

Sharemilking & progressing farmers checklist

Do your homework before you sign

Following a thorough due diligence process (or in other words, doing your homework) is key to establishing a successful sharemilking or contract milking arrangement. This checklist will help you consider your options and decide whether a role is right for you and start the relationship on a good footing.

Answer 'yes' only to those questions you are 100 percent sure of. If you have answered 'no' or you would like more information visit www.dairynz.co.nz/homework.

	What do I need to know about my situation?	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>
	1. Do I have a clear understanding of different types of operating structures?	<input type="checkbox"/>	<input type="checkbox"/>
	2. Do I know my short and long term goals?	<input type="checkbox"/>	<input type="checkbox"/>
	3. Do I understand my values?	<input type="checkbox"/>	<input type="checkbox"/>
	4. Do I know my current financial position?	<input type="checkbox"/>	<input type="checkbox"/>
	5. I can clearly communicate my non-negotiables.	<input type="checkbox"/>	<input type="checkbox"/>
	6. I know my strengths and weaknesses	<input type="checkbox"/>	<input type="checkbox"/>
	7. I have trusted advisers that can help me	<input type="checkbox"/>	<input type="checkbox"/>
	What do I need to know about any potential business partners?	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>
	1. Have I asked around to find out more about this person?	<input type="checkbox"/>	<input type="checkbox"/>
	2. Are their core values and farming philosophies similar to mine?	<input type="checkbox"/>	<input type="checkbox"/>
	3. Will working with them help me achieve my long term goals?	<input type="checkbox"/>	<input type="checkbox"/>
	4. Can I see our relationship being a good fit?	<input type="checkbox"/>	<input type="checkbox"/>
	What do I need to know about the farm business?	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>
	1. Is there a farm policy and how does it fit with my ideas, values and needs?	<input type="checkbox"/>	<input type="checkbox"/>
	2. Do I understand how the management policies will affect me in terms of time and cost e.g. feeding systems, cropping and regrassing?	<input type="checkbox"/>	<input type="checkbox"/>
	3. Have I verified that production, farm working expenses and any other targets are realistic?	<input type="checkbox"/>	<input type="checkbox"/>
	4. Have I found out about all the aspects of the farm that will affect my time/labour/costs, including infrastructure such as housing, shedding, effluent, irrigation, troughs?	<input type="checkbox"/>	<input type="checkbox"/>
	5. Are there differences specific to the particular region this farm is located in? Will these impact on the way I run my business?	<input type="checkbox"/>	<input type="checkbox"/>
	Before I sign the contract	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>
	1. I have completed a budget and considered sensitivity to milk price, production, or expense changes.	<input type="checkbox"/>	<input type="checkbox"/>
	2. The contract I have been presented with is an up-to-date version.	<input type="checkbox"/>	<input type="checkbox"/>
	3. I clearly understand the implications of all terms and conditions.	<input type="checkbox"/>	<input type="checkbox"/>
	4. We have worked through the contract together and agreed on terms.	<input type="checkbox"/>	<input type="checkbox"/>
	5. I have a trusted adviser that I can get to look over the contract before I sign.	<input type="checkbox"/>	<input type="checkbox"/>
	After I sign the contract	Yes <input checked="" type="checkbox"/>	No <input checked="" type="checkbox"/>
	1. Do I have a plan to keep the relationship on a good business footing?	<input type="checkbox"/>	<input type="checkbox"/>
	2. We are developing a shared business plan for the season.	<input type="checkbox"/>	<input type="checkbox"/>