

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



Buchan Monitor Farm

Messrs Patrick Dickson
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Report on meeting held 10 Dec 2009

Provisional date of next meeting: February 2010

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TOP TIPS FROM MEETING

Good heifer selection is critical. Producers need to prepare a checklist of selection criteria and take time to consider all factors.

Future prospects for both fat cattle and lambs are good. May be worthwhile considering expanding numbers by 10%.

Meeting Agenda:

Over 30 members attended the meeting. The agenda was as follows:

1. Update from Patrick
2. Barren cows
3. Selecting breeding heifers
4. Market Update (Brian Anderson, McIntosh Donald)
5. Cattle, Sheep and Crop performance

1. Update since last meeting.

Patrick provided the meeting with an update of activities. The key points were as follows:

- ❑ This year's crop harvest was very good, the grain was dry and straw was in good order.
- ❑ Wheat and OSR yields were above average, 4.1t/ac and 2.0t/ac respectively.
- ❑ Prices for malting barley is a disappointment, all marketed through Aberdeen Grain.
- ❑ The cows were all housed by mid-November, ground very wet. Were on ab lib silage to put on condition but now cutting back and using NH4 treated straw.
- ❑ No cows getting concentrate except a pen of thin cows /heifers who are on 6lbs of barley
- ❑ In general, all cows are in better condition at housing – mild weather back-end encouraged grass growth.
- ❑ Silage quality good this year
- ❑ In-calf heifer on silage straw mix put through new mixer wagon; 10kg silage: 3 kg straw mix. Eating approx 20kg of mix. Getting too fit so may cut back.
- ❑ All cows have been scanned for PD – 5 barren. 1 cow aborted, had twins, and vet thought couldn't sustain them.
- ❑ Tups went into ewes on 7th April. One tup took pneumonia so had to buy another Lleyn tup lamb from neighbour to cover.

2. Barren Cows

Had higher rate (5) of barren cows than normal so decided to test them to determine reason. Tested for trace element deficiency (copper, cobalt, selenium), BVD, & leptospirosis. None of test showed any problems.

Background details:

- ❑ All 5 had calved in March, were in good condition and none had to be assisted at calving.
- ❑ All has heifer calves.
- ❑ Two were 2nd calvers, the other 3 were older cows.
- ❑ Vet suspect probably didn't have long enough with the bull.
- ❑ Patrick tries to keep a tight calving so only leaves the bull in for 9 weeks. Suspect most would have been in calf had the bull been for longer.
- ❑ Around Turra' Show time, Patrick splits the cows with heifer calves from those with bulls calves in case any get served

Group discussion

- ❑ One of the Group stated that liverfluke is now more common and could be a factor.
- ❑ There was a trade-off between a tight calving vrs conception rates
- ❑ Recognised conception rates may be poorer when first move to tighter calving, however, eventually end up with high fertility cows, as problem ones are culled.

2. Breeding Heifer Selection (Group session)

The Group were asked for their ideas on a checklist for breeding heifer selection.

The identified selection factors were:

- ❑ The temperament of the heifer and its mother
- ❑ The heifer's conformation – good shape
- ❑ Udder – mother teat size not too big
- ❑ Heifer performance and weaning weight – target the top 25% DLWG, indicates good dam, milking well
- ❑ Good feet & mobility of heifer and mother
- ❑ Mother must be a regular calver with none assisted
- ❑ Ideally a calf from 1 4th – 5th calver – proven heritage
- ❑ Calving interval – 380 days max
- ❑ The correct breed (maternal or terminal breeds for job)
- ❑ Approp. age - normally calve at 2 yrs, or 2 ½ years
- ❑ Use sires with EBV for maternal traits

- ❑ Management – put to proven easy calving bull

Hopefully there are some heifers left that meet all those criteria !!

Ian Dickson (Patrick's uncle) had extensive experience of breeding cattle management in tropical Papa New Guinea. Led a major fertility improvement programme. His tips for selecting heifers are provided in Appendix 1.

3. Cattle feeding system at Acrestrype

The Group moved to Acrestrype to inspect the new feeding system which centred around a 2nd hand Kuhn Euromix 1460 feed wagon.

- In the past, cattle on the slats were fed using block cut silage with bags of barley mix carried up the narrow pass.

- Bought the feed wagon to mix complete diet of silage, straw, protein pellets and barley. The advantages are; no longer need to carry bags of feed up the pass, get more straw in the bulls diet, having a more consistent diet should improve intake, digestibility and cattle performance.
- Mix two rations (bull diet and a heifer diet) every second day, found that the silage heats if left for more than 2 days.
- Takes ½ hour for diet to be mixed, then unload onto the silage pit floor – don't have room for the feed wagon to unload up the pass.
- Carry the mixed diet round to cattle with the loader front bucket.

