

LIVESTOCK+

QMS Sharing best practice from Scottish livestock businesses **AUTUMN 2014**

+ *Features*

MONITORING CONDITION SCORE
BOOSTS PERFORMANCE

UNDERSTANDING
PRODUCTION COSTS

REDUCING ENERGY COSTS
IN SCOTTISH PIG SECTOR

UPDATES

**Managing Grazing
Through the Winter**

**Improving Profitability in
Scottish Lamb Supply Chain**

**Argyll Farmer Benefits
from Low Input System**

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WELCOME

“Welcome to the second edition of **LIVESTOCK+**. This publication, produced by Quality Meat Scotland, is focused on sharing best practice in Scottish livestock businesses with the aim of improving efficiency and profitability.

LIVESTOCK+ focuses on the work of our small Industry Development team, which is made up of staff who have strong practical experience of working in our industry and a “sleeves rolled up” attitude to delivering the many projects we are currently running.

The new Scottish Cattle Industry Group established by QMS earlier this year has emphasised the need for greater uptake of benchmarking within the industry. Pages 12 and 13 contain information about a new “Focus on Figures” project that plans to benchmark the outputs of a number of farms across Scotland over the next 12 months to ensure farmers can focus on the right parts of their businesses to drive efficiency.

QMS is also proud to be leading the exciting “Planning for Profit” initiative aimed at assisting cattle, sheep and mixed arable farmers to maximise their profitability. On pages 16 and 17, you will find a report on how farmers Neil and Hazel McCorkindale have risen to this challenge on their sheep and suckler beef farm near Oban.

I would encourage you to visit the QMS website for more information about the 200 events we support annually. On our website you will find suggestions on how productivity and profitability on your own farm can be boosted. You can also sign up to receive our free weekly e-newsletter or follow us on Facebook and Twitter for up-to-the-minute news.

Many thanks to those of you who found the time to contact us with feedback on **LIVESTOCK+** as we requested in the first issue. We have been very encouraged by the positive comments we have received, along with some good ideas for future features. As with the other aspects of our work on behalf of the industry, our door is always open for your thoughts and suggestions, and we welcome your emails and calls.

Best wishes from the team at QMS and myself.

Jim McLaren, Chairman, Quality Meat Scotland

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Working for our industry



Uel Morton, Chief Executive, QMS.

The past three months have been a very busy period for QMS, and the news items to follow offer a taste of the diverse range of work we have been undertaking on behalf of the Scottish red meat industry.

At this time of year our marketing focus is on Scotch Lamb, and a major element of our activity in August was the launch of the annual campaign behind Scotch Lamb PGI – a continuation of last year's award-winning 'Wham Bam Thank You Lamb' campaign.

The main focus of this ongoing campaign is communicating the versatility and simplicity of cooking with Scotch Lamb, to encourage more Scots to include it in their weekday menus.

Miss Scotland (Ellie McKeating) launched the campaign in style, and she also helped generate some excellent coverage of the Love Scotch Lamb sampling weekend activity we undertook in partnership with NFU Scotland and the National Sheep Association.

One highlight of the PR activity in support of the campaign was having Scotch Lamb as a featured ingredient on BBC Radio 2's Drivetime show, when five million listeners were told about the importance of buying top-quality, home-produced lamb and the value of the PGI logo.

QMS continues to look for engaging ways to make the most of new media channels and one example of recent initiatives on this front is our new Facebook page, "Good Family Food".



UK and International food bloggers get some hands-on experience at a QMS bloggers event in Glasgow.

This is aimed at encouraging Scottish families to eat well and understand the value of red meat in a healthy diet. We also recently held a Scotch Lamb bloggers event in Glasgow which attracted an attendance of around 100, including food bloggers from the UK, Germany, Denmark and Netherlands.

Our Economics Services team is the first port of call for information about the Scottish red meat industry.

As well as keeping stakeholders updated with the latest market analysis and information, they have also been working on figures for the Scottish Government's Beef 2020 Report.

The team is also working on the 2014 edition of "Cattle and Sheep Enterprise Profitability in Scotland", which will be launched in mid-November.+

Celebrity Chef Launches Good Family Food Facebook Page

Celebrity chef Jacqueline O'Donnell launched a lively new Facebook page from Quality Meat Scotland (QMS) which focuses on encouraging Scottish families to eat a healthy and balanced diet.

The Good Family Food Facebook page was launched ahead of the Eat Drink Discover Scotland event (12-14 September at the Royal Highland Centre, Edinburgh), which QMS supported. Scotch Lamb PGI had a major presence at the event, and children were also able to learn about the journey from farm to fork from QMS's Health and Education team.

The new Good Family Food Facebook page is run by QMS's in-house dietitian and nutritionist,



Jennifer Robertson and Jenni Henderson respectively, and offers support and guidance for parents to help encourage healthy food choices for their families by providing top tips and advice for feeding the family.

Along with the expert advice, Good Family Food features tasty, yet simple, nutritious recipes plus food challenges for the whole family to participate in. Parents will also be kept informed of upcoming QMS events and interesting updates on kids' health.

Jacqueline O'Donnell is passionate about promoting healthy eating to families. She said: "Using Facebook is a fun, yet informative, way to get the message across to Scottish families that eating a healthy balanced diet can be easily achieved. By providing delicious recipes and advice, Good Family Food will help busy parents to make sensible food choices."

Jenni Henderson, QMS Health and Education Executive and nutritionist, said: "Good Family Food is an exciting project for us and will be instrumental in encouraging families across Scotland to recognise the benefits of a healthy balanced diet, as well as being a go-to place for parents to source the latest hints, tips and expert advice on healthy eating."+

For more information search for
Good family FOOD
on Facebook.

Miss Scotland Launches Campaign in Stunning Scotch Lamb Dress

Miss Scotland, Ellie McKeating, stepped out in a stunning Scotch Lamb PGI-branded dress to launch a new Quality Meat Scotland (QMS) campaign.

The unique dress, created using Scottish wool by Edinburgh-based designer Alison Harm at Psychomoda, celebrates the high quality and natural wholesomeness of Scotch Lamb. The launch event marks the start of a major advertising campaign by QMS which is set to reach 90% of Scottish adults - more than 3.6 million people.

The key objective of the 'Wham Bam Thank You Lamb' campaign is to encourage consumers to understand the versatility, simplicity and speed of cooking with lamb. The three-month long campaign will feature billboard, press and radio advertising as well as online and in-store activity - including 165 days of activity by 'Scotch Lambassadors' in Tesco and Asda.

An exciting, new component of the 2014 campaign was the 'Love Scotch Lamb Weekend', which took place on August 23rd and 24th.



Ellie McKeating (Miss Scotland) at the Scotch Lamb launch with Kinross farmer, Mark Thomson.

The weekend, organised jointly by QMS, NFU Scotland and the National Sheep Association, saw sheep farmers heading into town centres and visiting retailers to meet consumers and encourage them to sample top-quality Scotch Lamb. The sampling activity also took place at Ayr Flower Show over the weekend, and a number of restaurants have also come on board to offer their support by placing Scotch Lamb at the top of their menus.

Ellie McKeating, who was crowned Miss Scotland in May 2014, said her love of Scotch Lamb was kindled at a young age, and lamb has remained a firm family favourite. Miss McKeating also joined farmers to support the Scotch Lamb sampling activity at around a dozen venues during

'Love Scotch Lamb Weekend'. "I have always loved Scotch Lamb, and it is hard to understand why more Scots don't appreciate this fantastic product right on their doorsteps.

"I've been learning more about the quality assurance and traceability behind Scotch Lamb, and I'm looking forward to meeting farmers and consumers in the coming weeks," said Miss McKeating. With this in mind, she switched her high heels for wellies to visit a Kinross-shire hill farm, Tillyrie, near Milnathort, where Mark Thomson and family run 400 ewes. She also travelled west last month to join in the bidding at a lamb sale in Dalmally Mart.

Suzie Carlaw, Marketing Controller at QMS, said "the vision the campaign was driving towards is a scenario where all ages of Scots have Scotch Lamb in their 'everyday meal repertoire'."

The 'Wham Bam' campaign in 2013, which won two silver awards at this year's Scottish Marketing Society Awards, succeeded in driving a six per cent increase in consumers viewing lamb as a great mid-week meal. "Scots eat much less lamb per capita than elsewhere in the UK, so we are encouraging them to make Scotch Lamb a regular purchase by tempting them with dishes which can be cooked in half an hour or less," said Miss Carlaw. +

+ For further information and sizzlingly simple recipe ideas visit www.whambamlamb.com or www.scotchbeefandlamb.com



Joint Winners of Food and Farming Journalism Bursary

Two individuals have been announced as joint overall winners of a new Food and Farming Journalism Bursary, developed by Quality Meat Scotland (QMS) in partnership with the British Guild of Agricultural Journalists (BGAJ).

