

BUILDING NET ZERO INTO YOUR DAIRY SYSTEM

Kingshay

SOIL - completing the

carbon jigsaw

faming accounts for around 10% of greenhouse gas (GHG) production. It has stayed at a constant level for many years. However, behind this figure, there lies a hidden reduction - since 1990 emissions from agriculture have reduced by over 15% - it is just that there have been significant reductions in other areas too, such as industrial processes or transport.

In order to limit warming to below 1.5°C we need to reduce GHG emissions according to the following time frame:

- · Carbon dioxide emissions have to drop to net zero between 2045 and 2050
- Total GHG emissions need to decline to net zero between 2060 and 2080

With this in mind the UK Government has a target of net zero GHG emissions by 2050. However, British farming, led by the NFU have set even more ambitious goals to achieve net zero 10 years earlier, by 2040.

In agriculture, and dairy farming in particular, GHG emissions will be difficult to eliminate entirely, purely due to the biological processes involved. However, this is no excuse for not playing your own part in the challenge.

What can I do on my farm?

In order to reach net zero there are fundamentally just two options: improving efficiency or capturing more carbon. Luckily, this is one more option than most. Farming, unlike many industries has a large land mass in which the capture and storage of carbon is possible.

Starting with improving efficiency, this may sound like a broken record, as efficiency has been spoken about for so long within the industry. Then again, this is usually efficiency from a financial perspective, when it

When it comes to emissions. UK comes to net zero, we need to take a different angle. Essentially, every process on farm is a 'leaky system' where nutrients or resources are lost at every stage along the way. Understanding where the losses are on your farm, by measuring and monitoring is simply the only way to 'plug the leaks'.

> Some of the largest inefficiencies are often overlooked, such as the losses due to poor animal health, not reaching age at first calving targets, or even over-using fertiliser where soil indices are already high - so do not ignore the obvious! The really good news in all this, is that improving efficiency of all your resources should also have a positive effect financially, making it a win for the environment as well as a win for your business.

> Reducing GHG emissions from soils and building soil carbon, will also help to mitigate climate change. Whilst carbon sequestration is often omitted from carbon footprint reports (at present), it should be taken into account for net zero. How do you go about capturing more carbon through soil management? This was the question asked by the Kingshay Soil

Project. Organic Carbon The results of this project, alongside some of the latest scientific research on the topic, have been published in our recent publication 'SOIL - completing the carbon jigsaw'. This is a practical guide for farmers and their advisers looking to maintain or improve carbon levels grassland soils. Free to Kingshay Members or available to purchase online

at www.kingshay.com, this report is one of many resources published by Kingshay to help dairy farmers aim to achieve net zero. Where are you on your net zero journey?

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News Spring 2021



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Independent Specialists

SPRING 2021 TURNOUT HAS ARRIVED AT THE SOUTH WEST DAIRY DEVELOPMENT CENTRE (SWDDC)



With Spring arriving, the focus at the SWDDC has turned to grazing management, a real team effort with conditions allowing us to turn cows out by day during mid-March to capitalise on early Spring growth.

Within our 2 block calving system, the Autumn calvers are being grazed on an A-B 2 paddock rotational system, where cows have access to pasture from 5.00am to 7.00pm via the field gate.

Looking at the grass allocation over the following weeks, we turned out with a healthy average grass cover of 2450 kg DM/ha, with the grass analysing around 12 ME.

The Spring calving group have nearly all calved and are milking well, with the February calvers averaging 42kg milk/cow per day.

Research and development projects are progressing well, with a particular focus on using camera technology to identify health traits with the dairy herd at the SWDDC.



The South West Dairy Development Team From left to right: Sophie, Hannah, Byron and Richard

In collaboration with our partner organisation Agri-Epi Centre we would welcome the opportunity to discuss future commercial or grant funded projects with like minded organisations.



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MANAGE YOUR SOIL CARBON AND BE A PART OF THE CLIMATE CHANGE SOLUTION!

HOW MUCH CARBON ARE YOUR SOILS STORING?

- measure your soil carbon with our CarbonCheck Analysis.

WHAT IS THE POTENTIAL OF YOUR SOIL TO STORE CARBON?

- compare with the results in our Soil Carbon Report.



Visit www.kingshay.com place the item 'Soil Carbon Multibuy' into your basket to take advantage of this offer.

For any further information please contact the office on 01458 851555.