Heifer diet:

Silage	770
Straw	47
Concentrate 35% protein pellets	94
Barley	276
Alkacid (prevents acidosis)	
Total (kg)	1,187

- The cattle on the slats experienced a touch of pneumonia. In future will use tracherine vaccine.

4. Livestock Market Update (Brian Anderson)

Brian Anderson, procurement manager for McIntosh Donald provided the meeting with a candid outlook for future livestock prices. Key points from his presentation:

Beef

- Prices for beef have been remarkably steady over the last 18mths, largely in the 290-296p/kg dwt range.
- The continued level fat price is good for finishers as they can confidently budget what price to pay for stores.
- The fat price is at its peak, the market cannot go higher, or will trigger consumer resistance.
- UK price has remained unchanged for last 12 weeks – never experienced such stability before. With low grain prices, finishers should be profitable.
- Hopefully will encourage more grass and cattle – old adage 'down corn – up horn'
- Differential premium for 'scotch' beef is now + 20p over English prices and +50p over Irish prices.
- Processors are under huge pressure from supermarkets, margins are very low
- Irish beef coming in to the UK (comprises 63% of UK beef imports).
- 37% of beef now sold under promotion, feature of recessionary climate – financed by both processor and supermarket. (47% of lamb sold under promotion)
- Special promotions have a dramatic impact on sales e.g. Tesco half-price roasting joint promotion last Xmas resulted in sales increasing from 5t/week to 150t over the same period!
- Promotions are good to shift surpluses
- Dear cuts under most pressure in the recession, mince is selling well (sell 140t/week)

- McIntosh Donald need 1,500 cattle / week so sourcing cattle a real challenge. The impact is supply: demand imbalance – causing the high cattle prices.
- There is an estimated 15% over-capacity in the Scottish beef processing sector. Can afford to lose one processor with no impact.
- Dangerous for the industry when processors are all chasing throughput.
- Woodhead Bros (Morrison's) are market leaders, have kept prices high

Sheep

- Spring fat lamb prices were too high, all processors were losing money
- By August, prices levelled down to 310p however, with the wet autumn, lambs have been slow to finish so prices raised through the roof.
- It's a false price, too high, nobody can recover a margin
- Too big a rise too quick.
- Vion's Welsh lamb plant killing 25,000 lambs /week – can be losing £10/hd !
- Current fat lamb price 375p/kg – will it last till April?
- The lambs are not there. The high price will suck in NZ lamb which is a superior product.
- Store lamb prices are £50-£70 / head – will it pay?
- Should encourage folk to keep more ewes.
- Last 3 years feeding lamb margins have been good.
- With the current high fat price, it has encouraged some folk to cash in their breeding ewe lambs which hasn't helped.
- Ewe flock at a 90 year low.
- Future looks bright.

5. Cattle, Sheep and Crop Performance Review - Group session

Comprehensive physical and financial performance results were present to the group – see appendix 1.

Time was limited to do justice to this topic, however, the early feedback from the Group was as follows:

Cattle

Strengths

- ❑ Good weaning weights and DLWG
- ❑ Calves born & calving percentage good
- ❑ Output at £921/cow

Weaknesses

- ❑ Light slaughter weights
- ❑ NH4 treated straw?
- ❑ High vet bills (may be due to hi-health schemes)

Suggestions

- ❑ Check heifer performance
- ❑ Silage vrs purchase feed

Sheep

Strengths

- ❑ More lambs fat off grass (target is 65%)
- ❑ Good lamb wts
- ❑ Scanning % good
- ❑ Lambing % to weaning (target 170% +)
- ❑ Provided the highest GM

Weaknesses

Cost of replacements seems high

Crops

Strengths

- ❑ High yields, particularly wheat and W OSR
- ❑ Variable costs fine

Suggestions

Is it worth trying to grow malting barley? Future prospects not exciting. Should go for max yield.

This was a useful group exercise but didn't have enough time.
We need to return to this again in the future.

Date of next meeting.

Appendix 1.

HEIFER SELECTION CHECKLIST SUGGESTIONS

1. Heifer selection/ management

Select heifers from dams with superior maternal traits

Heifers should be well grown, at least 15 months old.

As calves they should have been born without assistance.

Where possible cows should have had 3 calves with an average calving interval of 380 days or less, if their progeny are to be selected as replacements for the herd.

Select heifers only from parents with good temperaments.

Average weaning weights of selected heifers should be above herd average.

Build up a group of high performance females within the herd. Identify these animals with marked tags for ease of handling and selection purposes.

Progeny of these females should also have marked tags.

Give heifers on a good rising plane of nutrition no more than 6-7 weeks with a proven, easy calving bull.

2. Heifer sires

Bulls being used as sires should have good EBVs on a breed basis rather than a herd basis.

Consider the use of superior AI bulls on the highest rated females in the herd. This will help improve herd traits and avoid the problem of good bulls having to be sold when their daughters come into the breeding herd.

