

Rising to the Challenges – A Farmer's View

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Montalt Farm, Perthshire

John Ritchie, Montalt farm 650 acres around half owned/half rented

800-1000ft above sea level LFA Partnership with father and mother Wife Alix just started back at work with RHET, daughters Millie 5 and Ellie 3 An A typical upland farm, same as hundreds if not thousands up and down the country.

All in all pretty happy ship. Very lucky, own some ground, did not have to buy it or work up from nothing. Have good neighbours who are happy to rent me ground. Very open when comes to succession, don't have any overhanging big issues, all been sorted out with my siblings, can just get on and farm. I have no real aspirations to increase the size of our business as I feel we have more than enough work in front of us improving our efficiency before I ever think of expanding.

SO HERE WE GO

Always weary of farmer doing talks, might have great ideas but might be not making any money. Little anecdote about balmano

Quote you a few figures Profit as % Output including rent and interest
2010-32% 11-25% 12-10% 13-13% 14-13% 15-? But think its going to be nearer were we started 5 years ago.

All in all working above the average for an upland cattle and sheep farm according to QMS farm accounts figures GREAT. **HEAD DOWN AND KEEP CHAPPIN**

What's the problem with these figures? These include subsidies ECK!! Take all the subs out and 1 year made a reasonable we profit, next year enough left over to buy a fish supper then the three years after that, needless to say with out the subs we are simply not sustainable.

Some hear may think, well that's what the subs for. **YOU CAN'T DO IT WITHOUT THEM**

For me I struggle with this thinking and it has come even more apparent as our subs have been cut by £10000. How have I let our business become so reliant on this money?!

Whatever your opinion is on the upcoming referendum whether in or out I think it would be naive to say that they are not going to decrease further.

So public enemy No1 when it comes to challenges to my business is reduced support payments.

So how am I going to try and solve this issue of falling support payments?

When we had our really good years our average price for a fat lamb was £80+ so had this great idea that I will do what farmers do best, **MOAN ABOUT THE PRICE!!** Needless to say moaning does us nothing bar fill up column inches in Jim Browns articles. Have invoiced Bill at scotbeef for what I think my lambs should be worth but needless to say have never had a response! In all honesty, we have a strong relationship with Scotbeef and looking to the market for better returns is not an option for me.

The only income we have on the farm apart from what Mr Lochhead gives us comes from the cattle and sheep we sell. So simply put I need to

maximise what I sell and reduce the cost of getting it to market. **Why did I not think of that before?**

Going to talk to you about **what we have done**, stopped doing, starting to do and plan to do regarding Sheep Cattle we produce and forage we grow on the farm and how hopefully the changes will make a positive outcome to our bottom line.

CATTLE

We have messed around with lots of different breeds over the years, Charolis, limosin, Simmental, and Hereford. When we had the Simmental x cows and breed them back to Simmental bulls we had some nice BIG cows with nice BIG appetites. Simply put we had cows that were **far too big for an upland farm** which was our fault and not the cows fault.

We were using around 100+ acres of ground to make silage to keep the cows and our calves sold percentage was stubbornly around the 85%. Mostly down to yield cows and calf mortality due to assisted calvings which in turn leads to calves needing help to suckle, not receiving enough colostrum in time, getting scour etc etc.

So decided we needed to reduce the size of our cows so we introduced Hereford into the mix to reduce the size of our cows. This worked to a certain extent but the Hereford bullocks sold to a large disadvantage in the store ring and any surplus heifers did not command much of a premium for breeding. We were still using a charlois as a terminal sire but still had far too many assisted calvings. Yet again our calves sold percentage was still around 85% or worse.

We started in 2006 doing full costings on each enterprise and found the cattle return to be embarrassingly woeful almost to the point that the future of suckler cows at Montalt was in serious question. And it simply

came down to far too much good grazing ground being tied up in expensive big bale silage making and we did not have enough calves to sell.

In 2006 a Salers bull came home on Dads instigation. At the time I thought what the hells he bought now. Narrow head, slim shoulders, long but plain shaped.

10 years down the line we have a herd made up of around half of salers x cows with everything going back to Salers bull bar A few who go to a very old but serviceable Simmental bull.

The change the Salers have made to us has been massive. The last 5 years average for calves sold is 94.5% this has been only let down by a disappointing amount of yeld cows after the 2012 summer.

Calving assists have are now very rare. Salers calves are small around 35-40kg have a nice narrow head and are extremely lively and quick to suckle. The salers cows are moderate in size around 650-700kg and have a very maternal way with them and milk well even if down in condition.

Since moving to them our vet and meds for the cattle has dropped from around £1800 to last year's lowest figure of £260 for the year.

We have stopped checking cows during the night at calving and found that the extra work we used to have getting calves to suckle has all but disappeared.

