

SAFEGUARDING PROFITABILITY

A clear vision for the future combined with a desire to make money from his cattle business drives Caithness farmer Danny Miller to succeed, and he shared his ideas and experiences with delegates at the recent QMS "Sharing Best Practice" conference.

Despite coming from a farming family, Danny never intended farming to be his career, and has no agricultural qualifications other than the most important: access to land! Since he moved back into farming in 1995 he has held various NFU and farming Co-op positions, and has also been a board member of QMS and founder/chairman of a local food marketing company with the backing of HRH Prince Charles. All of which, he has found, has given him a useful insight into the industry.

Danny farms two units totalling 740 ha plus 1000 ha of rented hill on which he runs 500 spring-calving Aberdeen Angus cross cows. He measures and analyses everything while striving to achieve his mission of making a profit of £100,000 from the core farm business excluding SFP. He is an advocate of writing down a goal and then looking at how best to use resources to achieve it.



BILBSTER MAINS: AT A GLANCE

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The farm used to have 2000 ewes and half the cattle numbers, but Danny felt the interest and skill sets he had were more suited to cattle, so there are no longer any sheep. He has also taken on more land, which allowed him to scale up the cattle enterprise.

He believes strongly in benchmarking and said: "My vision is for the business to be measured alongside the best against all technical performance benchmarks set by SAC Consulting and QMS, and to consistently produce the highest quality beef." He realises that he will not always achieve this but said: "Technical performance is something we have some control over, unlike the price of beef or what CAP might bring."

Danny said: "If you don't measure and analyse everything then how else do you know where you are?" He writes down every death and looks back at the end of the season to see what could have been done better. He also uses EID to record performance, fertility and calving ease, and endeavours to increase total herd weaning weight year on year from the same resources.

He uses Aberdeen Angus and Saler bulls, and each cow is scored on its temperament, feet and udder. Cow size has crept up over the years, however, and he feels that one way to improve his cow efficiency could be to look at different breeds. He said: "The Angus suits our system but frame size is getting bigger. If we can reduce the size of cows by 100kg then we can carry more stock for the same cost."

Cheap growth from grass is crucial to the profitability of the farm. He has always used rotational grazing as opposed to set stocking rates, but recently he has been measuring the grass and paddock grazing with temporary fencing. This has been very successful, and the plan is to graze more cattle this way with permanent fencing. He said: "This way grazing days can be analysed, and we can identify the poorest performing fields so we can improve the amount of grass produced from them by fixing the problem, which may be pH, drainage or just grazing management."

One thing which puzzles Danny is why farmers, and he includes himself, are just talking about all this now and not ten years ago. He said: "This baffles me – support or not, for years we could have been making more money, or at least losing less, by doing all these things which are in our control. "Cattle production is our core business and we should constantly be getting better. Unfortunately the impetus for change often comes from outside influences, but once you make the changes, you wonder why you did not do it years ago."

Danny employs three-and-a-half members of staff on the livestock side and, while the farm is self-sufficient in arable crops, contractors are used for that side of the business as he said: "I hate anything that rusts!" He has also avoided investment in new buildings by renting wintering sheds from other farmers in the area to ease the pressure at busy times – such as weaning in October. Most of the cows are out-wintered after they are weaned, and he is currently considering how he could keep more outside on the hill during parts of the winter.

Some heifers are kept for replacements and everything else is finished, but for the last three years Danny has taken the unusual step of agreeing a contract with an abattoir every year. In August, he phones a few abattoirs to negotiate a fixed price which gives him security and the abattoirs consistency of supply for his six-to-eight week marketing window. He said: "This reduces the risk from market fluctuations and also allows me to budget accurately; however, if a price cannot be agreed, I still have the option of selling them store."

Cattle are usually finished at around 18 months and sold in November/December. Danny said: "I believe strongly that weights and grades do not matter per se; it is profit that counts, not getting the highest price." He tries to get as many cattle as possible marketed off grass, and the average time they are inside on a home-grown barley ration is only about 20 days.

With an eye on continuous improvement, Danny has a "to do" list for the future, which includes rearing more calves at heavier weaning weights from the same number of cows and feed, looking at new technologies, and – the big one – reducing fixed costs. +

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You can view
Danny's presentation,
as well as the presentations
from the other speakers
at the QMS conference,
on the QMS website
[www.qmscotland.co.uk/
QMSinspire2015](http://www.qmscotland.co.uk/QMSinspire2015)