ResULTS project: case study B, interview 8

Face to face interview with farmer, conducted 11th October 2018

Interviewer: I

Respondent: R

I: Okay, let’s start. So, as I said, behind is the UK and the Scottish government, pretty much. There are no right or wrong answers. You are the expert of the reality you’re facing, so I’m here in order to capture your experiences, views and value insights. In answering the questions, I will ask you to identify trade offs, so whenever you are facing a change and you adopt a solution, what type of trade offs regarding the necessary resources or assets required to implement that solution or trade offs regarding the effects of the solution. So always you’re aiming for positive effect, but sometimes for some solutions, there might be side effects. So whenever you’re making choices about alternative solutions, will be nice to know the thinking process behind that choice. Try to provide me specific examples where possible. Try to explain why, how things happen.

So if, for example, someone says to me my farm is not resilient, then I need to go deeper and understand why that is happening. Try to give me historical account of events. In other words, how things has evolved as a background if you think I need to in order to understand. And then whenever you are asking the questions the focus is at the level of your farm business, but sometimes what we are saying might be relevant to all upland farmers in the area, so just let me know this applies also to the upland farmers or it applies to the whole supply chain. Okay. So enough about the introduction. Is there any questions you have before we start?

R: I think we just have to quietly work our way through your questions.

I: Okay, that’s fine. Because obviously through the questions you will see. So you can tell me a bit about your farm business, the size, the diversification, the source of income, just to understand the farm a bit.

R: In partnership with my wife, farming 1,600 acres. At the moment predominantly sheep will be taking up over 50 per cent of the business income, and the other two 25 per cents of cattle and arable. That’s just talking in round figures. There’s myself doing day to day work along with one farm employee, running the whole place between the two of us. Currently we were on 2,000 sheep, 300 acres of cereals, and 70 suckler cows finishing everything at home on both sheep and cattle. All the grain’s sold off farm, majority going for malt and barley. Currently looking at diversification, and we’ve done bits and pieces with the renewables, and now currently starting to diversify into deer farming. That’s probably a very short resume of where we are today.

I: Okay, brilliant. Don’t worry, we’re going to have the chance to discuss a bit more. So when you think upland areas, specifically in [area B], what are the special features particular to this area that should be maintained in your view?

R: Sorry, what are the special…?

I: Features of the area. And I’m talking general, I’m not talking only about farming. So what you would like to stay.

R: I think the thing that I would like to stay more than anything is the people.

I: Okay.

R: It’s trying to keep the people in the area.

I: So it’s the people.

R: We need to retain people in the local community, and that also hopefully would then mean there’s just people on hand. They don’t have to specifically be in agriculture, but we are losing people just to come and help on the farm for jobs on a self-employed basis.

I: Contractors, for example.

R: Contractors. Because without them we’re definitely going to have a big hole in just the resources we’ve got at busy points in the year. There’s just two of us doing this size of place. There’s always points I’m needing help with doing the sheep, or I need somebody to come in and help with some of the lamb work. So yes, to me we need to keep the people.

I: Okay. That’s brilliant. So what does resilience mean for you?

R: What it means for me is basically trying to be in a position whereby if you get, say, whether it be a wet summer or some economic feature that actually we can still keep our head above water and basically keep the business afloat. It’s basically so it’s in a position whereby it can stand a few knocks.

I: Okay. So because I believe this project used the term upland food system, and I was thinking probably this thing means a lot of different things to people, so that’s why I tried to create… I forgot to say, because it’s quite a complex topic I prepared a number of informative cards. Treat those cards only for indicative purposes, and if you see something that doesn’t really reflect the reality of yours, then just tell me we need to change a bit or whatever.

So this one is the first card, which is pretty much what I’m trying to say here, is that you have the blue arrows, so your [inaudible] providers, upland farmer, lowland farmer, slaughter houses, other manufacturers of meat, wholesalers, retailers, consumers. So this is the supply chain. Then around that you have the orange circles which is all the organisations, companies that are there in order to support the supply. So you have the banks, you have colleges, extension services like [SAC], developmental agencies like Scottish Enterprise here [inaudible], the local council, SAOS, organisations like that.

And then you have here, for example, standard certification bodies, I don’t know, for organic farmer or red tractor or whatever. And then you have here insurance companies, research centres. This is consultant services from vets, accounts, business consultants, land agents, all the type of services you may need. And then industry associations and lobbies, like NFUS, NSA, that type of things.

