ResULTS project: case study D interview 32

Face to face interview with farmer, conducted 20th September 2018

Interviewer: I

Respondent: R

I: So, first question is, can you tell me a bit about your farm? I mean, the size, the different sources of income, what is the position of yours in the farm?

R: Okay. So my farm, it’s 650 acres owned and another 80 acres rented.

I: Okay, is it working fine?

R: So we’re currently running about 135 suckler cows that we’re breeding with ourselves. Not beef cows, native breed cows. So Angus, cross Shorthorns. And then we’re calving those and we’re tending to finish most of our own cattle. So we’re taking them right through to slaughter. And we’re sending them down to ABP in Perth or to Scotbeef in Bridge of Allan to be finished, as a finished animal to go into the supply chain. We don’t grow a lot of crops, we have some issues with geese on the farm so we’re struggling to grow crops at the moment, so it’s a big issue for us. But the farm itself, it’s a partnership. And it’s my mother and my father and myself. And at the moment I’ve got 50 per cent and they’ve got 25 per cent each partnership. Yeah, and what else? Anything else you want to know about the farm, really?

I: Except that the animals, and you said no more about crops. But do you have any other, like, agritourism or renewable energy or any other, or you do some kind part time work to support the income of the farm?

R: Oh, sorry, right so my mother and father both are full time on the farm now. My mother used to work at the NHS, she had a job which she worked full time with but now she’s come home. We do have wind turbines as an income source. We’ve got three small scale wind turbines but I also set up a business to sell wind turbines and install them. So I’ve installed…I used to sell turbines and I made money that way. And also I set up my own turbines on other sites and that’s an income as well that’s coming into the business. I rent sites. But I also have another business that I’ve set up from a part time, I do evenings doing hot tub sales and rental.

I: Oh, that’s why I saw that…yeah, yeah. So where’s that located?

R: So it’s just on the farm. And I just use that to, well I deliver it to people’s houses and things and then I sell them as well. So, it’s all based on the farm but mainly the storage space is there but I just go to customers and take it to them. So that’s my main income source, myself. And I’m working towards trying to invest in the farm. So I’m trying to get capital because there’s not been a lot of money in the farm.

I: So, for example, to get an indication – how much is the pure farm activity part of your income?

R: Personally? Or is as a business?

I: Could we say as a business?

R: As a business?

I: Between…including your wind turbine [voices overlap], including that your mum is getting another salary or, including everything, let’s say.

R: Okay. Farm income probably would be, I would say about 40 to 50 per cent, possibly.

I: Okay. And how much of that is subsidies?

R: I would say of that, about three quarters…

I: Three quarters of that, okay.

R: …in subsidies.

I: Okay, just to get an indication. And, I think you have said enough for now. What are the special features particular to [area D] area that should be maintained, in your view?

R: I think [area D] beef cattle are very much a thing that are well suited to [area D]. They’ve been for thousands of years and I think that beef cattle certainly maintain the landscape and I think they’re a feature. I suppose sheep as well, but I think grazing animals…our climate is not possible to grow crops for human consumption here, really, on a large scale. Because our seasons are too unpredictable. And we tried growing potatoes in the past, we used to grow seed potatoes and we’ve tried other things, but I think certainly for us, we’ve found that livestock’s the most resilient type of farming here.

I: So you would like to see farming being kept…

R: Yeah, absolutely.

I: …and actually cattle and sheep farming?

R: Yeah, ’cause the [area D] landscape is quite a green landscape. It’s very much reliant on being maintained by grazing and being maintained. [area D]’s not really like, well it’s quite an intensive area. So I think if we want to keep the landscape the way it is then it’s got to be farmed, I would say.

I: Okay. Any other feature from your…?

R: Well, I suppose it’s a social thing. It’s definitely a rural way of life here, [area D]’s quite a rural place. So I think farming underpins a lot of industry in [area D]. Where it supports things like vets, feed supplies. There’s a lot…farming at the moment, the money comes into farming through subsidies. What they’ve actually looked at, where the money goes. And it goes back out in the community and I think farming, to keep [area D] as a vibrant place, as a rural place, farming has a huge role to play in keeping everyone else going. Because the money that comes into agriculture tends to go out quite quickly, out into different kind of industries.

I: Okay. So on the map, where is your farm located?

R: Just right there.

I: Where is it? Can you give the name in order to record [voices overlap]?

R: Oh, sorry. I pointed to it, so it’s just right in the corner here. So just above the home. So, it’s called [farm 1].

I: Home?

R: Home, home, yeah.

I: Okay. So, that’s fine. I’ll put that aside for now. What does resilience as a word mean for you?

R: For me, resilience is being self sufficient. Being able to withstand adversity. So being able to go through bad periods but being able to get through them. And not putting all your eggs in one basket but just being able to, I don’t know…?

I: Diversify?

R: Diversify? Yeah, diversify. Or well even just being able to just have reserves or being able just to get through adverse conditions. I think certainly…yep, that’ll be it.

I: Okay, that’s fine, that’s fine. Totally fine. As I said before, I’m not expecting certain kind of answers. When…well, the project talks a lot about food systems. And because this type of term, I mean, it means so many different things to different people. I tried to create a kind of diagram of what are the key actors, the key agents in that. So, let me explain here.

So, the blue thing is input suppliers, upland farmer, lowland farmer, primary processor, secondary processor, wholesaler, retailer, consumer. So this is the supply chain.

And then you have the orange kind of circles where they are all the kinds companies, organisations that are there to support the supply chain. So, you can see banks, you can see colleges, essential services like SSE, developmental agencies like [area D] Council, SIE. You can see for example standard certification bodies for what you are doing. Also insurance companies, research centres. Consultants can include from accounts, vets or any other kind of consultant for your business. And also industry associations like NFUS or lobbies or whatever. And then these, all together, they create the value chain, if you wish.

And then you have some stakeholders which are affected. So you have government, to some extent they affect, but can be government-funded bodies like the Research Council, they fund these kind of research. Pharmaceutical market – so vaccines, antibiotics or pesticides or whatever. This one is energy market. So conventional or renewable market. Then there are a number of environmental or social interest NGOs, non-governmental organisations. And charities like Scottish Natural Heritage or…

R: Forestry Commission.

I: …yeah. A lot of different things. And then you have obviously the [area D] local community and the tourists that are coming here and then the public. And if you wish, this is pretty much the human side of factors. But also in the food system we consider the biological organisms like animals, plants…

R: Microbes.

I: …yeah. Or even bacteria or whatever. So pretty much these are the key agents in the food system. So we try to understand how they interact and how…in what environment they operate.

R: Yep, okay.

I: So, does it make sense? Would you like to add or remove anything? I mean, does it make sense to you?

R: Yes, I can see what you’re doing there, right enough. So you’ve got your stakeholders and yeah, I mean it’s obviously a two way thing as well. So one affects the other. So, yeah, I can see the picture you’re going towards.

I: It’s just that I wanted to start from there because as I said, food system – what exactly do you mean by food system? And because you’re going to see that term later on, I would like you to know that we pretty much see the whole thing together.

R: Yep, absolutely.

I: Okay. I’m going to leave that here for the moment. When I was looking at the literature of what makes resilience, the food system for the upland areas or whatever, I came across a definition of resilience which is like – resilience is the capacity of a business or a system as a whole, either absorb/buffer against internal or external disturbances. Which, pretty much here you don’t do anything, you just absorb the loss. There is learn and adapt through incremental changes. So for farmers it can be some increase or decrease in the stock rates. Small changes, okay.

And then, or even transform through radical changes. So some farmers they say that you are doing dairy, they realise it doesn’t make sense. We go for beef cattle or we go for sheep. Or it’s not enough, let’s do some kind of agritourism or renewable energy. Because that’s kind of big changes. So what means pretty much resilience is you are staying in the same area and you produce, to some extent, food but all the rest pretty much changes.

R: Yes, yeah, yep.

I: So does it make sense? I mean, this kind of definition?

R: Yes, it certainly makes sense. That’s how I was kind of like yes, certainly I was more focusing on the first kind of one and two. But that’s really true. I mean, that’s something we’ll…I mean I’m not sure if I should speak about this, but I was in New Zealand two years ago and the guy’s actually featured in the paper last week who’s coming up to [area D] on Monday. And very much there it’s about resilience because they’ve been through…they had subsidies removed. And so for me, I’ve been looking at – and certainly at college even – I was aware that our business is going down the route of beef only. So when I came back we went to renewables. So I certainly agree with that. You’ve to look at other areas and try and get other income streams.

I: That’s good that you had also some kind of views of what is happening in New Zealand. New Zealand always leads this kind of interesting case because they do a lot of lumber. And also they have got rid of subsidies. So, it’s good you have seen other places in the world, what this has been doing and how they have survived through the whole thing.

R: Yeah, certainly. So, no, I definitely understand everything there. That’s good.

I: Then, your farm right now. How do you consider it’s doing in terms of resilience? Do you think it’s struggling? Surviving? Making a reasonable living? Or booming?

R: Somewhere between struggling and surviving, I would say.

I: Okay. And then how has the resilience of your business changed during the last five years? Of your farm?

R: I’d say we’re surviving. But, yes, my farm the last five years we’ve certainly looked to diversify and I’ve taken on my other business and things. So I think it certainly is looking better. It has improved. We’ve got other income streams. We’re not so reliant on subsidies and beef sales any more, we do have other income streams coming into the farm.

I: So pretty much those were the reasons why you stopped struggling and pretty much moved to surviving?

R: Yeah, I’d say we weren’t struggling. I think subsidies were a lot better in that ten years ago for us we were doing better through subsidies. But as they’ve been reduced, I wouldn’t say we’ve been struggling but then I’ve been a lot more aware, we’ve been a lot more aware of how things could change if they were to be removed. And we’re looking now, as they’re being reduced down, we’re very much aware that it’s going to change. And I suppose you could say that probably we’re actually doing well. But not as well as I would like to, really.

I: Okay, I understand. What is your prediction about your farm for the next three years or next 15 years? Where do you think you’re going to move? Towards struggling, surviving, making a living or booming?

R: I’d say certainly surviving and doing quite well. And that’s what my aim is, to try and invest and make small changes on the farm. But also we are looking at actually agritourism and we are looking at other areas. So as a business, the beef industry, the reason for me going on all these different routes is because of Brexit and obviously the big changes that are possibly coming. I don’t want to be exposed to that too much. I’d rather have other income sources that we can ride out. ’Cause I think it will smooth out, 15 years down the line I think it’s not…it’ll just be a memory. Obviously it’ll be 15 years ago but I think if we can get through the next three years, if we can get through the worst periods, I think it should get better then, it should level out.

I: Okay. I understand. So next there is this card which pretty much tries to summarise all the different functions, roles, goals, whatever you want to call them. So for a farming business like yours, I would like you to read all of those. And as you see they are in three different categories, I tried to summarise them. One is more related with the private interests of the owner, one is related to the multiplier effect recycling money through to the local community through spending on inputs or any other services. And then one related to public goods and services.

So, my question to you is, you read through those, let me know if there is any function, role, goal that is missing, you don’t recognise it there? And then the next is to prioritise a bit and give me the five most important functions you think you feel your farm [voices overlap] has to fulfil. Bear in mind that some of those might be combined so you can group them and say, for example, 8 and 20 might go together and I treat them as very important factors, something like that.

R: Okay.

I: You read it, I go to the toilet and very quickly.

R: No problem. [Interviewer leaves the room].

I: Okay. Is there any there that you need explained a bit more because it doesn’t make sense?

R: No, I think I can see…

I: This is return on investment, by the way.

R: Yep, yep, return on investment. So you’re going to want me to pick out the ones that are the most important for our business, kind of thing?

I: Yes, but before that do you see, you might have something in your mind and you don’t recognise it in the list, so we can add it?

R: Yeah, okay. Succession, yep, I mean that’s the thing that we’re going through ourselves. Reasonable workload is something that we’re…and obviously I’m doing all the businesses so it’s a bit…actually, I forgot to say we do employ somebody as well on the farm. We employ somebody full time.

I: Yeah, yeah.

R: I didn’t mention that before.

I: So there’s not anything missing…

R: I wouldn’t say so, no, not that I can see.

I: …so far? If it comes to your mind later on, just tell me. So which are the five most important for your farm?

R: For the private interests, I would say…

I: From everything.

R: From everything? Oh, right, okay.

I: You can make any combination you like.

R: Okay. I suppose personal family satisfaction and wellbeing, number 10 is good. One – reasonable profit margin and return on investment, I think is also important. Food security, number 7, I think that’s important. But also number 11, multiplier effect. I am for quite strongly for that we do have a place to play in the community as well, with that. And that’s like, by using other services I do think we are supporting other things like that. So, what have I said? I said 10, 1, 7…

I: That’s fine, don’t…

R: Okay.

I: …care about the five so much. The important ones.

R: I suppose then, well, the related public goods service. I suppose it’s a landscape thing, natural landscape preservation. Soil enhancement. Certainly I feel, being born and bred here and our family being here going back generations, is that [area D] very much is a farming island. It’s been farming for a long time. And so I think that’s really important.

I: To stay a farming island?

R: Yes, yeah. And I think farming, although agriculture has got quite a bad name for cattle farming, it’s got quite a bad name for carbon emissions and things, I actually think that the role of grazing animals is actually quite important. And it’s a question of carbon in the ground. So I think for me, biodiversity is quite important.

I: So it is what number, sorry?

R: Eh, carbon? It’s the question, uplands, moorlands and forests, number 15.

I: Fifteen. And then the other one with the diversity is 14.

R: Fourteen, yeah, that’s quite important. Yeah, no, it’s…

I: And also the other one you said for landscape, is 21?

R: Twenty-one. So I’m trying to think what else. So then, succession is also important to me, so it’s number 2. It’s a thing like being in farming all my life and my family being in farming, it’s a thing that you do feel, and a thing that you pass through the generations. So that is quite important. Yeah. And then, actually I think it’s quite a good list. There’s quite a lot of good points in that. But the ones I’ve picked out are the most important.

I: Okay, that’s fine. So, please leave them that side. And then, one general question. Is the full potential of adding value of [area D] beef and lamb products currently reached? If not, please elaborate on what more can be achieved?

R: Oh, no, it’s not at all. [area D] beef, we used to have a good strong brand. But I think that the brand, well, it’s now no longer a business in its own right but I believe that we need to focus more on the quality of our product. At the moment, we’re good at branding it but there’s no follow up. And that’s a thing I’ve seen by travelling is that other countries now are testing for the quality of the beef. This is from a beef perspective, but like they’re testing it in the abattoir for the quality, the taste, the tenderness, for marbling, for these factors that would make sure the customer gets a good taste experience. But at the moment, we don’t test for that.

So I think that being in [area D], in an enclosed area, we could actually have a real opportunity to produce a product that actually matches up to the claims. Whereas I think at the moment there’s such a mixture of breeds going into our product that it’s…

I: So do you think there are particular breeds that produce that type of [inaudible] that you’re talking about?

R: Our native breeds like Aberdeen Angus and Shorthorns. There’s also Highland Cattle who do it. Basically, native breeds. Native breed animals tend to have higher marbling which carries taste through the product. And that’s what I saw in New Zealand and what I’ve read about in Australia and America as well, is that they’re testing for marbling now because it’s been proven to give a better taste, a better consistency of product to the customer. So I think we can learn a lot from that.