*Price excludes vat

Offer ends 16th May 2021

RECENT MAILINGS

Twice a month, Kingshay's farmer, consultant and vet members receive Insight publications and a Monthly Checklist and have access to previous ones in the members' area of the website at www.kingshay.com. Here are some highlights from those produced in recent months:

REDUCING PLASTIC WASTE ON FARM

An average of 13,000 tons of plastic is produced by UK farms each year.
Reducing waste on your farm can reduce costs, reduce time as well as being better for the environment. This dairy insight covers various topics including ways to recycle plastic and plastic schemes.

Kingshay dairy manager

dropping to 8.7ppl.

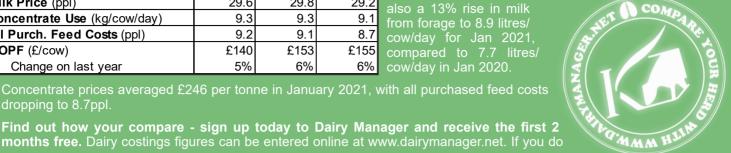
DAIRY MANAGER UPDATE

Monthly Results	Nov-20	Dec-20	Jan-21
Milk Yield (l/cow/day)	26.5	27.4	27.9
Change on last year	4%	4%	4%
Milk from Forage (I/cow/day)	7.0	7.9	8.9
Change on last year	4%	8%	13%
Milk Price (ppl)	29.6	29.8	29.2
Concentrate Use (kg/cow/day)	9.3	9.3	9.1
All Purch. Feed Costs (ppl)	9.2	9.1	8.7
MOPF (£/cow)	£140	£153	£155
Change on last year	5%	6%	6%

Average monthly margins continued to be strong in January 2021 for herds using Kingshay's dairy costings service The margin over purchased feed (MOPF) per cow started 2021 at a similar level to 2018 at £155 per cow, up 6% on last year. Milk prices were up 3% from January 2020 to 29.2ppl which helped contribute to the 6% rise in MOPF. There was

also a 13% rise in milk from forage to 8.9 litres/cow/day for Jan 2021, compared to 7.7 litres/cow/day in Jan 2020.

Concentrate prices averaged £246 per tonne in January 2021, with all purchased feed costs Find out how your compare - sign up today to Dairy Manager and receive the first 2



FOCUS ON OVERHEAD COSTS PROFIT MANAGER

Overhead costs can be tricky to split out between operations, particularly

Power & Machinery costs, where certain machinery may be 'shared'

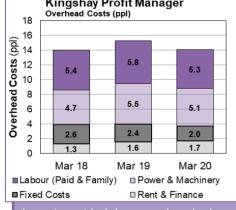
between enterprises.

Dairy Overhead Costs (ppl)
Year ending March 2020 between enterprises

Kingshay's Profit Manager service

Group Average Paid labour 3.9 Family labour 1.4 Machinery repairs 8.0 Fuel & oil 0.6 Contracting costs (all) 1.7 Other machinery costs 2.0

financial performance and the youngstock calve back into the dairy herd as heifers at the cost to rear them. These youngstock rearing costs varied from £1,200 per head up to £2,000 per head.



Analysis of herds using the service during the year ending March 2020, showed there was a significant fall costs). This was due to efficiency improvements but also a slight increase in milk yields spreading those costs over more litres, diluting the cost of production.

The biggest cost saving was seen in labour costs, a decrease of 0.5ppl. However, rent & finance costs rose

investment in labour saving devices and borrowing to finance these

We can allocate overhead costs to key enterprises in a simple and easy to use way for your business. We are now processing farm accounts for this financial year. How do your costs compare?

Call Kingshay or email kathryn.rowland@kingshay.co.uk to discuss how we can assist in identifying where improvements might be made on your farm.

DAIRY SYSTEMS, **ROBOT & AUTOMATION SURVEY**

Thank you to everyone that has completed the survey so far, it is really appreciated.

If you are yet to complete the survey please

Kingshay are carrying out a survey of dairy farmers across the UK, we want to understand more about your dairy herd and system, with a specific review of the current levels of automation on your farm. We also want to learn more about any intended investment in technology and automation. Whilst there is a focus on robot milked herds, we want to hear from all dairy farmers.

We aim to use the results of this survey to produce a report to give an overview of dairy systems, delve into a variety of influencing factors to gain a better understanding of dairy farm management. Furthermore, it will aim to help dairy farmers make informed decisions about investments in automation to drive forward their business.