R: Yeah.

I: And all of these together pretty much created the livestock value chain. And then here you have the green, which is pretty much stakeholders affected, but some of them may affect also the supply chain. So you have the government and all the funding bodies like the ones that fund this research. Pharmaceutical market, so antibiotics, vaccines, pesticides or whatever, and then you have energy market, conventional and renewable, and then you have environmental and social interest NGOs like Scottish Natural Heritage or other charities or organisations that have an interest in the environment or the social community or whatever.

And then here you have the local community and the tourists, they are coming, and then you have the general public. And if you wish, this is the human side, but also we think part of the system, it’s all the biological organisms, so the animals themselves, the plants, the bacteria or whatever. So as actors of the food system in upland areas, does it make sense to you? There is something missing? Actually there is something missing, I realise that later. It’s here. It’s all the kind of policing, inspecting agencies like SEPA, FSA, any of those, which is part of the government but they’re a bit independent, and usually they inspect the farm. So any feedback on that? It makes sense, it doesn’t make sense, you would like to…?

R: It all makes sense. I appreciate all these people involved within the industry, and what interests me as well, as I said a long time ago, is actually if you were to go back, say, 30 years ago all the farm cottages round the area were full of farm workers. Now there’s lucky if there’s one in all the farm cottages. But technically if you look at every farm cottage every cottage could be potentially filled by somebody associated with farming, which is all these other people. So there’s actually only one person that works on the farm but all these groups feed off farming. Without farming the whole lot are gone.

I: Okay. Don’t worry, we’ll have the chance to talk about that later.

R: When you see it like that, that’s the whole lot just there feeding off us being the basic core industry, and that was just why I related it back to these farm cottages. So actually technically every farm cottage is full with somebody that’s associated with farming, whereas 30 years ago they were all full of people that used to work on the farm, but now it’s everybody else. That’s just a different observation to that.

I: Okay. So we’re going to keep that aside and then we’ll come back later on that. I was thinking just first reaction, from those ones who are the most significant for a farmer?

R: The most significant to start with is ultimately the financial.

I: Okay. The bank.

R: Without them we are definitely struggling. What did you say extension services were?

I: Extension services is pretty much like SAC.

R: SAC, yeah.

I: But pretty much they have more little farms or they do some kind of meetings with the farmers.

R: From my point of view here I do think SAC are important, or those type of people, to help educate us.

I: Are or aren’t?

R: They are. On basic transfer of knowledge. The certification bodies, as much as we don’t like them, are actually quite important because we are providing a food product and we have to remember that.

I: So which certification boards do you refer to?

R: Because we’re in Scotland I would say it’s basic Quality Meat Scotland. If it was England, yes, I’d be saying contractor. So I do feel those are important because we are providing a food product. So I’d say they rank above the one that you said is missing, which is your government inspectors, which, to be perfectly honest, are…

I: Don’t worry, whatever you say it stays between me and you.

R: To me I think they create an awful lot of unease, bad feeling in amongst farming, and I think if the certification bodies…I think they’re more important because they’re the ones that have to check through medicine records and other records which are actually more appropriate to the consumer.

I: Yeah.

R: The government departments are just keeping themselves in a job. I think we have to look after the consumer, because without them we don’t have a business either. So yes, going round counting numbers of sheep, and yes, it is important we have ear tags, but the certification bodies do that, can take that.

I: But currently they don’t, certification bodies.

R: Maybe not the number of ear tags and stuff. So to me I think the government bodies have got the emphasis in the wrong area, checking up, basically going out counting numbers of sheep. Well, just because we’re maybe a few out in our numbers it’s not actually a criminal offence. But if our medicine records were out of date that’s more of an offence because actually we’re providing a… The amount that is publicised on the news about antibiotic resistance, we have to be very much in tune with that. So that’s my viewpoint on those areas.

I: Okay. So anyone else there or should I move on? Is there anyone else which is very critical for the farm?

R: Those two groups working side by side…

I: The consultants you mean.

R: The consultants. Research centres are critical because they will hopefully then feed information to…

I: The consultants.

R: …your SAC type consultants of what is going on. So researchers, definitely important.