Otherwise we could get left behind if other countries move towards a more taste based product. Whereas we’re just a product of origin. And I think the taste based products could leave us…could get that premium market that we’re currently enjoying. We currently get a premium product just because it comes from Scotland. But I think we need to be able to follow up on that and provide a good quality product.

I: And what about the fact that right now in [area D] there is no abattoir so pretty much you cannot really protect the [area D] origin?

R: Yep, that’s a big factor as well, I’d say. No [area D] abattoir has had quite a few adverse effects. The [area D] origin thing is one thing as well but also for livestock, we have livestock that’s not fit to travel any long distance. So we couldn’t put it on the boat to go down south to an abattoir down south. So we’re currently stuck ourselves with animals now that we can’t ship, we’ll probably just have to destroy. So it’s quite inefficient. Because they maybe had a bad foot, the vets will turn them away at the boat. So we can’t afford it, so we might just have to shoot them and bury them. Whereas when there was an abattoir here, because it’s only a short run to the abattoir…

I: So…?

R: That’s a different, that’s a welfare, I suppose, aspect. But from a product aspect, yeah, not having an abattoir does affect our…

I: No, I wondered which breeds you said you’re doing, again?

R: Angus and Shorthorns.

I: Okay. So do you feel that these breeds are not behaving very well in long distance travel?

R: No, no, they’re okay but this is old cows and things. No, we tend to find, we’ve gone down the native breed route, the Angus and Shorthorns, because they’re hardier. So they are good at travelling and they are an animal which has…

I: Which breed?

R: Angus and Shorthorns.

I: Oh, okay.

R: Angus and Shorthorns. They tend to be a smaller animal and they’re not so big and tend to have better feet. We’ve gone for them because they’re a hardy animal. So we’re looking for longevity. Because we have been down the route of continentals like Charolais and Simmental but tend to find that over time they weren’t lasting as long. Whereas we’re trying to go for a smaller animal that’s maybe not so much pressure on their joints and hopefully the idea is that they can last a bit longer and have…

I: When you say last a bit longer? What, do you keep the cows longer on the farm?

R: Yes. Yeah, yeah.

I: Oh, okay.

R: Or also just like they stay healthy longer. So that’s what we’re kind of looking for, that’s what our aim is. We’re working towards it and won’t achieve it straight away but no, it’s a sure step. I don’t know how else to…?

I: That’s fine. So the next card pretty much tries to summarise the disturbances, long term pressures, social drivers, whatever you would like to call them. But the thing is that before you start reading them, first check if there is any driver that is missing from there?

R: Okay.

I: Second, most of them when you read them you see them as threats. But I wonder is there anything there that can create opportunity for an [area D] farmer? And then when you’ve finished that, the next exercise is like, can you prioritise and give me the five most important? But let’s do it step by step. If it’s missing and if any of those is important.

R: Okay. Missing or opportunity. [Reads information card]. Okay. So, anything missing? It’s hard to think.

I: Don’t worry. Through the conversation you might remember something. Anything as an opportunity?

R: I think certainly…

I: Number, which?

R: Oh, 13. Brexit. Free access to EU market and tariff protection, global trade agreements. We don’t know what it’s going to be. Very much, I was against Brexit because I felt that we had good access in the EU market, we had a premium product and it was going into that. So it’s an opportunity or a threat. But it might work in our favour, but it’s a very risky one.

I: Under what conditions could it work in your favour?

R: One thing could just be that, well, if we do get free access to the EU market it could be good if we can still maintain this aspect of a premium product. And I suppose coupled with that is, I don’t know…have you got here economic exchange rates?

I: Oh, okay.

R: Because that’s certainly what we’ve found after Brexit. When the pound went weak, the price of beef went up because it was cheaper in Europe and so Scottish beef, our price actually went up. So think exchanges rates is…coupled at 13 with exchange rates could be a thing that if the pound does go really weak after Brexit, then our product might be more appealing to buy. But then on the flip side it’s very much, there’s no real knowing if it’s an opportunity or threat. Because it could be that there’s going to be tariffs on it…

I: Great, you just have the one – exchange rates. Great.

R: I’m just trying to think.

I: I wonder something, your market and the way we produce meat in the UK now it’s European standards, which is quite high.

R: Yes.

I: And that is associated also I suspect, Scottish beef or [area D] beef, they keep that kind of premium status because they’re produced with those kinds of high standards.

R: Yes.

I: So what do you believe is going to happen if for any reason after Brexit farmers are no longer obligated to keep those standards? Which is, they have to choose how they produce.

R: Yes. It’s a thing…

I: I’m interested you went to America and New Zealand because obviously they have different standards from ours.

R: Yes, I’ve not been to America but I’ve been to New Zealand. So, New Zealand is very much more open standards and yes, they didn’t have as much regulation. Which was great. You think you could farm and do well. But at the same time, I think that the adherence to such high standards kind of justifies our premium price. So I think for me, I think keeping high standards would be important to be able to justify our price. ’Cause if we were to go in a free trade agreement with a country like America that doesn’t have as much regulation, has cheaper access to labour and things like that, then that would be a huge threat to us. ’Cause they can produce it so much cheaper and they can flood our market.

I: But their standards are much lower.

R: Yeah. If the standards were lowered so that we could take their stuff, I mean, we could lower our standards but I don’t think we’re at a size where we can produce high volumes at a cheap cost. I think we’re very much suited to smaller volumes at a higher cost. So I think, yeah, like you say, regulation standards would need to be kept up. And we’re doing it now so there’s no point in going backwards, we might as well keep our welfare standards up and our traceability. It does give us an extra…

I: And how do you think the consumer is going to react to that? Because from one side they have fully got used to the high animal welfare, high quality, high everything about standards. And then also on the other hand, they really like buying cheap food. So, what do you think is going to be the reaction?

R: I think that certainly consumers will go for cheap food. So that’s my worry is that if we’re in a trade agreement that we can take cheap food in, they’ll always go for the cheap food. And I think a lot of people don’t appreciate…a lot of the UK don’t really appreciate the quality of our food. And I think it’s a scary prospect, that, if the market is flooded with cheap produce. Because I think consumers now believe that food is expensive, but it’s never been cheaper, in my opinion.

When you look at food inflation over the last 30 years compared to everything else, food has gone up very little since the 80s, compared to everything else now. Electricity’s gone up about 150 per cent. Fuel has gone up 300 per cent. Food’s only gone up I think five per cent or something in that time period. So food now only actually accounts for about 15 per cent of the consumers’ spending, compared to back in the 70s, 80s, it was about 45, 50 per cent.

So I think the consumer now has got used to cheap food, which is a scary prospect. But I think maybe, in an event where we have more expensive food maybe and trade barriers, it might make people realise that food’s actually cheap. ’Cause at the moment I think people are taking for granted, access to cheap food and plentiful cheap food.

I: So, explain to me because I didn’t get it, how the consumers can realise that we have cheap food?

R: Shortages, I suppose. Our price goes up. I don’t know. Marketing. I really don’t know how best we can achieve that. That’s what I believe, is that we do have cheap food in this country. We look at the work and the quality of the food that we’ve got here, I think as a country we have it quite good. Sorry, I’ve maybe gone off topic there.

I: No, you’re not off topic. You’re really in the heart of the topic.

R: I’m just trying to think what else I was going to say there. Yeah, but other ones I suppose, anything else that’s missing? You’ve got changing pests, we’ve had that.

I: Did you have any changes in the pests?

R: Yes, we’ve noticed over the last ten years we’ve had a big increase in goose numbers. And they’ve had a huge effect on us. We can’t, we’ve more than halved the amount of barley that we grow for feeding our own cattle because the geese have hit it so hard.

I: Where is the geese problem?

R: So, our farm is here and we have a hill here and the nest here. Then we’ve also got migratory geese. But it’s on our whole farm and we’re trying to shoot them.

I: But internally, nothing? All over.

R: All over. So [area D], I think we have 23,000 resident geese so they’re staying all year round. But also when they migrate as well, I think the population goes up to 80,000. And they say that geese when they come in a field, they graze it really hard. And they say I think it’s four geese is the equivalent to one sheep for eating. So if you have a flock of 500 geese land in your field, and eat for an afternoon then they’ve eaten a lot of grass. So…

I: So they’re eating grass? What else do they do?

R: Barley.

I: Yeah, yeah, the barley.

R: So when the barley’s coming up they’ll eat it, and they’ll eat it when it’s just starting to grow and then also they’ll eat it when it’s fully grown as well. And then there’s total loss. We’ve lost – oh, some years we’ve seen about ten per cent of our crop gone. More, sometimes.

I: And there is any other negative side of the geese?

R: Well, not sure, we’ve had neighbours that’s lost calves due to, oh what’s the name of it again, not scour, but disease – calves have been going down with disease. And they’re not sure but there’s been links to cryptosporidium in the goose dung and in the guts of the goose. So when the goose are landing on the fields and they’re excreting their dung then if there’s calves and things in the fields, some people have been finding they’ve been losing livestock to that as well, to disease.

I: And someone told me something about – because their feet, when they go on the wet pretty much, they push the ground and then they create ponds?

R: Yep. They paddle. And then they cross the ground when it’s wet, they paddle and they’ve got smooth feet. And so your soil, obviously you want as many holes as possible, to get air into your soil, but when there’s a lot of geese going over it they’ll like make it slimy and make it smooth like that. So it creates no holes for air to get down into the soil. So you tend to find that your soil becomes anaerobic and then that’s your microbes and stuff get less activity when it gets anaerobic so your soil’s less productive.

I: And also they create something like because it goes down a bit. They create something like a pond?

R: Yeah, well obviously they gather and they’ll go in a low spot and they’ll do this and when they smooth it like that they seal it. So the water will lie in there and the water will never escape. Whereas if you’ve got the holes, the water will escape through the soil. But when they smooth it over that creates a watertight seal.

I: And how have you managed to…how have you tried to manage this?

R: So, we have shooting groups who come and shoot. And we have people who try and shoot them. But what we’ve found are the numbers [interruption – waitress at table].

I: Would you like something else?

R: No, no, I’m okay thank you. No, just bird scaring. Scarecrows, vehicles in fields, things like that. Also I got a drone that I could fly over the fields ’cause it lifted the geese as well. So I’ve tried different things, different ways, lights as well, flashing lights, try to use them to scare the geese off. But the one problem we’ve got is you’ve got to do it constantly, you’ve got to do it morning, get up first thing in the morning, you’ve got to do it at night, and it’s one of the things…we’re flat out as it is, we’re busy. So it’s another factor that we don’t really have time for but we’ve got to keep trying to do.

I: So they are [inaudible]? Okay. Good. We talked about opportunities, we talked about…so what are the five points – please don’t write on those.

R: No, no, sorry. So it’s just like our resilience disturbances. Yeah, our long term pressures and drivers to change.

I: Pretty much is the same thing.

R: Yeah, okay.

I: But the people like different terms.

R: Absolutely. I suppose I can really group 12, 13 and 14, just Brexit as a topic.

I: Access to foreign labour? It doesn’t matter?

R: Not a problem for us here. That’s more [voices overlap]…

I: It’s more for soft fruits areas, yeah.

R: Yeah, it’s not for ourselves, no. For the cattle and sheep, not really.

I: No, okay.

R: But, no, I do have friends that it’s affecting them. So more just subsidies. Knowing what our…we’re reliant on subsidies, so knowing what’s going to happen with that is very important. And access to the EU market. So Brexit is a big thing that’s made me think about resilience. I suppose pest patterns is another one, number 2. I’d say about that.

I: Have you seen any change in the pests that you’re getting over the years because of the climate change?

R: Not so much. I mean, the geese I wouldn’t say is a climate change thing. I think it’s more just an opportunistic change that there’s been geese noticed it’s good to stay in [area D]. I think it’s just that there wasn’t the numbers before. It’s just grown, exponentially. So I wouldn’t say it’s a climate change thing. Although we have had wetter summers. We’ve had quite a…these last three years have been really hard and this year’s been much drier. So whether that’s a climate change thing or whether it’s a cyclical thing, I mean like…

I: Might be climate change.

R: Might be.

I: Because whatever is the climate change effect for Scotland is pretty much more rainfall, more extreme weather but also more sun. Which is quite…

R: It’s a thing there, right enough. It’s very hard to look at it in short term, in recent memory. But then I talk to older farmers who have seen it go in kind of eight year cycles, but anyone you talk to, everyone remembers differently. It’s very hard to say what the driver is. I mean, I fully believe that climate change could possibly be a driver of it. But, yes, it’s hard to say.

I: But in a way the weather, it’s quite challenging, it seems.

R: Yes, it’s a big thing for [area D]. Because it’s wet here and it’s traditionally quite wet here. So number 1, yeah, weather patterns. It’s a thing that’s a driver that certainly does affect the way we farm. Number 9, uneven power dynamics in the supply chain.

I: Can you tell me a bit more about that?

R: Yeah, so I do think that we are very much at the mercy of supermarkets. I do think that they have had a power that they’ve been able to drive prices down, in farming in [area D] anyway. And in farming, they’ve been able to push things so that we take all the…we get a very small percentage of the profit but we take a lot of the risk and most of the work. But they take more of the profit but have very little work to do for processing.

I: I’m quite surprised…I’m not surprised because I realise now why, but you are the first person who mentioned supermarkets there. And you mentioned this one. And I was thinking that probably has to do with the fact that you are more oriented for fattening rather than for store. So if people might concentrate on store animals they might not realise that there is a supermarket down the road.

R: Possibly, yeah. That’s true enough. Possibly, indeed. It’s just I do think that cheap food is a thing that…we’re seeing it. We make very little profit on the produce we make. Or sometimes we’re making a loss. Only thing that’s keeping us going is the subsidies. So for us, that just doesn’t seem fair at all. But that’s just…I think governments have been happy to let it happen as well. Because cheap food and…

I: So, do you sell through an auction mart?

R: No, no, we sell it through ABP.

I: ABP?

R: Yeah, they’re…

I: Ah, it’s a kind of manufacturer of meat?

R: Abattoir, yeah. They’re working to market price. And obviously they’re working to market price but…

I: And where is ABP located?

R: Perth.

I: Perth? Okay.

R: So we ship everything down to Aberdeen and then to Perth. But that’s just markets, so I can’t really say too much about that. I mean, resilience. The amount of basic infrastructure, broadband, roads.

I: Ferry connections? Power interconnector?

R: Yeah, I think that is a…I think it does put pressures on us. Certainly broadband’s starting to get better but it has been a thing that’s held us back from different business opportunities and things.

I: Like?

R: Just even websites and things, setting stuff up. Even accessing material, like education material and things. We’re struggling to load videos that we can watch. So I think broadband, but that’s starting to improve. But it has been an issue and it was an issue before, but it’s getting better.

I: What about the ferry connections?

R: Ferry connections? Yeah. It’s frustrating if there’s not a lot but then, I don’t know, I suppose I’m just used to it. I’m on the mainland whereas the outer isles might say something different. But for connections to the mainland, I don’t know, generally I find it not too bad. I’m very much of the opinion that if you want to get away, you’ve just got to go. You’ve just got to jump on the boat whenever it’s available.

I: So you didn’t have any issues with deck space? Capacity, I mean.

