



## South Pig Monitor Farm Group

Strathmore Farming Company,  
David Soutar  
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Forfar, Angus  
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Report on 1<sup>st</sup> Meeting held Thursday 18<sup>th</sup> June 2009

Provisional date of next meeting: Tuesday 28<sup>th</sup> July 2009

**Facilitators:**

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## 1. INTRODUCTION

This was the inaugural meeting of the new South Pig Monitor Farm Group which met at the Greens Hotel, Kinross. There was an excellent turnout of over 30 people representing producers, pig staff, vets, advisers, feed companies and the wider pig industry. Joint-facilitators were Jim Booth and Jamie Robertson.

The Pig Monitor Farm is a representative commercial pig farm who opens up their business to the Community Group. The programme is about improving the performance of Pig Producers through setting goals, recording progress, benchmarking, sharing information and ideas, adopting best practice, having a market led approach and ensuring knowledge transfer to the wider Scottish pig industry.

**The aim of this first meeting was to:**

1. Introduce the Group to the Strathmore Farms pig unit
2. Review the Strathmore business by undertaking a SWOT analysis
3. Identify possible future meeting topics
4. Outline and discuss the Pig Monitor Farms Project

## 2. THE STRATHMORE PIG UNIT

David Soutar gave an overview of the business and provided a commentary to the video images of the various pig production facilities. The group was provided with a summary of production data from the past four years and an analysis of the past 6 months grading sheets (see attachments).

## 3. SWOT OF STRATHMORE FARMS

Following the buffet, the community group was then split into four groups to cover the four areas of the SWOT analysis. David and three of his staff sat with the groups to provide more detailed background to the unit.

### **Strengths**

- The quality of the management
- The quality of the staff and the team operation
- Successful AI results
- General pig health; no acute disease symptoms
- Carcase grading; 85% in top classification compared with general average of 80%
- Suitable land
- No requirement for slurry storage ~ financial implications
- Own straw, valuable by-product of manure for the arable ground
- Niche market ~ Freedom Foods contract
- Willing to invest
- Innovative

- Location (close to processors)

### **Weaknesses**

- Demands on labour and machinery
- Time/travel between the various units and stages of the operation
- Physical performance ~ output per sow per year
- FCE; food conversion efficiency. Need more data to understand performance
- Feed source and costs ~ all purchased
- Vulnerable to the niche market position

A number of queries were based on a lack of detailed data available for this first meeting, and more detailed information is one of the targets for presentation at the next meeting. The extensive nature of the pig production, with finishing on multiple sites, large use of straw and production of manures has both benefits and losses, and can be examined on a structured cost /benefit analysis in the future. The production results are significantly lower than David would like but is largely from a recognized failure 18 months ago, when the gilt and breeding sow recording came unstuck. The aim for improved production efficiency was one of David's reasons for putting the unit forward for the monitor farm programme.

The questions about the feed strategy opened up a valuable area for discussion. It may be widely agreed that home-produced feed is nearly always cheaper than purchased product, but a full cost/benefit comparison is always going to show a variable outcome. Strathmore Farms has carried out sales of cereals and forward purchasing of pig feeds that has not only been financially astute, but has the added benefit of low capital and labour tied up in pig feed production compared with home-mixing.

### **Opportunities**

- Good opportunities to improve production efficiencies
- Target number pigs weaned/sow/year ~ 22.5
- Target number pigs sold/sow/year ~ 21.5
- Target preweaning mortality ~ 12.0%
- Target litters/sow/year ~ 2.4

The group needed more data (see above) and in particular would initially focus on

- Herd parity data
- Quantity and costs of feed
- FCR/DLWG (some monitoring of feed quantities)

Strathmore Farms already uses production data extensively and this data can be mined to extract detail for the next meeting. Pigs are batch weighed at weaning and individually weighed at selection for finished weight, and therefore one of the

more immediate targets may be to provide more data on weights of pig feed going into the batches of pigs on individual units.