Fiona Turnbull of Fruix Farm, Kinross, and Jo Learmonth of Greens of Savoch, Auchnagatt, near Ellon, both impressed the judges with their applications for the bursary, which aims to encourage people to consider a career in food and farming journalism.

Fiona, who is married to Andrew and has three children, is a sheep farmer with an HND in Agriculture and a postgraduate Diploma in Agribusiness, both from SAC Aberdeen. Her interest in writing about agriculture was kindled at a very young age and includes a farming column in the local Kinross-shire Newsletter.

Jo is married to Iain and has two children. She is Farm Data Manager at Auchmacoy Estate and has a BSc (Hons) in Agriculture and an MSc in Crop Protection. She is also a partner on a 440 ha mixed farm near Ellon and volunteers for the Royal Northern Countryside Initiative. Jo and Fiona share an interest in communicating the quality of Scottish food as well as in farming and both have had stories published in the press.



Carol McLaren, Head of Communications with QMS, said: "One of the aims of this award was to encourage aspiring journalists, writers and bloggers to help the public better

understand the commitment, passion and skills behind top-quality Scottish food - such as Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork.

"We were delighted with the exceptionally high standard of entries we received for the award and pleased that we have been able to give bursaries to both Fiona and Jo. We look forward to reading their articles in the press in the future!" +

QMS/BGAJ bursary winners Jo Learmonth (left) and Fiona Turnbull (right).

Veteran Sheepdog Named Scotland's Top Farm Dog

A 12-year-old Border Collie, which is a former Scottish sheepdog trials champion and defied the odds to survive a mystery illness, has been named Scotland's Top Farm Dog.

Retired tri-coloured collie Bess is owned by Ian Brownlie, who farms at Piperpool, near Alloa. She made a guest appearance at the World Sheepdog Championships at Fearn, near Tain, where she was presented with the "Top Farm Dog" award by HRH The Princess Royal after being selected from the entries to the Quality Meat Scotland (QMS) initiative, supported by the Scottish SPCA. Bess was also able to give some moral support to her daughter, Mo, the current British Champion, and nephew, Gus, who also competed in the world championships, along with some 240 other top trial dogs from around the globe.

The award was developed to highlight the importance of stockmanship skills and tradition in the production of Scotch Beef PGI and Scotch Lamb PGI. The initiative, which attracted a very wide range of entries from around Scotland, also aims to highlight the importance of animal



Scotland's Top Farm Dog - Bess - pictured with her owner, Ian Brownlie.

welfare and the contribution of Scottish livestock farming to the environment. Mr Brownlie, who runs 600 Cheviot and Cheviot Mule ewes, bought Bess when she was a 10-month-old pup and he said: "From the start, there was just something about Bess. She is very intelligent, with bags of determination and great stamina. "Bess is fully retired now but over the years she has worked with cows, calves, ewes, lambs, hens and even doves, taking her job very seriously, though admittedly being a little over-enthusiastic on occasion in her youth!" Disaster threatened however when, early in her trialling career aged just three, Bess was

struck down with a virus which made her extremely ill. Vets said her chances of survival were very low, but even when very close to death Bess kept wagging her tail. Miraculously, after a spell with Royal (Dick) Vet college specialists in Edinburgh, Bess was fit enough to return home.

"From the start, there was just something about Bess. She is very intelligent, with bags of determination and great stamina."

Working dogs are included in the farm inspections required by QMS's farm assurance schemes. Scottish SPCA Deputy Chief Superintendent Tom Gatherer emphasised the very important job dogs do on a livestock farm, with little complaint and lots of devotion. "Good stockmen know that a healthy and happy dog makes a better working dog, and we are pleased to support this award – which not only recognises dogs that have demonstrated excellence, but also highlights the importance of good animal welfare." +

SCOTTISH SPCA
Scotland's Animal Welfare Charity

Miss Scotland 2014, Ellie McKeating, has launched a new QMS "Comfort Food" campaign.

The campaign will see Scotch Butchers Club members offering their customers a range of tasty, hearty recipes created to inspire consumers as winter approaches and the days turn chillier and darker. Traditional favourites like mince and tatties and shepherd's pie are included along with more contemporary dishes such as fragrant lamb stew with a sprinkling of pomegranate seeds and a spicy lamb and tomato curry with warming ginger and cumin.

Laurent Vernet, QMS Head of Marketing, comments: "Nothing beats sitting round the kitchen table with family or friends enjoying some cosy comfort food when it is dark and chilly outside. "Scotch Beef PGI and Scotch Lamb PGI make the perfect base for hearty stews, pies and curries and this new campaign demonstrates that you can enjoy comfort food that is not only delicious but also nutritious.

"It can be tempting to opt for something quick and easy rather than cooking on a cold winter evening, that's why we've made sure many of the dishes are suitable for slow cookers. You can pop the ingredients in to cook before you leave for work and come home to a satisfying family meal."

Recipe books encouraging customers to cosy up with satisfying Scotch Beef and Scotch Lamb will be available at around 300 Scotch Butchers Club shops across the UK to offer them some culinary inspiration. +

For more information, inspiration and delicious recipes visit www.scotchbeefandlamb.com



Review Highlights Valuable Role of Monitor Farms Programme in Scotland

An independent review of Scotland's Monitor Farms Programme has confirmed the farms have been successful in generating practical and effective knowledge exchange and delivered a positive impact on farm practices and performance.

To date a total of 40 monitor farms have been initiated in Scotland, funded mainly through the Scottish Government's Skills Development Scheme, and supported by QMS, DairyCo, HGCA and SOPA. The farms selected to be part of the programme have an average project duration of three years, with around 18 meetings held during this period.

"Monitor farms are undoubtedly a great way of trying out new farming technologies and techniques, and promoting best practice across rural Scotland..."

The interim evaluation assessed the success of the programme in achieving its core objective of improving the profitability of Scottish farmers and also identified learning and good practice in knowledge exchange.

The conclusions of the evaluation have been welcomed by Rural Affairs Secretary Richard Lochhead and Quality Meat Scotland chairman Jim McLaren. Speaking at an open evening at the Cairngorms Monitor Farm, Mr Lochhead said: "Monitor farms are undoubtedly a great way of trying out new farming technologies and techniques, and promoting best practice across rural Scotland – and this report gives welcome



confirmation of the value of this model to Scottish farmers. These findings and recommendations will help us to develop the monitor farm programme so that it is even more effective through the next rural development programme period."



The report found the vast majority of monitor farmers described their involvement in the project to be of significant value to their own businesses, with 93% stating their involvement in the project helped improve productivity. It also revealed the value to the local farmers who regularly attend monitor farm meetings – known as the "community group". Ninety-five per cent of community group members said monitor farms were an effective forum for exchanging knowledge, and almost 60% reported that monitor farm projects led to improvements in the financial performance of their own farm businesses.

QMS Chairman Jim McLaren also attended the open meeting at Lost Farm, Strathdon run by George and Fiona Gordon and their son Charles. Lost, located in the Cairngorms National Park, is a traditional upland farm which runs around 80 suckler cows and 800 breeding ewes. Mr McLaren also welcomed the outcome of the independent evaluation: "Scotland's monitor farms programme has been

running for more than a decade, and this review gives an important measure of the contribution the project has made – and continues to make – to the efficiency and profitability of Scottish livestock farming."