I: But which group are you talking, the consultants [inaudible] or in the consultants’ groups?

R: I would say the SAC doing things like monitor farms, sharing of knowledge. Your consultancy groups are more on making sure we get through the government maze of stuff, which, going forward, if they get rid of all the subsidies they’re going to be out of a job, they’re going to be in a bigger job.

I: So the consultants are going to be out of job but the SAC is going to be more.

R: Yeah. To my view, a lot of what the consultants do is help us get through this maze of what the government sets out through subsidies. Yeah, it could be environmental payments and…

I: I understand. I wanted to ask you something before. You mentioned pretty much the extension services, transfer of knowledge. As a farmer do you have enough opportunities to feed in your knowledge back to them or back to the farming community?

R: I go to these meetings, so yes, you can stand up and say this is what I do. You could be looking at a field of sheep and discussing it with the farmers and you have that opportunity to stand up and say well, why don’t you do it this way instead of that way? This is how I do it at home. So yes, you can. I think the biggest thing is getting farmers to stop and think about what they’re doing to go to the meetings, to learn from them. It’s how do you organise some of the farmers better to participate. Because I do go to them, and I do learn a lot. When you’re at these meetings you have the opportunity to say something because it’s a group discussion, it could be ten or 20 people in the group, depends who turns up on that day, onto whether it be a monitor farm or…I do the monitor farm, I also do the SAC sheep group. So you generally land up onto a farm and discuss the topics of that day, and you have opportunities to feed in and take out.

I: But then I would like to ask you here two things. One is do you feel that there is a group of farmers in the upland farms that don’t really participate in those meetings and work more isolated?

R: I would say there’s definitely a lot of farmers do not participate.

I: So from the local community. Obviously you’re going to those meetings, how many, as a rough percentage, how many farmers do you think are going and interact with others, while how many there pretty much isolated?

R: It’s hard to put on how many don’t go. But it’s an awful lot. You go to a lot of these meetings and you often see the same faces at a lot of the same meetings. So there’s one set of farmers are definitely feeding for knowledge, they’re looking for more information that they can hopefully use in their own business, and there’s an awful lot that will be stuck in their way and don’t go to the meetings but probably expect everything to be done for them. They expect the help to come forward but they don’t go out and look for it either.

I: Okay. So can you give me what features those farmers they don’t go have? Obviously you might know some of your farmers in this area, but they don’t like to go, so what type of features they have, these farmers? They’re big farms, small farms, older, younger, I don’t know, whatever feature you can imagine.

R: A lot of the older ones are scared of change because it’s always been done this way, so they are scared of change. I’m just using that in general. There are definitely good exceptions to the rule. The younger generation from what I can see are definitely looking like being very adaptable to change and being quite progressive. I know a few farmers of my generation who have now got almost stuck in their ways, or I should say stuck in their father’s ways because father’s not letting them take the business on because father’s still very much involved in the business, and because it should be done the way it used to be done 30, 40 years ago.

So there’s a lot of farmers that are that middle age bracket, some are stuck in their ways because of father not letting them try and take the business forward, so a lot of them are definitely looking to be very adaptable to change. Maybe not as adaptable as the youngsters, but they’re definitely looking at ways to change the thinking. Does that roughly answer…?

I: No, it answers very well actually because it gives me a bit of the profile, because I’m trying to understand what type of attitudes they have to all these kinds of meetings and how much they value… Because I wondered, from those that are going to the meetings how many of those change the way they farm because of what they’ve got there, and how many, okay, they hear about but it doesn’t really change the way they do things?

R: It’ll take more than just hearing it once. I’d walk onto a farm and there’s a lot of very interesting meetings, you learn a lot, but you might not necessarily come back home and change something on your own farm because the farms are different heights, different aspects. But then you do come back and suddenly think now, that was a really good idea, I like that. Those are the type of things you come back from a meeting and you just tinker with the sides and improve a little bit here, improve a little bit there. For the wholescale change of basically instead of going left, to go right, you probably need to hear that sort of change maybe over a year. Just keep thinking. You’ve heard it, you then research it, maybe think about it, and you need to go and hear it from somebody else.

I: Somebody else who have tried?

R: Well, it could be somebody else that’s tried it, just another farm meeting where they’re doing it, so you then start building confidence, actually, no, I do like that idea. But I’m talking that being a big change.

