

LKL Newsletter

April 2018



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MILK PRICES

Arla stand on for April, despite a one euro reduction on the continent. The currency adjustment mechanism gives a 0.32ppl increase to 26.39ppl (liquid) and 27.43ppl (manufacturing).

Lactalis - 26.91ppl manufacturing price.

Meadow Foods - liquid 26ppl.

Wyke - down 1ppl to 28.62ppl.

Paynes - down 1ppl to 26.2ppl.

Belton down 1.5ppl to 26.5ppl

Yew Tree Dairy down 1.5ppl to 26.5ppl

MEADOW FOODS CUTS 1.75PPL ⇒ 26P

Meadow Foods dropped its A-litre price by 1.75p/litre from 1 April. Farmers will receive 26p/litre for milk. Manufacturing litres will also be hit by a 1.75p/litre, giving producers 26.37p/litre. Meadow B price paid on January 2018 litres was 21.25p/litre.

FIRST MILK DROP @ 1PPL TO 26PPL

FM have overhauled their payment system and have now moved all four regional pools into one standard price of 26ppl. Most of the 900 producers will suffer a @ 1ppl fall.

MULLER/LIDL - 3 YEAR DEAL

Lidl now buy 240 milk litres of milk and have moved from Medina and Arla to Muller.

Muller/Lidl suppliers can opt for 28ppl fixed on a portion of their milk for 3 years. More details to be released in months to come.

IT'S A DEAL!

MILK LOSSES DUE TO NON COLLECTION

It is estimated only 30% of producers have adequate cover for the cost of ditched milk. Arla changed its policy, agreeing to pay its 2,400 UK producers for all litres of milk produced, regardless of whether a tanker could reach them - as long as farm access wasn't the reason. Glanbia added a similar commitment to pay €0.20/litre (18p/litre) for milk that could not be collected. Muller state farmers should have insurance in place to cover for non-collections due to weather. Most milk buyers simply advise farmers to take out insurance against non collection in adverse weather. Dairy Crest suppliers are contractually obliged to carry this insurance. There are two types of cover for milk losses - milk lost through contamination



and milk uncollected because of bad weather. Weather Bolt-ons to standard cover start from about £75 and increase based on day covered and bulk tank size. Most producers with cover opt to protect themselves against one to two days without collection. If farmers aren't in high-risk areas or somewhere that experiences extreme cold often, insurance is probably marginal on economic grounds. The bigger long-term impact of the cold spring will be on milk volumes from delayed grass growth and spring turn out, with cows that would normally have fed on spring grass setting delays and possibly a lower spring peak milk yield.

FINAL REMINDER TO BOOK YOUR PLACE FOR THE 2018 NATIONAL HERDSMANS CONFERENCE

8th National Herdsmans Conference

Focus: Fertility

16 - 17 April 2018
Harper Adams University College



The conference is fun and a chance to update skills. There will be a mix of conference papers, on-farm practical sessions and an informal dinner. All attending will be made very welcome. www.nationalherdsmansconference.com or ring the LKL office on 01722 323546. **Only £69 for LKL sub-contractors, for a 2 day dairy conference including all food and accommodation.**

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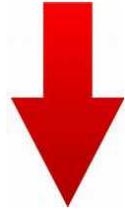
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NEWS

NZ PRODUCTION DOWN 5%

Fonterra said milk production in January had fallen 5 percent year-on-year, good news for dairy global dairy prices as New Zealand is the world's largest exporter. On the back of difficult weather, some regions are heavily impacted by soil moisture and pasture growth challenges. Production in Australia rose 4% in the same period.



375,000 TONNES OF EU SMP POWDER

This ageing stock is overhanging the market and is a depressive factor on SMP and dairy markets generally. The EU is probably unable now to sell this old stock for premium human consumption markets. Options are limited to food aid, animal feed or biomass feed stocks. Any of these markets will involve heavily discounted prices and a large cost to the EU.

ARLA LOSE SAINSBURY'S CHEESE

Arla have lost the Sainsbury's contract for own-label cheese, up to 14,000t. The successful tender is believed to have gone to Ornu. The contract excludes the Sainsbury's Basics range supplied by South Caernarfon Creamery. Sainsbury's do not use the Red Tractor logo. They are a major buyer of the Irish Pilgrim's Choice, the no 2 Cheddar brand in the UK.



TEST FOR M BOVIS

PBD Biotech have launched a quick test for Mycobacterium bovis in raw milk, based on a method of analysing tuberculosis in humans. PBD Biotech are marketing the test under the name 'Actiphage Rapid' and recommends it to producers of raw milk cheese.

COUNTRYWIDE GOES BUST

Countrywide Farmers has gone into administration. It operates 48 retail stores in England and has 4,000 mainly farmers shareholders. Its most recent set of accounts, to the end of November 2016 reported operating losses of £9.9m and total losses of £19.9m, after a revaluation of its pension scheme. KPMG said the company had sold its liquefied petroleum gas business on 1 March 2018, with more than 60 employees transferred to DCC Flogas. Mole Valley Farmers sought to buy the retail business, but on 6 March the Competition and Markets Authority (CMA) announced it was referring this for an in-depth investigation. Following the CMA announcement, the proposed retail transaction cannot proceed. Given the cashflow pressures, this led the directors to place the company into administration.

CHINESE BILLIONAIRE BUYS FRENCH ARABLE LAND

A Chinese buyer has purchased 7,500 acres of prime wheat growing land in the Alier and Central Indre regions of France. Huge tracts of Africa in particular are under Chinese ownership. French farmers are said to be uneasy about the development. Laws exist to control the sale of French farms to foreign owners but the Chinese buyer has been able to circumvent these by buying parts of farms rather than entire units.