We sell the bullocks at eleven months old and this year average 420kg at £900 before commission. Will be the first to admit that this is around £50-£100 less than other continentals on the day but we now have around 6-7 calves more to sell per year which makes up the short fall.

Up until this year we have kept most of the saler females for ourselves but this year is the first year we have had surplus bulling heifers to sell. Within 2 days of mentioning to our auctioneer and a few local farmers we had sold

15 off the farm and been asked to provide 12 bullers every year for a local farmer. This has been a real boost to me and dad as it's nice to have something for once that is really sought after by other farmers.

We have really turned a corner with our cattle and the salers have put the enjoyment back into the job. Cattle revenue is up by 11% on the year which is going some way to cover the short fall in subsidies.

As mentioned before another big issue we had with the cattle was the large amount of silage we were making which tied up grazing ground which would be more profitable used in grazing sheep.

Although we are an upland farm we are lucky that we are only 3 miles away from the Stathearn Valley so over the years have built up good relations with neighbour who sell us straw and feed barley.

The spring calving cows are now wintered on a ration of 9kg chopped barley straw and 5kg of potale until a month before calving when they move on to silage. The ration is costing £0.85 a day including bedding and minerals which although not the cheapest it has allowed us to free up around 40 acres of grass which has let us expand our sheep flock by around 100 ewes.

The next improvement we need to make to the cattle side of the business is calving our heifers down at 2 years old.

Will get a bit of stick for this one as if there is anyone hear from the BIG group I am part of I have been very vocal in saying that it's not a good thing and it's too hard on the cattle. Have to admit this was my opinion until it went and visited a farm at Christmas time and saw it being done successfully on much the same ground as ours. Bit of humble pie to be eaten on my behalf. It does go to show the importance of going out and seeing other systems.

An extra 6-7 calve a year even only valued at £500 as weaned calves will add £3000 odd to the bottom line and attract £600 of calf payment. Also

mean less cattle to carry in the winter freeing up silage shed space, no brainer really even though it does require a bit more management. What an idiot!!

We have selected 8 Salers heifers at the start of April which weighed 410kg at 11 months so hopefully have them at a bulling weight of 450kg come July when we will bull them for eight weeks. So fingers crossed.

I realise I have waxed lyrical about the virtues of Salers cattle to you. I am not saying that you should all run out and buy a Salers bull, please don't as the bulls are getting dear enough to buy as it is. What we are now achieving with our cattle is being done by every breed up and down the country just we have finally found a breed that really suits our farm.

I am not wanting to preach either about what you do with your calves once you have them on the ground as this is very farm specific and really is a simple exercise in costing what will leave you the biggest margin with the resources you have available to you.

More my point is the importance of getting as many living calves on the ground with the least amount of assistance at calving. That is the only real way returns can be maximised from suckler cattle.

SHEEP

Up until 2009 we had quite a traditional flock of around 600 scotch mules. Ewe lambs were bought at stirling , wintered and tugged as gimmers. The biggest problem I started to see was the difference in price between a fat lam I sold in September and what I had to pay for a ewe lamb.

Also I was starting to pay a bit more attention to genetics and as we lamb outside I found that lamb loses were too high.

We had a flock of sheep with the genetic merit of a bag of revels. You stick your hand in and some you pull out you like, some you can tolerate and

some are just plain bloody awful but the problem is we have no way of telling which are which. Each year with every fresh batch of ewe lambs that came in a fresh new batch of problems came in.

When a ewe lamb is costing you £90 you are a bit reluctant to cull her out as a gimmer because she's not a good mother so you end up with a flock of ewes with lots of issues that you have no hope of getting on top of.

So in 2010 we started keeping our own Texel x mules and used a very simple system by were anything ewe lamb that required assistance at lambing or gave any problems such as needed sucked, mother big teats, prolapsed etc etc would be marked with a certain colour and come marking time we ear notched as a weather so are never considered for breeding.

The system has been ok and lambs sold last year hit our best yet with 170% going to scotbeef or being kept for breeding from 191% scan.

This year's lambing we have marked 175% from a 194% scan which from the outside looks ok for an outside lambing flock but for me I feel we have some massive hurdles to cross before I get the sheep flock to where I want it to be.

I have far too many assisted lambings in the flock. And when from 830 at night to 600 the next morning the lord is thy Shepherd to be honest he's not doing a very good job.

This year we will have lost around 40 lambs from twin bearing ewes due miss presentation of lambs, bad mother skills and inevitably thick sheep.

I think one of the biggest problems I have is that a lot of these problems are my fault directly. When I go to buy Tups any memories of lambing seem to go from my memories and I go round the marts looking for big strong muscled tups, with big oversized heads that inevitably come home and melt and have no real known genetic merit.

So this year we are going to try some maternal NZ texels that have been brought up on much the same system as I have. I have seen these working on a friends farm to great effect and done a seasons work without melting.

