

**Peter Cook
P & L Cook and Partners**



Cairngorm Monitor Farm

**A & J Adams
Eastfield Farm
Ballater
Aberdeenshire**

Report on Meeting held Wednesday 12th December 2007

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SCOTTISH EXECUTIVE

TOP TIP FROM THIS MEETING

1. The reduction in the store price might suggest that finishing is a better option. But do the numbers first – learn to use the Partial Budget format, which is an easy way to look at the impact on profits of changes to parts of the business. For Eastfield, even without including many fixed costs, it looks better to stick with a simple store system for the time being.
2. Novartis and Pfizer will provide free lab tests for BVD, through your own vet.

TOP ARGUMENT FROM THIS MEETING

Beef and sheep prices have been too low to allow profits without inclusion of the Single Farm Payment. Sheep prices especially have been in the doldrums and have been hit badly by any export restriction or currency shift. But is all this about to change?

Breeding ewe numbers have fallen throughout Europe and in New Zealand and Australia. Beef cow numbers have also declined across Europe. If consumer demand holds up and Asian and South American consumers keep getting wealthier, are we not about to see a rise in red meat prices? Red meats are not like grain - rather than being basic commodities they are luxuries which can be substituted by cheaper options. But this does suggest that a richer world will demand more.

42 attendees took part in the meeting which started at Eastfield Farm, then moved on to the Glenaden Hotel, Ballater. Lunch was kindly sponsored by Norvite Ltd.

Programme;

- Eastfield Farm. View cows & calves on in/out systems. Discuss stubble turnips and deferred grazing. Examine calves for finishing or sell exercise.
- Glenaden Hotel: Partial budget exercise: finish or sell suckled calves ?
- Short talk by David McClelland of Norvite Ltd on cryptosporidium and medicated feeds.
- Lunch. (12.30)
- Market Update from John Gregor, ANM General Manager
- “Idiots guide to Johnes, BVD & Leptospirosis” from David Miskelly, Woodside Veterinary Group, Torphins. (Farm’s vet)

A **handout** was available to provide an update on what had happened on the farm since the last meeting, and giving Alan’s thoughts on the last meeting, which reviewed his livestock systems. (see Appendix 1).

1. Winter Feeding systems

Inspected field of cows and calves on in/out wintering system. All spring calvers which were summer grazed at Braemar. Calves were mostly Angus or Limousin crosses. A range of cow types including some Saler crosses. Ration was silage, straw and 3 kg barley.

Normally Alan would store the calves and sell in spring through the marts. Wanted the Group's view on whether to continue to sell as stores or to retain and finish fat. He has plenty silage and treated barley to consider that option but which is more profitable? Having to clip cattle before selling fat was a major consideration for Alan.

Cow size and type was discussed. Group felt that the Saler and Angus cross cows in the herd were about the right size (smaller than many of the Continental crosses). Temperament was also discussed and comparison made of experiences with Saler and other easy care breeds such as Luing.

Group moved on to inspect a field of maincrop neeps (yellow turnips). The crop was very thick and the neeps were small but with plenty leaf.

Treatment: Previous crop grass, sprayed with glyphosate then ploughed. Sown end June/early July. Used air seeder at 3kg/acre. Now feel this was too thick. Rolled before and after sowing. 'Treflan' applied for weed control. 2 cwts/ac 22.4.14 fertiliser applied (also had dung before ploughed). Rabbits a problem so went for turnips rather than swedes.

The Group discussed catch crops. Several group members are now growing stubble and maincrop neeps for wintering cows. Key points;

- The experience was that catch crops were very variable depending on field location, timing and weather so they should perhaps just be part of a portfolio of feed options. For example this summer was very wet and flea beetle was a problem.
- Unlike this year, moisture is usually critical at sowing time – roll well to hold in moisture.
- Cultivations don't need to be fancy, but do eliminate grass/trash and consolidate the seedbed
- Later sown catch crops may avoid rabbit problems
- Sowing thick crops means post sowing weed control is not needed

Alan feels that he will move back to stubble neeps.

Glenaden Hotel.

2 Finishing or storing suckled calves

To help determine the best option for the spring calves (store or fat) the Group collectively undertook a partial budget.