A primary target is to define a short set of “Key Performance Indicators” (KPIs) for the Scottish herd, and to use them on both monitor farms to support decision-making. The examples from the monitor farms will be used to promote KPIs on to all the Scottish units with the aim of supporting production and facilitating comparison between units. Comparison of data collected in the same or similar format opens up the major benefit of producers being able to realistically compare results, and then to discuss how the differences between units are achieved.

### **Threats**

- Production/performance always under threat from the uncontrolled variables that impact on outdoor production, especially the weather
- Changes to the contract specification (with the processor).
- Maintaining current health status
- Maintaining good quality labour
- Vulnerability to purchased feed prices.

The variability of outdoor production will be shared with the other outdoor producers in Scotland, and to all those who finish pigs on straw. In that respect Strathmore Farm is an excellent resource as a monitor farm to support the wider community. Similarly, all pig production units are exposed to the threat of changes in contract specifications and the subsequent impact on their production requirements and profitability. We can use the detailed access to both of the monitor farms to investigate the changes that may be needed when contracts change. The same is true for changes in feed prices or in any of the major input variables.

The value of good quality support staff is massive, and the industry has long-standing issues with an inability to acquire and retain enough good people. Strathmore Farms has Investor in People status and David has actively supported training initiatives for staff for a long time. The involvement of staff is seen as a critical requirement of the project. (Knowledge transfer is the main justification for the monitor farm programme and we need to develop a strategy that encourages greater involvement with stockpeople and other unit staff).

The management of herd health is critical to all units. Strathmore has some benefit in that the area has relatively low pig density, and does not purchase breeding stock. These provide significant reduction in the total risk of importing disease onto the unit. Both monitor farms will be used to discuss general and specific health management aspects, and the expected impact of management decisions. For example, the use of homebred gilts reduces the risk of importing diseases, but does place additional requirements on labour and other resources needed to maintain the gilt genetics in-house. There will also be loss of production potential compared with some imported dam lines.

## **Open discussions**

Request to the community group as to what subject areas they would like the project to address in the short and longer terms in addition to the items raised by the SWOT analysis.

- Examine costs of production within similar unit types (whilst there are some concerns about confidentiality if financial data-sharing is required)
- More detail is needed on the Strathmore Units than the general overview given at this first meeting. Detail is required to facilitate the sharing of knowledge and to provide a basis for specific discussions on how management or resource changes may be useful. Eg:
  - Paddock sizes?
  - How weaning is achieved?
  - How transport is managed: equipment used?
  - Water delivery in winter?
- Examine the environment inside the kennels (and possibly the straw yards) to see if there is potential for changes that would impact positively on growth performance.
- Examine detailed costings of finishing on straw compared with slats.
- Suggestion that there could be a farm visit to Strathmore on the basis of agreed biosecurity protocols. David Soutar was positive about the idea and the benefits that could arise from the group being able to put future discussions into an increased understanding of the farm. Suggested that this could be achieved on the afternoon of the first monitor farm meeting in autumn 2009.

Gordon McKen gave a brief market update, and Iain Mortimer was introduced as the independent veterinarian to QMS who will be working with the Scottish sector for the next three years. His primary role is to coordinate the disease management programme and to support the existing veterinary structure at farm level.

The community group agreed that meetings are best held on a midweek day and that 1600hrs to 1930hrs was suitable.

**The date of the next meeting will be 28<sup>th</sup> July at Kinross starting at 4pm.**

## **Actions for next meeting**

- 1 Produce a set of Key Performance Indicators for discussion and agreement
- 2 Produce detailed production data for Strathmore
- 3 Produce detailed financial output for the pig unit
- 4 Examine the pig weighing procedure at Strathmore Farms in collaboration with a similar exercise at the North monitor farm and two other units. The aim will be to provide a summary of activities with a cost/benefit analysis including the impact on grading targets.