"Key to the success of this programme has been the willingness of the monitor farmers to open their farm gates, their farm accounts and their own hearts to this project. I know that as well as providing fertile ground for the ideas and innovations which are helping to shape the future of our industry, this project has also kindled many valuable business contacts and friendships. The importance of this social aspect of the project should not be underestimated, particularly given the increasingly solitary nature of modern-day farming," said Mr McLaren.✚

40 Monitor farms in Scotland to date.

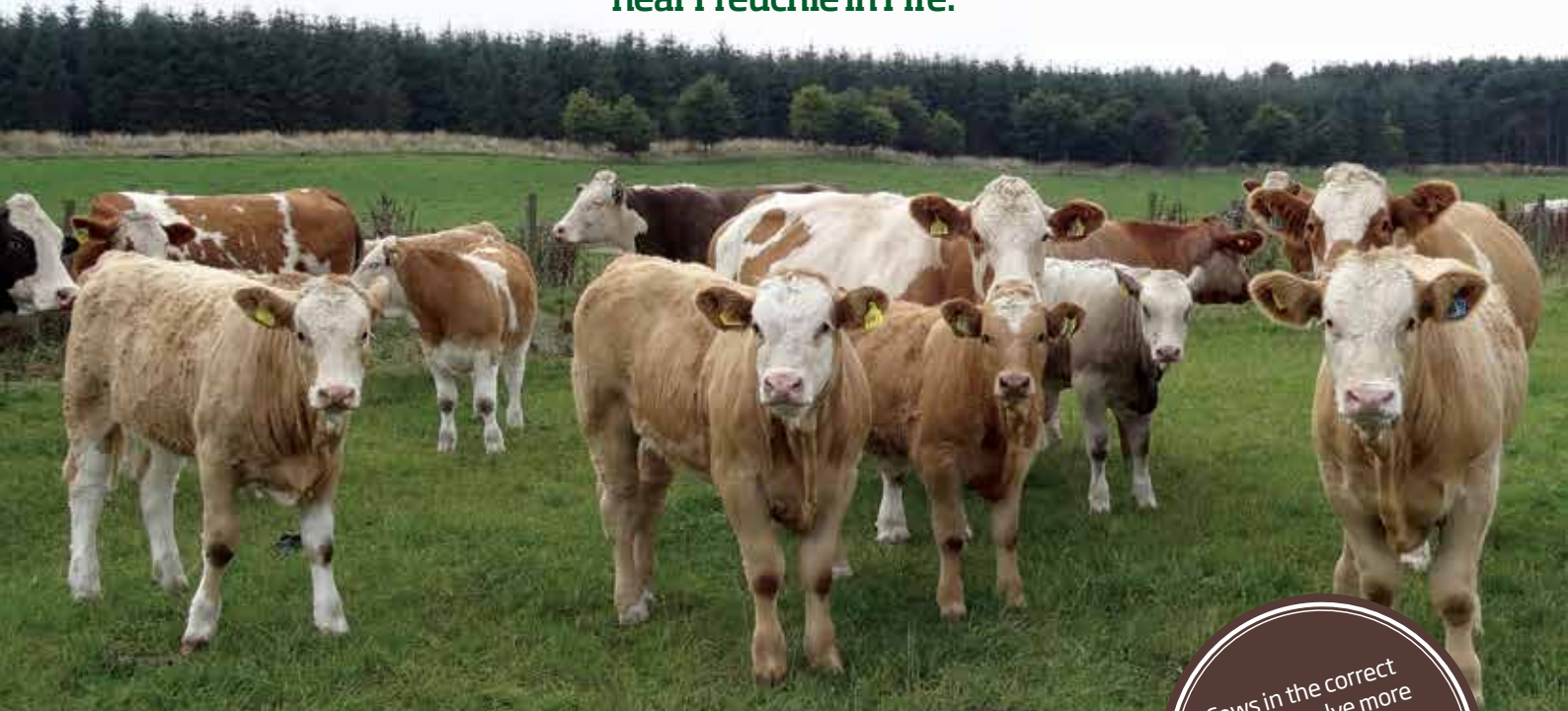
93% of monitor farmers said their productivity had improved.

95% of farmer community group members said monitor farms were effective at exchanging information.

✚ For further information on monitor farms and detailed reports of meetings, visit www.qmscotland.co.uk/monitor-farms

KEY TO GROWTH

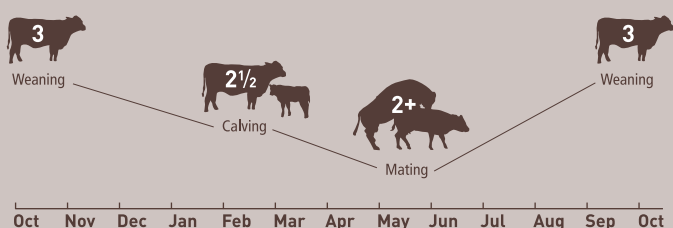
Attention to detail has seen improvements in all aspects of the suckler herd with plans to further increase cow numbers at Balbirnie Home Farms, near Freuchie in Fife.



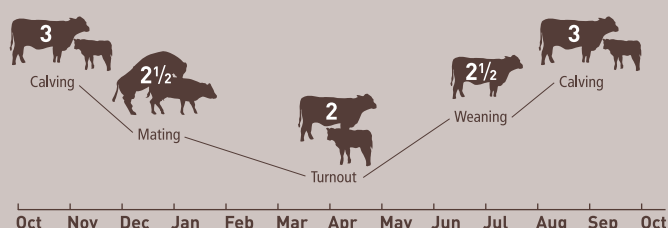
Cows in the correct condition calve more easily, the calves are thriftier and the cows tend to be easier to get back in calf too.

Suckler cow condition scores throughout the year

Spring Calving



Autumn Calving



Condition scoring at every stage of the annual cycle, combined with careful feeding and management, has led to a more compact calving period, easier calvings and improved carcase quality over the last four years.

Robert Balfour is farming about 3,000 acres in-hand, around 600 of which is grass and within that about 150 acres are LFA. Robert said that, over the years, various people have advised him to go out of cattle, but he sees them as an integral part of his farming business. And since manager David Aglen came to work for him four years ago and was joined a year later by stockman David Douglas, the improvements in the herd has been outstanding.

The spring calving suckler herd consists of 240 mainly Simmental cross cows, although there are still a few Aberdeen Angus and Hereford cross Friesians, which have remained with the herd following the closure of the dairy nine years ago. The heifers are put back to the Simmental and cows put to Charolais bulls, all of which are selected for easy calving as well as their beef traits. Replacement females are bought in from trusted sources.

Robert pointed out that a few years ago, calving could go on until harvest time and some calves were not finished until December. It is changed days now, however, with a compact calving period and the last of the finishers away by September.

The two Davids have gradually reduced the number of weeks the bulls are out to 10 for the cows and eight for the heifers. Bulls are health checked and fertility tested before they are turned out, and any cow or heifer which does not hold within the period is culled.

David Douglas said, "The number of females culled is reducing, as we try to have the cows at the ideal condition score of 2.5 to 3 for bulling but on a rising plane of nutrition. Better genetics and a fairly young average age in the herd also helps. Hopefully, the days of putting 30 cows down the road are over."

The plan is to increase the herd gradually by adding to the bought-in replacements with a few home-bred heifers. David Aglen said: "The herd was too big for David to manage on his own, so we have employed an assistant, Joe Henman, and we will increase the number to whatever we feel is the optimum number they can manage."

Inset image: Left to right, David Douglas, David Aglen and Robert Balfour from Balbirnie farm, near Cupar.

Condition scoring plays a large part in the management of the Balbirnie herd. David Douglas explained: "After weaning, any cows scoring 2.5 or more are left out on stubble and do not come in until they are pregnancy diagnosed in December." David Aglen added: "Last year two-thirds of the cows out-wintered until then, which is healthier for the cows, less work for us and low cost – as they are only fed straw and silage in round feeders and have access to minerals."

Cows are batched at housing according to their condition score and fed accordingly. Around 125 acres of silage is cut and chopped for the pit and a further 60 acres baled. It is all analysed in the autumn and rations are devised, based on the results of the analysis.



Through winter, monthly analysis from the face of the pit allows the rations to be tweaked, meaning the cows are always being fed the correct amount to achieve or maintain the ideal condition score of three.

David Douglas said: "The advantages of calving cows in the correct condition are that they calve more easily, the calves are thrifter and the cows tend to be easier to get back in calf, too."

The calving percentage at the moment is 88%, which seems low, but as David Aglen pointed out, this is the number of calves sold over the number of cows put to the bull and takes into account the recent high culling rates. He said: "We lose very few calves, and we expect this figure to improve dramatically as culling reduces."

David Douglas pointed out that some of the bulls they use are very highly rated genetic terminal sires – with high growth figures for intensive finishing systems – but that due to correct conditioning of the cows at Balbirnie, they have almost eliminated calving issues.

David and Robert paid tribute to Gavin Hill of SAC and also to the local vet, Ainslie Smith, and SAC's laboratory vet. He said: "We sit down as a group several times a year to discuss where improvements can be made."

They are already seeing improvements in the finished calves, which are all sold deadweight. This year 40% achieved U grades or better, with heifers averaging 315kg deadweight and steers 361kg at an average 14 months of age.

David Aglen said: "They have gone from averaging R4H four years ago to U4L, which is worth an extra 5p to 7p per kg. I believe this is down to paying more attention to detail, as well as better genetics."

They are finished on a home-grown, barley-based ration along with silage. Last year, as an experiment, they kept 25 bull calves entire; these calves finished at 13 months at 381kg and were consistently U grades.

On this mainly arable farm, the cattle have an important part to play and now the herd management is much more structured, Robert is keen to expand the enterprise. He said: "Having cattle spreads the risk in the business and improves the fertility of the arable ground."✚



This year's Beef Demonstration at **AgriScot** (supported by QMS) will focus on the benefits of a tighter calving period.

