

Beekeeping

Turning Your Hobby into a Business



My Background







This Presentation

- *To provide existing beekeepers a knowledge base on which to expand their interest in beekeeping into a business*



Disclaimer

- Further advice of a professional nature (on financial/taxation matters) should be sought ***before*** acting on information obtained from this presentation



Lifestyle

- Why do you want to build a business out of beekeeping?
- How many years' experience?
- How many hives?
- Where do you live?
- How much time do you have?
- Are you married? (or have a partner/family?)
- Will the family be involved?
- Are you prepared to employ labour?
- How much capital are you prepared/have available to put into it?



Health Issues

- Single operator?
- Physical nature of beekeeping
- Mechanisation?
- Time away from home
 - Reconnaissance
 - Transporting and working
 - Remote locations



Possible Income Streams from Beekeeping

- Honey production
- Pollination
- Queen bee production
- Live bee packages
- Pollen production
- Royal jelly production
- Organic production



Honey



Pollination



Queen bee Production







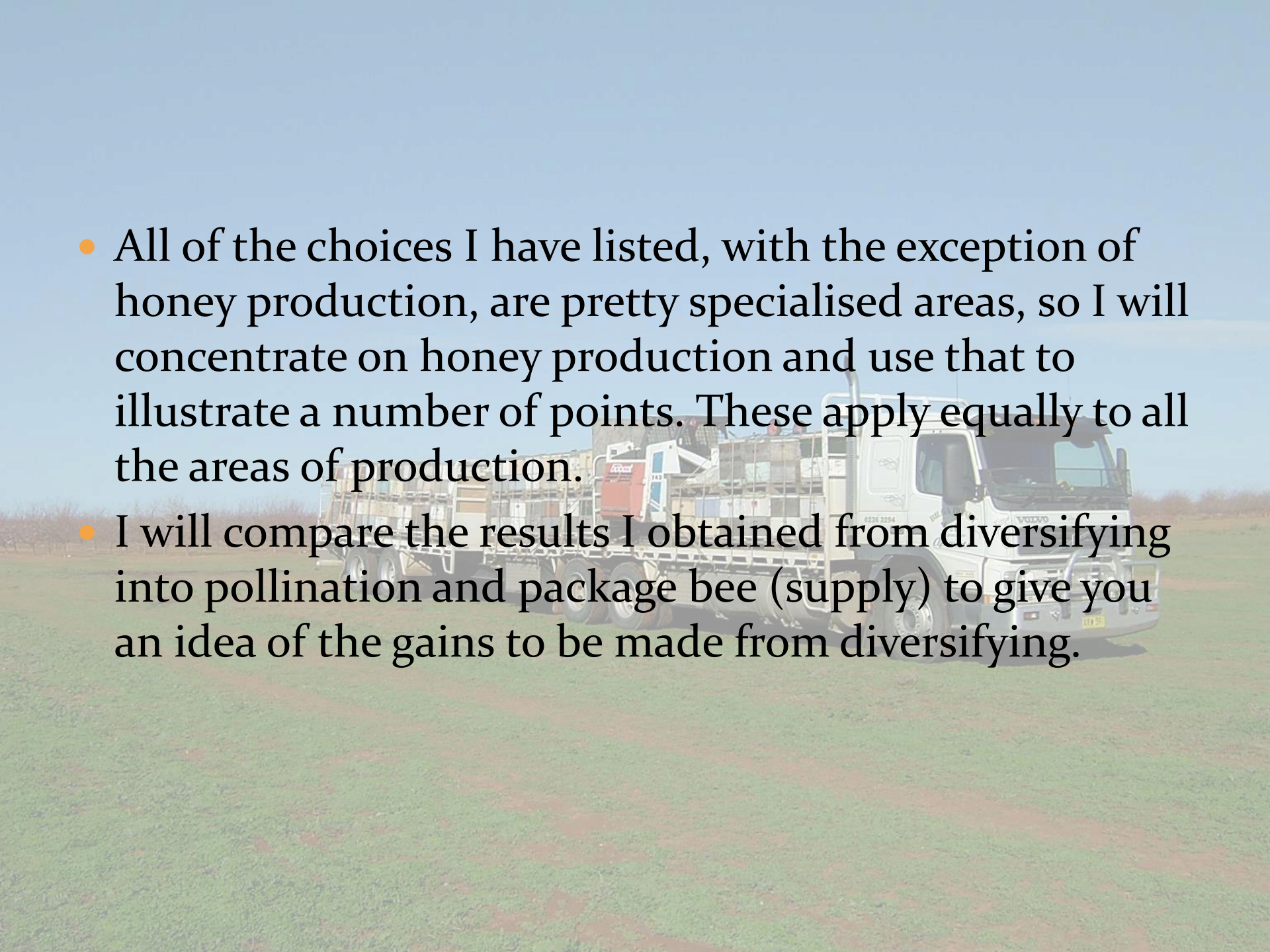


Live bee packages



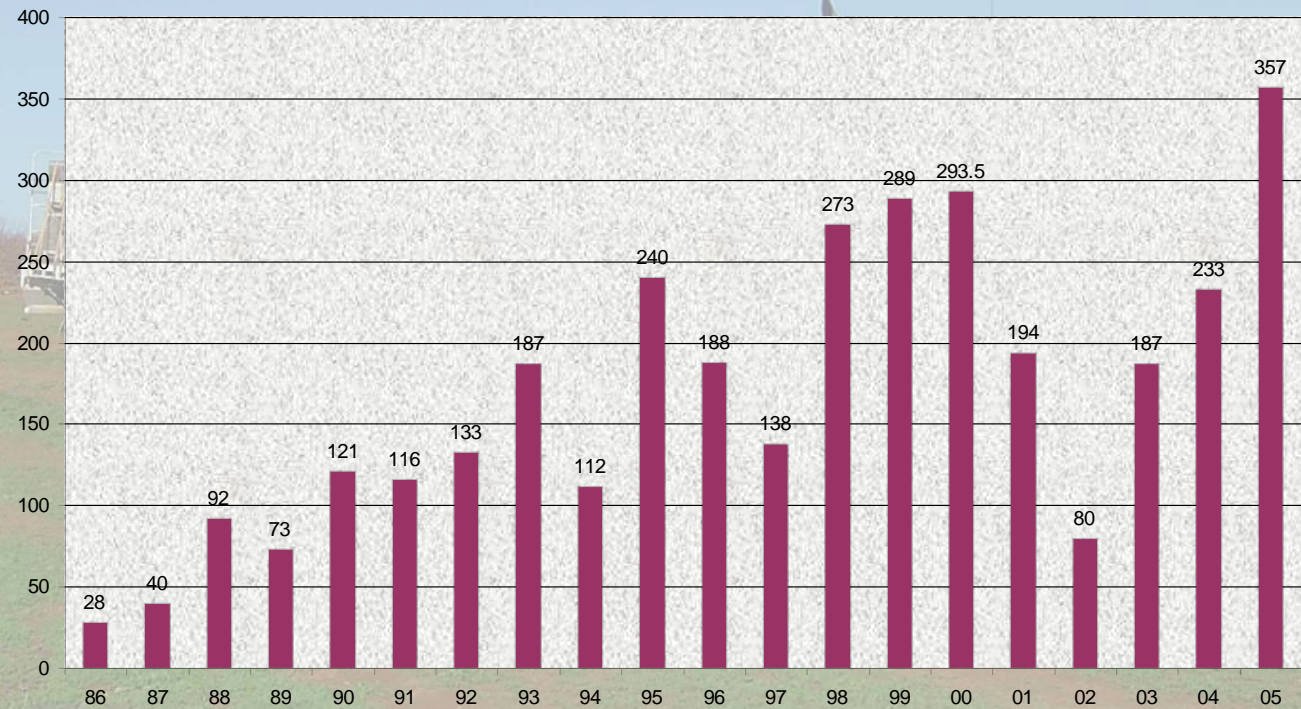
- Pollen Production/Royal Jelly Production/Organic Production I will come back to later (maybe)