As I mentioned in the press release my father is nearing retirement and as I will admit he will only stop working when he curls up his toes the fact that I am going to have to farm one day on my own is pushing me far more in the direction of breeding sheep which are functional and require very minimal assistance.

To do this I am going to have to start being far more selective on what is kept for breeding and what we cull out. Up until now we have culled hard on bad feet and prolapsed with positive effect but I need to go further ie anything requiring assistance I feel need to go if I am ever going to achieve the flock I want. Time will tell on this and how brave I am.

One thing we have been poor at in the past is getting lambs off the farm quick. I have seen some years in the past when the turn of the year comes we still have over 50% of our lamb crop to go.

We were using far too much grass which should have been used for breeding stock which in turn would result in far higher supplementary feeding for the ewe flock which often would cost far more than what we made extra on our hogs.

One thing we found that has made a massive difference is instead of cross fostering triplet lambs on to singles which require huge amounts of extra labour shed space etc. We now lift the third lamb on a milk machine which allows the singles to be lambed outside.

This has helped lamb sale as instead of singles being dragged down in performance with the extra lam to carry we now have a large proportion on out single and triplet lambs away by the end of July which is also good for freeing up grazing ground and has meant that lamb mortality has dropped

by around 7% and lambs sold of the grass by the end of November has increased to 75% which leaves us a far more manageable amount to fatten on the neeps during the winter. The 100+ pets reared inside left a margin of £15 over input costs which although nothing startling has been more than recouped by the increase in performance.

As a direct result of getting lambs off the farm quicker we have found that we have far more grass and neeps to get breeding ewes through the winter with far less supplementary feeding. This year we managed to graze ewes until mid February before introducing silage and as we had good crops of neeps we took twin and triple bearing ewes up until 5 weeks before lambing before feeding concentrates and at a reduced rate as to what we would normally feed.

Regarding technology we are currently not using EID as a management tool but have plans to start. Have been to a few farms to see it being used in practice and can see the massive benefits it could bring to our flock and management.

One piece of kit I have to admit I feel would really help us in the future is a Prattley EID auto drafter. We have been lucky enough to meet the requirements for a Capital grant for the associated kit but still wait with bated breath if we have been successful in our application.

FORAGE

One thing that I feel we have been reasonably good at over the years is keeping our grass new. I feel that young grass is probably the best investment you can make on a livestock farm. The difference in young and

old grass in the terms of DM production can be huge. Especially in a late spring like this young grass has far more carrying capacity than older leys.

We try to renew our grass every 6 to 7 years with a break crop of neeps in-between. We have used some of the very modern variety of grasses in some fields and in good dry years have found they perform well but as the trend seems to be towards wetter conditions we have went back to mixes that carry some more traditional grasses such as Scots timothy which gives a great early bite when the ground is still cold.

We have three types of white clover in our mixes CRUSADER, AVOCA and S184 which are working really well for us although in some leys we have found the clover becoming very dominant. More to do with our management than the clover itself.

Cant mention forage without talking about neeps. If you know me you probably know that I am rather obsessed with the little round balls of water. They are fundamental to the profitability of Montalt as they are main source of quality fodder for all our ewes/ewe lambs from late February to may and will fatten around 300/400 lambs as well.

Like everything though at around £90 an acre to grow in impute costs they need to be a good crop to be worth the effort. So we are looking to have a go at direct drilling into burnt off pasture to reduce costs. If there is anyone doing this please come and say hello because I have hundreds of questions for you.

My biggest challenge I have with grass is utilisation. For around 9 months of the year we can manage it pretty well as it is either not growing, just starting to grow or slowing down its growth.

It's the three month in the middle were I have to admit it all goes wrong for us. It comes down to the fact that as I said in the article farmers I feel have

a lack of understanding and I include myself in that statement when it comes to DM production and utilisation.

As part of a grazing group I have had my eye open massively to the benefits of better grass land management and feel that it is going to be the key to reducing costs and driving profitability in the years to come. We are getting far better at resting our grass to let covers build up and have got all our ewes through this spring with no supplementary feeding were in the past it would not be uncommon for nearly all the ewes on the farm to be getting snacker feed well into May.

As my first step in to paddock grazing we have plans to start by rotating our lambs on fogages this autumn. Michael I have public said this so you have to make sure I get my finger out and do it! Small steps I know but you have to start some were.

CONCLUSION

To finish with I realise what I have spoken about is very **specific to my farm** but I hope some of it will be relative to your business. Most of the changes we have made and are making to the business have more to do with our **confidence and our ability to master and learn new skills**; you have to remember that **you are the biggest asset** your farm has. I will be the first to admit that at times the challenges that face this industry can seem overwhelming but as an industry if we can be more open with each other and exchange methods and ideas I believe we can be successful in our endeavours and rise to the challenges in front of us. Thank you.