

## **Case study 1:**

David Warriner was the General Manager for a Northern Territory livestock and farming enterprise. The one-million-hectare station and outstations held 85,000 cattle and had 5000 ha of farming land and 150 staff. David was employed at a time when the relationship between land owners, directors and management was untenable and financial performance was waning drastically. The immediate priorities were key profit drivers, such as livestock productivity and value adding through farming and livestock feeding units. The strategy was to get back to basics by cutting costs and focussing on the key profit drivers of livestock productivity, value adding, and maximising the selling price of livestock and land. A relationship started with an Indonesian feedlot went well.

Staff numbers were reduced to 45, mostly through natural attrition, and the business turned a positive EBIT in the third year. This provided a platform to divest the investment, which we started to do by selling land and livestock assets.

With core assets held, and enterprise and debt levels down to a more manageable size, the business was able to refocus.