R: Not really, not yet. But…

I: It hasn’t affected you?

R: No, I think it is going to be more of an issue as tourism picks up. I think deck space is going to be more of an issue then for booking. But generally I try to book in advance and try and plan out. So yeah, it is a factor. Yeah, you’re right, ferries is definitely a factor. Capacity to be able to go on and off the island. And I think that’s the thing with the new Road Equivalent Tariff that they’re talking about which would be great for getting off the island.

I: What tariff?

R: The Road Equivalent Tariff. Just like cheaper ferry fares. And it’s to be…

I: Is that something that’s happening, or…?

R: It happens on the west coast, it happens in Shetland but not on [area D] at the moment.

I: So how does that tariff work?

R: So they work out how much it costs to drive the same distance by road and then they charge that for the boat fare. So the government subsidises the rest.

I: Ah, okay.

R: So that was supposed to happen this year. But it’s going to come. But it’ll be good for tourism. It’ll be good for us. But it’s just the only thing will be capacity of the ferries then.

I: The ferries to the mainland, there are two companies? One is…

R: [company 1].

I: …private and the other one is…

R: [company 1] is the government capped.

I: subsidised. Yeah.

R: And [company 2] is private.

I: Do you see any difference between the two in the way they operate? In the kind of services they provide?

R: Yeah, I suppose [company 2] is more basic. It’s more like a budget airline. It’s a basic service, gets you there. [company 1]’s very comfortable. So, yeah, there are differences in the level of the service they provide. But I use them both, to be honest with you. And price is not too much different really between the two. The subsidised one…

I: Someone told me that whenever the weather is more challenging, it’s good that there is the private company there because they do whatever they can to move.

R: To get it to move, yes, that’s a good point and I’d agree. And I’d say it is good because when the weather is challenging and there are cancellations it is very frustrating when you can’t get off. But that’s one of the joys of living on an island.

I: What about the ferries between the islands? Do you move anything between the islands?

R: Yeah, I do move wind turbines and the hot tubs between the islands.

I: Ah, okay.

R: So, they’re limited but then I can’t see it being justifiable to increase the service either, too much. Although there could be more ferries. But it’s not really my area of expertise, to be honest. I don’t really…can’t really given an opinion on it too much. Just thinking…

I: What about the changes in the consumers’ lifestyle, the consumer consumption patterns?

R: So, number 19, concerns about meat production damaging the ecosystem?

I: Yes, not only damaging the ecosystem but also animal welfare.

R: Yep, and consumption patterns. Yeah, so 19 and 20, that is a thing that we are certainly aware of. There is a big movement. The vegan movement is very strong, vegetarian movement. Hard to say. We’ve not seen the effects in our farm because we’re obviously a step back in the supply chain, in the food chain. But it is a worrying pattern. When you see things…and there’s a lot of misinformation out as well. I think farming’s been quite slow to promote our good aspects. And like certainly as a farmer you see the negative light that they’re trying to…that we get portrayed as for cruelty and welfare. But then, I don’t recognise those as being issues.

I: Also there is an impact of media, because sometimes the media…

R: Sensationalise things? They’ll certainly try and make a story. Like, there was a documentary last week about dairy calves that are being shipped to Europe and they’re being shipped away for finishing. And they tried to make a big story out of something that wasn’t really that much of an issue, in my opinion. Although I am concerned about the way animals are killed. I do think it’s important that they’re killed in a welfare…in a good fashion. But shipping them off away from Scotland to Europe is not an issue, I don’t think. As long as they’re being treated well in the transportation of them, they’re being well looked after. Well, if another country, I don’t know…

I: So how can the farming community protect itself against these kind of negative media effects?

R: I think there’s a role to play certainly in the promotion. I think our government bodies at QMS (Quality Meat Scotland), those kind of government bodies, industry bodies, I think there is a role for them to play in promoting the good practice that we do.

I: So what have you seen QMS do, either good or bad?

R: I suppose the one thing QMS have done…also, there’s another charity called Royal Highland Educational Trust, RHET. And they’re very much taking children in from schools in Edinburgh around the Highland Show and they try and educate them at a young age about farming. And I think that’s important certainly to show children, to make them learn where their food comes from. Because when children don’t know where food comes from, they think milk comes from the supermarket and they don’t realise it comes from a cow. I think when that link is broken, that’s not a good thing. Because you don’t actually…then, it’s a lot easier for them to believe it’s all treated cruelly, it’s all factory. But I think if the children see from a young age that that’s the cow, that’s how it works, if they get onto farms to see it…

I: So that’s through the Educational Trust. What about the QMS?

R: QMS. I think they are also involved in that. And they got the Scotch Beef and Scotch Lamb. So you do see them doing things at schools as well. So, I think they’re combined and they go into schools. And I think Scotch Lamb have had a big promotional thing online, social media, trying to promote lamb to schools for cooking and also…

I: So except schools, the rest of the public? How would they promote the benefits of the beef and lamb?

R: I think, social media. But I think it could be done more. But then it’s hard for me to say that because I know that like, certainly hearing from QMS, they’re trying to use targeting of social media to people who maybe aren’t aware of the thing so much.

So QMS had like billboards in London. And I know at the time, that was about five years ago, there’s guys here who were saying we never see them doing anything, we never see them advertising. But then they were targeting areas to try and promote in areas that were affluent and people were more likely to buy it. ’Cause there’s no point in them advertising to us. It’s better for them to advertise to other people. So it’s hard to say.

I: So QMS is advertising to more affluent consumer segments? South England, or whatever?

R: Yeah, that’s what they were doing. But also think social media is a thing that’s been used against this, very successfully. But I do think there’s a huge opportunity there to keep using it.

I: Do you think NFU or NFUS has a role to play in dealing with the media?

R: Yes, certainly. And I think they do do it. My father’s involved in NFU and I’ve become involved in it as well. And I would say that they are, certainly with that latest example of the dairy farming documentary, the NFU were quick to put out a counter statement and now they’re pursuing the BBC to try and counter the argument. So I think the NFU does have a role to play in it as well.

I think farmers…it’s hard because a lot of farmers now are busy and they don’t really have the skills for it, but I really think there’s a role for farmers to be more open and promote themselves. Or to be open to speak to people about the things that we do. ’Cause I think we do have a good story to tell.

I: So anything else from there?

R: What have I said? So that’s 19 and 20 that we just spoke about.

I: So you think that 20 is a big thing?

R: Nineteen and 20 go together.

I: So you think that’s quite a big thing, that affects your…?

R: Yeah, ’cause at the end of the day it’s the consumers that have the final power in our product price in the marketplace.

I: I have to ask you two things there. Subsidies. You have experienced head based subsidies, land based subsidies, environmental scheme subsidies, calf subsidies. So have you noticed any side effects? Or what kind of effect it has for farming? Each one.

R: Okay, I suppose…

I: I’m asking that because I don’t know if there are any other types of subsidies I forgot to talk about. But with Brexit, it’s quite open, what is going to happen. So if we would like to see some subsidies based on the experience we’ve had, which subsidies would you like to see and which subsidies you wouldn’t?

R: So well, I think the one subsidy we get certainly is the LFAS, the Less Favoured Area payment which is given to [area D] and upland areas, island areas and uplands. Like [area D], we get a higher rate than other places, sometimes. And I think that’s important to support fragile areas. So fragile areas subsidised just to keep us going. Land area, I think I would prefer a production based subsidy rather than a land area based subsidy.

I: What negative do you give it?

R: I think the land based subsidy, if your main subsidy’s based on your land area then there’s no incentive to farm it. Whereas a headage payment is probably better, that you are more productive and getting more from the land. But I think somewhere between the two. With a balance with production and land based. So you maybe get a base payment for your land but then top up if you are active. ’Cause a big concern of a lot of people is that there were farmers that were retiring but still getting the money because they had the land and just doing nothing with it.

I: What effect does it have for newcomers?

R: Well, that’s the thing. When someone retires and is not having to farm it but is still getting the money then that land’s not being productive and there’s people that want to farm but don’t have access to it. And obviously the value’s still up because they’re getting subsidy on it.

I: So they have to rent? They cannot buy.

R: Yeah, they cannot buy. Or else even sometimes they won’t even be able to rent it. And they’re not getting the subsidy. So I think a headage thing is more fair for young people coming in. Because if somebody’s not able or doesn’t want to farm, doesn’t want the hassle of farming, then they shouldn’t be subsidised for doing nothing.

But another thing for new entrants, I think, well myself I got a grant, a subsidy towards putting up a new shed infrastructure. And I think that’s quite important because when you’re starting out to be able to get into the industry then to invest in infrastructure and machinery and things like that is very hard. So the opportunity for supporting new entrants is very important as well.

I: So what kind of infrastructure grant did you have access to?

R: Well not any more, they’ve all been closed now. But the first one I had access to was five years ago, was towards a shed – a capital grant. So we invested in a shed. Because we have to house our cattle here six, seven months a year. So that’s a limiting factor for how much stock we can carry is how much shed space we have. So I got a 60 per cent grant towards a new shed.

I: Drainage?

R: Drainage would be good, yeah. Drainage and fencing. Just infrastructure on the land also would be important. Because…

I: Infrastructure of land?

R: Yes, like fencing and drainage, those things would be quite important because they’re quite expensive to do and I think any subsidies towards that…the fencing of the land is something that…and the drainage as well is something that keeps the land looking the way it does. And I think also you’re also encouraging and helping outside industries. So you’ve got your suppliers of fencing materials, you’ve got your fencing contractors. So I think that’s quite a good thing to support.

I: Calves, subsidised?

R: Calf scheme, yes. So that’s going back to the headage. So, we had the beef calf scheme. I think that was a good subsidy because we got an island rate because it’s like supporting a fragile area, and we got more per calf born. It’s a good payment because…

I: Because you are an island.

R: Yeah, we got that. Also, the calf scheme was a good scheme as well because you’re getting paid on how much you’re producing. Rather than just having land. Actually when you’re producing, you’re getting extra. So I think that’s important.

I: I have some questions here. One is like head based…there was some criticism like it pushes farmers to keep stocking rates very high, up to the limits of the land. Also keeping cows which weren’t productive just because. So how can you avoid that side?

R: So the one thing the NFU’s talked about that I think is quite a good scheme is that they’ll have a base rate for land, so you’d get a base payment based on how much land you have. But then you top it up with a production subsidy. Then that would be linked to your land area. So you couldn’t over-claim. Or, you’d get paid to a certain extent but then you could have the choice then to keep the extra beyond your capacity but you’re not getting subsidised for it.

So it’s like a, I’m not sure how to say that…but I suppose another thing as well is that it would have to be linked to…the calf scheme was good. Because it wasn’t just how many cows you have, it was actually how many calves you were calving.

I: So pretty much how many good calves you have?

R: How many cows, yeah. So how many calves you’re getting who reach a month old. So it’s quite hard to over-stock when you’re actually having to achieve something.

I: So it’s more like the calf, rather than the old type of head based?

R: Yeah, there’s more of a productive element to it, that you’re actually being productive. It’s not just having a total herd number, you’re actually having to be productive. ’Cause if you’re not keeping it efficient, and if you’re not managing to calf the cows, and if you’ve got cows that are not producing livestock, they’re not getting subsidised. Only for the ones producing. I think that’s the thing.

I: What about the environmental subsidies?

R: Yeah, so I…

I: What do you see there? That there are any side effects from those?

R: I think, when we applied for this current scheme as well, the one thing is that some of the measures we were having to undertake, it’s hard to understand how they’re going to benefit anything. But it is a thing…I think they’re good, environmental subsidies. It’s a good opportunity that you’re getting paid for the benefits you’re providing. Because I believe that farmers, we give a lot of benefits that are unseen. Like, the way we farm and things. So I think environmental subsidies, if you can farm and slight changes to modify your farming methods, but then in return you get a payment for it. I think it’s good.

I: I will ask you there something about environmental subsidies. I got comments like, what kind of side effects they have. Someone said they first asked us to start 1st of July, harvesting, which pretty much put everyone wanting to harvest at the same time. So there is a lot of push for, not exactly push, but incentive for farmers to get their own machinery. The things is becoming a bit negative when they got big machinery which doesn’t…it’s disproportionate to the land that they have. So pretty much they get a lot of fixed costs. Yeah, so that kind of side effect.

Other side effect was like they leave all the edges around the plot and then you use pesticides for keeping down the weeds from the plot. But then the animals go to eat the grass and the weeds and then spread pretty much back in. So pretty much then, you need more pesticides. So it doesn’t really solve the problem.

R: It doesn’t solve any problems.

I: So do you agree with those, or do you think it’s quite an extreme example?

R: I think the cutting of grass and you get paid for doing that on the 1st of July. The problem I see with those cutting dates being set in stone is that every year’s different and the grass, if it’s to protect ground nesting birds then they could have left three weeks ago. But it’s still the 1st of July. Or else if it’s a later season they could still be on the ground, but it’s still 1st of July. So I think…

I: So they don’t fit, pretty much, the local [area D]…?

R: It’s hard to understand. It’s hard to know how much the benefit is to the environment from these things. And also like the one issue with 1st of July cutting is that this year was an earlier season. So our silage was ready to cut mid June. So if you had to wait the extra weeks it’s July, then you’re being less productive.

I: Because the quality of the silage is not good. Yeah, yeah, that was another side effect.

R: So we weren’t on the scheme so we got our stuff cut mid June but then people were waiting ’til 1st of July for the contractors, like you said. And then it’s a mad rush because everyone had to cut it. But then also I think the first week of July – no, it was okay actually. I was going to say if the weather’s not good then, it pushes on. But I don’t know the solution to that. That’s just an issue that’s arisen from it.

I: And the other thing you said about yes, it’s fine because it’s good to be paid for all the kind of environmental positive benefits we generate. But now with Brexit there is a lot of talk with like moving away from subsidies related directly to food production and more about…

R: Environment for public benefit?

I: Yeah. So how do you find this?

R: I think if it’s factored in to the production…

I: It’s far?

R: If it’s factored into it. Factored?

I: Ah, factored, yeah.

R: Like I say, I think a land based subsidy, environmental, I think they all have a role to play in farming so I don’t think it’s a thing. Like for the environmental scheme now we’ve got to apply to do things. But I think we should get paid for the basic things we do. And then if we want to get more payments then we can say we’ll elect to do these extra things, like we do now. But I think recognising the benefit of what we’re doing already needs to be looked at and included in our next subsidy system.

I: So what you’re trying to say probably is, and I’m guessing here, is that yes it’s fine to have environmental subsidies but the focus should always be on food production. And then these things come as an extra. Rather than moving the focus away from producing food.

R: Yes, I think producing food is important. Then I also think that the environmental benefits of our production systems need to be recognised in that as well. As a justification. ’Cause I think we do have to justify about the good things we’re doing. So we need to see recognition, in the next subsidy system, of the environmental good that we’re doing and then we could do extra, you could do extra things. But I think our base should probably include an area that there is an environmental benefit and probably should be recognised what benefits we’re bringing. If that makes sense?

You said about the cutting but you said the next thing about the environmental scheme was the…there was something else you said after it, you said about two examples?

I: Did I?

R: About everyone going for machinery at once but you said about the next thing…

I: Ah, the next thing was that with the weeds that the animals get pretty much spread. The weeds are everywhere.

