

FARMING SA

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FARMING FOR OUR WORLD

Why **MATSIDIDI** is a smart farmer

Good times ahead for cotton?

SA BUDGET

What it holds for small-scale farmers



ANITA turns hobby into **hot business**

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HOW TO

- Cultivate onions
- Save diesel
- Produce milk in hot, humid areas

Bread scandal

TURNAROUND NEEDED

Former diesel mechanic Stephen Matsididi regards farming as a business that must generate a profit. A friend and confidant, **Cois Harman**, tells us about Stephen's route to success and disappointments along the way.



Stephen Matsididi lost his left hand a couple of years ago in a farming accident, but that doesn't affect his being a smart farmer.

Why Stephen Matsididi **IS A SMART FARMER**

Menyatso Stephen Matsididi is a smart farmer. He's a trained diesel mechanic and auto-electrician and as a result his tractors and other farming implements are always in tip-top condition. He has, however, developed a strategy to replace them every five years. "Then I can still get a good price for the old tractor and the difference between the old one and the new one is not that much. The new one will definitely not cause problems during the peak season," he explains.

That is a very interesting statement coming from a man who has the skills to maintain and service his own tractors, yet prefers working with new ones.

Matsididi's involvement in agricul-

After experiencing problems marketing his wheat, Stephen Matsididi turned to stock farming.



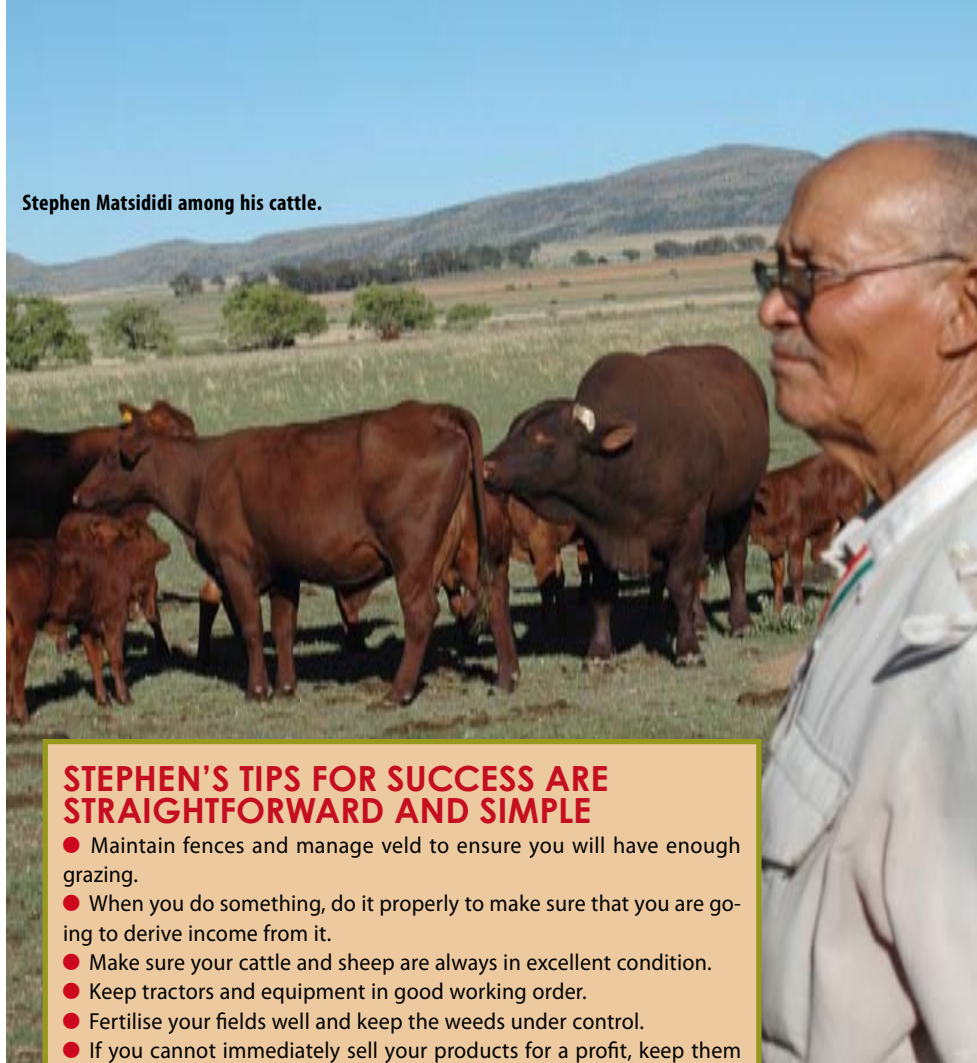
ture came about in the following way:

- From 1961 to 1974 he worked as a mechanic at a garage in Welkom in South Africa's Free State province.
- In 1974 he grabbed an opportunity to hire a farm near Thaba Nchu and to start small-scale production.
- In 1988 the Bophuthatswana government of the time helped him to acquire the farm Khumo Flats.
- In 1996 he managed to buy the farm with a loan from the South African Land Bank.

GRAIN PRODUCTION AND MARKETING

Initially, Matsididi planted maize and sunflowers on a rotation basis during summer and wheat and oats during winter. To ensure enough moisture, the winter crops were planted on lands lying fallow in summer. Today he uses the oats as grazing for his sheep and dairy cows.

Matsididi always did well with his crops, selling them to the co-op at Tweespruit. He told *Farming SA* about



Stephen Matsididi among his cattle.