Bulls with above average scrotal circumference measurement 40cms or more at 2yrs of age will breed precocious offspring.

Appendix 2

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Cattle Gross Margin 2008/09 (2008 calf crop)

	£ Total	£ per cow (96)	£ per acre (140 acres)
OUTPUT			
Sales, transfers, calf scheme, valuation change.	87,022	906	622
Less replacement heifers	15,000	156	107
Less Bull value	2,250	23	16
Gross Output	69,772	727	498
VARIABLE COSTS			
Purchased feed and mins	8,408	88	60
Homegrown concentrate	9,153	95	65
Forage area fert	8,230	86	59
Forage area lime	490	5	3
Share of grass seed	1,068	11	8
Straw and ammonia treatment	8,021	84	57
Vet & Med	4,937	51	35
Sundries	1,614	17	11
Contract	2,521	26	18
Total Variable Costs	44,442	463	317
GROSS MARGIN	25,330	264	181

Notes:

Monitor farm £ per cow figures based on numbers of cows and heifers put to the bull.

15 in-calf heifers introduced to herd (added to output and deducted as replacement cost @ £1,000/head)

5 fat heifers still on-farm estimated at £922/head.

1,000 bales of straw used @ £5/bale.

Contract is silage and muck spreading.

81 tonnes homegrown barley fed.

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Cattle Gross Margins for 2007 and 2008 calf crops, compared to QMS sample.

	2007 calf crop £ per cow & heifer	2008 calf crop £ per cow & heifer	<i>QMS 2008 per cow average</i>
OUTPUT			
Sales, transfers, calf scheme, valuation change.	831	906	<i>814.93</i>
Less replacement heifers	125	156	<i>72.72</i>
Less Bull value	23	23	
Gross Output	683	727	<i>742.21</i>
VARIABLE COSTS			
Purchased feed and mins	46	88	<i>135.38</i>
Homegrown concentrate	132	95	<i>62.76</i>
Forage area fert	61	86	<i>63.18</i>
Forage area lime	3	5	
Share of grass seed	5	11	
Straw	90*	84	<i>51.33</i>
Vet & Med	47	51	<i>36.35</i>
Sundries	16	17	<i>35.51</i>
Contract	35	26	
Total Variable Costs	435	463	<i>384.51</i>
GROSS MARGIN	248	264	<i>357.7</i>
Fixed costs			<i>387.55</i>
Net Margin			<i>(29.85)</i>

Notes:

QMS figures are for “Non-LFA rearer finishers” (22 herds averaging 92 cows).

QMS £ per cow, not per cow and heifer to the bull?

*Estimate of ammonia treatment cost added to value of straw used in 2007/08.

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Sheep Gross Margin 2008/09 (2008 lamb crop)

	£ Total	£ per ewe (224 ewes, 42 hoggs)	£ per acre (45 acres)
OUTPUT			
Sales, retained, valuations	27,882	104.8	619.6
Less purchased and homebred replacements	4,173	15.7	92.7
Gross Output	23,709	89.1	526.9
VARIABLE COSTS			
Purchased feed	4,580	17.2	101.8
Homegrown feed	630	2.4	14
Straw	100	0.4	2.2
Forage area fert	2,645	9.9	58.8
Forage area lime	157	0.6	3.5
Share of grass seed	344	1.3	7.6
Forage crop costs			
Vet, med and sundries	3,341	12.6	74.2
Total Variable Costs	11,797	44.3	262.2
GROSS MARGIN	11,912	44.8	264.7

Notes:

£ per ewe figures for Monitor Farm are based on all breeding sheep put to the tup.

415 fat lambs sold at average of £55.

57 cast ewes and 1 tup sold.

33 homebred ewe lambs retained, valued at £55 per head. Proportion of replacements purchased.

Homegrown feed is £373 barley, £252 silage.

Purchased feed includes pellets for lambs and tubs for ewes.

Casual labour of £720 not included above.

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Sheep Gross Margins for 2007 and 2008 lamb crops, compared to QMS sample.

	£ per ewe & hogg (252) 2007 lamb crop	£ per ewe & hogg (266) 2008 lamb crop	<i>QMS 2008 £ per ewe (625)</i>
OUTPUT			
Sales, retained, valuations	91.2	104.8	<i>84.14</i>
Less purchased and homebred replacements	12.4	15.7	<i>8.7</i>
Gross Output	78.8	89.1	<i>75.44</i>
VARIABLE COSTS			
Purchased feed	17.8	17.2	<i>7.95</i>
Homegrown feed	2.6	2.4	<i>0.34</i>
Straw	0.4	0.4	<i>0.13</i>
Forage area fert	7.2	9.9	<i>5.71</i>
Forage area lime	0.4	0.6	
Share of grass seed	1.1	1.3	
Forage crop costs	1.5		
Vet, med and sundries	13.6	12.6	<i>9.29</i>
Total Variable Costs	44.6	44.3	<i>23.42</i>
GROSS MARGIN	34.2	44.8	<i>52.02</i>

Notes:

QMS figures are for 11 non LFA lowground sheep flocks averaging 625 ewes.