R: And that’s an issue, I suppose. And we have done that scheme ourselves in the past and if was very hard to see what the benefit was of that. So I think if there was these options we’d need to be told what the reason is we’re doing them for, if we are going to keep these borders on the fields. Like some people just saw it was being done but couldn’t see any benefit. What was the wildlife benefit? I think that’s the thing. If they engaged with us and told us what these benefits were then we would maybe support them better.

I: But also in…I got some kind of messages like these environmental schemes probably don’t really fit the circumstances in [area D]. Because it might be, as you said, quite wetter, so we need to start the harvest later, or things like that.

R: Yeah, so a one size fits all approach is very hard to implement across Scotland because we’ve got so much productive area and then upland areas. So it’s a thing that is very difficult to…

I: Okay, let’s move on because I don’t remember what was the other thing. Okay. Where am I? What will be the impact on your farm, if upland sheep and beef cattle farming is dramatically reduced or ceased altogether? So [area D] without beef…

R: Beef or sheep farming?

I: Yeah.

R: Very little production. Growing crops in [area D] is very hard. Like, our grain industry is…all the grain that’s grown in [area D] generally, I would say about 98 per cent goes to cattle feed or to livestock feed. Because we tend to harvest our grain wetter because we have our seasons are always quite wet. So we can’t get dry enough for human consumption. So we have to treat it with proprionic acid to preserve it. Whereas if it’s too wet we’d have to use a lot of fuel to try and dry it down. Really, [area D] without farming it would just go to waste. We could grow some vegetable crops but then the problem with veg crops is that our seasons can be so wet that it’s impossible to harvest them, or very difficult.

I: What about the covered ones?

R: Like polytunnels and things like that?

I: Eh?

R: Polytunnels?

I: Yeah, yeah, like for vegetables or soft fruits?

R: It’s possible. Long daylight hours in the summertime would be good. But then wintertime comes, the infrastructure…and also it’s the labour. There’s not really enough labour to do that. Those areas down in Angus and down in the east coast of Scotland are very much reliant on foreign labour coming in.

I: They have been. They’re going to get a big hit.

R: Yeah, huge. I’ve got friends who grow crops in Fife and they’re really worried about that. So [area D] without livestock, grazing livestock would not be doing much, farming wise.

I: What about organic livestock? Do you think it fits [area D]?

R: Not really. I mean, ourselves at home, we are conventional farming but then I would say that across [area D], most farmers are very much aware of the cost of fertilisers. And I think the thing called LEAF, Linking Environment and Farming, is very much an organisation that looks at trying to do things in best practice. And not over using chemicals, trying to use the least amount but for the most economic benefit. And that’s pretty much how we farm. We don’t just throw on fertiliser, we try and calculate out how much we need.

And I think that’s something that organic farming, I think, our numbers would be reduced greatly in [area D]. I think it’s very much reliant on having fertiliser to put on the ground. Personally, organic, I don’t think it’s a way of…I don’t think it’s an efficient way of farming. I think it’s quite an inefficient way of land use and just seeing other organic farmers, you do wonder sometimes well, that land could hold two or three times the amount of livestock that’s on it. For not a lot of extra input. But very much they’re limited in how much they can do by their growing potential. So I think organic farming…

I: It has its own limits and probably doesn’t fit?

R: Probably not, personally.

I: Okay. So you mentioned the five biggest threats. And in terms of the food security, I mean, in terms of availability, access to food, utilisation of the food. Access has to do with the cost and distribution. What do you think will be the impact of the five most important threats you’ve got there, on the food security?

R: Food security? Well certainly markets and things. Trade agreements. If Brexit goes wrong and if tariffs are put on everything that’s imported then the food prices could go up and I think that would make people realise how important it is to have a home supply of food. ’Cause I think as a country we’re reliant on imports.

So being able to produce our own food I think is very important. Especially if the pound does weaken. It comes back to exchange rates again. But in events when the pound gets weak, then it costs a lot more to import food in or to import food. And I think people then will start to get a big shock when they realise that they’re having to pay a lot more for their food to be imported in. Yeah, so I think these things certainly they all play a role in food security. And I think our food security is not something that’s given a lot of thought.

I: Impact on environment landscape?

R: Yeah, I suppose in upland contexts if these drivers of our industries do start to fail then I think it will result in our landscape changing. It’ll impact on the amount of crops we grow and the amount of livestock we can keep on the land.

I: And local communities, in terms of income, employment, health and culture?

R: I think if farming suffers, I mean, we saw that about three, four years ago when they were reviewing the subsidy levels. They were doing a review into how much subsidy you were going to get. And certainly our suppliers, like our feed suppliers, our machinery suppliers, they saw a big reduction in sales. For machinery especially. And I think it became apparent then that there’s a lot of people employed by these people. And the health of farming affects the health of them. And it helps these ancillary services like veterinary, feed supplies, machinery suppliers. And I think if farming does suffer then there’ll be a lot more…it’ll be a tumbling effect.

I: Your premium on subsidies seems to me like preserving your ability to invest?

R: Yeah, I would say so.

I: Without subsidies you would not invest?

R: I would say so. Yeah. It would certainly be a lot harder to invest at the moment. The extra income gives us a safety net that we know that we can invest. Which maybe isn’t a good thing but it does mean that we can invest in the businesses and try and improve like welfare, improve housing, different things like that. Whereas I think if it was to be a case of no subsidies and purely market based then you couldn’t afford to put up sheds and things. You’d just have to reduce your livestock numbers. It’s a very difficult one. Sorry…

I: No, no. You shouldn’t be sorry, you give a lot of details to me so that’s great. Okay. So the next one is.

R: Oh, card full.

I: Is it? Okay, fine. I can’t do anything about that, unfortunately. This one is ready so at least we have the other one. Okay.

The next one is about a portfolio of solutions to those pressures. What I would like you to do there is just read them and tell me what sort of solutions are you applying to respond to the pressures we were talking about before? If it’s working at a satisfactory level, what sort of constraints limit your efforts?

And at the same time, obviously, you answer the question for your farm. But if you know other interesting things people in the food sector or other farms are doing, in order not to repeat the whole thing. You might need here my help because obviously they’re not very well explained. I realised that later. So one solution might be to reduce stocking rates or total remove livestock over the winter months from the fields. So, housing the animals.

R: So, over the winter months we take our cattle all inside.

I: But because of the wet weather, did you house them for more months?

R: Yes.

I: For typically how many months because of the wet weather, how many more months?

R: We can be anything from five to six months up to seven to eight months. Seven months I think is…yeah, seven to eight months is the longest we’ve kept the animals in. That’s been down to the wetness and also the cold season.

I: What typically was…?

R: Six months.

I: Six months, yeah.

R: Five to six months could be typical but it can be up to seven and a half, eight months.

I: Which I assume, that increases your costs directly?

R: Yep, costs. We have to buy more feeds to feed them inside because obviously they’re not on the grass to graze. And also when you’re creating your winter feed it’s very hard to budget for how much winter feed to allow for, how long. No, we do remove the cattle from the ground in the winter months because it’s too wet. And also just it’s the best way to look after them, to make sure they meet the welfare standards. ’Cause if the cattle are wet, you’re not doing the best by them, I feel. So you’re better off to keep them inside.

I: And what about the growing rate of…?

R: Grass and things?

I: Yeah.

R: Yeah, this year we had quite a dry spring. We had an okay spring but it became quite dry at the start of the summer and the grass was slow to grow. But our last three years it’s been very wet and cold so our spring’s been quite late and that’s affected how we can turn the cattle out. ’Cause when it’s wet and cold, the grass isn’t growing and it’s the coldness that’s the thing that makes it not grow the worst. And when there’s not enough grass we have to hold them in until the grass does come.

I: And what about the stocking rates? Do you reduce them because of the wet weather?

R: Yes. When it comes to…the back end now, we’ll start to phase the cattle in and then try and expand…try and put cattle over larger areas so they’re not doing as much damage. And then we take the cattle in. We try and keep some out for as long as possible but then take them in as it happens.

I: But I assume, not for your farm because you’re primarily doing fattening? You don’t store animals?

R: We do sometimes do some store animals. It depends on space and market as well. So sometimes we will decide to put a few off to the store but it’s predominantly finishing.

I: But for other farmers, they do more store? Pretty much they tend to sell it even earlier? Because of the wet weather.

R: Yep. So they’re very much looking at growing season and if they can get the cattle off the grass when it’s still growing then it’s cheaper to get them rather than taking them inside and feeding them before we store.

I: Okay, the next one is improve resource efficiency. Like, trying to reduce the ways we try to optimise the labour or utilisation of all the assets. So it’s about efficiency. Are you part of the Beef Efficiency Scheme?

R: I am, yes.

I: What have you seen from there? Have you seen anything as a benefit? Is it a kind of hassle? How has it been implemented? Did you know enough about the scheme?

R: The only good thing we’ve seen from the scheme is it made us think about it more. About weighing our cattle, we weren’t really doing that before. So it got us thinking about it. But the way the scheme is implemented in itself has been a bit of a disaster in my opinion. It’s too…?

I: In what terms?

R: It’s too tricky. They’ve put emphasis on things. ’Cause we got a payment for doing it but we missed out a couple of figures just through being unable to get weights of cattle before we put them away. And we got fined nearly the whole amount of money that we got for it. So we’ve not actually seen economic benefit from it and we’re locked into the scheme. I think they could have done it a lot better, a lot more user friendly.

I: Like, how?

R: Just a more intuitive way of entering information. ’Cause at the moment we’ve so many different websites we’ve got to go onto to register calves, do all these different things, our movements. All these different things. And then it was another website we had to go through, another set of passwords. And it was the whole system, sometimes the system didn’t work. It was frustrating. And certainly it just wasn’t simple. And I think they could have made it a lot simpler, a lot easier. If we’d just been able to fill out a form online rather than having to go through each individual animal. It took hours doing it. It was a waste of time, really, in my opinion.

But I think the idea of making us look at weighing and looking at efficiency is very important. And that’s something we’re looking at ourselves is input efficiency, feed costs, how much it’s costing to feed the cattle but also how much feed we’re actually feeding them. And where we’re sourcing that feed from. Weighing as well, growing our animals. I think that’s very important and that’s something we’re looking at ourselves is very much entering, following the cattle through, making sure of their health, generally weigh them to identify health factors as well.

So it does make efficiency. And also labour optimisation is something I’ve been doing, looking at our sheds and trying to work out how can we do these jobs quicker or easier, with less risk to our staff and to me and my father. So, yeah, I think efficiency is a big adaption.

I: Okay, the next point is operational efficiency. The previous one was more about resources but this one is more about all the processes. So you tried to pretty much identify where there were bottlenecks, actually reduce those or remove those. So it’s more about the processes, the procedures you have in the farm. You try to make it work much more efficiently. It’s not about the resources, it’s about the…

R: The way you go about doing it.

I: Yeah.

R: Yeah, so operational efficiency. The only thing we’ve invested in is through a new entrants grant towards the cattle handling system.

I: Sorry?

R: A cattle handling system. Yeah, so we can get them to the crush and the plan with that is that it’ll make the job easier and it makes it all more efficient. At the moment we’ve to set it all up, set up gates, get them all in. And the time doing that makes it unviable to do that. Whereas by having something set up and fixed in place…

I: So that’s a kind of new technology?

R: Yeah.

I: What other new technologies do you use?

R: We’ve also got an app on my ’phone. We’ve got all our livestock on the ’phone and it’s connected to the cloud. So then my father and me and the workers have got it on their ’phones and mum’s got it on the computer in the house as well. And so if a cow calves, we can put all the details in here and then it comes up on all our ’phones and it’s saved. And then also if there’s a cow not well and one of us can put it in our ’phones and then it comes up with a notification that we all see. So we all know to keep an eye on it.

So for medicine administration, if someone puts the medicine in they just do it there and then and that’s it saved. So that’s been technology used for that. And for the paperwork side, it’s been a big benefit because our worker before generally wouldn’t fill stuff out on a bit of paper. But because it’s on his own personal ’phone, he can just do it there and then and that’s it. And also it’s quite good for…

I: Storaging the data?

R: …yes, storing the data.

I: And safety of the data?

R: Yes, safety of the data so it’s not on pieces of paper that goes through the wash and stuff like that. But also it’s more efficient and when cows are coming into cycle for bulling and things like that, for inseminating and things. Or when a bull has been jumping on her, then we can put notifications on that that will remind us that she was done 21 days ago, to keep an eye on her now to see she’s not bulling again. So we’re trying to adapt and use that as a technology. It’s been quite good, we started that last year. What other new technologies have we been using?

I: Any cameras? Any chips?

R: Cameras? Yeah, we’ve actually just bought one so we’ve not got them fitted but they’ll be cameras that are online as well so that we can keep an eye on the farm, keep an eye on the cows calving. ’Cause I live away from the home farm, from the main house. So I’ll be able to go online and see if the cows are calving. So, yeah, we’re doing cameras.

I: Are there any other things that other farmers do that you’re probably thinking about that because you think that they are clever ideas?

R: I’m just trying to think. I suppose just maybe layouts of buildings and things. Like bull pens.

I: Bull?

R: Bull pens, like for bulls. We have them in separate pens that we go in and clean out by hand but I’ve seen other farmers that have other pens that are easier to clean out and can close the bull off for safety. And also just to close them off without having to go in beside the animal. So I think there’s things like that that I’m thinking of putting on our farm. Feed machinery. Actually, we’ve invested in a feeder wagon. That’s made it a lot easier.

I: Feed?

R: Feeder wagon. Like a mixer wagon. So you put the silage and the straw in and it mixes all the food together. And then it puts it all out and then we can push it in with machine. Whereas before, we used to hand fork out everything which would take hours every day. But now we can do in half an hour what we used to do in three hours in a day, three or four hours. So we’re trying to look at using machinery and using technology more to reduce the…

I: EBV values?

R: Yep, so we’re using that for buying bulls.

I: So you do also kind of breeding?

R: Yeah, we’re not a pedigree breeder but we’re buying bulls for putting on our commercial cows. But we are using EBVs as a way of trying to judge what the livestock, what direction we want to put the livestock. So we’re trying to look at EBVs so we can get calves that are easier to calf, so the cows can calf themselves. But then also our growth, so it’ll grow at the other side.

But also I’m starting looking now at EBVs that have got traits like intramuscular fat, which is marbling in the meat. And that’s me trying to prepare for an event where a food quality, like an eating quality, factors into the price we get paid. We’re not paid at the moment but I’m just trying to keep an eye on that and trying to breed that into our herd. Because it’s a thing that you can’t change overnight. It takes ten years before it’s throughout your whole herd. So I’m trying to look at these things and judge what hopefully will be important in future.

I: So you expect that the EBVs in the future, they are going to be used by abattoirs in order to assess the type of the quality of the carcasses and pay accordingly?

R: Not the EBVs but the traits that are identified by the EBVs.

I: Oh, okay.

R: So the EBV…

I: But now they don’t use those traits, do they?

R: No. So now we’re purely paid on quantity. Or like size and shape of the carcass.

I: But do you find that way of payment is, how to say, to position you as a farmer in a good position to pretty much become more efficient and produce better quality? Or…?

