

ABOUT THIS MONITOR FARM

Farm name	Mill of Inverarity, Inverarity, Forfar, Angus, DD8 2JN
Meeting Number	18 – Final Farm Review
Meeting Date	Thursday 27 th February 2020
Report date	28 th February 2020

TMill of Inverarity Farm is run by The Stodart family and in total the business farms 358 hectares. The farm is a traditional mixed unit growing 130 hectares of cereals, with 110 spring calving suckler cows and an increasing breeding flock of 860 ewes. The business also annually buys in store cattle and lambs for finishing and has an operational laying hen enterprise on farm of 4,500 hens.

This Final Farm Review meeting gave an overview of the changes that the Mill of Inverarity monitor farm has had over the last 3 years, hearing from the Stodarts and the business group. The afternoon session included presentations from AHDB and QMS, a panel question and answer session and a presentation from David Ross, the lead facilitator.

Management Group: Graeme Mather, Fiona Lawson, Ian Pattullo, Neil McGowan, Stuart Lawrie, Duncan Wilson, Graeme Neill, John Kidd, Robin Norrie.

KEY MESSAGES

The Stodarts and business group members shared what they thought were the key messages from the three year program:

- Having a succession plan in place is key for any long-term family business
- Identifying which enterprises on a farm are profitable and comparing performance against other businesses to identify areas for improvement.
- Being open minded to change to create a profitable business without subsidy
- If you are having a problem on farm, the chances are you are not on your own and joining a benchmarking group can help find solutions to these problems.

AREAS OF DISCUSSION Expand on two of the key messages discussed and what were the key concerns or innovations

The Stodart Family:

- The Stodarts now have a succession plan in place having updated their wills, set up a power of attorney and openly discussed what would happen to the business if someone passed away. They said this is key to any long-term family business, and if anyone has not got a succession plan in place they recommend doing so as soon as possible.
- The initial integrated land management plan showed that the Stodarts had 22 enterprises with high fixed costs. They have reduced the number of enterprises and have increased the use of benchmarking and quarterly cash flows for each enterprise to identify areas for improvement. This

increase in attention to detail is one of the most significant changes over the course of the Monitor Farm program.

- During the Monitor Farm program, the Stodarts have reduced their reliance on subsidy, and increased their 'management time'. They have found that taking time to step back and evaluate the business is invaluable.

Importance of Benchmarking

- Members of the business group shared their experiences of benchmarking suggesting that the biggest benefit of this process has been the open discussion surrounding the financial data.
- Often, the challenges discussed were being experienced by several members of the group, for example, high machinery costs.
- The business group would recommend using Farmbench if you are keen to analyse your business, wish to have the opportunity to discuss ideas or are looking to make a change.

David Ross – SAC Consulting

- David picked out some key points from the 18 meetings which had been held over the previous 3 years alongside some of the changes the Stodarts have made:

Arable:

- *Agronomy* – from the benchmarking it was seen that the Stodarts were spending too much on agronomy costs, which has led to a change from a commercial agronomy company to an independent agronomist who has reduce the cost per hectare on winter wheat by £76.
- *YEN* – giving a crop a very high application of nitrogen does not necessarily mean high yield. The YEN crop highlighted this by indicating that nitrogen was not the limiting factor.

Livestock:

- *Suckler Cow Breed* – moving away from the Limousin to an Aberdeen Angus has helped with utilising grass and reducing feed costs. Because the Angus is a smaller animal it has reduced difficult calvings.
- *Herd Health and Fertility* – Identifying herd fertility as an issue helped with the identification of campylobacter which can cause low cow productivity. This resulted in the separation of herds and a significant increase in performance.
- *Rotational Grazing* – the implementation of rotational grazing has helped to maximise grass utilisation, reduce feed costs and provide feed for more animals.

FACILITATOR CONTACT DETAILS

David Ross
SAC Consulting
Arduathie Business Centre,
Kirkton Road,
Stonehaven,
AB39 2NQ
Tel: 01569 762305
Email: fbsstonehaven@sac.co.uk

Zach Reilly
SAC Consulting
77 North Street,
Forfar,
DD8 3BL
Tel: 01307 464033
Email: fbsforfar@sac.co.uk



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