Table 1: Partial Budget for finishing versus store spring born calves (£ per head)

Will finishing the calves on an intensive ration between now (December) and July make more money than selling store now?

<u>GAINS</u>	<u>LOSSES</u>
Extra Revenue: 550Kg fat av. £2.25/kg dwt = £630 allowance 0.25% mortality = £615	Revenue Foregone: 350kg Store av. @ £1.15 = £402 (mix steers & heifers)
615	402
Cost Saved:	Extra Costs:
Value Muck ?	Extra barley 1 tonne @ £150 = £150 Minerals = £ 5 Silage 2 tonne @ £15 = £30 Eating Straw 1kg /day = £7 Vet = £14 Fuel = £10 Bank Interest = £20 Mart Commission = £5 Extra Labour ? = 0
0	241
Total Gains 615	Total Losses 643
	Net Reduction in Profit £28 per head

The net effect is that by keeping the calves on to finish, they would lose £28/head (based on the assumptions supplied by the Group). The Group's advice would be to continue to sell the calves as stores.

The key factor was the high cost of the barley which made the exercise uneconomic. At last years barley price finishing would have given a positive margin.

The Group were advised to think about their own systems and to repeat the partial budget using their own figures.

3. Market Outlook (talk by John Gregor, General Manager, ANM Group)

The Marts have experienced a very tough backend due to the FMD movement restrictions. Mart returned to normal business October. It is estimated £100M lost in Scottish industry - way out of proportion to the risk.

BEEF

Less affected than lambs, due to less reliance on exports. Estimated Scotland (UK?) only 70% self-sufficient. Weakening store trade; estimate prices down 6-10p / kg on last year. Reality coming home to finishers – impact of high feed (barley) and energy prices.

Why fat price not higher given lower supply? Extra supply of farrow cows due to lack of export.

Future prospects? - see improvements;

- Live exports open next week; demand from Ireland for cow beef
- Tighter supplies of fat cattle
- Move to Spr calving – 18mth finish - which peaks at Xmas. Also less bulls so spring price likely to be better?
- £ weakening which helps exports

Expect store trade to improve as finishers pass on benefit to store cattle.

Real concern about size of breeding cow herd. Numbers continue to decline (4% / year recently) - now only 470k suckler cows; Scottish total could fall to 450k. Has to be profitable to keep cows – decoupling allows farmers to reduce numbers. Industry needs to lobby for shift in subsidy support.

SHEEP

Normally 30% of lambs have to go abroad – FMD resulted in no export market - so lamb trade in freefall. The timing of FMD couldn't have been worse - 3rd week Sept.

The 20-day rule and no separation killed the job as folk could not commit to buying stock onto the farm. Threw uncertainty into the market.

Lambs down £10 plus in store ring

Breeding sheep very variable. So far 50,000 less breeding sheep traded through the Marts over the year! Don't know where they have gone – some traded privately, more retained, more to be killed??

Fat lamb market very tough (75-80p/kg). Supermarkets holding the price.

Future prospects? - can only go up!!

Must be a backlog of lambs for this year. Are the lambs out of spec – too heavy?

Opening of the live market will help. Irish processors buy bigger hoggs?

National Sheep flock declining. Less breeding ewes in New Zealand, France, Ireland so lamb supplies will decline in future.

Next year will see less grass as farmers plough up to grow more barley. Grass lets very variable – driven by local demand. Marts don't produce average figures as they are so variable and hence meaningless.

3. “Idiots Guide to Main Cattle Diseases” (Talk by David Miskelly, Woodside Veterinary Group)

LEPTOSPIROSIS

Estimate approx 70% of herds affected. Spread via urine and enters through cuts, eyes, mouth & noses.

Goes through kidney → urine → passed on

Risk

Access to open waterings, wet areas. Infected animals urinate in water supply. Sheep will carry the bug, but no clinical signs. Leave grazing for 6 wks after sheep.

Use of infected bulls also a risk.

Signs

Reduces fertility, silent heat (calvings down)

Abortion, retained placenta, weaker calves are main signs

Persistent source of infection

Never see anything in cows

Control

Vaccination (£3/hd) for 6 years , then test heifers (this procedure used at Eastfield)

Antibiotic treatment useful in outbreak

Reduce the environmental spread

Screen unvaccinated animals

Treat bought-in animals (double dose of streptomycin when heifers or other bought-in breeding cattle come home)

Do nothing not an option - COSHH rules & risk infecting staff.