R: No, I think that being paid by carcass yield, by the shape of the carcass, has pushed the industry into producing these animals that are very shapely. But then the quality of the meat’s been forgotten about. So there’s no fat in the meat and the meat is very lean. And by doing that, there’s no taste. And also the tenderness and the quality that you’d expect in good meat are lost. But the farmer doesn’t gain a lot because it looks the right way because it’s got the right shape.

I: And I think that the European breeds perform better on these? Rather than native breeds?

R: I would say so. ’Cause when I was in New Zealand, they were paying a premium if the product…if they cut open the carcass at the 13th rib and they would be able to look then for marbling and for the different tests in a machine to see the tenderness. And these factors are things that people are paying money for, is for getting a good quality product. So for me, I think that these factors are going to become more important if we have to compete on a more competitive market.

Because at the moment, Scotch Beef, we have a premium and we have a good brand but in my opinion we don’t really do enough, we don’t actually have the product to match our brand. I think we need to be able to match it, otherwise ’cause there’s countries like New Zealand and America that are looking at these factors, are looking at these traits already. I think we’ve got to watch out we don’t get left behind.

I: So did you see, for example, New Zealand got away from the subsidies. Did you see any…what effect did it have to the industry?

R: They’re tough. When they got rid of subsidies, they obviously had to meet so much standards. Which I think they are starting to have to meet more now but at the time it gave them freedom to be more production-focused. And more productive. And certainly they had to look at their own businesses and become more efficient and more profitable. I think the thing is here we’re maybe not so profit-focused. But I would say farming over there was very good. I think, certainly now, the farmers we saw, were more aware of the end product than what a lot of our farmers in this country are.

Like, our farmers, put to the auction mart and sell in store and that’s their job done, they don’t care. As long as they look good in that ring and they got their price for it, it’s good. But I think in New Zealand, a lot of farmers were aware that if they mistreat the animals on the farm, when it’s transported…there’s one farmer we visited who, he made sure that the transporters all knew that the cattle had all been treated well, looked after. Because that affected the way that the animal was killed. And if the animal was stressed before it was killed then if would affect the quality of the meat. And then he would be penalised. Then if they didn’t meet the criteria for the high quality meat then he would…

I: Which doesn’t happen here?

R: No. There’s no real penalty for that. That’s the thing. Although they’ve had not so much welfare regulations as us, it’s starting to go the same way, just through the market. The market is starting to push these things back through to them. Which we’ve got from day one. But then I think we don’t appreciate that the quality of the meat on the person’s plate is as important. Where in New Zealand, the farmer there was very much aware that the consumer has their plate of meat and there’s their steak on the plate. I think the farmer’s very aware that it had to be good quality. Whereas the person in [area D] or Scotland, I don’t think we’re so aware that there’s a steak that goes to the housewife or that goes to the person at home in the city buying their steak and if it’s a bad steak then they might not buy it again for another time. Whereas I think in New Zealand, I think they’re aware of that, as a bad steak.

I: Did you see any side effects of the removal of subsidies in New Zealand?

R: Oh yeah. We visited a few farms where guys have had it very, very hard. And some guys…we heard of people who had committed suicide. There were a lot of factors like that had caused people…people had gone through really hard times because of it. Because it was such a sudden event, it happened overnight, no subsidies. And I think it was a huge change for them and I think it’s a hard way for them to learn. Now that they’re through it I think a lot of people look back and think it’s okay, but I think there’s a lot of people had a very tough time with it. And I think, side effects…I do think now, certainly New Zealand it’s getting bigger and bigger, it’s very much a business based industry now. And I think family farms are getting less and less because it’s become…

I: Which is a good or bad thing?

R: It’s good…

I: And also, does it fit to [area D]?

R: That’s the thing. In [area D] the one strength we have in smaller farms or in medium sized farms is that there’s more people in the industry and more people employed and things like that. Whereas, I think if it gets too extensive there’ll be a lot less people employed and then your ancillary people employed throughout the whole chain gets less and less as well, because there’s just bigger units.

I: So bigger units, in the way you explain it to me, if I understand it correctly. Bigger units in [area D] probably deliver not so many benefits for the social community as medium or small?

R: I would feel that, but I’m not sure. I think you’re right, yes, I think you’re right.

I: I’m just trying to translate what you’re saying.

R: I don’t know what I’m saying. I think you’re right, I think we do have a…bigger models, bigger farms could have a negative effect on the wider social support from farming. Then, I’m not against big farms either.

I: Is it the kind of trade offs that we were talking about before?

R: Yeah, that’s the thing, I guess.

I: Did you diversify into new income sources, so for example you had all beef and then you said okay, I’m going to have cattle. Or you said I’m going to have both store and fattening, I’m going to have crops. Do you do any of those?

R: Would wind turbines, renewable energy count on a farm?

I: That comes next, which is non-farm or off-farm.

R: Okay, so new agriculture income sources?

I: You don’t do very much with that, do you? I think it’s more like sheep and beef cattle? It’s only fattening, it’s not store?

R: No. We have looked into getting sheep. We actually have a few pigs but we don’t really sell them as a commercial, it’s more…we started for a bit of fun, as a trial.

I: So you don’t have sheep?

R: No, no, we don’t have sheep.

I: Sorry, I was confused.

R: We don’t have sheep, no. But we did trial some pigs as a trial but when the abattoir closed we realised we had nowhere to put them. We realised that it’s not really viable.

I: Some people use sheep here for which…I need to go to the toilet. Have a look at the rest. [Interviewer leaves the room].

So?

R: Yeah, so new agriculture income sources, not really at the moment. I think it’s a thing you’ve got to look at and we have looked at it but we’re constrained by our climate here, that’s the thing.

I: So time and labour?

R: Climate and labour and time.

I: Climate? Ah, yeah.

R: So we have grown crops in the past like I said, we had potatoes in the past but we’ve stopped doing it because it became too difficult. Also the market just made that too much of a challenge, really.

I: Who were you supplying then, with the potatoes?

R: It was Walkers and McCain.

I: In the past I have done some research with potatoes, that’s why. But, forget that.

R: No, that’s about 20 years ago.

I: Diversity of non-farms.

R: Yep, so obviously we went into the renewables industry.

I: What is the story there? I mean, renewables? What are the benefits? What are the constraints for you there?

R: When I went into selling them myself, I set up my own business. I was at college and realised that there was an opportunity there to do it.

I: [area D] College?

R: No. Aberdeen, Craibstone Agricultural College. And I realised that there was an opportunity there for these products. Like, it’s going to be an extra income stream with the feed-in tariff that’s coming. So I came home and I was encouraged by my parents to look at other opportunities because at the time farming was looking quite – well, it still is – the future’s uncertain. So I was encouraged to look at different ideas. And so I went into business then, selling them and doing that. And it worked quite well, it was quite good. It was very much me looking for a way to get income streams outside of farming.

Because I was wanting to invest in the farm but then the income that was coming from the farm, it was hard to justify investing large amounts of money into it. The wind turbines, it made good sense in [area D] especially because we had a good wind resource, we’ve got lots of wind, it’s really windy. And for farming, we could use the power ourselves plus get the feed-in tariff, the subsidy for doing the power and things like that. So it…

I: What is it called, the tariff?

R: The feed-in tariff, it was called.

I: Can you write it down?

R: Feed-in tariff, or FIT.

I: So this is subsidised from the government for renewable energy?

R: Renewable energy, but it’s gone now pretty much. It’s been reduced a lot. But five years ago it was really good.

I: And for what type of turbines? Big ones? Medium size?

R: It was for small scale and medium.

I: Feed?

R: Yep, feed. Feed-in tariffs. And the idea is you’re feeding electricity into the grid. So you’re feeding in.

I: Ah, that’s why feed-in. Because I was thinking feet?

R: So, feed-in tariff. And it paid per kilowatt, paid per unit basically.

I: So I assume there was quite a big incentive at the beginning?

R: Yes, it was a really good incentive.

I: But, what – has it stopped? Reduced?

R: Reduced right down now to being non-viable really. Below the viability of it.

I: So I think now only viable are the big turbines?

R: Yeah, but even there it’s still at a stage where it’s just viable. You have to go really big to make them viable. Like, medium size is not as good now. But for a while there I was very much focused on the small scale ones for farms. Small and medium sized. But renewables, we did that very much an income source that it could run away. You didn’t have to do any work with it, it runs away and makes you an income coming in. And also reduces your own farm costs, your electricity costs. We were using the power in our house as well, and things. So from that respect it was very much a…

I: But now I suspect because the tariff’s gone pretty much away, so it’s not really accessible for small or medium farms?

R: Any more, no. But the thing was at the time it was good because it was a 20 year contract. So once you got into your tariff, you were locked in for 20 years.

I: So when you say you at the time, what time do you mean?

R: Five years ago.

I: Five years ago, okay.

R: But the renewable energy subsidy was really good, certainly. And it’s an extra income stream that we’ve gone into. But then also other off-farm activities, my hot tub business. I’m very much aware that if I want to invest in the farm, take the money out of the farm, there’s probably not enough money in the farm to do it at the moment. To invest, to make it as sufficient as I would like. So that’s why I’ve done other things. I suppose the idea of this is I can put some money back into it but also I’m not taking any money out of it. So I’m leaving the money in the farm business. And let the farm hopefully invest in itself.

I: With the renewables, I have to ask you a couple of more things. What about the planning permission? Have they been a constraint?

R: So to start off with it wasn’t a constraint at the start, and now it very much is. At the start the planning was quite open to it but now planning is a lot harder. Yeah, so I was doing the planning permission before and it was quite straightforward, for small scale turbines. For larger ones it’s more involved, quite difficult. Yes, the planning is a constraint. But the biggest constraint as well, what killed it off in [area D] was the grid. So the electricity network came to capacity. And then that in turn meant that we couldn’t put any more turbines up because…

I: So there comes the issue of power and the interconnector. Yeah. So where is the discussion now? Because I think very recently one or two weeks ago there was a kind of…they didn’t go to the planning permission for the big ones, and pretty much that means it makes the justification for power network even worse.

R: Yeah, certainly. So it’s a factor, it all plays in. For farmers now, unless you’re going to host big turbines, the small scale subsidy’s gone down that much that it’s not really going to affect incomes that much. But it’s been good. The interconnector certainly, if it had been available earlier, then we could have made more benefit from the subsidies. Because we’ve got so much wind up here.

I: So what do you think is going to be the future for that? There is going to be, at the end of the day, one power interconnector or now it seems more it’s going away?

R: More unlikely. But it is very hard to say. The government does not see renewable energy as a priority at the moment but that could change. It could change with anything.

I: And did I understand something? That there were private companies coming here and giving all these kind of benefits? Or the tariffs or whatever? And then there was a scheme that was pretty much all the profits, they were going to stay in [area D]? Or that’s completely wrong?

R: For the feed-in tariffs, farmers could buy the turbine themselves, put it up and then they would get paid for every unit produced from the government but it was paid through electricity companies. Or else, they could rent out their land to another company to put a turbine up. And the company would get the tariff. So a company could put the turbine up, rent the ground, give the farmer rent for it and then get the feed-in tariff for themselves. So that was a possibility as well.

I: Sorry, I didn’t notice the difference between the two?

R: So the farmer could buy the wind turbine himself and he gets all the feed-in tariff, all the subsidy for himself.

I: Ah, for himself. And the other way is that…

R: A company comes along and puts the wind turbine up on the farmer’s land and…

I: And just pays a rent?

R: …pays a rent to the farmer but then they keep the subsidy.

I: Oh, okay.

R: So it was different models. But then also what started happening as well was there were community groups and they were putting up a turbine on a farmer’s land and paying him a rent but then the money produced would go to the community group. So there’s a few community group owned turbines in [area D].

I: And where on the map were those community groups?

R: There’s one is [island 3], one in [island 4], there’s one in [island 5], I think, and [island 6], they had a big company came and put five up. And they wanted to put their own turbine up but then the company just gave them a percentage of the whole project. So they’ve done really well. So they got a percentage from the…

I: So pretty much that was a fourth model?

R: Yeah.

I: Pretty much. Which was the mix of the community plus the company?

R: Yeah, yep.

I: So what happened? You said they got a percentage?

R: They get a percentage of the total money made, they get a percentage of it, as I understand. And also [island 7] got a community one as well, so it’s a lot of the islands got community ones.

I: Yeah. But what about the mainland? What model do we have in the mainland?

R: So we have a mixture. We have like small scale turbines that are privately owned but also…

I: Sorry, say again?

R: Privately owned ones, across the whole county. There also is the model of the company put turbine up, farmer gets the rent.

I: So is it the second model?

R: Yeah, there’s a few of those all over. And also there is a project here that’s got five turbines.

I: [area 2]?

R: No, sorry, it’s just closer to [area 3]. And that was a model that was like community investors so they were a private company. Then they also gave a certain percentage to the community as a benefit. So there’s a lot of different models of it.

I: So how is that different from the one that is…?

R: No, it’s similar except that was a company called Scottish and Southern Energy. So they put that project up and then they gave the community a percentage of it.

I: Why…?

R: This one here is [area D] owned company by…

I: Investors? And then they give back to the community? So that’s pretty much a sixth model?

R: Yeah, there’s a lot of different models. It’s just different ways of structuring the business.

I: Is there any of those that you believe fit better, the farmers?

R: For farmers, it’s putting up the turbine themselves and getting the money. I think for farmers that’s probably the best way to do it.

I: But obviously now it’s only the big farmers that can afford to put big…

R: Big turbines up. So in that respect, yeah, a company come and invest and put a turbine up and the farmer gets a rent, that’s a good model as well. I mean, they all work. That’s why they all exist, because they all work.

I: But it seems they’ve pretty much, not exactly reached the limit, but they have reached flat because they don’t have the power interconnector. So pretty much there’s no point.

R: There’s no option now really for it, at the moment, because there’s no power interconnector as you say. So in that respect that’s why I’ve not really thought about it for the last while because I don’t see it happening in the next five years.

I: So you see yourself getting out of that activity?

R: Yeah, at the moment all I do is maintenance and warranty work. Like, maintenance work on the turbines. I don’t sell them any more so I just maintain them. But I also installed two turbines on farms that I pay a rent for. And I’ve done them in [area 5] So I’ve put up turbines on someone’s land and then I pay them a rent. So that’s an extra income source for myself, for the farm.

I: Okay. And another question, since we have the map here. Which areas on the map have orientation for fattening animals and which areas they have orientation more of storing animals.

R: Oh. It’s interspersed through the whole thing. Generally, the mainland is where the farming would happen but I would say there’s probably more people selling store here…

I: On the mainland?

R: … but then the islands tend to sell store. They sell animals through the mart and then, yeah, fattening tends to come down to Aberdeenshire maybe. So mostly people will…most of the livestock will come out of [area D] store and is finished in Aberdeenshire or fattened in Aberdeenshire. But then there’s a mixture. But probably more people sell store than fatten in [area D], throughout [area D].

I: And what about the quality of the animals? Are there any areas that produce pretty much better quality of animals?

R: I don’t know. I wouldn’t say…I couldn’t say that for sure. All the islands have got fertile areas. All the islands have got different make ups of ground types and things. So that could affect the quality of the animals.

I: But in order to understand, what type of ground is good for store animals and what type is good for fattening animals?

R: Very much, I think it’s just they’re looking for fertile grass growing ground. Just like your kind of grass areas.

