2012

Balancing Act

When I was doing some housekeeping on my blog, I came across a couple of draft blogs that I have decided to finish. Here is one.

Somewhere between "get big or get out" and "it's a lifestyle" is the balancing act that we strive to achieve at Hawk Hill. I don't know when profit became a four letter word nor when large debt became acceptable.

When we raised horses I attended an Ontario Equestrian Federation conference with multiple industry seminars. At one seminar called something like Making a Profit with Horses (an oxymoron if I have every heard one) the audience was asked whether they thought they should make a profit in the horse industry. By the general reaction of the audience, the question could have been "is it ok to sell crack to children?". The audience shuffled their feet and hung their heads. It brings me back to the question, why is it unreasonable that a farmer should expect to make a profit?

When I raise this question to farmers, especially small farmers that are not even close to making a profit, they usually bring up the "lifestyle" line. OK, I get that since I also like the lifestyle but that does not preclude my desire to make a profit. How many corporate executives do you know that are willing to forgo profit for a lifestyle... that is corporate executives that still are CEOs?.

As a child my father told me that the only thing that you should go into debt to buy was a home. He even was uncomfortable going into debt to buy a car. Since I seem to have inherited that gene, we are basically going to stick at the flock size we now have. We will have ~25-30 ewes and 3-4 rams. To get bigger than that would require expansion of my infrastructure and going into debt. At this stage in my life that is neither a reasonable nor a realistic thing to do.

At this stage in my life, subsidizing a farm is also not a reasonable or realistic thing to do so the farm must pay for itself. I do not expect it to support me but the farm income should cover all the expenses and I should not have to pay for the meat that goes in my freezer. We should reach that goal this year and next year I expect to make a small profit. It won't take me to Tuscany on holiday but its a start.

TTFN,
Laurie