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





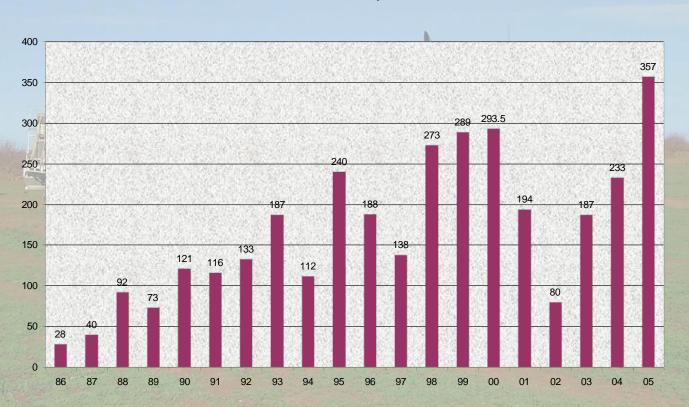
 Pollen Production/Royal Jelly Production/Organic Production I will come back to later (maybe)



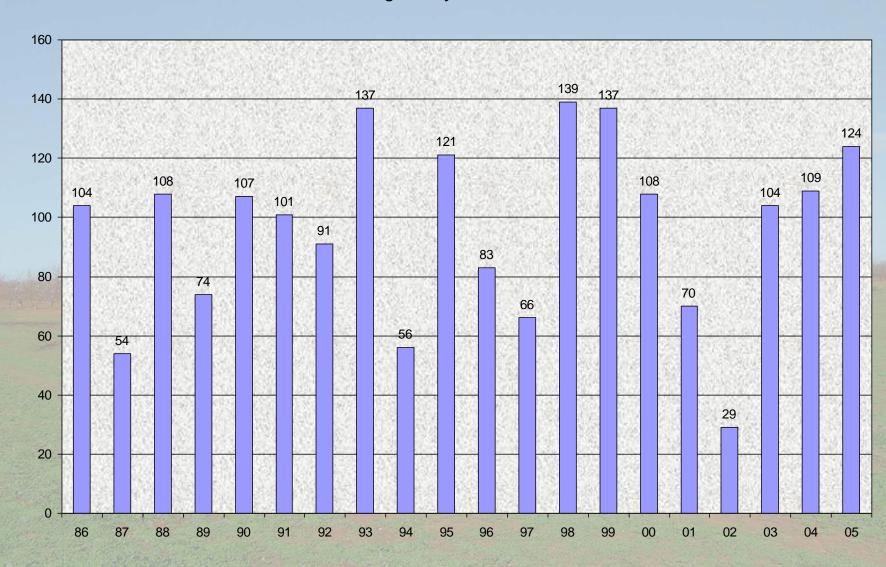
- All of the choices I have listed, with the exception of honey production, are pretty specialised areas, so I will concentrate on honey production and use that to illustrate a number of points. These apply equally to all the areas of production.
- I will compare the results I obtained from diversifying 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
- **2**003 \$20,000
- **2**004 \$ 9,000
- **2**005 \$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

	*200												
No. of drums	187	112	240	188	138	273	289	293.5	194	80.2	186.6	232.6	357.4
No.Drums * 294kg	54978	32928	70560	55272	40572	80262	84966	86289	57036	23570	54860	68384	105075.6
No.Kgs/Hive	137	56	121	83	66	139	137	108	70	29	104	109	124
Pollination							5				29	9	74
Package bees					11	26					1		37
Canola	6	11	17	23	10	22	20	21	10	22.8	12	11	15
Cherry blossom												8	21.3
Salvation Jane	26		147	47	43	111	91	51	52		87		82
Yellow Box		3				Manue .	132	41	3	9	17	7	
Yellow box/Red gum						ALL HE			200	Court SE D		82	
Hill Gum		-		9						9月		-04	11
Blakely's Redgum	7	12/01		21	ditta		4			3	1	-01	
Mountain Ash				100		-111	THE PART OF	6		21			
Thistle	16	-25	33	15			4	6		100			
Snowgum	10	39	100	12		37	10			18 -	623	3294	the same
Lucerne	- 1	1,15	-		176		ok -			3000	-		No. of Street, or other Designation of the least of the l
Nodding Thistle	-		distribution of			2.0		23 10 21			-	S. September 1	Opianists
Blueweed	U	11			10	24	-	3.4	-	17/		9	36
Blackbutt		-		A			9		34	1			
Yellow Stringybark		18	14	10	28-16	1			3			40	
Sydney Peppermint	14	4			111			1		-	M	- 43	10
Sydney Blue Gum	*			4					W 60			19	
Apple Box	64		29	8			18	8	16		- 4	25	52
Red Stringybark					53			122.6					
Red Ironbark									40				
Manna Gum				- 00					19				
Scribbly Gum				28									
Bloodwood				8					-				
White Gum	61	20		10	24			29.4	2 44			110	37.6
Spotted Gum	61	26		10	21	53	15	6.8	44		54	44.6 15	37.6
Mugga Ironbark Banksia				6		53	15	0.8			54	10	
Corky Ironbark				4									
COINY HOHDAIN				4									
Middleton								4.3	11	18.4	3.6		2.5
'Jindabyne"								7.0	1000	10.4	0.0	3	2.0

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
- 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 <u>must</u> be managed appropriately. It is in your <u>own</u> best interests that you learn how to <u>correctly</u> 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