I: Because I got a comment like, in this area which is high, because it doesn’t have access to sea, it’s getting a bit warmer. So it lowers the cost for fattening compared to the others. Do you think it’s…?

R: That’s quite possible that there’s better growth in some of those areas. Yes, possibly. But then [area D]’s not a large geographic area. And it’s maybe marginally better but I wouldn’t say it’s a great deal better growing them here than you would have growing them here. Although it’s maybe slightly wetter down here.

[section deleted to maintain anonymity]

I: And the geese problem is everywhere?

R: Everywhere. Mostly areas where you’ve got water there’s a lot of problems with geese there. But also I mean, we’ve got an area of heather hill and that’s where they’re nesting.

I: Okay, near home.

R: At home, yeah. So we’ve heather. So it’s areas where they’re nesting but then also when it comes to full season they’re throughout the whole area.

I: Okay.

R: Off-farm activities…

I: You said about the thing. Agritourism? What are the trade offs there?

R: Very much time, labour requirements and then investment. Upfront investment into it. So we’re looking at putting up things…also planning’s an issue with that as well. ’Cause at the moment there’s been a reluctance for new business ventures in the countryside.

I: Which means?

R: Basically, we looked at putting pods up.

I: Pods?

R: Pods. Like, camping, glamping pods. It’s like these small little huts that you could camp in and things. And the planning have said…generally they would say no because…

I: Do you mean those wooden, how is it called…? Wig…

R: Wigwams type things, yeah.

I: And they don’t give planning permission for those?

R: Planning are not too keen for those coming up on [area D].

I: Why?

R: Because they say they should concentrate on areas where there’s already business. So they say that if you lived in the town and you wanted to put it up in a field in the town, yes. But in the countryside beside your farm, because your farm’s not really doing business like that, they would tend to say no. So that’s one of the factors that’s slowing it down. But also just investment. There’s quite high investment cost in that. So, yeah, that’s a think we’ve looked at though.

I: Are there any side effects from tourism?

R: Yeah, I suppose our resources are more strained on the island, I would say. Probably when there’s a lot of people. And resources like ferries and things ’cause they get more booked. But then I think it doesn’t hurt having extra income coming into the county as well. So I don’t think it’s a bad thing, it’s something we just need to manage better, probably. But I wouldn’t say it’s a negative as such, I just think it’s something needs to be managed better maybe.

I: I heard a comment like, well, we have all the cruises and everything but pretty much they don’t leave real money here.

R: Which I would agree with. At the same time, I think it’s a marketing opportunity, for me. I think we’re taking those people on the island and letting them see it. And then if they like it they might come back to see more. Might not be a big number, but then also I think there’s a benefit that the council are getting paid for those boats berthing here. And it’s an extra income coming into our local council that can pay for extra services.

I: Say again?

R: So when the boats come in, the council get paid for them coming in.

I: Ah, okay.

R: So then there is a benefit…

I: For the council which has the boat come by. Ah, I didn’t know that.

R: I think it’s not all bad.

I: Then the next one is – diversify inputs, outputs, market channels and control measures. So probably you tried to diversify. For example, some people they couldn’t use straw because there was a shortage and they started using sand. So trying to make the business resilient to the shortage, the supply of the straw. Outputs diversify, yes if you go for store animals, breeding animals, fattening animals, pretty much they try to diversify the markets you use.

R: Market channels, where you sell them to.

I: Yeah, whether it’s opening through [area D] mart or through an abattoir in Aberdeenshire? And the last one is more like disease control measures you might…alternative ways to control your disease. So, do you do any of those in order to make your farm more resilient?

R: Yeah, so like I said we were bothered with geese damaging our crops of barley. So we reduced the barley we were growing and bought more in from other areas, and also the straw. So we’re buying in straw from south and then buying our barley in. We’d grow some ourselves but we try and buy more in now from south just because we can get a better supply of it.

I: So there is no opportunity to buy from other farms in [area D]?

R: No, there is opportunity to do it but we’ve just tended to buy from south. In previous years we’ve found we’ve got a better quality barley from south. But yeah, we’ve certainly looked at inputs and also another input that we’re looking at is grass management. So at the moment we put our cattle out in the field in big numbers in a field and then just move them field to field every two weeks or so.

Whereas in New Zealand, and I’ve got a guy coming up in a couple of weeks, who’s a specialist in paddock grazing. So you put cattle on for a day and then move them the next day. And there’s been a lot of trials done to see an increase in live weight gain. They’re seeing a better return on the grass and the grass grows better because it’s been grazed, then moved, on, it gets a chance to recover properly. You do it in a cycle.

I: Ah, okay. So you said that someone is coming from New Zealand? To do what? To give a lecture? To show you how he is doing it on his farm?

R: Yeah, he’s coming to do an on-farm business review. He’s going to look at our farm and try and see what opportunities we’ve got to look at.

I: On your farm?

R: On our farm, yeah. And then…

I: So is he a consultant or a farmer?

R: A consultant. He’s a vet in New Zealand and I saw him across there. He’s been doing consultancy work across here and just helping farmers to look at this. So I’m also trying to set up a group of other farmers maybe to come and see him as well and have a meeting. Try to get a group together, a working group. So we can look at the problem together and try to give each other ideas. And try to work together towards it.

I: Oh, great, that’s really good.

R: So we’re trying to do something like that. It’s something I’ve seen happening elsewhere that I want to try and bring here.

I: Are there any other similar types of things you have seen somewhere that you would like to try?

R: Crops. So at the moment we very much just grow grass and it’s the same varieties we keep growing. But there’s crops like plantain and chicory that other countries have tried out. And I’m seeing a guy in [area D] been trying it out so I’m seeing about trying it out as well, I think, this next year.

I: So what kind of crops?

R: Plantain. It’s like a broadleaf crop.

I: Can you write it down? Because I don’t recognise that. Plan…?

R: Plantain.

I: So is it a plant?

R: Yep, it’s a broadleaf herb.

I: Oh, okay.

R: And so I’ve seen guys doing that. And they’re getting…

I: In [area D]?

R: One guy’s trying it in [area D] but I saw it in New Zealand first. And I’ve seen guys throughout Scotland trying it last year. And people are actually finishing their sheep off it because it’s a very high energy crop. So I’m looking at that to trial it out and see if it’ll grow. So that’s the kind of diversification inputs as well. I’m trying to look at the crops we grow and try more kind of resilient stuff like that.

Outputs. Like, we do fatten but then also we have sold store. And we do look at what the feed budget is, what the market’s doing. If the market’s good we will sell store. If we think it’s a good time to sell and we think it’s a good time to see them off now, get a good price for them and hedge our bets, kind of. So we will sometimes sell store but predominantly, mostly it’s fatten.

I: Tell me a bit. What is the difference between [area D] auction mart and Aberdeen auction mart? Why do people visit both? Or avoid one and go to the other?

R: Very much probably past exprience. Also there’s maybe a certain type of buyer comes up to [area D]. And I suppose a lot of the buyers that come to [area D] mart want the shapely, continental animal. Whereas in Aberdeen there’s maybe more guys are open to buying the Angus, Shorthorn type animal. And we have sold a couple through Aberdeen actually, but mostly we sell through [area D]. But one of my reservations with selling through the store ring is that there’s no consistency of price really, it’s up and down. It’s a much more volatile market. And if your cattle are not the flashy ones that have the big bums, then you’re hammered for that. Whereas when you come to finishing then I think we get much more consistent price for our product.

I: When you go for fattening?

R: Yeah. I think it’s much more…

I: When you go for store it’s…

R: It’s up and down.

I: …regular, let’s say.

R: You can get quite low prices and you can feel, well I didn’t feel my cattle were any worse than the ones that got 20p more per kilo. But it all came down to the guys bidding at the side of the ring. And for me, I prefer to think well if I can finish it then if I can get a better idea, then you’ve more control.

I: What kind of relations do you have with the ABP?

R: We’ve a rep in [area D] who’ll come past and speak to us and say if he’s wanting ones. Or else if we’ve got some ready we’ll contact him to…

I: So there’s kind of a long term relationship, the type of bilateral kind of relationship. I assume the experience going to an auction mart is completely different?

R: Yeah.

I: So pretty much you have no connection with the buyers there?

R: No, not us personally. But we have a connection with the auctioneer who will have a connection with the buyer, generally.

I: Oh, okay.

R: So the auctioneer’s the man, or the guy who’s coming round trying to get the cattle.

I: Who is the auctioneer here in [area D]?

R: Well just recently, just last week it was a boy called [person 1] who’s become the head auctioneer. Before that it was man called [person 2]. But so, [person 1], he’s quite young, he’s 25 and he’s become head auctioneer at the mart.

I: So what about the old one?

R: He’s reducing down his hours now.

I: Reducing?

R: Yeah, he’s semi retiring now. So he will help out.

I: Ah yeah, the previous one?

R: Yeah.

I: But how effective was his work? What is the new blood bringing in?

R: I suppose they’re both quite big characters so they’re both good at their jobs, definitely. I don’t know if there’s going to be any big changes with the new guy coming in but he’s young, he’s probably quite hungry so he’ll maybe push it a bit more. But I don’t know, I think the old one was good. They’re both good auctioneers. And both good at what they do.

I: So the young guy, where did he get that skill?

R: On the job.

I: So he was helping the previous one for some years?

R: Yeah, for five or six years. Or maybe it’s not been that long? Yeah, that’s right enough. Yeah, so just been building up on the job training.

I: So what is the name of the new one?

R: [person 1] is his name.

I: [person 1], okay.

R: So he might be good to speak to as well actually, maybe. So yeah, that’s outputs right enough. Market channels I suppose comes to the same thing. But also…

I: Market channels can be also, you would like to have farmers markets, you would like to do box deliveries, you would like to do…market channels can be quite mixed things.

R: Definitely. I suppose one thing as well is like we sell mostly to ABP but there’s also one called Scotbeef at Bridge of Allan. So they’re both abattoirs, processing firms down in Scotland.

I: Do you prefer one over the other?

R: We’ve just really gone for ABP because the buyer has been more proactive in coming to us. But also there’s another one called Woodheads. And they pay a premium for Shorthorn cattle. Whereas ABP and Scotbeef pay a premium for Aberdeen Angus cattle. So we’ve started putting some to Woodheads for our Shorthorns and put our Angus ones to these guys more, for the Angus ones. And then we’ve still got some Charolais and Simmental.

I: Can you write down the three names of the companies?

R: Yep.

I: And where each one is located?

R: Yep.

I: ABP and Scotbeef are in my list to get interviews already. But what is the other?

R: Woodheads.

I: So is it a smaller player?

R: Yeah.

I: So in Scotland, the first two are quite big players, I assume?

R: Yeah. So Woodheads, they were owned by Morrisons, but I’m not sure if they still are. Morrisons, the supermarket chain.

I: So they buy on behalf of Morrisons only?

R: Yes. I think they’re maybe owned but I’m not sure. Yeah, Woodheads and Morrisons.

I: I think they buy only for Morrisons.

R: Yeah, it’s the only major supermarket to own its own abattoir.

I: Oh, great. And what do they like those? So they prefer…?

R: Shorthorns.

I: Yeah, so the European one?

R: No, the Shorthorn is a native breed as well.

I: Ah, it’s a native one. Why do they prefer that one? This is quite interesting because supermarkets tend to like the Europeans. Or not?

R: To an extent. But then at the same time, Scotbeef give a premium for Aberdeen Angus because Lidl like buying a lot of those. And also they sell to Lidl and McDonald’s. And McDonald’s tend to buy a lot of Angus cattle for their burgers. But then also they pay a premium for Aberdeen Angus. I don’t know who it’s for. Oh, Scotbeef is Marks and Spencer. ABP. It’s maybe butchers that pay a premium for Orkney Aberdeen Angus. I think we get an extra premium for being from Orkney as well. So there’s butchers that they supply that want the Orkney cattle. Although there’s not an Orkney brand, I think they want…

I: ’Cause it was quite interesting because I have noticed with my husband, when we buy meat from Morrisons or Lidl, it tastes better. So now I know why.

R: Yeah, absolutely. I would say if I was buying steak tonight I would go to Lidl rather than going to Tesco. Because I know that steak in Lidl is genuinely from Scotbeef, an Aberdeen Angus animal. I always look for the meat that’s got the marbling through it, that’s got the fat through the meat. ’Cause a lot of consumers, it’s an education thing, a lot of consumers think that it’s got a lot of fat through it, it’s unhealthy, but actually it’s the best omega 3 fat. And it’s one of the best fats you’ll get and it’s tasty ’cause the taste gets carried in the fat, not in the meat.

I: So in those on the side, there is less omega 3 content?

R: Yeah, well there’s omega 3 and also your taste doesn’t go through the meat. Whereas if your fat’s through the meat, then the taste is through the meat. So the marbling liquefies at a lower temperature as well.

I: Yes, so ABP people, they come and they are more proactive? Which pretty much attracts your attention more?

R: Yeah. We used to be all Scotbeef but we get on well with the guy who buys for them, but then he doesn’t really push. Whereas the ABP guy he comes around us, he was more proactive and he would ’phone us and say, look, here’s our price, here’s what we need, what have you got? We just found…

I: What about if in the cases you don’t have exactly the produce he’s looking for? How flexible are these guys to take it? I don’t mean completely away, but it’s not 100 per cent what they’re looking for?

R: Well, ABP, generally we would find that the guy he would come round and see what we have. And he would try and budget and try to plan out and say, oh well those ones will be ready in maybe a month’s time so you could say…and he would keep that in his mind. Whereas these guys, we would kind of chase them…

I: Scotbeef?

R: Scotbeef, yeah. We had to say to them, look we’ve got animals ready, when can you fit us in? And it might be two weeks away. Whereas this guy would be planning you out, he’d be planning us forward and he’d be thinking, right, I’ve got this space, what have you got?

I: What you are describing is different types of relationships. And I wonder how important it is for you to have this type of relationship?

R: I think, to be honest, it’s easier for us because we don’t have to do, we don’t have to chase – they chase us.

I: The ABP? Yeah.

R: They come to us and say, look…

I: What about the last one?

R: So the last one…

I: What type of behaviour do they have?

R: So I’d to go and find that myself, I had to go and chase that. Because they do this Shorthorn premium. So they don’t have anybody that buys in [area D] so I’d to go and say to them, I want to supply you. ’Cause I want the Shorthorn premium. And then we had to meet the criteria to be able to supply them. And for these guys we had to organise our own transport to the abattoir. Whereas with these ones…

I: Scotbeef and ABP. It’s just that because you show me but obviously it will not remember. When I hear I will say, what is this?

R: Sorry, yeah, so Woodheads. So I’ve had to go and create a relationship with them myself. And it’s very much that we have to organise a lot more for these guys.

I: The Woodheads.

R: But I’m hoping to get a premium for the product I’m selling them. Disease control measures?

I: Which is actually, that’s also a kind of strategy. I think you find it later on but it’s kind of building customer loyalty. So pretty much you go to the market and you try to raise your status by creating that kind of loyalty with your customers. So that kind of solution that you were describing, so it’s number 18.

R: So shared resources, labour, machinery, et cetera?

I: With other farmers. Do you?

R: We do. We have groups, like we own a slurry tanker together. There’s six of us own an item of machinery together.