AgriScot takes place on **Wednesday 19 November** at **The Royal Highland Centre, Ingliston** and the demonstration is scheduled to begin at 12 noon.



REAPING THE REWARDS

Winter grazing management was a hot topic at recent meetings of the five Scotland-wide Grazing Groups established by QMS.

Livestock farmers attending the meetings have been hearing that careful grazing management over the winter months, when grass isn't growing, can pay huge dividends later in the year. Speaking after a recent Group meeting, Michael Blanche, QMS Knowledge Transfer Specialist said: "Perhaps the biggest challenge in sheep grazing management in Scotland occurs when we least expect it - when the grass isn't growing. Every blade becomes important when grass growth is zero."

By the end of February/early March many farms will have "grazed to the boards", meaning everything that can be grazed has been grazed. "At this time of year, grass covers will resemble those of the local bowling greens as we wait for some warmth and the resultant flush of pastures. In many ways this makes sense. Early spring is the pinch point after a winter of grazing. Soil temperatures are still low and hence grass growth is painfully slow. The absence of grass may seem inevitable - but could things be different?" asked Michael.

There is an obvious concern and management issue surrounding the minimising of winter kill, but there are also some real dangers of "grazing to the boards". The lower a sward is grazed, the slower it will regrow, so by grazing to the boards you are almost halving the potential growth of your pasture just at a point when you need the grass the most.

The reason for this reduction in production, observed Michael, is simple: grass grows grass. "The leaves of the plant are like solar panels, capturing light and converting it into growth. The more leaf, the faster the growth. The reality is that 95% of the plant's growth is powered not by fertiliser or nutrients but by the sun. Regrowth is also dependent on the reserves each plant has stored in its root system and stem base", said Michael.

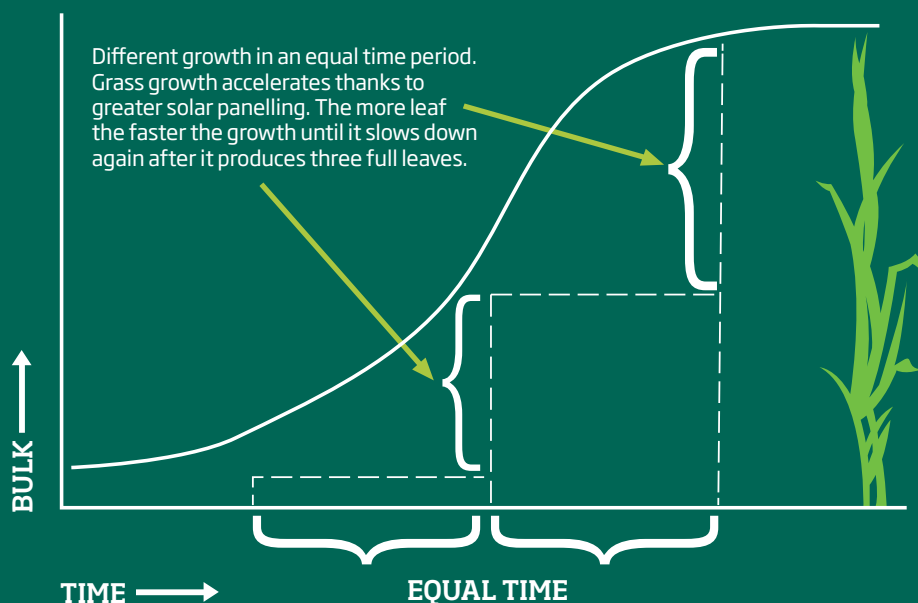
"We know that the initial growth of ryegrass is powered by its root and stem base reserves. These reserves, however, only power so much.

"The worst-case scenario is that sheep graze any regrowth a number of times during the winter, which would happen in a set-stocked situation. Root reserves are depleted significantly, and regrowth is slower and less vigorous every time. So by not grazing regrowth", Michael emphasised, "you are giving the plant the capability to grow to its potential when conditions allow."

"Every blade becomes important when grass growth is zero."

At the Grazing Group meetings, livestock farmers were able to discuss practical solutions some had found to avoid overgrazing. There was a real interest in trying to give the grass plants the best chance to start growing with greater vigour at the start of the season.

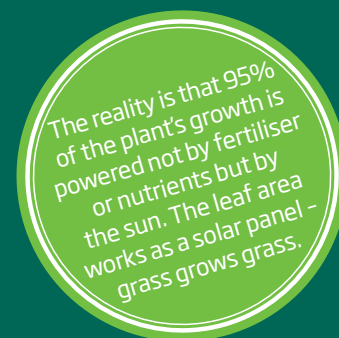
"The two key aspects to a potential better winter grazing policy are feed supply and feed demand. We can manage both, and it is finding the most practical solutions for the system that is important," said Michael. "There are plenty of places in Scotland where folk say that grass doesn't start growing until May or June. However, there are steps we can take to ensure optimal grass growth."



Sigmoid curve of season grass production. Image courtesy of Holistic Management International.



"The two key aspects to a potential better winter grazing policy are feed supply and feed demand. We can manage both, and it is finding the most practical solutions for the system that is important."



Supply

Rotating the flock in a big mob (provided they are in similar condition) around fields in a loose rotational system; grazing the lambing fields first and only returning when covers are adequate prior to lambing, will give the grass time to recover between grazings.

Buffering the grass by feeding silage would help ensure the stock get what they need in terms of nutrition. Forage crops are also options to address supply.

Demand

Getting lambs off the farm early really helps relieve the pressure of demand over winter; feeding forage crops for some of the winter or using hill grazings can also reduce demand on the grazing acreage.

Managing the demand of the ewes is helped if we know what is available in terms of quantity and quality of grass and how much the ewes require. It is vital to have ewes in target condition going into winter, to maximise their performance.

"The attraction of all-grass wintering or paddock grazing is that we can feed with greater precision according to need. Key to the success of the system is measuring grass either by eye, with a wellie, with a sward stick or with a plate meter. This allows us to know what is there, and we know how much the ewes require," he said.

The reality for most, acknowledged Michael, is that the grass will have to be grazed during the winter. However can grass be grazed the better? Michael is confident that every producer can do something to improve their current grazing situation. He concluded: "With a little advance planning combined with farmers' knowledge of their own farms and pasture performance, most producers can make some improvements to their winter grazing management and see real benefits this spring." +

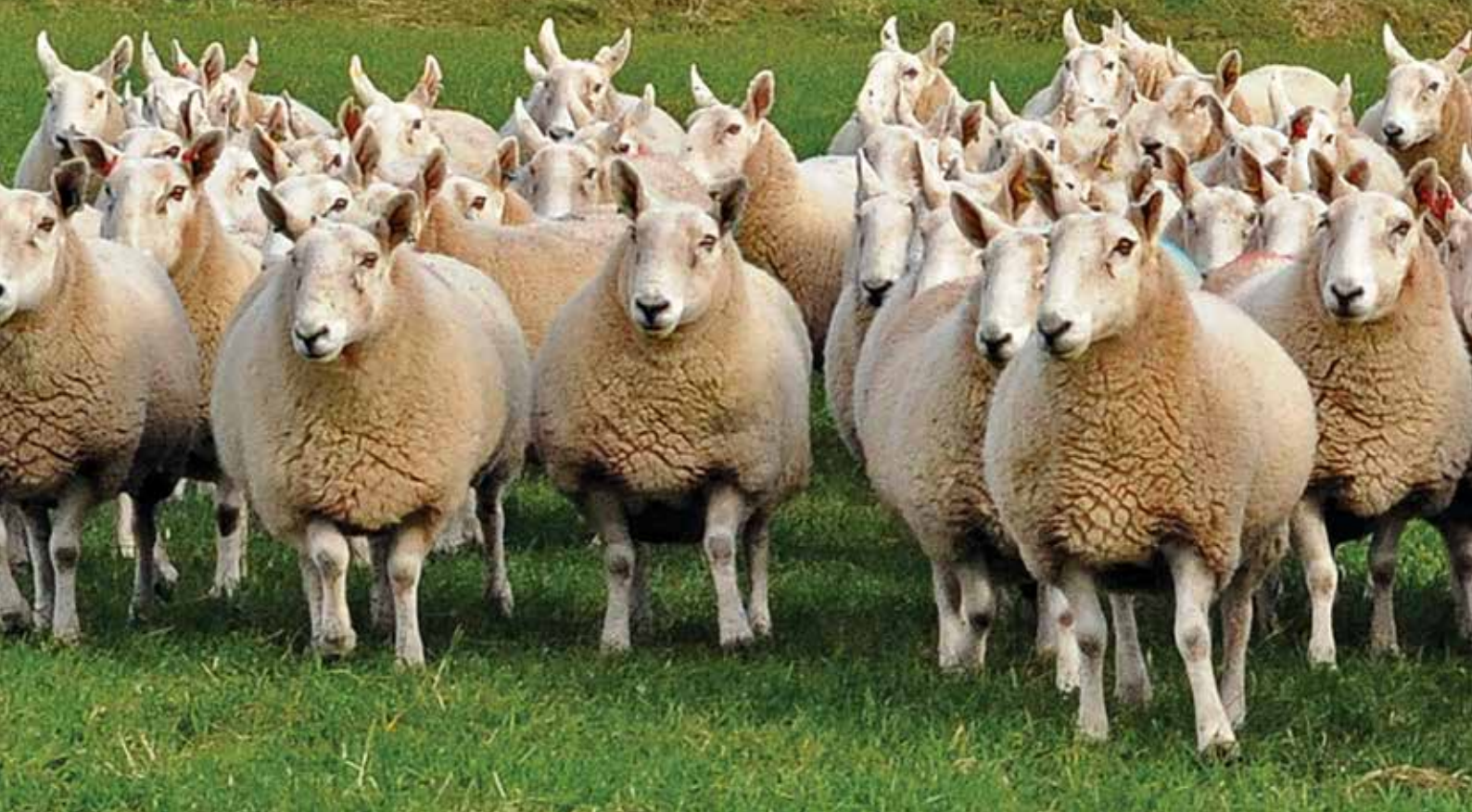
		Feeding Level		
		x Maintenance	MJME/day required	kgDM/day assuming 10MJME grass
Early pregnancy		1.0	14	1.4
Mid pregnancy		1.0	14	1.4
Late pregnancy	Singles	1.5	21	2.1
	Twins	1.75	24	2.4
Lactation	Singles	2.0	28	2.8
	Twins	3.0	41	4.1