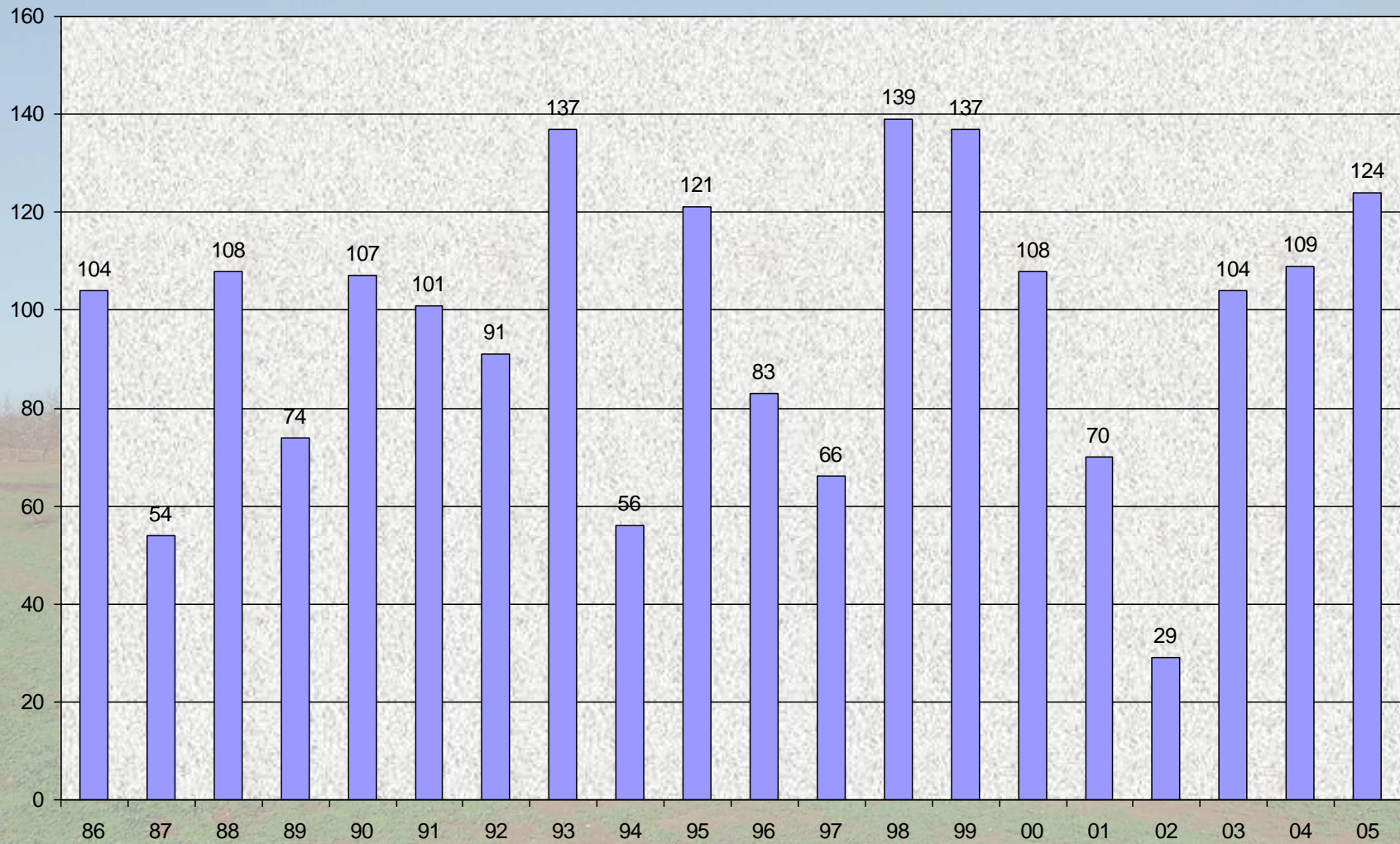
- 
- All of the choices I have listed, with the exception of honey production, are pretty specialised areas, so I will concentrate on honey production and use that to illustrate a number of points. These apply equally to all the areas of production.
 - I will compare the results I obtained from diversifying into pollination and package bee (supply) to give you an idea of the gains to be made from diversifying.