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Crop Gross Margins for 2008 harvest

	Spring Barley (malting)	Spring Barley (feed)	Winter Barley	Winter Wheat	Winter Oilseed Rape
Yield (t/acre)	2.35	2.71	3.99	4.17	1.9
Average price (£/t)	121	113	113	119	291
OUTPUT					
Grain	284	306	451	496	553
Straw	39	44	32.5	23	0
Total Output	323	350	483.5	519	553
VARIABLE COSTS					
Seed	35	16.5	24	31.8	14
Fert	31.5	36.5	53.76	58.12	66.06
Sprays	35	31	62.75	70.31	49.32
Lime share	3.5	3.5	3.5	3.5	3.5
Contract	39	39	51	51	59
Total Variable Costs	144	126.5	195.01	214.73	191.88
GROSS MARGIN per acre 2008	179	223.5	285.49	304.27	361.12
<i>Gross Margin per acre 2007</i>	<i>300</i>		<i>289</i>	<i>228</i>	<i>220</i>

Notes:

Contract is combining, spraying, swathing.

Mix of homesaved and purchased seed.

All barley straw valued @ £5/bale, wheat @ £2.50/bale.

BUCHAN MONITOR FARM

Messrs Patrick Dickson, Acrestrype farm, Fyvie.

Ongoing Cattle Performance Record as at 1st Dec 09

	2007	2008	2009	2010
BREEDING				
No. cows to bull	79	76	73	
No. heifers to bull	17	15	28	
Scan %	89.8	91.0	93.15	
Calving %	85.7	92.1		
Average bull weaned weight	311.55 kg 4.10.07	33 @ 355.7 kg 11.10.08	32@ 339.22kg 5.10.09	
Average heifer weaned weight	306 kg 11.10.07	42 @ 325.83kg 17.10.08	47@307.06kg 8.10.09	
Average dlwg to weaning – bulls kg	1.48	1.42	1.48	
Average dlwg to weaning – heifers kg	1.27	1.30	1.31	
Average weaning age (days)		217.5	201	
Sim Bull progeny average dlwg to weaning kg	Bulls 1.47 heifers1.30	Bulls 1.46 Heifers 1.29	Bulls 1.49 Heifers 1.34	
Luing bull progeny average dlwg to weaning kg	N/A	Bulls 1.37 Heifers1.30	Bulls 1.46 Heifers 1.27	
AI Sim bull progeny average dlwg to weaning kg	N/A	Bulls 1.45 Heifers 1.35		
Av cow weight		678kg		

Ongoing Cattle Performance Record as at 1st Dec 09

Kg calf weaned per kg of cow and heifer served				
FINISHING				
Av finished weight males kg DWT	321	336.32		
Av finished weight heifers kg DWT	324 (2006 born)	305 (2007 born)		
Dlwg wean to finish males				
Bull 1				
Bull 2				
Bull 3				
Dlwg wean to finish heifers				
Bull 1				
Bull 2				
Bull 3				

Ongoing Crop Performance Record as at 1st Dec 09

	2007		2008		2009		2010	
	Yield	Price	Yield	Price	Yield	Price	Yield	Price
Spring Barley feed t/ac			2.71	113	3.07	80.50		
Spring Barley malting t/ac			2.35	121	2.19			
Winter Barley single variety					3.55	80.50		
Winter Barley blend t/ac			3.99	113	3.86	80.50		
Winter Wheat t/ac			4.17	119	4.13	100		
Oilseed Rape t/ac			1.894	291	2.02	1.67		

Ongoing Sheep Performance Record as at 1st Dec 09

	2007	2008	2009	2010
BREEDING				
Scan % ewes	202	194.6	198.5	
Scan % hoggs	85	145.2	165.7	
Barren % ewes	0.94	0.45	2.0	
Barren % hoggs	37.5	16.67	14.3	
Lambing % to weaning	164	169.55	158.65	
Ewes and hoggs put to tup	252	266	237	253
Concentrate feed per ewe (kg)		11.84	3.8	
Energy buckets per ewe kg		2.37	4.0	
Average weaning weight kg		30.83	33.88	
Weaning date	25.07.07	25.07.08	25.07.09	
FINISHING				
% lambs finished by end October		30	65	
Average sale weight kg DWT		19.96	21.08	
Average dlwg weaning to sale				
% U, R and O.		10, 85, 4.	15,85,0	
Average price per head £		55.47	63.14	
Lambing %, sold/ retained	161.9	168.4	158	