Source: 400 Plus; Beef & Lamb NZ (adj for ewe weight)

A sward grazed to 3.5cm is able to regrow at 80% of its potential
A sward grazed to 2cm can only regrow at 60% of its potential

+ For more information, grazing group reports, videos and grass growth data visit www.qmscotland.co.uk

BENCHMARKING BOOSTS PROFITABILITY



A newly-established QMS benchmarking project – Focus on Figures – aims to nail down accurately the cost of production on livestock farms in Scotland.

Focus on Figures is a six-month project targeted at progressive Scottish livestock farmers. Eight groups are being established around the country by two facilitators, SAC Consulting (covering Inverness, Moray, Turriff and Mull) and Smiths Gore (covering Ayrshire, Lanarkshire, Stirlingshire, Dumfries & Galloway, Borders, Fife and the Lothians). The project is group-based, with a membership of at least eight farm businesses (a maximum of 12) in each group. The businesses have been selected on technical and financial performance, and each group will be benchmarked to determine the cost of production.

Robert Gilchrist, QMS Knowledge Transfer Specialist, explained the process which will take place. “The farm accounts will be broken down into their component sections and livestock enterprises assigned a level based on the business balance.”

“Then the net red meat exported from the farm (all sales, including culls, less all purchases, including replacements) will be calculated in kilos of liveweight and a co-efficient applied to convert that liveweight figure to a deadweight figure. Finally, the accounts figures will be divided by the weight of meat output to give a cost per kilo.

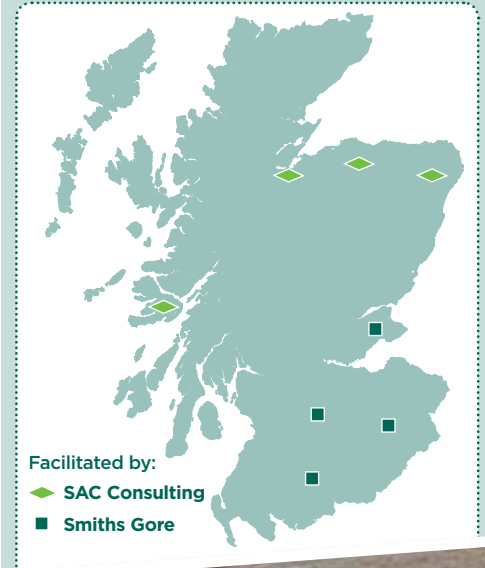
“The resultant set of figures, calculated from the total cost per kilo, will be called ‘The Red Meat Index.’”

Once a baseline performance has been established for each business, improvements and performance will be discussed by the groups at three meetings planned for October, December and February and the figures will be benchmarked across the groups, before a final report will be produced in the spring. Robert said: “The success of the groups will be measured by attendee feedback and indications of improved business performance from the benchmarking programme.”



The discussions reveal fantastic experience and depth of knowledge which members can share and benefit from.

Eight **Focus on Figures** groups have been established around the country.



Judith Hutchison from Smiths Gore's Dumfries office is facilitating the four south groups along with colleague Matthew Currie. She is excited about developing "The Red Meat Index", which she said could prove to be a crucial key performance indicator (KPI) for the cattle and sheep industry along the lines of the pence per litre that the dairy sector uses. Judith said: "It is important for farmers to know how much it costs to produce one kilo of red meat. Once we unlock that information for each farm, group discussions will help them explore physical and financial strengths and challenges."

Judith sees the Focus on Figures project as a "short, sharp exercise" to put the new KPI in place in time for the new CAP regime starting, and she hopes that the experience gained from the groups can be rolled out to farmers across the country in the future.

From her experience working with some of QMS's Business Improvement Groups (BIG), Judith said: "It can be tough getting the communication between farmers going, but once trust has been built up, the discussions reveal fantastic experience and depth of knowledge which members can share and benefit from." She said it was important for group members to be self-critical and open to new ideas in order to improve their decision-making processes and deal with challenges."

Borders group member James Wauchope runs 100 spring-calving Simmental and Aberdeen Angus cross suckler cows at Lochtower, Yetholm, and sells stores at 12 months of age while retaining the best of the heifers for breeding. He is looking forward to the first meeting in October.

"The purpose of the group for me will be to help me understand costs better and to work out areas where I can improve the profitability of my suckler herd," said James. "I was a previous member of my local Business Improvement Group, which helped me understand whole farm costs – but this project will be much more specific."+

+ Visit www.qmscotland.co.uk to find out more about this project and how benchmarking can help your business.

Main image: Hartbush Half bred ewes.

Inset: Hartbush incalf heifers.



IMPROVING PROFITABILITY

The importance of farmers, processors and retailers working together to lift the competitiveness of the industry is one of the key messages emerging from a series of **Lamb Supply Chain** meetings.

The meetings are being run as part of a QMS-supported project involving the co-operative Farm Stock (Scotland) Ltd and delivered by SAC Consulting, following an initial report which identified a range of opportunities to add value, reduce waste and develop a more competitive, profitable Scottish sheep sector. Over recent months, a series of Lamb Supply Chain Group meetings have been held in central and southern Scotland to explore and highlight the opportunities for all in the chain to make money from lamb production in Scotland.

Some of the key points to come out of the meetings held so far include reducing production costs while maximising output, correct presentation of lambs for slaughter as well as communication and feedback between all the links of the chain.

Kev Bevan of SAC Consulting, who has facilitated a number of meetings, said: "Farmers have more scope to reduce their production costs than they do to influence the general market price."

He added: "QMS costings show that, in most instances, producers achieving the lowest costs of production do so by producing more weight of lamb – so farm meetings have emphasised the management needed to hit optimal scanning percentages then minimise deaths around lambing and through the season."

Scanning indexes are a useful management tool and provide an indication as to whether optimum conception rates have been achieved. They are calculated by dividing the scanning percentage by the average ewe weight at tupping.

Main image: Lamb Supply Chain Group meeting host farmer Tom Marshall.

Top right: Victoria Stebbings, Livestock Procurement Manager, Farm Stock (Scotland) Ltd, drawing lambs.



A major goal of the project is producing target growth rates and giving farmers key performance indicators (KPIs) to work towards.

For example 180%/70kg equals a scanning index of 2.57. For cross-bred type flocks, scanning indexes over 2.5 are the target.

A major goal of the project is producing target growth rates and giving farmers key performance indicators (KPIs) to work towards. One such KPI is ewe efficiency to weaning, which is the combined weight of lamb at 90 days divided by the average ewe weight at tupping. Over 60% is very good, with some producers achieving more than 70%.

Many of the on-farm meetings over the past five months have highlighted the grazing and health management necessary to grow lambs to their potential.