Please complete the survey by following this link https://bit.ly/3aHXXLm. If you require a printed copy, please contact the office on 01458 851555 or email contact. us@kingshay.co.uk.

ZOONOTIC DISEASES

Working with livestock will always involve a level of risk. One risk area that is often overlooked is zoonotic diseases. These can threaten both your health and the well-being of your staff. In an era of a global pandemic with a zoonotic origin, it highlights the need for understanding more about disease transmission from animals to humans.

FINE TUNING HEIFER REARING

Heifer calves are the future of most dairy herds, and you don't get a second chance at getting it right. Therefore, time taken for attention to detail pays dividends, not only for the calf but for the lifetime of the animal - time and money that could be recouped many times over.

Feedback on publications will be gratefully received, let Sarah know your thoughts on 01458 851555 or email sarah.bolt@ kingshay.co.uk

"IN MY FIELD" WITH ADRIAN CAINE



Cost of production or breakeven milk price - How many of you know what they are and the difference between them?

Unsurprisingly they are not the same, one tells you what your costs are and one will dictate whether there is any surplus cash generated from the business.

Cost of production can be used to analyse and benchmark the cost structures of your business against your peers, be aware that it must also be regional to where you farm and of a similar farming system otherwise the benchmarking is weakened. This allows for informed decision making based on fact, being a member of a discussion group is a good way to enter the world of cost

benchmarking. Remember if you can measure it you can manage it.

Breakeven milk price takes in other factors such as other incomes beyond the milk sales, the cost of replacement and also, to be accurate, includes actual personal drawings, loan and hire purchase capital, capital spending and any taxation paid. It differs from cost of production as a result and is individual to a particular business due to the borrowing profile and personal



expectations of a living and business structures regards taxation. However it is the only true way to assess whether the milk price received is sufficient to meet the needs of the business, it starts the process of change where change is necessary to produce cash sufficiency from trading activity. It is, therefore, more important than cost of production alone.

Start improving your own business knowledge now by taking your year end accountancy figures and getting them looked at by a Kingshay/P&L Agriconsulting consultant.

Written by Adrian Caine, P&L Consulting (Kingshay Associate Consultants)



"As I draw closer to the end of my placement with Kingshay, as part of my BSc in Agricultural Business Management at Reading University, it the past 40 weeks. Whilst it was not the office-based role I was expecting, (COVID put pay to that!) I have still felt very much a part of the Kingshay team, through regular online meetings and an occasional face to face meeting, socially distanced, of course!

<u>Every day was different, I have spent my time</u> learning the ins and outs of Dairy Manager, which has given me a greater understanding



I have also had the opportunity to put my technical skills to the test, writing DAIRY insight publications for the Kingshay Membership. I have also thoroughly enjoyed getting involved at the Dairy Development Centre, learning about up-and-coming technology for the future of the dairy industry. I would love to say a big thank you to the whole team at Kingshay for making me feel so

Lara joined the team back in July (you may remember her featuring in our Autumn 2020 Newsletter) her internship finishes on the 1st of April.

hard work these past 40 weeks. We wish her well in completing her studies in her final year at the University of Reading.

WELCOME TO BYRON

Byron Woodsford ioined the farm team at the South West Dairy Development Centre in January, in the role of herd manager. Unfortunately, it was rather an eventful start to Byron's career at Kingshay, with a strong cow kick to the hand, it was a close call to a broken wrist, but fortunately it was a less serious hairline crack. We all know how easy accidents happen



on farm, even when people are used to handling stock! Following a 7 year stretch in the army, Bryon embarked on his farming career in 2011. Starting as a general farm worker, Byron was determined to achieve his five year goal of becoming a herdsman. Indeed, with hard work and attending various training courses, Byron attained his ambition becoming a herd manager 5 years ago on the last farm he worked at before joining Kingshay. Outside of work Byron has a keen interest in motorsports, particularly motorcycling.

GRASS SEED SPRING PRICES

Whether you're looking to reseed or oversow Kingshay has the right grass seed mix for you. Unlike many suppliers we are not aligned to a specific grass seed breeding company, allowing us to select the best varieties to help improve your output from forage

Dairy insight users save £££ plus there is an additional 5% discount for orders over 25 acres.

Call the office today to discuss your grass seed needs.

CONTACT US:

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