I: So you own the machinery together?

R: And it’s because it was a piece of machinery that’s quite expensive to buy, and we all use it…

I: What type?

R: It’s a slurry tanker. So it takes effluent, like liquid.

I: So it’s not like “story”? It’s slurry?

R: Slurry.

I: Slurry? Oh, okay. Sorry. I am familiar with some terms but not all of the terms.

R: And it just helped us. We had a very low investment cost and it’s a machine that we only use ourselves for three weeks in the year but then [inaudible] use it for five days in the year. So it means that we all bought it together and then all use it together. But generally we’d get contractors in for bigger machinery. Just get…

I: Like, for what?

R: For combining. For combine harvesting and also for silage production. For silage harvesting. And bailing and things like that. But shared resources, labour – no, not so much. We have our own labour. Land subsidies, number 9.

I: I think you’re doing that because you are doing a lot of non-farm activities. So you try to rely less on that. Do you have any loans, any debts?

R: Yes. We’ve got borrowing on the farm. So for the wind turbines, we borrowed to get the wind turbines.

I: Do you think that the comment, in-debt farmers tend to be more innovative? Do you agree with that?

R: I think so. I tend to find, I think it’s rare that there are any farmers that don’t borrow. I think borrowing is a thing that if you want to invest and go forward, it’s very hard to get that money from the business. Yeah, it forces you to be more innovative ’cause you’ve got to try and make that money back.

I: Geographic distribution of facilities, markets and assets? That is, for a farmer might be like having land here and land there. Or grazing, trying to graze in different places.

R: No, it certainly does. We do rent ground in other areas, half an hour away from us which we have had to kind of adapt how we control that land. But then land is quite hard to get hold off, good areas of land. So it’s something we just have to do. But then it’s…

I: Can I ask you something on the map? Which are the areas that you consider as good land?

R: Oh, right, as good land. I mean, the land that we rent is up here.

I: [area 5]?

R: [area 5], yeah. And it’s my granddad’s old farm. And we rented it off him when he retired. And my auntie and uncle bought it but we still rent it from them. And it’s good growing ground and it’s 40 acres of land. And we find that we can put our fattening animals up there for the summer. And they grow well on it. Then we can take them home and we can finish them in the sheds then, after the summer. Also like, because there’s no calves, they’re a bigger animal, they’re easier contained. If it was cows and calves it would be a bit more difficult. I’m saying this, touch wood that they won’t escape. Yeah, so that’s [area 5], that’s where we rent our other ground.

But then our other ground we rent is just right beside ourselves, so it’s just close to us. I think I’ve said about the markets, about being down south. But yeah, transportation of livestock, we’ve got quite a good system of transporting animals. On the boat, we’ve got the cassettes at the pier. So we go round the [pier 1] Pier.

I: I’ve no clue what you’re saying. What is that?

R: You know [pier 1], where the cruise liners come into?

I: Yeah, okay.

R: And the big ferry comes into, at the pier? We have these – they’re called cassettes but they’re big transportation…

I: Lorries?

R: Well, they’re like lorries but they’re just like pens for cattle to go in. And they’re fed and watered and things. So we’ve got all that. Which means that we can transport stuff and it keeps their welfare standards up.

I: I think I have seen one. But I’m not sure if that’s the…

R: They’re big, silver and blue things down at the pier.

I: So do they have a name if I Google it, I can find them? To see how they look?

R: If you talk to the mart, you can ask them how they transport the cattle off the island. You’ll be able to see them there. ’Cause I can’t think what the name is.

Prioritise local/short market channels?

I: That is if you would decide to go for farmers markets or in your case I don’t think you’re doing that because you’re going through the route of abattoir, then…

R: [section deleted to maintain anonymity].The short market channel would be good. It would be great if we could have shorter route to our customers or have an abattoir on the island, but we don’t have that any more. So it’s a factor in our business right enough. Number 12, reserve production capacity, raw material stock, finished products & backup power generation.

I: That is pretty much if you decided to leave some…I had a case that someone said to me, I rent extra land in the wet winter, I mean the wet years, because I wanted to leave some land with young grass without putting the animals on that. So preserving the capacity of that land for the next year.

R: For future years, yeah.

I: So do you do things like that?

R: Yeah, you take care of stuff, make sure…it’s about establishment, you want your crops to grow to establish. You don’t hammer them too hard in the early stages. But then also we do always try and have extra silage in case we do have a long winter.

I: Yeah, that’s the other one about the inventories of raw materials.

R: But production capacity, I’d say we don’t tend to hammer the crops at a young stage ’cause then you reduce the lifecycle over the year. So I think you’re much better to get it established well. And the same for cows.

I: Do you mean hammer?

R: Hammer – like, be hard on it.

I: Ah, hard, okay. Sorry I don’t know all this kind of…

R: Not to over…

I: Stress them?

R: …stress them. Yeah. And it’s the same with cows. We try and get them into calf young but then take care of them for the first couple of years. We don’t put them to too big a bull. So that the cow has an easier chance when she’s smaller. We don’t hurt her, we don’t damage her body. So it’s the same thing. We’re trying to preserve production capacity because you want that cow to last for eight, ten years.

I: Brilliant, that’s an excellent example. I haven’t heard that before.

R: If you put a bad calving bull to a heifer, a maiden heifer – a cow that’s never had a calf before, then if it stresses her out, puts too much strain on her body, then you can reduce the lifecycle of that cow but a few years. So you’re much better off to give her a couple of years to grow and to be comfortable. Not grow, but also not damage…

I: Do you use any artificial insemination?

R: Yes, we do, yeah.

I: You didn’t mention in the technologies.

R: Yeah, so we use that. And we’ve actually used synchronising. So we had 20 heifers last year that we wanted to try and calf in one block, like over a short period. So we synchronised them so that they were all in cycle, 20 of them, at one time.

I: What is the benefit of that?

R: So that we could take them and calf them all at once and then manage them as a group. Instead of having them spread out over 12 weeks.

I: So in terms of resilience, how does that affect you?

R: Management wise. We can manage it easier.

I: So it’s more like operational efficiency?

R: Yeah, operational efficiency. Just management, helps with things like that.

Raw material/stock. We don’t have a lot of storage capacity for crops, for grains. For silage, yes, but for grains, no. It’s something that I’m quite keen to do is make a bigger stock for that. I’d like to buy in crop when it’s cheap and store it. But at the moment we’re very much market led – when we need crop, we buy it.

I: Do you use the Business Ring or anything?

R: Yep, we buy our barley through that and take it up from south through Business Ring.

I: I wondered, because I notice here in [area D] there are a lot of – legally they are private enterprises – but if you go behind the scenes, are cooperatives? So, I was quite amazed by the fact that they have more than one or two. So pretty much keeps the prices down. You have the private companies but…and also, pretty much make access of fair prices to all the members.

R: So, [area D] Farmers is an example of that. They’re a buying group and they buy in bulk and then they can give access to customers…

I: What is the difference between that and the Business Ring? Because I was confused there.

R: So the Business Ring is a cooperative that does services like labour and machinery. They’ll do member to member trading. So say if someone’s got a tractor and trailer and this person needs a tractor and trailer, they’ll match them. And then…

I: And the other one?

R: The [area D] Farmers buys in…so, Business Ring will buy in barley and take it up but they won’t buy feed or fertiliser, generally. Whereas [area D] Farmers will buy in feed or buy in processed feed like dark grains and things like that, molasses. And also they’ll take in fertiliser. So they’re more like a shop. Whereas these guys are more like a commodity trader. So that’s the difference between the two.

I: Because I was trying to get my head around those things.

R: Finished products and back up power generation? No, not generally – wouldn’t have that.

I: But you have the renewable energy? So pretty much you tried to get…Anyway, the next one.

R: Increase strategic visibility, awareness of consumer trends…

I: It’s pretty much watching what your consumers want. The final consumer or your customers, they want. Pretty much where the market goes. The trend. And also what the other farmers, as competitors, they are doing. And I think you tried to do a bit of that because you mentioned a lot of your intention is to produce meat that is for tasting good and many people they don’t take that as a consideration.

R: Yeah, I certainly would say we’re looking at what the markets and what the trends would be and I’m trying to look at other places and predict what trends will be coming. So, yeah, certainly will do that and also looking at…

I: But also the fact that you went to New Zealand and you saw how farmers farmed there. That’s also kind of visibility. What new there is out there, and what is effective?

R: Yeah, I think that’s the thing. That’s one good thing about farming is it’s not an industry where there’s a lot of secrets. They’re quite open to speak and we’re able to see what production methods they’re using. And there’s a guy coming across now, coming from New Zealand to show us how they’re doing their best, how they’re doing their grazing, how they’re making the most of their assets. So, yeah, I certainly think visibility is something we are, as a farm ourselves, we do quite a lot of.

I: And then next one is along your supply chain. So if there’s visibility, if there is, you know, for example, because you have all this ABP, Scotchbeef, but you supply customers. Which is a kind of diversification of…you don’t supply just one. So you don’t heavily rely on one. But also what I’m trying to get there is like you learn a bit more about what these people know and also you get a bit…you try to understand a bit more what is their capacity, resilient capacity. Because obviously, all this kind of pressures we were talking about before, they’re going to face the same things.

R: Yes, yep.

I: So you try to understand how capable and resilient they are to address those.

R: Yep, and I think that’s the thing. I know like they’re supplying McDonald’s and Marks and Spencer and they tend to feed back what products they’re looking for. And I suppose also by the price they’re paying, because these guys are offering a premium for the native breed stuff. And we’re aware that because they’re offering a premium, there is a demand for it. So that’s how we’ve gone down the route of that. Because we were native breed before. But certainly we’re looking at what they’re offering and when they’re offering a premium we think well maybe there is market there. And that’s why we’re looking at that. ’Cause it’s an opportunity.

I: So in the past, your father for example, he was doing still more fattening? Or he was doing more store? And then you changed that?

R: No, no.

I: Always you were doing fattening?

R: Always a mixture of the two. But it goes up and down, it’s dependant on the year. But we’ve always done fattening, yes. Certainly for the last 20 years anyway, in my lifetime.

I: Next one?

R: Increase financial readiness.

I: Ah, the readiness, yeah. That’s financial, so it’s whether you buy insurances or you have savings or you try to have a portfolio, diversification. In order to make yourself financially ready for the shocks that are coming. What are you doing there?

R: I suppose I’ve tried to diversify my business income streams. And I’ve got like the wind turbines and things like that, so I’ve not put a lot of money into stock market and stuff. But I am trying to do a pension, pay into a pension. But then insurance, we have basic business insurance but I wouldn’t say it’s anything too exciting. Savings, generally I’ve invested my savings into my business – hot tub business. Basically my savings went into that and has been going into that. And I’ve just felt I’m at a young age, I don’t have anybody dependent on me so I’ve been able to do that. Because…

I: Obviously, family later on it’s going to be more complicated. I know, I am at that stage. I know exactly what you mean.

R: So I’m quite free just to put my money into hot tubs and hope for the best. So, financially…

I: The next one is?

R: Renewable energy.

I: Yep, we’ve talked about that. Increase physical or electronic security? Physical security for the farm is like…

R: Locking stuff and cameras maybe, something like that? Or maybe like locking things in…

I: Restrict access.

R: We’re not so much at the moment, but it’s something that’s in our minds.

I: And what about electronic security?

R: For cameras?

I: You said because you use that app, pretty much everything is saved in a storage file if you do a paper thing.

R: Yeah, so security, hopefully that will be saved in the cloud. I’m not too worried about people knowing our cattle details because it’s not something people will use against us. But, it is something that we’re aware of.

I: But it is only for you to keep and not lose the records.

R: Yeah, yeah.

I: So it’s not only for thefts. But it’s only for you to keep the records there.

R: So it’s safe, yeah, that’s true. So, physical security as well. At the farm we are looking at that as well because we are aware of crime and stuff as well.

I: I think for the last one, you already have talked about how you tried to build customers’ loyalty.

R: Yep. Brand reputation, value…I think we’re certainly looking at that as a product and try to see how we can build on it.

I: So any other ways you try to build customer loyalty?

R: ’Cause these guys are our customers, I wouldn’t say we’re doing anything different from that. But product differentiation is something that we’re hoping to be ready if it does come to a time when quality of meat beef is tested for…we’re ready for it. So we are ready. And although it might never happen, but at least we’re ready if it does happen, we are ready to do it. And we’ve factored it into our breeding, that’s the thing. When you’re breeding animals you’re very much looking to try and get a…

I: So from your experience…I got a lot of comments from people who do more store, or only store animals. And they said, no, [area D] is not for fattening. Do you agree with that?

R: I suppose we have less crops and it’s more expensive to fatten here. Like, availability of feed. But I think that I would like to be able to fatten off grass and things more, so I think there is opportunities for fattening, I think.

I: So you think there are opportunities because pretty much [area D] hasn’t reached that full potential of fattening? Because there are a lot of people saying no, fattening doesn’t really fit in [area D].

R: I’m more optimistic. I think is partly what I’ve taken from this guy from New Zealand is that I think we can better utilise our inputs like grass. Grass is an often overlooked input. A lot of people just treat grass as you just put your cattle on it, eat it away, right down to nothing, move it on to the next field. Whereas what I’ve been seeing, there’s people doing it in Scotland, but then what I saw in New Zealand was guys who are managing their grass and they’re getting a lot more production off the grass.

And I was on Twitter as well, I was speaking to a guy the other night who managed to increase his daily live weight gain of his cattle. He split them into two groups, looking at studies he did, he’s increased the live weight gain by 30 per cent. Just by shifting them more. And the same input, costing him the same, it’s getting 30 per cent more. So I think there’s big opportunities to look at our inputs and to become more efficient.

So that’s very much what I’m trying to do. And I do think that if we can become more efficient off our grass, it’s our cheapest input, so we might as well become more efficient from it.

I: Good. How much time do you have?

R: Probably another ten minutes or so, if that’s okay?

I: Okay, that’s fine. You have explained so well, that’s why it’s taking more. But obviously…

R: No, it’s okay. I’ve got hot tubs to deliver tonight so it’s…

I: This one is a card which pretty much summarises the characteristics indicating vulnerability either at business level or at supply chain level. So, you have already discussed some of those, but let’s go through very quickly.

Heavy resilience on external or distant resources? Because I assume for [area D] this is the case because you get all the feed or sometimes the straw from outside? Also your market is outside?

R: Yep, so we are reliant on external right enough for selling and for…

I: So it’s pretty much vulnerable because of that?

R: Yep.

I: Okay. And also there is that kind of unpredictability of having sea around you that makes things really vulnerable and increases costs?

R: Yep.

I: And low diversity in assets or entitlements. Entitlements has to do with, I don’t think there are many tenant farmers? Most of the farmers they own, and just rent some extra? But they have freedom to do whatever they want in their lands? Diverse…?

R: Yeah, so a lot of farmers have borrowed against their farms. Like, we’re borrowing against our farm.

I: Borrow?

R: Our borrowings?

I: Yeah.

R: So our loans, are against the value of our farm. So if our farm devalued, if it dramatically dropped in value, then we would become more leveraged on our borrowing. So, yeah.

I: Actually, with Brexit someone told me that one of the biggest fears is whether the bank will continue to…

R: Lend money?

I: Yeah.