Kev said: "How to use weigh scales to check actual versus target growth rates has been a core theme of the meetings - the best lambs in many flocks will have averaged over 400g per day through to slaughter, but for the whole season most farms average 200g to 250g per day."

The meetings have involved representatives from Farm Stock (Scotland) Ltd, vets and abattoirs, and several have involved a visit to Scotbeef at Bridge of Allan to allow producers to fully understand the importance of selection and presentation of lambs. Drawing lambs to the right specification is critical, and all the aforementioned management tips are pointless if lambs are sent off too heavy, too light or too fat.

Bill MacKinnon of Scotbeef, who welcomed farmers to the abattoir, said the meetings were useful for him to put forward the message that Scotbeef requires a standardised product for home or export trade. This means a 16 to 21kg deadweight lamb, grade R or better and ideally 2 or 3L. "The key thing for us, as processors, is to encourage farmers to draw their lambs regularly so they fall within the specification; that way they do not incur penalties and neither do we, by ensuring we have a product that we can sell," said Bill.

Another crucial point, highlighted by Farm Stock and the processors, is that lambs should be presented dry and clean. Ideally, drawn lambs should be held under cover without food but with water available for at least five hours before collection - to avoid delays at the abattoir. Additionally, any dirty lambs should be appropriately clipped. Lambs lose minimal carcase weight in the first 24 hours off feed.

An often forgotten link in the chain is the haulier, and a quick turnaround is helped by good access, efficient loading bays and properly completed paperwork. Michael Blanche, QMS Knowledge Transfer Specialist, said: "Improving relations between producers, processors and retailers is the other major aim of the project. "Processors and retailers have been encouraged to describe the issues they face in their businesses, to help identify where better coordination can reduce wasted time and effort."

Kev also emphasised that kill sheets provide invaluable feedback for farmers. As well as helping producers fine-tune their drawing of lambs, some processors also provide valuable health feedback. "The key thing here is that farmers need this feedback quickly, at the individual lamb level and in a form they can further analyse, to get full value from this information," he said. "EID technology offers exciting opportunities for improving the flow of information, both ways, along the chain as well as helping farmers make better decisions about breeding, feeding and health management."

Working with farmer co-operatives such as Farm Stock helps improve the communication lines and allows farmers, hauliers and abattoirs to operate more efficiently - thereby reducing costs.

As the Lamb Supply Chain Group meetings continue into October, final figures for some of the low-ground flocks featured will become available. These figures can be combined with feedback from Farm Stock and Scotbeef, allowing the groups to analyse where productivity can be improved or costs reduced.+

For more information about this project and to read reports from the farm meetings held so far, visit www.qmscotland.co.uk/improving-efficiency-and-profitability-lamb-supply-chain

"Improving relations between producers, processors and retailers is the other major aim of the project..."

ADAPTING FOR THE FUTURE

An efficient, low-input cattle system should help Argyllshire farmer **Neil McCorkindale** and his wife, **Hazel**, survive the forthcoming CAP changes.



The 2014 **Cattle and Sheep Enterprise Profitability in Scotland** Report will be available from November. For a free copy, please contact QMS on **0131 472 4040** or visit www.qmscotland.co.uk to download a copy.

LFA hill suckler herds - financial performance measures

	Bottom Third	Average	Top Third
Calves born dead or alive per 100 cows	91	94	98
Calves born dead per 100 cows	2	3	3
Calves died before weaning per 100 cows	2	1	1
Calves reared per 100 cows	87	90	94
Daily liveweight gain (kg)	0.99	0.98	1.02
Weight - kg per calf sold	273	298	313
Weight produced kg per 100 cows	23600	26800	29300
Cow replacement rate per 100 cows	13	14	14
Cow mortality %	2	1.4	1.5

Totals may not add up exactly due to rounding.

Neil and Hazel own 1,100 acres at Scammadale, just south of Oban, where they run 70 Luing suckler cows and 350 Blackface ewes. The couple recently hosted a Planning for Profit meeting, when visitors to the farm discovered how a fairly simple management system is achieving good results.

Planning for Profit is an initiative aimed at assisting cattle, sheep and mixed arable farmers to make decisions that will ensure they are well placed to operate profitably in the face of reduced CAP support. The initiative is supported by the Scottish Government Skills Development Scheme, QMS and NFUS, and delivered by SAOS, SAC Consulting and 2 Mennie Cooks. Meetings are being held all over Scotland, and the Scammadale meeting was facilitated by Niall Campbell of SAC Consulting.

At Scammadale, all the Luing cows are crossed with a Simmental bull to produce the popular Sim-Luing heifers for breeding while the bull calves are sold store. The herd is mainly spring calving, but around 20 calve in October.

Neil explained: "We only put the bulls in for ten weeks with the spring calvers, as I like to get the calving over and done with by the end of May."

In December, however, the bull goes in for only four weeks to keep the autumn calving period even tighter. Fertility within the herd is excellent, with 96% calves reared on average per year.*

For information on forthcoming **Planning for Profit** meetings, visit the events section of the QMS website www.qmscotland.co.uk where you will also find videos of some of the **Planning for Profit** case study farmers. Alternatively, please contact Kirsty at QMS on 0131 472 4040 or by emailing info@qmscotland.co.uk

Apart from the management benefits of a tight spring calving period, Neil believes another big advantage is a good, level batch of calves to sell in October. He said: "By October, there is little difference between the calves which were born first and those that were born last."

The bullock calves usually average between 240 and 275kg at sale time, and stock that does not make the minimum required weight for the October sale in Oban is kept back and sold at the Christmas sale in December. Sim-Luing heifers are much in demand and the McCorkindales have a good market for them, with regular buyers.

The sheep flock at Scammadale is also fairly low input, making the most of the rough hill ground available.

All the spring-calving cows go out to the hill after weaning in October, where they do a good job utilising the rough grazing. However 40 of the older cows are away-wintered at a farm in Braco, Perthshire, from December to March in time for calving in April and May. Just before Christmas, the home-wintered cows come down to the 60 acres of in-bye grass where they are fed silage and, during the calving period, also receive some concentrates, although Neil said the feeding regime is very weather dependent.

A structured health policy is followed, although Neil does not take part in any health scheme. He vaccinates for BVD and has no problem with Johnes. He buys Luing replacements from accredited herds and, as a precautionary measure, keeps them in isolation and blood tests before bulling them.

The sheep flock at Scammadale is also fairly low input, making the most of the rough hill ground available. The couple usually achieve around 85% lambing for the pure Blackface ewes, and the lambs are sold store in September at Oban.

Neil and Hazel have worked out that they will be big losers after the changes to the CAP, having previously enjoyed a high entitlement due to their fairly intensive stocking rates. However, they are confident that their low-input system will be easy to adapt, and they should be able to adjust to the new SFP without being forced to reduce stock numbers.✚



Apart from the management benefits of a tight spring calving period, Neil believes another big advantage is a good, level batch of calves to sell in October.

*Scammadale performs above average with 96% of calves reared on average per year.



HIGHLIGHTING SUCCESS

Vastly improved hill flock lambing, the tackling of liver fluke, and high feed value silage are some of the success stories from the Peebles monitor farm from over the last 21 months.

Monitor farmers, Ed and Kate Rowell of Hundleshope, just south of Peebles, became monitor farmers in November 2012. They recently hosted an open day to mark the half-way point in their three-year Quality Meat Scotland (QMS) monitor farm term. Hundleshope totals 1,797 acres (727 ha), the majority of which is heather hill, approximately 1,450 acres, peaking at 2,200 feet. This land is the domain of the 350 ewe Scottish Blackface flock.

The lower ground is grazed by an out-wintered herd of 70 spring/summer calving suckler cows, with progeny sold store as yearlings. There is also an in-bye flock of 435 home-bred Scotch Mules and Texel cross Mules producing finished lambs. Approximately 38 acres of spring barley is grown, with grain and straw utilised on-farm.

“We heard Rob Livesey, Scotland’s first monitor farmer and now a Vice President of NFUS, speak at the Peeblesshire Agricultural Discussion Society,” recalled Mrs Rowell. “He had said that if ever offered the chance to become a monitor farmer to take it, as it’s a great opportunity to progress a farming business. So when we got the chance, with his encouragement in our minds, we decided to go for it!”

Main image: Ed Rowell explaining the outcome of some of the changes made to the farm so far.

HUNDLESHOPE: AT A GLANCE

Monitor Farm since November 2012



Ewes and lambs at Hundleshope.

350
ewe Scottish
Blackface flock

Heather Hill
approx.
1,450 acres

1,797
acres
(727 ha)

38 acres
Spring barley
grown

70
spring/summer
calving suckler
cows

Peaking at
2,200 ft

“Like all farmers we hoped we were doing the best we could, but the last 21 months have shown us that by either changing the way we do things, or investing a small amount of money, we can really increase productivity and/or save costs.”