I: Can you give me a bit of examples of big changes?~

R: Basically with me here last year, what we did, we’d bought a farm a few years ago, the way it all happened, the farmer came to me and asked if he sold this farmhouse would I buy the land. Yeah, I’ll have a look at it. How long do I have? He said, well, basically, we need to know yesterday. Okay, I’ll see what I can do. So we worked all the figures out on sheep, that was fine, everything was not a problem. Then Brexit came along. Now I’ve got too many eggs in one basket, so then I started looking at alternatives, started looking at deer farming, started reading up about it. There was press articles, I went to a conference. When various farms got advisory services in and just discussed the whole process. So basically over the course of the year I then convinced myself that this is the way we’re going. That was going to be a big change.

I: Yeah, it’s quite a big change.

R: So that’s the type that, yes, you can get the idea and then it just takes time to keep building blocks to get up to that point like, right… Because you also have to be very convinced in your own head, because if you have to go to speak to the bank you’ve got to know exactly what you’re talking about. You’ve got to have your plans all there for them. It’s not as though you can write it on the back of a fag packet and have a few scribbles down for them. Whereas a lot of the smaller meetings is the bits that are just small things just to help the overall running of a farm.

I: So have you gone to any meetings which is about grazing practices or rotation or things like that?

R: Generally I’ve been to a few meetings. I’ve missed quite a few because there’s often for some reason meetings all done on the same day, but there’s also a limit to how many meetings you can get to. It all depends on if you wanted to do this interview, say, in September there’s no way I would have volunteered for it because it was just so flat out. So it all depends on the point in the year where you know physically we’ve got to be on top of the actual main day to day job and we normally go away and have a meeting, come back. Depends on the time of year, half a Saturday or something to make up, just to keep things moving forward. I like to do those meetings, just depends what’s all happening. You can’t do everything.

I: Okay. So how is your farming business doing in terms of resilience right now? Struggling, surviving, making a reasonable living, booming?

R: Booming.

I: How has the resilience of your business changed during the last five years?

R: Basically with regards to resilience, two and a half years ago bought a new farm. That’s given us a lot of security going forward.

I: Buying another farm.

R: Yeah. Because we also rent a farm, so we now basically have that resilience, so if something goes wrong on the rented farm it’s not a problem now to step back from it and just farm solely on my own land. So that’s given us the security going forward. Then, as I’ve just touched on in the last question, regarding now moving into deer farming, things are exciting from that point of view. Yes, it’s a huge infrastructure cost. In my view that’s no different to putting up a new farm shed, whereas I’m putting it into fencing. That’s going to give me more resilience going forward.

I: Okay. What is your prediction for the next three years and the next 15 years in those categories, struggling, surviving, making a reasonable living, booming? How you think your farm will move or not move?

R: That’s a very leading question, because, as you well know yourself, going forward into Brexit it’s… With what I’m trying to do I’m hoping I’ll be resilient going forward because of the changes I’m implementing basically this year. So the next two years will be fine, just until we get the first cheques coming back from the deer. So yes, it’s going to be a tough couple of years. It’s tough, but in the…

I: Still in making a reasonable living?

R: Oh, I’d like to hope we’ll still be making a reasonable living, definitely.

I: Or you feel you’re going to stay booming.

R: In my head I’ll still be booming.

I: In your wallet?

R: At the moment I’m probably the only excited farmer you’re going to meet going forward.

I: That’s good. Don’t worry, as I said, I don’t expect certain answers, but…

R: At the moment it’s hard to put in where we’ll be relative to cash flow in the business over those first… But what we’re doing at the moment, I’m hoping I’m now laying enough foundation stones down to still be in business in five years and in 15.

I: Okay. Brilliant. So when I was looking at the literature I came across this kind of definition which says resilience is the capacity of business or a system as a whole to either absorb, buffer against internal and external disturbances or learn and adapt through incremental changes. So the farmer it can be increasing or decreasing the stocking rates, it can be also the amount of fertilizers you use and things like that, incremental changes. Or even transform through radical change. So if you go, for example, deer farming or organic or you stop sheep and you concentrate only… So big changes, this is quite radical. So does that kind of definition resonate with you?

R: I think for this farm our resilience is the capacity to transform.

I: The third one. Okay.

R: Yeah. For this farm is to transform through radical changes.