R: Yep, and that’s the thing. Because if our farm, it’s obviously been valued and we get a percentage of that, we’ve borrowed against a percentage of that. But it’s when the farm becomes…if the value of it starts dropping and if the bank forces you to start selling off in order to reduce your percentage leverage on their total amount. So that is a vulnerable situation if your land devalues. Then you…

I: Great, because you are the first person to say about that. The next one is institutional weakness or institutional capacity? That, for example, very quickly because there is no time left. What do you know about the story about the first attempt of having an abattoir here in [area D]? With [area D] Meat? Why it peaked and why it failed?

R: It fell for a number of reasons. It peaked because there was a demand for a traceable product. We had disease like foot and mouth…

I: Disease free, yeah.

R: …and BSE. So, having a place that was a brand like [area D] people could see that it comes from [area D], they could trust that brand, it’s a brand they could trust. So it sold well in London and affluent places. Also it just gave a bit of extra value. People liked to buy it because it was an affluent product. But the failure came down to markets. It was around about the time of the crisis, financial crisis. So obviously people weren’t wanting to spend as much on luxury items. Also I think there were management issues. They had a manager in who lost a lot of money and other things.

I: But also, what about these skills to find…marketing skills?

R: Yeah, I suppose the marketing, it maybe could have been better marketed. But I was quite young, I was 18 when it all fell so it was quite hard for me to say why it all failed. I was maybe 17 or 18. But it’s hard to say why it failed now, looking back, because I wasn’t really watching it when it did fail. But I do think that now it would do better…

I: If it was existing it would do better?

R: Yeah. If it had survived that…

I: But also I got messages like, there were subsidies for moving live animals instead of…

R: Live animals instead of dead animals.

I: Dead or carcasses. Yeah, I mean, carcasses or waste also. The other thing was like they found markets for the premium cuts but they couldn’t find markets for the rest.

R: Cheaper cuts.

I: Cheaper cuts. And one more. Also, they lost a bit of the trust of the farmers they were supplying because, I don’t know, there wasn’t…

R: They graded it too harshly or also sometimes people felt that if they people who were buying were friends of the people…

I: Or board members or whatever, they get treated better.

R: And I suppose we did see a bit of that because we didn’t sell a lot to them but we did sell sometimes to them. But then the week before they went under, one of the buyers came past us, desperate for us to put cattle there. And we put cattle in. And then they went under, and we were owed money. And it was because he didn’t want to put any cattle himself, or any of his friends, he came to us. And there was definitely a distrust in that respect. So that was definitely…it wasn’t transparent. It wasn’t a transparent market. But then it’s very hard to be transparent in a marketplace.

I: So that’s for the first one. Second initiative, run by butchers later on.

R: Oh yes.

I: Why? I think they had a quite different profile because they were talking about much lower quantities and only [area D] supply. They didn’t have a kind of external orientation like the previous ones.

R: No, no. And really it was too small. We weren’t looking because it was through the mart. But they were also still looking for the big beasts. You had to put your cattle through the mart before it went to them, really. They weren’t buying animals direct from farms, they were buying it through the mart. And because we don’t really sell our animals through the mart, we don’t really supply them that much. But also I think the council put a lot of pressure on them. I think there were a lot of costs that the council…I don’t think they were as supportive as they could have been. Our local authority could have been more supportive to it.

I: So do you think that the dream for having an abattoir in [area D] is alive? Or it’s gone? I’m just asking because there are people saying oh, we tried the farmers initiative, we tried the butchers initiative. If you talk to butchers they say no, no way. No going there. And I wonder where it’s going to come from?

R: This is the big thing. I would love to see it. I’d love to see us getting a thing going again, getting a brand, get a good quality thing. I’d love to do it myself, in time, and things. But I can’t really see people doing it just now as a farmers thing again. I think it’s lost. But at the same time, I’d love…

I: So farmers, you don’t think it’s going to come from farmers?

R: Not imminently, anyway. I think there’s too much uncertainty at the moment. See how Brexit goes. I think leave it ’til two years time and see if there’s an appetite for farmers who are wanting to try and push forward. ’Cause I think it’s something that would be great. I think the opportunities…

I: But obviously, if it’s going to build, it has to build on the lessons learned. It doesn’t make sense to…

R: Yeah, and I think that’s maybe one of the things. Like, the plant that got put in, the abattoir that was put in, was too big for the numbers that were going through it. So it was inefficient to run and operate. So I think there would be…you need to look at how efficient it is.

I: And also, they didn’t have any contracts with the farmers supplying that. You would be happy to have a contract with them? Or you think it will be too rigid?

R: There’s not really a system of contracts in livestock supply at the moment. Maybe some of the bigger guys have contracts to fit, to meet. It would be a good idea. But it’s very, very hard to implement. It would be good, but generally…

I: Have you seen anywhere else contracts that could be…?

R: No. The only contract I’ve seen is a guy doing store. They have a relationship that they miss out the mart now. So they used to sell through the mart and the same guy was buying a lot of their cattle. So they guy now goes direct to them and just buys them off the farm. And he just gives them a set price.

I: You mean, for the store animals?

R: For the store animals.

I: And that happens in [area D]?

R: Yep. So it happens on some of the islands. You see, the north islands like [island 3]? In [island 3], I know of a guy who goes there and he’ll go round five or six farms and he’ll say to them, right here’s your price. And he’ll buy their store animals. And he misses out the mart. And he just takes a lorry up direct and just takes them away. So that does happen.

I: And do you see as a trend, it’s coming?

R: No. No, I think the mart still gives it a competitive element but I think…I don’t know.

I: Okay. Anything else?

R: Institutional weaknesses, would that be like college as well and stuff? I do think our further education is quite…it’s not to as a high a standard as it should be.

I: Here in [area D], you mean?

R: Yeah.

I: Or in general, in Scotland?

R: Here in [area D]. [Area D] I would say is not as good as it should be. I’ve seen our workers go through it and I don’t think it’s been to a high quality. I think they could have done a lot better.

I: In what terms?

R: Just better managed. I think at the moment, they’re having to tick boxes. And the whole thing is just basically proof that they’ve seen something or that they’ve done something.

I: Are you talking about work now?

R: College.

I: Ah. So, Scottish Agricultural College?

R: No, [area D] College.

I: [Area D] College.

R: So our worker went to that…

I: What do you mean, they take the training?

R: Yeah, they’re training, yes.

I: But how are the tick boxes?

R: it’s just very much like…the level of the training was very basic. It just wasn’t a high quality. I feel that they could have been trained better. I don’t think our worker came away from there…

I: So, for example, with the college you went to – because you went to college for agriculture. What differences did you see? Or it’s still there? It can be improved.

R: I think it can be improved. I think at the moment just agriculture and education in general in the UK is underfunded. And certainly I think the course I went on, compared to guys who went on it 40 years ago, it was a different course. It was much more aimed at skills. Just a better course. Although I did, I learned a lot on my course as well but I do think it’s a thing that the government certainly…the government support of these courses, I don’t know if they’re underfunded or what it is, but I do think there could be improvements.

I: They missed the point to some extent?

R: I think they have, yeah. But also I suppose the SAC, the Scottish Agricultural College, uses a lot of trials and things. But I think now there’s not been as much trial work. Whereas in New Zealand, although the government doesn’t give subsidies towards farmers direct, the government did a lot more work in trialling out ways to make more money and help farmers. Whereas I think there’s not as much going on here. There’s not as much research going on in the UK. I think there’s not really a big driver to improve the industry. And I think that’s something that’s been lacking.

I: Is there any monitor farming in [area D]?

R: No, there’s not any more. There used to be. I think the monitor farm is good, it gives the farmers a chance to…

I: To see new things.

R: …new ideas and try it out.

I: So pretty much you try on your own to fill the gap by bringing people from New Zealand or whatever?

R: Yeah, that’s what I’m trying to do. And I’ve applied to QMS to get funding for this guy coming. So I’m just waiting to hear. ’Cause I’m trying to set up a group of like minded people. But I’d invited him up first and organised that. And hopefully now QMS will take over. So that’s something that just maybe could be more…

I: And the kind of advice, now I’m talking in consultants terms. The type of advice that you’re taking from SAC or any other kind of advice. Do you think it’s good quality? It’s helping you as a business? Because I got mixed kind of like, it’s out of…

R: It’s very mixed, I would say it’s mixed. We pay a subscription to SAC but then how much we actually see back from it is debatable. How much actually innovative research they’re doing or how much fact based stuff they’re actually doing is questionable.

I: So you feel that? And then…why I’m asking is because as a young farmer, and anxious to make your farm work, you need good sources of knowledge and new knowledge.

R: Yeah, yeah.

I: Proved, effectiveness of that. So do you have access to that knowledge? Because it seems that you try to fill your gaps…

R: I suppose now we’re looking more towards Twitter and things like that. And you’re seeing people around the world who are trying things out. And I think we’re using social media to fill that gap.

I: Ah, social media. Okay.

R: And that’s what I’m using more to fill that gap. And that’s how I got in contact with the guy from New Zealand. I went across and saw him with the Young Farmers and then I got in contact with him on Twitter afterwards then. And we’ve kept that conversation going. Also there’s other farmers who are on Twitter who are putting up their results from their trials that they’re doing themselves.

I: In New Zealand?

R: No, in Scotland. On the mainland. And I’m in contact with them to see how they’re doing. And so there’s a network of people now who are starting to do it on their own. Although there is support from Scottish…QMS and things like that. But as I say there’s a network now growing, an organic network, as well. Not organic…

I: I mean, grass roots network.

R: That’s kind of growing as well.

I: Good. Very quickly, anything else there? Slow variables is like increase in temperature, demographics or more bigger farms. These things happen slowly and we tend to forget about those. Or change the number of people that fatten in [area D], compared to the number that shift more to the store. So it takes time and we’re not prepared for the cumulative effect it might have. We tend to think about the sudden or the fast things.

R: Yeah. I’m trying to tailor a product that, hopefully, I see a demographic change. I’m trying to look for trends in markets and things. That’s why I’m trying to look at my product that I’m producing with the native breed, with the higher quality meat, I’m trying to identify those market changes. But I don’t think it’s a thing that’s probably widespread. Slow variables? I think we probably are trying to farm with…

I: The last one?

R: Cross-scale interactions, including subsidies that are poorly understood and lead to uncertainty and surprise?

I: This is what happens if there is the scale of [area D], the scale of Scotland and then the scale of the UK. And then these kinds of scales sometimes what happens in [area D] you don’t have control of some other things coming from government, either Scottish or the UK. And pretty much there is a kind of conflict, let’s say.

R: I think the Scottish Government can be quite slow at reacting. ’Cause the Scottish Government think that they’re close to everybody but actually they’re based in the central belt. And maybe they’re getting better but I’m not sure. I do tend to think that they think of where they’re closest to. They like to think they’re close to everywhere but they’re not really, they’re more central belt. So I think there is a weakness there that they’re maybe not fully aware of the…

I: Of the realities of [area D].

R: …what it’s like to be in [area D] and in upland. I think they think they’re better than what they are at it. That’s the way I’d put it. My personal feeling is that the UK Government know that they can’t have one size that fits everybody and being more open to that. Whereas the Scottish Government tend to more think that they have one size that fits everybody ’cause they’re a small area. But actually, their area varies a huge amount. I think the UK Government is maybe more open to the idea that there are…

I: Variations.

R: …variations in the areas that they cover. Because they have to, because there’s so many.

I: What is that, the next one?

R: Insufficient recovery from previous shocks.

I: Oh, okay. So farmers in [area D] obviously they had a number of wet winters. Do you think that you have recovered sufficiently? Because before the next shock comes to you?

R: It’s very hard to say. The wet winter’s been very tough. It is hard to change your ways. We have tried to do things, but at the same time, it’s very hard to adapt a system quickly.

I: Where would the farmers in [area D] meet? Places? Events? Where do you get to know what are the threats, what are the opportunities, what are the solutions, how effective are those solutions?

R: You mean like in a structured way? How do we find out? Or do you mean informal?

I: Informal.

R: Probably the mart would be a place a lot of people would go and meet, I suppose. Just social events. There’s also discussion societies. There’s talks and things like that. Very hard to say, though.

I: Young Farmers?

R: Young Farmers? Yeah, I’m in Young Farmers. Yeah, Young Farmers to a certain extent. But it’s more a social thing, just to try and encourage socialising and now there’s a lot of more non-farmers in Young Farmers. But just because it can be quite an isolated living.

I: Was there a comment saying like pretty much 20 per cent of farmers in [area D], they are very, very active. Grouping together, discussing together. And then there is 80 per cent of farmers, you don’t see them.

R: Yeah, probably.

I: So what profile have those farmers that you don’t see? The 80 per cent which is now not networking so much, what profile do they have? What characteristics do they have?

R: It’s very hard to say.

I: I assume there is a kind of mix. Because they told me that they might be shy; they might be big farmers they’re way…very busy. I don’t know? I shouldn’t say.

R: It’s very hard to say how you’d profile that. I’m not sure. I think there’s certain farmers will meet at markets at the marts and things like that, the market. But then there’s other ones will go to meetings with new ideas and things as well. But you do tend to see the same faces at meetings and new idea events.

I: Which pretty much makes you feel…is it fine, seeing the same faces? Or some…what am I trying to say here? Do some people say okay, there is no way I can get my ideas across to those people so they decided…

R: To not go to it?

I: To engage to someone such as them?

R: Well, it’s very hard to say. I don’t know. ’Cause generally, farmers wouldn’t be very innovative. Like I’ve got this new idea, I’ll try this out. They’ll do it themselves. But someone else might see them doing it and copy it. There’s not a lot of knowledge transfer between farmers, I would say. But those ones that do, I think there’s a lot of opportunities. But I see a lot of farmers just tend to do their own things. And then they’ll only do something else if they see someone else maybe making it work.

I: So it’s through imitation rather than through exchange of ideas?

R: I would say so.

I: Yeah.

R: But then that’s what my plan is for this grazing group, is that we’ll get a small group of guys who are likeminded to do things. And we’ll learn from each other. A bit more in a closed environment, not in an open environment.

I: So you’re trying to create a critical mass there?

R: Yeah, trying to. That’s the plan with this grazing group is to get an expert up, have an idea and then try to work on it together.

I: So how many farmers are you thinking about, right now?

R: I’m hoping to get maybe ten or so.

I: Oh, okay.

R: I’ve been speaking to one, I’ve got one other one and I’ve got another couple of ones who are quite interested. So we’re thinking if we can get these experts to come and give us a head start, then it would be quite good to try these new ideas out.

I: Good.

R: Is that it?

I: I think it’s too much.

R: No, that’s great. Are you here on Monday? Are you here next week?

I: No, unfortunately I leave tomorrow.

[section deleted as irrelevant]

R: So I saw him [person from New Zealand] in New Zealand. He’s a guy who changed his whole farm around. He got in a really dark place ’cause his farm was failing, it wasn’t doing well. He got quite down himself. And he…

I: So it seems like mental health is quite an issue. Is it, here in [area D]?

R: Yeah, I would say so. I would say it’s a big thing. It’s probably under spoken about. But this guy here’s very much coming to talk about that. And that’s in farming across the world. Mental health’s not a thing people talk about. You should read the article; I think we probably covered a lot of that. But he’s got a book as well.

**End of transcript**