Shared dairy skills offer cost

Developing a dairy business in the current climate is not easy, but the challenges facing one herd owner can solve the problems of another. **Robert Davies** reports

TWO PEMBROKESHIRE dairy farming families have established a joint venture they believe could add 2p/litre to the bottom line of a 400-cow herd.

They anticipate that the financial boost will come from pooling their husbandry and management skills, and through economies of scale. "We must emphasise that we have not formed a partnership," Jack Warner told visitors to a Farming Connect open day. Mr Warner and his wife Sue are tenants at the 194ha (480-acre) Picton Castle Farm.

"We have hired Alan and Buffy

Wheatley's cows for a fee based on return of capital on their value and they are also contracted to supply labour, power and machinery."

Mr Wheatley said the move was prompted when the tenancy he and his wife had on a farm a few miles away ended. "We wanted to stay in farming in our own right and looked for other farms. But in some cases up to 30 other people were tendering.

"I know people warn against going into business with friends, but, while Jack and I did not agree completely about organic production, we both used crossbred cows and low-cost forage-based systems."

The Wheatleys agreed to start organic conversion on the farm where they were tenants to shorten the time the Warners' herd would lose its registration. The new venture began on Jan 1 this year and the combined herds will receive full organic status in July.

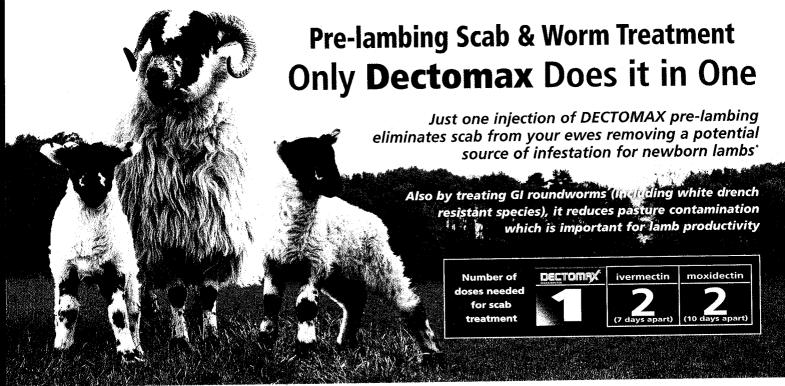
The Warners wanted to expand their herd to spread costs over a bigger volume of milk and to make full



Jack Warner and Alan Wheatley are pleased with the success of their joint venture and hope it will reduce costs by 2p/litre. use of old cubicle accommodation, a woodchip corral and high capacity parlour erected on a Greenfield site.

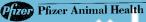
"I also wanted time to develop other off-farm business interests without relying on uncommitted labour to run the dairy herd," said Mr Warner, a former loss adjuster.

"Alan and Buffy do most of the day-to-day work with their stockwoman Tina Collin. They still own almost half the cows and receive a share of the profit all cows make.









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cut potential

JOINT VENTURE

□ Legal escape route

partnership

Pooling skills

□ Easier time off

Not a

scale

meetings

Successful corrals provide a 'great place to calve cows'

So, it is in their interest that the combined herd makes money."

The collaborators hold monthly meetings to examine all aspects of the business. The venture is structured on a 53:47 basis, with the Warners holding the larger share.

"We planned the venture over a period of about a year and worked through every conceivable scenario and problem," said Mr Warner. "There is a built-in legal escape route, although the way things are going it should not be needed."

He said the plan was to produce about 5000 litres of organic milk a cow from forage and up to 500kg of bought-in concentrate a head. About 60% of the farm had been reseeded as high clover content leys.

"I believe that the ending of the Wheatley's tenancy was an opportunity and that our joint venture is mutually beneficial to both families."

The Picton Castle Farm joint venture is one of only eight farming business in Wales that is accredited under the Investors in People initiative.

THE WOODCHIP-BEDDED corral at Picton Castle, installed just over a year ago, has been working well, according to Jack Warner.

He admitted that some extra drainage had to be laid in gateways and that snow, which was rare in the area most years, had caused some surface problems this winter.

"But, generally, we are very pleased. It is a great place to calve cows. If we were starting a herd from scratch now we would build a corral. But we would probably allow 13 to 15sq m a cow rather than 10sq m," said Mr Warner.

It was being used to calve cows on and as a feeding, loafing and lying area for fresh calvers. Dry cows were wintered in old buildings until they were a couple of days from calving.

Then they were moved to a special area of the corral, kept clean by adding fine chips to the surface to make it suitable for calving. Despite recent damp, snowy weather, this was keeping these cows clean.

Calving began in early February,



Cows are put on to an area of the woodchip corral just before they calve, says Jack Warner.

and milkers had been given access to grass soon after. They had been given access to grass from the corral by day and night from mid-February, so they could access feed from it or lie on it, said Mr Warner. Access to it would continue through the summer and supplementary feed offered from it as needed.

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