At early monitor farm meetings, improvement of the hill flock had been identified as a priority. Most previous years, an insufficient number of ewe lambs had been weaned to provide enough replacements, resulting in the purchase of additional ewe lambs. “Instead of being able to select the better ewe lambs as replacements, we had to keep all our ewe lambs just to make up numbers,” commented Mrs Rowell.

The worst scanning in the last five years was 67% for the 2010 lambing. However, scanning for the 2014 lamb crop was 113%, acclaimed by the Rowells as the best they can recall, with 400 lambs at marking, including 150 ewe lambs – more than enough for replacements. Changes made to the hill flock management, following suggestions from the community group, included the purchase – in 2013 – of performance recorded Blackface tups, with good EBVs (Estimated Breeding Values) for maternal traits; weaning lambs earlier to enable ewes to put on some pre-tupping condition; dosing for fluke (done for the first time in 2013); and replacing feed blocks with high-energy ewe rolls, fed to ewes at tupping with a snacker, to ensure all ewes received feed.

Additionally, all sheep are now electronically tagged. “Previously barren ewes went back to the hill, but not now,” explained Mr Rowell. “Thanks to EID, we can identify empty sheep and anything not in lamb this year was culled, so only fertile, productive ewes are being kept from now on.” Mrs Rowell added: “EID, along with lamb weighing, will help us establish which ewes are the better performers and in the future we’ll keep ewe lambs, as long as they’re structurally correct, from these ewes.”

The suckler cows were also fluked for the first time in 2013, and while it is difficult to prove that fluke dosing is the reason, herd condition and conception rate have both improved.

“Had it not been for the suggestions from the monitor farm community group, it’s unlikely we would have changed from our traditional silaging...”

Progress has also been made in the quality of the 2013 and 2014 Hundleshope silage. At the 2013 AgriScot and Scottish Winter Fair events, silage made by the Rowells won second prize.

Made from one-year-old Italian Ryegrass, cut on 20th June after being grazed until a month before, this high-quality 11 + ME silage was fed in spring 2014, with soya as the sole supplement, to housed, in-lamb ewes in their final weeks of pregnancy to boost colostrum quality and milk. “Previously we had gone for silage quantity instead of quality,” said Mrs Rowell. “However, the performance of the ewes which received this silage, along with the cost savings, have shown us the obvious benefits of making good quality, high feed value silage. “We’ve also confirmed for ourselves that the younger grass makes better silage. This year we silaged two fields which have the same grass mix, were treated exactly the same, both were cut on 29th June and both yielded 24.7 bales per hectare. One field was shut off on 28th April and analysed 11.4 for ME, while the other, shut off on 19th May, analysed 11.9 demonstrating the effect of growth stage on ME value.”

Mr Rowell added: “Had it not been for the suggestions from the monitor farm community group, it’s unlikely we would have changed from our traditional silaging which was towards the end of July, aiming just for bulk. The extra feed value in the silage we now make has saved us a lot of money!”

Joint facilitator Chris McDonald of SAC Consulting (part of SRUC) congratulated Ed and Kate Rowell on their “willingness to embrace change and try new ideas, with the improved performance of their hill flock and two years of good silage being outstanding examples of what they have achieved to date.”+

REDUCING ENERGY COSTS ON SCOTTISH PIG FARMS

A number of opportunities to reduce energy use on Scottish pig farms and significant potential to reduce energy supply prices have been highlighted in a new **Quality Meat Scotland (QMS)** report.

Farm feed mill and mixing can account for up to 38% of annual farm electricity consumption on Scottish pig units, according to the report prepared by Livestock Management Systems Ltd and Farm Energy Consulting Ltd, and funded by the Scottish Government as part of the QMS Strengthening Labels (Pig Resource Use Efficiency) Programme.

“Scottish pig producers operate in a very tight commercial environment, and production is costly due to location and climate. Producers are constantly looking for opportunities to improve efficiency, and this report highlights a number of areas of potential opportunity to lower pig farms’ annual energy bills,” said Allan Ward, QMS Pig Specialist.

“The report also emphasises the high level of self-help and co-operation which exists in the Scottish pig industry. Producers have a track record of working together on projects and sharing their experiences,” he added.

The QMS study included a questionnaire, which was sent to pig units identified as having home mills and doing on-farm mixing.

The results reveal that around 86% of the QMS-assured Scottish sow herd and 84% of all the finished pigs are fed from feed prepared on the home farms, using produce mostly sourced from the home farm or locally.

In total, around 74% of sow feed (30,500 tonnes per annum) on QMS-assured Scottish pig units is home mill and mixed, along with 70% (73,800 tonnes per annum) of weaning to finishing diets.

More than 17,000 tonnes per annum are prepared on QMS-assured Scottish pig farms by mobile mill and mix units, providing feed for 8.7% of the sow herd and 12.6% of the wean to finish herd.

The main ingredient in most diets is barley, and to a lesser extent wheat. The producer survey revealed a 3.19p/unit difference in the daytime tariff rates paid by producers using more than 100,000 units of electricity per annum.

“The lowest unit consumer was paying the highest price per unit, but thereafter the range of prices paid for a unit consuming more than 100,000 units was 10.31p/unit to 13.5p/unit. This price per unit spread is worth £3,190 per 100,000 unit consumption,” said Rod McGovern of Farm Energy Consulting Ltd.

Among the measures which producers could consider to reduce the energy use associated with feed milling and mixing on their farms were steps to ensure they secure the best tariffs – either by the use of energy brokers/advisers or by researching contract options themselves, ahead of the contract end date.

“One key area of opportunity we identified was the potential to introduce automation of milling so that it is done at night.

Diets	Meal	Pellets	Liquid	Mixed/ other
Farrowing	65%	5%	0%	25%
Weaner	40%	40%	10%	40%
Grower	55%	5%	15%	25%
Finisher	85%	0%	10%	5%

Table 1: Feed type: QMS assured Pig Units:
% questionnaire respondents

Farmer Brian Shaw of Dryfeholm, Lockerbie, with Mill Manager John Cruickshank.

Table 2: Recorded power use for the farm feed mills studied

Site	Power per tonne feed milled	Proportion of average	Power per tonne feed produced	Proportion of average	Screen size (mm)
Farm 1	11.7	106%	12.9	84%	3.5
Farm 2	9.1*	83%	13.1	85%	6
Farm 3	12.3	112%	18.6	121%	5
Farm 4	14.9	135%	16.8	110%	3.5
Farm 5	7.1	64%	NR	NR	5
Average	11.0	kWh/t	15.3	kWh/t	--

This could reduce related energy costs by about 40%,” said Jamie Robertson of Livestock Management Systems. “Not all farms had a split tariff giving a cheaper rate at night compared with day-time, but those who have this arrangement are paying about 40% less for their night rate power than for their daytime power.”

Farm feed mill and mix is consuming from 10% to 38% of whole farm annual electricity consumption. Most feed mills are operated every day for five to eight hours, mostly during the day. One farm operates the mill twice per week for eight hours a day in each case, with farm mills for wet feeding systems working on and off 24 hours per day. Operation at night, however, was limited.

The study also involved feed mills being monitored on five farms to assess their energy use. The results show that the average power used to produce each tonne of feed was 11kW. The results of this small study suggest that more power is used with smaller screen size (see table 2).

Monitored farm feed mills were using on average 15.3 kWh/t of feed produced, with between 66% and 90% of the power being used by the mill – this figure varying depending on the equipment in each mill.

Table 3: Energy monitoring before and after hammer/screen replacement in a feed mill

	Quantity milled (kg)	Average power during milling (kW)	Power used (kWh/kg)	Time to mill (min)	Milling rate (kg/min)
Before hammer replacement	803	10.9	91.0	52	15.4
After hammer replacement	873	11.7	88.1	54	16.2
% change	+9%	+7%	-3%	+4%	+5%

The benefit of maintaining equipment to ensure it operates efficiently was also highlighted in the report. A variety of feed mills are used on Scottish units, ranging from 5.5kW to 40kW power rating. Mills are predominantly hammer mills, though some units use disc mills alone or in parallel with the hammer mills.

“One key area of opportunity we identified was the potential to introduce automation of milling so that it is done at night.”

“Renewing the hammers and screen on a mill reduced the energy used per kilogram of grain by 3% and increased milling rate (kg/m) by 5%. Feed grist size distribution was improved.

On one of the farms the fan in the hammer mill was replaced following the test, resulting in a marked increase in throughput (see table 3).+

+ To download a copy of the “Efficient Energy Use in Pig Feed Production” report visit www.qmscotland.co.uk or to request a hard copy please email info@qmscotland.co.uk or call 0131 472 4040.