BOVINE VIRAL DIARRHOEA (BVD)

95% of dairy herds have it. Estimate 70-80% of Deeside beef herds have it.

SAC estimate the loss from BVD is £37/cow

Symptoms

Poor fertility. Abortion, abnormal calves

Diarrhoea in calves in worst cases only

Suppression of immune system

PI animals – poor doers which are born with infection, carry ities and infect herd

Diagnosis and Control

Blood test. Free lab test from Novartis and Pfizer.

Test 5-10 animals at 6-18 mths age for antibody.

Control based around 3 strategies:

1. Eradication (done in Orkney). Identify and cull carriers Regular blood tests + strict biosecurity
2. Vaccination. If signs of infection, blood test and cull PI animals
3. Depend on natural immunity - risky!

Takes 16 mths to see the benefit – no scours & pneumonia

JOHNE'S DISEASE

Estimate 95% of herds have had a case locally.

Link to Crohn's disease not proven - however, if ever proven will be next big health scare!

Seems to be more common in Limousin breed. Contagious bacteria infection (similar to TB).

Gets into gut at early age (1st two months). Gradually over time 2 – 4 years gut gets thickened

→ wt loss → eventually death.

Only around 10% of infected animals show clinical signs. Mostly sub-clinical.

Diagnosis and control

Problematic – blood test is not 100% accurate and not usually evident until 2 years of age

Faeces test – relies on cows shedding bug at that time

Blood test – poorer in sub-clinical cows – no antibodies

Main control

Prevent it coming in – closed herds

Reduce impact on herd -- very difficult to get clear of disease

Spread mainly in dung, so good hygiene at calving helps

Best to cull infected cows while still fleshy. Take daughters out too. Must not breed from progeny of reactors

Husbandry

Keep dry cows well bedded to reduce udder contamination

Regularly clean calving area, hygiene at calving

Ensure no contamination of drinking water

Avoid colostrum from infected dairies

Purchase tested stock

Vaccination (£10/hd) VLA calves at birth. Single dose at birth – do heifers, not steers.

Vaccine not available in UK at present?

Appendix 1

Dec 2007 Summary

Cattle Activity since last Meeting 6/11/07

All expected calving complete

1st pneumonia and blackleg vaccination done on calves (except those still at grass)

1st BVD vaccination done on cows - test on 10 ea 8 -18 month beasts clear.

2 possible pneumonia cases - treated with Nuflor look OK (always the same court - ventilation)

14 month heifer sick - stomach problem

Foot trimmer here for 8 cows, 2 bulls and 1 stirk

161 calves claimed on SBCS

Other Activity

Received 1 load (30 Ton) of 24 4 14 +S (£177/ton)

1000 metres of fencing materials home.

Thoughts on last meeting

Breeding Strategy

Stay with closed herd till after next test at least

Bulls - depending on next test - either buy bulls from outside or buy some pure females and use them to breed with

Breeds - not sure - has to be easy calving I don't think a Charolais bull on a AAx cow will be easy calving.

Calving period - will calving all of the cows at once reduce work load - may consider calving at quieter times

Health Strategy

In agreement with most of the items - started BVD testing and vaccination

Feeding Regime

Depending on space may top dress or add extra to mixer for farthest on calves with rolled barley

Silage quantity/quality - 2007 was an exceptional year for Deeside normally lower yields and drier.

Considering going back to finishing cattle.

Overall Farm Strategy

Will up grain acreage this coming year (Chance to reseed the tansied field next to river - rabbits?)

Cow numbers presently 140 with 32 heifers bulled for calving in 2008

Considering using Maternal bull on first +/- 3 weeks of bulling then terminal sire.

Used to have 75% of calves to AA bulls and finish them, the steers were OK but heifers disappointing

Cross bred bulls are out at the moment

Organic - Getting into the scheme was not guaranteed and controlling tansies were main concerns

Will keep acreage the same if possible for next year as RSS still running.

Hauling silage from Braemar needs to be costed to see if worthwhile.

Agri Environment schemes will be looked at as they suit this type of farm.