Honey

No.Drums Honey/Year



Kgs Honey/Hive/Year



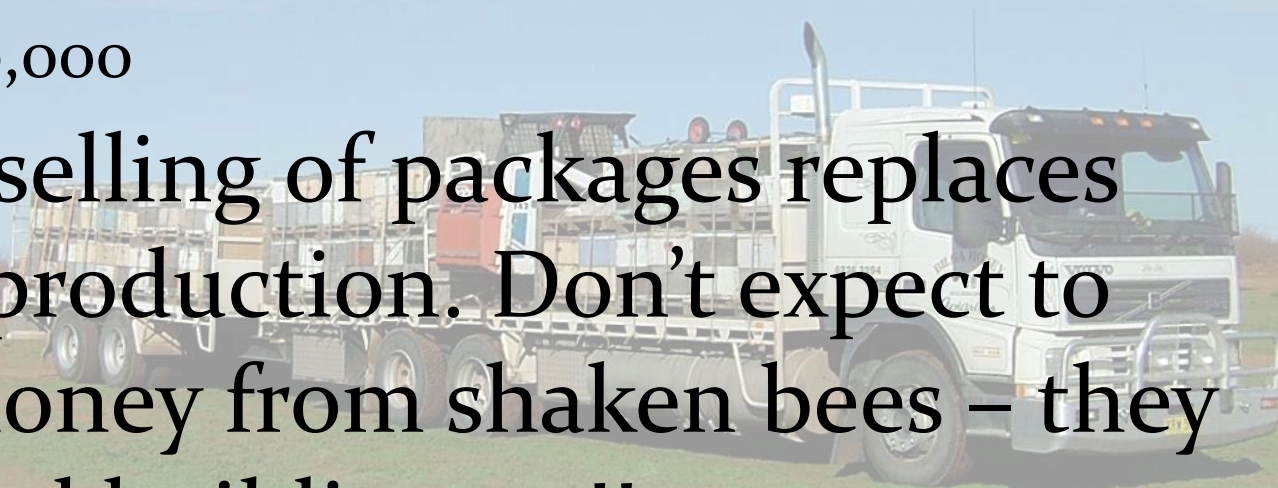
Pollination

- Small scale
- 2003 - \$20,000
- 2004 - \$ 9,000
- 2005 - \$38,000
- Returns from pollination should reflect replacing honey production with pollination. Anticipate NO honey production.



Package bees

- 1997 - \$ 6,500
- 1998 - \$12,000
- 2005 - \$20,000
- Again, selling of packages replaces honey production. Don't expect to make honey from shaken bees – they will need building up!!



Put them all together

[illegible]

Beekeeping as a Business

- There is scope within Australia, for a shift away from the traditional focus on bulk honey production, to
- Development of profitable, smaller-scale, beekeeping operations
- The key factors are
 - Returns
 - Marketing
 - Entrepreneurial activities



HOWEVER

- Expanding Your Beekeeping Business is NOT Just a Matter of Expanding Your Hive Numbers

You have to:

- *Maintain those* Hive Numbers
- Be able to shift those extra hives
- Extract that extra honey
- Have a market for that extra honey
- Be able to process the extra wax produced
- **Have the extra sites to accommodate those increased numbers (establish a site portfolio)**
- **Manage bee pests and diseases**



- The same principles apply to Honey production, Mead production, Pollen collection etc
- Whichever area you aim at, you will need to do your homework
- Then bounce off someone with some expertise (be it in beekeeping or in business management)



Maintaining Hive Numbers

- Ways to maintain hive numbers
 1. Start off new hives
 2. Run nucleus colonies – useful for restocking and also for mating queens
 3. Maximise queen's egg-laying by hive manipulation
 4. Use queen banks to keep old queens for emergency replacements



Nucleus hives



Nucleus hives



Queen Bank

- Queen bank is used to keep old queens for emergency replacements



Shifting those extra hives



Extracting that Extra Honey - Shed



Extracting that Extra Honey - Plant



You've Now Got Your Honey – what are you going to do with it?



