



# Reviewing milk harvesting quotes

## 1. Introduction

Once the job has been specified and quotes have been received it is necessary to assess each offer individually and in comparison with the others. This Quick Note provides one method for evaluating and reviewing quotes.

## 2. Interpretation and relevance to Australian Conditions

Carefully assessing and comparing quotes is good practice in every new project, regardless of size.

## 3. Relationship to CowTime goals

The main benefit of carefully reviewing quotes is to avoid unpleasant surprises. By checking what is and isn't included the total cost can be determined before the work starts. Check that essential items are included in the original quote and they are of the quality that is expected.

## 4. Features of reviewing competitive quotes

If quotes are to be successfully reviewed it is essential that each supplier is given the same information to work from. Unless each contractor is given the same specifications they will each be quoting on a different job, making meaningful comparisons impossible. By using a checklist (see Quick Note 3.2) it is possible to ensure everything has been considered before sending a single set of requirements to each supplier.

The first step in reviewing quotes is to look at each quote individually. Does each quote contain all the items requested? Are particular specifications for quality, construction or materials included? A quote can be discarded if it does not include all the necessary requirements. It is not going to meet the farm needs.

There may be an advantage in asking all suppliers for a second quote. This will be necessary if a feature in one quote is desirable but is not included in the others. The specifications should be changed and resent to all suppliers.

Once each quote has been assessed individually it is necessary to compare those that meet the farm needs. This process will determine which quote is most suited to the farm requirements.

Comparing quotes is often easier if the options are put side by side. A form is attached for this purpose. Warranties and service programs should be checked thoroughly. A more expensive option may include a service program that will reduce the cost of breakdowns and repairs. It may also include a warranty with more favourable terms. Things to look for include parts, labour and whether servicing is done on-site.

The form has provision for listing key elements in each category, a short description of items within a quote, and price of the equipment provided. While the descriptions need not adhere to any standard, it is useful to use something that is easy to understand and to remember. Although milking system categories have been included for example purposes, categories may be added and removed as necessary depending on the scope of the proposed work. Use additional pages for more options.

## 5. Potential challenges with implementation

The disadvantages of reviewing quotes are few. While the activity does take some time it is a small commitment relative to the total cost of the project.

## 6. Robustness of this information

Information confidence: high

## 7. References and further reading

Kondinin Group (2000) Dairy warranties, quotes and contracts. Research report in Farming Ahead No. 100, April 2000, pp 38-43.  
**CowTime Guidelines for milk harvesting.** edited by Klindworth, D. et al (2003). Available from [www.cowtime.com.au](http://www.cowtime.com.au)  
**Quick Note 3.2:** Checklist for making changes to milk harvesting infrastructure

**Quote assessment and comparison form**

Aspect	Option 1		Option 2		Option 3	
Supplier name	Description	\$	Description	\$	Description	\$
<b>Yards</b>						
<b>Dairy - building</b>						
<b>Dairy – stall work</b>						
<b>Dairy - equipment and services</b>						
<b>Herd management software</b>						

Aspect	Option 1		Option 2		Option 3	
Supplier name	Description	\$	Description	\$	Description	\$
<b>Feeding equipment</b>						
<b>Milking equipment</b>						
<b>Milk cooling and storage</b>						
<b>Automation</b>						
<b>Warranty</b>						

Aspect	Option 1		Option 2		Option 3	
Supplier name						
	Description	\$	Description	\$	Description	\$
<b>Service program</b>						
<b>Others</b>						

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