Since the last edition of **LIVESTOCK+** those selling prime cattle have seen the swings of the marketplace favour them, with cattle prices increasing by some 5%, while sheep and pig producers have seen prices come under pressure.

A LOOK AT MARKET TRENDS

P rime cattle producers have seen prices increase, even though beef supply is still plentiful and just beginning to tighten. Certainly, the number of cull cows reaching Scottish and UK slaughterhouses has fallen below year earlier levels, but supplies of prime cattle remained ahead of last year's levels through July and August. However, by the end of August the Scottish prime kill numbers were closing in on the lower levels seen last year. Meanwhile carcase weights remain well ahead of last year – so although the market is tightening, it is still better supplied than last year.

Looking forward, the expectation remains one of tightening cattle supplies. Across GB as a whole, and partly as a legacy of the weather conditions in late 2012 and early 2013, the pool of cattle currently reaching 18 to 20 months of age is almost 6% lower than last year. The rate at which these cattle reach the market lies, as always, in the hands of the producer.

However this year, the availability and cost of feed grains and stocks of forage are also significantly influencing finishing decisions.

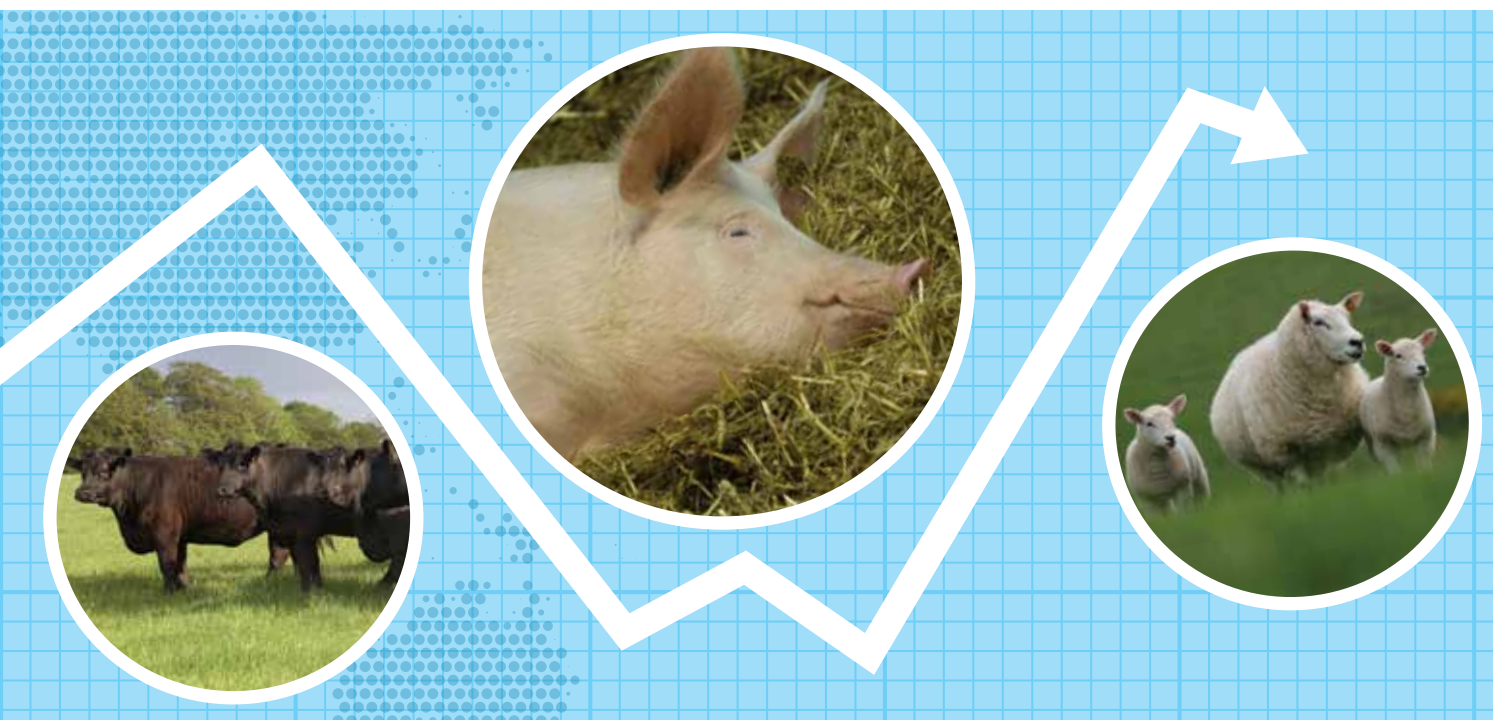
What equally plays on the market, of course, is consumer demand. Market research data shows that, over several years, demand for beef is at its lowest through the late summer. Demand then recovers through the autumn and is at its highest through the winter, offering some support for the improvement in farm gate prices through August. Equally, the same market research data confirms that sales of roasting joints reach their seasonal peak in December while sales of mince and stewing beef, for example, dip slightly and recover in January and February.

Among the concerns and challenges for the processing sector is how best to meet these seasonal demands for different cuts and, in particular, the challenge that arises from the increase in carcase weights – making it difficult to meet retail demand in respect of the size and dimensions of roasting joints and steaks.

Even in a market where cattle numbers are tight, timing of sales can still be critical in maximising the value of the carcase, as can selecting the quality of cattle to better suit the seasonal demands of a fickle consumer.

In a market where cattle numbers are tight, timing of sales can be critical in maximising the value of the carcase.

By **Stuart Ashworth**,
QMS Head of Economics Services



In contrast to their counterparts in cattle trade, producers of prime lambs and pigs have seen prices slide in recent weeks. Both species historically show a seasonal decline in prices through the early autumn, although pig producers have not seen a slide over the past couple of autumns. The offsetting feature for the pig producer has been the decline in feed costs over the past few months.

For the prime lamb producer seeing prices at four-year lows, there are few redeeming factors in the cost base.

The challenges for the prime lamb/hogg producer lies in a larger lamb crop than last year, a struggling European economy, a strong sterling exchange rate against the euro and a fall in sheep skin values. It is generally accepted that the 2014 lamb crop is bigger than the 2013 lamb crop, with the English lamb crop – for example – reported in the June census to be some 6% higher than last year.

Over the June to August period, 6% more lambs were slaughtered in the UK than in 2013. However, as the farm gate price began to fall the volume of lambs on the market also fell back, so that by the end of August the volume of lambs marketed in the current lamb crop year is very similar to last year. The likelihood is, then, that the volume of lamb still to reach the market will remain above last year's levels leaving market prices under pressure.

Over the June to August period, 6% more lambs were slaughtered in the UK than in 2013.

However, the bigger concern is the sterling:euro exchange rate, because as the season progresses the export market becomes more important.

To counter this is the prospect of slightly less competition in the market place. Between the beginning of May and the end of September, the number of lambs slaughtered in the Irish Republic has been 8% higher than last year while their lamb crop is little changed. New Zealand forecasts for their 2014–2015 lamb crop put their potential lamb export volume down 2.6%. The continued development of the Chinese market and its interest in higher-value NZ cuts is likely to mean that New Zealand will fail to make full use of its preferential market access to the UK and Europe.

The slide in prime pig prices reflects the conditions of the wider European market. Pig meat production is forecast to expand slowly over the next six months in Denmark

and Poland but decline slightly in Germany and France; overall, though, EU pig meat production is reasonably stable. Production has expanded in the UK, but the release of June census data from England reports a decline in the sow herd and number of fattening pigs, which would imply a tightening of UK production over the next six months.

The challenge in the market is that the EU as a whole is a significant exporter of pig meat, with Russia being one of its main customers. The closure of this market is putting some pressure on the European market, although alternative markets have been picked up in Asia as a consequence of reduced production in the USA.

However, as the USA overcomes its problems with the PEDv virus, competition in these markets is likely to increase. The strength of sterling also makes Scottish and UK production less competitive in the European market. These market factors would point towards pig prices remaining under pressure in the medium term. Nevertheless, the current weakness in the feed grain and protein markets will offset some of these market challenges for the pig sector. +

+ To find out more information about market trends visit www.qmscotland.co.uk

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QMS is a partner funder of the National Animal Disease Information Service (NADIS).

NADIS is a source of **FREE** information for farmers and livestock keepers throughout the UK to help maximise the health and productivity of livestock throughout the country.

Resources include:

- Monthly parasite forecasts
- Disease alerts
- Webinars
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NADIS was formed in 1995 to promote animal health and welfare through better disease control and prevention.



NADIS

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