Wax Treatment Area



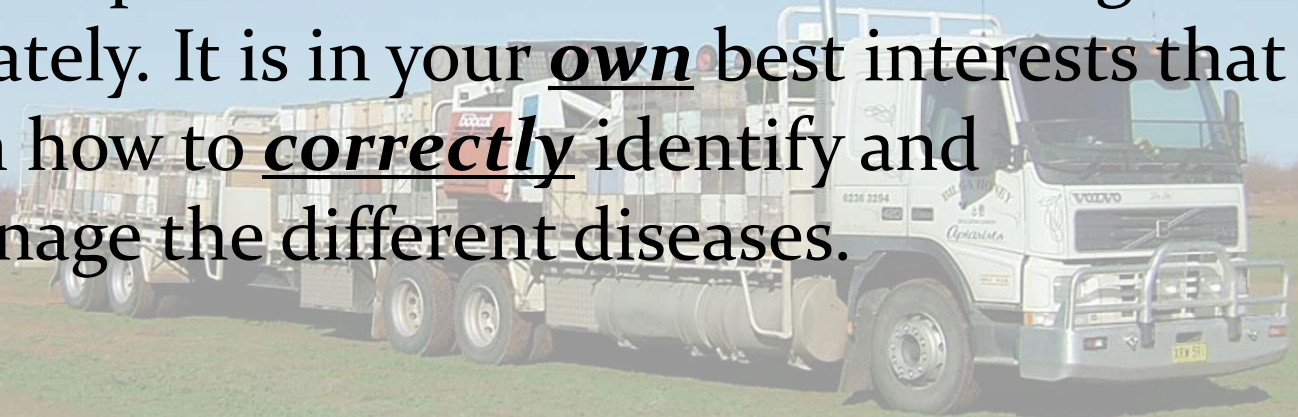
Site Portfolios

- Private Vs Public – NPWS/SF/TSR's
- How to Obtain?
 - PR aspects of obtaining (private) sites
- Conditions of Use
- Industry Best Practice
- Sustainable Management
- Number of sites needed?
- Access/clearing
- Seasonal Variations/Floral Variations



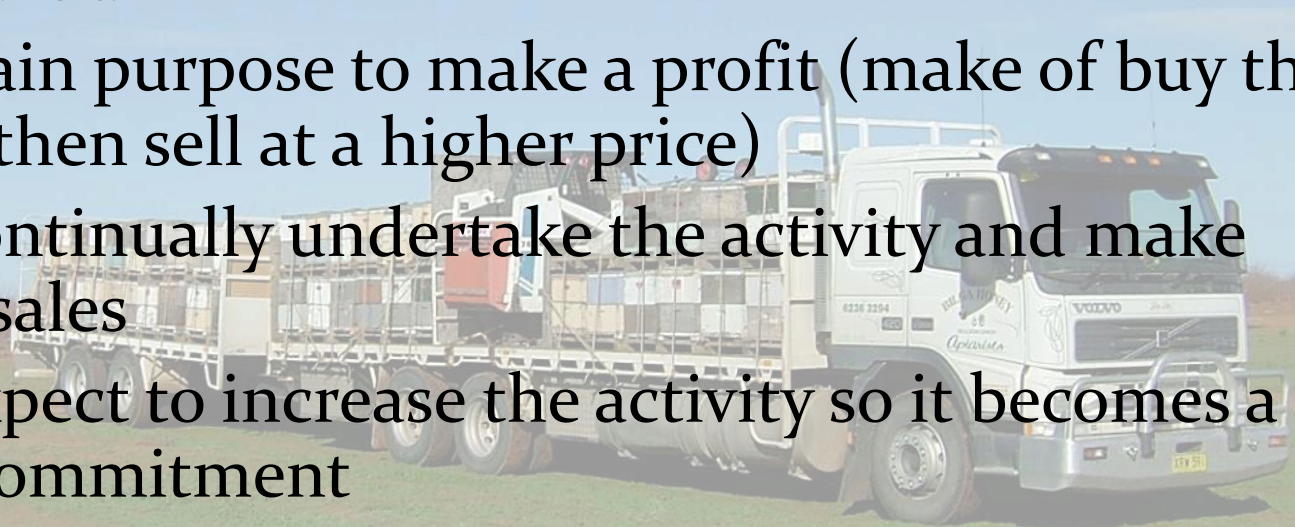
Management of Disease (and Nutrition)

- Within the scope of this presentation, it is important to recognise that any disease/pest will impact your production and **must** be managed appropriately. It is in your **own** best interests that you learn how to **correctly** identify and treat/manage the different diseases.



At the end of the day, as far as the ATO are concerned, they will consider -

- Have you registered a Business name
- Do you have an ABN
- Is your main purpose to make a profit (make of buy the item and then sell at a higher price)
- Do you continually undertake the activity and make repeated sales
- Do you expect to increase the activity so it becomes a fulltime commitment
- You have a separate bank account
- You have a business plan, you have systems and processes in place.



Avoid overloading