WE ARE MAKING MORE OF OUR OWN YOGURT! NOW 76% SELF SUFFICIENT, LETS MAKE THE REST AS WELL!

2017 saw a 23% increase in exports and 9% drop in imports of yogurt. UK yogurt increased by 19%, self-sufficiency rose to 76%. Demand for yogurt in the UK has been showing growth for years. It could be difficult to displace imports, due to the UK's reliance on brands. Private label accounts for 33% and a number of the main brands are imported. Some major retailers have committed to using UK milk for private label yogurt, which will reduce the import deficit.



ENVIRONMENT SCHEMES TRANSFER FROM NATIONAL ENGLAND

Defra is to transfer delivery of the Countryside Stewardship (CS) scheme from Natural England (NE) to the Rural Payments Agency (RPA) to simplify CS as far as possible. NE staff will move to the RPA.



NEWS

HEALTH BENEFITS OF GRASS-FED MILK

A new research project into grass-fed dairy has suggested that organic milk has 62% more omega-3 than non-organic milk and 17% more conjugated linoleic acid (CLA) reported to benefit human health. The project investigated enhancing the fatty acid profile of milk through forage-based rations. The researchers noted there are "well-established metabolic and cardiovascular benefits of omega-3 fatty acids and CLA, and additional benefits for pregnant women, infants and children".



RAW MILK LABELLING

Suggested changes put forward as part of a Food Standards Agency (FSA) review on raw drinking milk would require producers in England to label the milk with: "The FSA strongly advises that raw milk should not be consumed by children, pregnant women, older people and those who are unwell or have chronic illness." In addition to current labelling stating raw milk has not been heat-treated and may contain organisms harmful to health. In the UK, 151 producers sell raw milk with the volume on sale rising. This is likely to rise dramatically with the new milk vending machines. From 2015 to December 2017, there were five outbreaks of illness linked to drinking raw milk, with more than 100 people potentially becoming ill and 41 laboratory confirmed cases. Five hospitalisations were reported and no deaths.

FARMERS TO PAY £19,000 AFTER BULL ATTACK

A Shropshire dairy farm must pay £19,000 after a worker was seriously injured by a charging bull. He entered a cow shed to clear it out when he was struck by a dairy bull. The 28-year-old suffered a serious leg injury. A Health and Safety Executive investigation found the mature dairy bull was housed with cows in a cubicle shed. Farm workers had to enter three times a day to clear out, while the bull was loose in the same enclosure. The farm's risk assessment identified potential danger from the unrestrained bull, but failed to identify adequate controls, even though there were clear signs that the bull was getting more difficult to handle, the court heard.

NINE NEW CULL REGIONS

Nine regions have applied for licences to cull badgers as part of the UK Government's 25-year bovine TB strategy. Avon, Berkshire, Derbyshire, Hampshire, Oxfordshire, Shropshire, Staffordshire, Warwickshire and Wiltshire are proposing a rollout of the scheme. Trials have shown culling badgers can have a positive impact on controlling bTB in cattle. Counties already eligible for culling included Cheshire, Cornwall, Devon, Dorset, Gloucestershire, Herefordshire, Somerset and Wiltshire.



PRIMED FODDER BEET SEED?

Seed priming is now available in some varieties of fodder beet. Priming the seed involves a process of pre-germination, drying and pelleting. Priming accelerates establishment and results in a more even crop and increased yield potential. Primed seed is more tolerant of sub-optimal conditions. It costs approximately £25/ha more. Fertiliser including salt is crucial for fodder beet, so this should be applied at the time of sowing. Primed beet is available for organic growers.



Establishment tips:

- ◆ A fine seed-bed is essential.
- ◆ Soil temperatures must be higher than 7C.
- ◆ It is important to avoid frosts.
- ◆ Use a rate of 105,000 seeds/ha
- ◆ Drill to depth of 2-3cm.
- ◆ Use a specialist beet fertiliser including salt.
- ◆ Good grass weed control is key.

The numbers:

- ◆ 15 tonnes of DM/ha can be produced by fodder beet.
- ◆ 5-10% additional production gained using primed seed.



**WELCOME TO:
FARMERS**

W G Sutcliffe & Sons, Horton House Farm Ltd, Long Partners



An electrician asked me for the time?
I answered, sometime between 8am and 1pm

Congratulations to Stephen Lee, Herd Manager at A G Lambert & Partners, winner of the Chris May Memorial Award

NMR Chairman Trevor Lloyd, Herd Manager Stephen Lee and Lord Curry

Easter egg hunts prove that your child can find things when they want to!

Deja Moo:- The feeling you've heard this bull before.

Mr friend told me he had the body of a Greek god. I had to explain to him that Buddha is not Greek.

While we reported briefly last month the winning of the prestigious Chris May Memorial Award by A G Lambert & Prts, given editorial constraints we were unable to give justice to the achievement. The award is for the NMR Herd with the Highest Recorded Average Lifetime Daily Yield per Cow and while LKL Herd Manager Steve Lee (a former winner of the LKL Herdsman of the Year Trophy) is very much at the helm with regard to the herd performance at Darfield Farm, our congratulations must go to the whole team whose input go into achieving the impressive figures. Cows are milked twice daily and have a recorded lifetime yield of 18.4kg per cow. The herd for 2016/17 recorded an annual average of 12,400 litres per cow, calving interval is currently 372 days, a preg rate of just under 30% with SCC running at 98 an excellent achievement.

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A vegan said to me, "People who sell meat are disgusting". I replied, "People who sell fruit and vet are grocer."