STEPHEN'S TIPS FOR SUCCESS ARE STRAIGHTFORWARD AND SIMPLE

- Maintain fences and manage veld to ensure you will have enough grazing.
- When you do something, do it properly to make sure that you are going to derive income from it.
- Make sure your cattle and sheep are always in excellent condition.
- Keep tractors and equipment in good working order.
- Fertilise your fields well and keep the weeds under control.
- If you cannot immediately sell your products for a profit, keep them and add value to them.
- Do not try to do what you cannot do. Hire a specialist who has the professional expertise to assist you with such tasks. Matsididi appointed a qualified bookkeeper to do his books and his tax returns to ensure he always remained within the law.

his frustration when he failed to get a good grading for his wheat. Instead of selling it at fodder grade, he stored his wheat in silos for a few months.

"Imagine my astonishment when they phoned to tell me they wanted to buy my wheat after all! What had changed?"

Since then Matsididi has only been planting wheat for his own use and for a niche market. He even bought a mill and sold some ground wheat, but subsequently decided to concentrate on cattle and sheep. He reaps benefits from the maize he plants by feeding it to his cattle when he conditions them for the market.

FARMING FOR PROFIT

Matsididi realised that he could make a

lot more money by focusing on cattle rather than on maize. The maize price in South Africa has, in recent years, fluctuated between R400 and R2 000/ton, depending on the season.

"If you want to succeed and stay on your farm, you have to run it like a business. When some of your farming operations are not profitable, stop them and try something different. You cannot continue farming with something that eats into your profits all the time."

FODDER PRODUCTION

Matsididi bought a fodder-mixer at an auction, looked at the best possible mixes for his cattle and has since been mixing his own feed. He planted eragrostis and smutsfinger grass for

FSA: Do you think developing farmers have a fair chance of survival in the current challenging agricultural climate?

RM: To be honest, I think these farmers got a raw deal, even though there's enough money to help them.

Government has come up with ways to help them compete fairly, but more needs to be done. The NAMC, for instance, spends a mere 20% of its annual levy of R150 million on developing farmers. Creative solutions are needed to help these farmers.

If the beneficiaries of land reform are not allowed to use their land as collateral for loans, how are they expected to compete and develop? During the 1930s and '40s former governments developed schemes and co-operatives to help farmers. We need similarly designed schemes to help our black farmers. At the moment, money is spent on the wrong things.

FSA: Rising input costs are a headache for many farmers. Is this an issue the NAMC pays attention to and can you act decisively in cases where collusion by companies is proved?

RM: Last year we started a project called "input cost monitoring". We are currently putting the final touches to the maize and fruit industries and will soon focus on other sectors.

We believe some input costs are unjustified. Take the issue of imported fertilisers, for example. It's not so much a question of col-

lusion, as a problem arising when there are only two big players in the sector.

The NAMC cannot punish anybody, but we do collaborate with the Competition Commission and help them to make informed decisions.

FSA: In the past Government felt South Africa could easily fall back on imports if there are shortages of maize and wheat. Do you think Government has shifted from this way of thinking in the light of current world shortages in these commodities?

RM: It was the right strategy at the time, but maybe it was not carefully thought through. We have now learnt never to ignore local industry, where the bulk of our food should come from. The Government was elected by the poor majority of this country, whose hope is to have access to affordable food. In addition, we cannot afford to overlook our local farmers again.

FSA: Is the NAMC involved in any projects with developing farmers, which aim to bring them into the mainstream of agricultural economy?

RM: Yes, we are involved in various enterprise development schemes around the country.

We also train black agri businesses – women in particular. In May, for instance, we'll be in Stellenbosch (in the Western Cape) to present a two-day course on exports and related business requirements for new farmers. 🌍

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winter feeding.

Matsididi farms with Santa Gertrudi- and Friesian cattle and Dohne Merino sheep. He runs a dairy and sells milk in the Thaba Nchu area. His Santa Gertrudi cattle are merely for beef production. He buys cattle and conditions them before selling them. This ensures cash flow for the daily running of his farm.

HIS FAMILY

I will never forget the day I saw Stephen Matsididi on his farm during one of my regular visits to support and guide him. He was 69 years old and struggling to come to terms with old age and the fact that neither of his children showed any interest in farming. "Who am I doing this for?" he wanted to know.

We went to his house for coffee and I listened to his story. "My son is a lawyer and my daughter a nurse. They will never come to the farm and take over when I have to leave," he said.

After a while, we started discussing how he could involve his son while he continued to work as a lawyer. We discussed ways to improve an already flourishing farming venture and even to extend it.

During the next year's visit Uncle Stephen was riding on horseback, full of energy. He told me he had bought

another farm and that his son had become involved in the venture. They were planning to buy the dairy farm Rusoorde, near Excelsior in the Free State. He had also planted lucerne under irrigation and built up a winter fodder bank.

It was 2003 and the 70 year-old Stephen was riding a wave, having just been voted as SA Developing Grain Farmer of the Year by Grain South Africa. What a turnaround!

THEN TRAGEDY STRUCK

One night in 2005 I received a phone call from a shocked and angry Stephen. "My son died in a car accident. What now?"

The tragedy made him decide to scale down on his activities. He sold Rusoorde and his dairy cattle and planted less, concentrating on oats for winter fodder. He reduced his cattle herd and his number of sheep to 200 and now focuses on marketing his lambs and Santa Gertrudi weaners.

Stephens's story makes one realise yet again that our lives are not in our hands – our will is not necessarily God's will. He gives us the opportunity to work in His creation and it is very important to enjoy what we are doing at the moment, while we still have the opportunity to do something on this earth. 🌍

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