I: But usually I suspect for short term you do nothing and you just absorb the loss for…

R: Short term we would absorb that.

I: Yeah. And then you start making a bit of incremental changes and if you see it doesn’t work then you go to the transformation.

R: Yeah. But I think because of what’s about to happen, we’re about to have a huge external disturbance, because it’s not going to be internal, it’s going to be external, so that’s why I’m basically almost skipping the first two and I’ve just gone straight to number three going forward, I think.

I: Okay, that’s fine. So the next card, here I was trying pretty much to put all the functions, roles, goals, or whatever you would like to call them for a farming business. So I was thinking there is one category which is related to owner’s private interest. There is another category which is related to the multiply effect which means all the money you recycle back to the economy by inputs or services. And then related to the public goods that are a category. So what I would like you now is to please read the whole thing and let me know if there is any function which is very important for your farming business which is missing, and then, because some of those might be interrelated, so let me know how you rank them. What is the five most important critical functions for your farming business? From all of those, they can be groups, like four and 20, for example.

R: I know what you mean. The top two for me would be number ten and 20.

I: Okay.

R: Because I feel that if I’ve got personal family satisfaction and wellbeing that will have created a reasonable workload, profit margin. So I feel if I’m in that position probably the top three are all working. This will be something nice and happy.

I: So pretty much you’re telling me that the first three are the preconditions for achieving the tenth…

R: Yeah, that’s right.

I: Yeah. But the tenth is your goal.

R: Tenth is the goal.

I: These are pretty much the means, let’s say.

R: The means to achieve that goal, exactly.

I: Okay. And then you said 20.

R: Then basically 20, if I’ve got that it means I’ve got these as well.

I: If you have 20 then it means you have one, two, three also.

R: I’ll definitely have number one and number three, and that will make number ten as well. Because that means the farm is working. So what is happening on the ground is going to be making a reasonable workload because the farm will be working for me, then the profit margins are going to be correct, which will make me nice and happy.

I: Okay, great. Brilliant. So this is for the farm, what do you think it’s going to be from the same list for the [inaudible] actors? So slaughter houses, butchers, the meat processing. So for them what do you think is the functions they should focus on? Has your wife decorated the house? Who has decorated the house?

R: Yes, wife.

I: She’s done a really good job. I was just looking…

R: She made the curtains. I’m good with a paintbrush and the roller, but she…

I: But the choices of the colours, the accessories, everything, it’s really nice. Anyway, sorry.

R: When it comes to creating that type of thing she tells me what colour and I put it on and then it all comes together. But she…

I: The colour’s really nice. The colour and feeling and everything, it’s amazing.

R: Then the lights and stuff, we both go out and have a look and get those.

I: Yes.

R: Obviously your butchers and slaughter houses are going to need the food security.

I: Number?

R: Seven.

I: Okay.

R: But they will also need number four, so there’s sufficient local employment opportunities I would have thought.

I: Okay, that’s fine.

R: Yeah, that’s, at a bit of a guess, where I would think they’ll be.

I: Another question I have is, is the full potential of adding value to the beef and lamb products in this upland area currently reached? If not, please elaborate on what more can be achieved.

R: Can you just…?

I: Is the full potential of adding value to beef and lamb products from this upland area currently achieved? If not, please elaborate on what more can be achieved.

R: I’m not sure what more can… I think it’s all still down to public education to actually learn where their food comes from and how to cook it, and not be so reliant on a lot of the processed and ready cooked meals that they do at the moment.

I: So I assume all of this kind of cooking...the TV, the cookery shows, you think it’s a good influence.

R: I think most of these television programmes that do all this cooking are a good thing because people have lost the knack to cook. In London they’ve got houses that have been built basically without a kitchen and all they’ve got is a microwave.

I: Exactly. Not only in London, by the way, in Edinburgh as well. I was quite fascinated when I first came to Edinburgh I was renting a couple of houses and I was like where’s the kitchen? Where is the kitchen? It was like, as I said, the microwave.

R: And people don’t actually now value eating from the point of view of they don’t sit down to eat, they just… Unless it goes ping they don’t know how to cook. Also ready meals are, A, full of so much rubbish, three bits of meat and half a litre of slop doesn’t really bode very well for us.

I: Okay. So in this card I have tried to summarise pretty much the disturbances, long term pressures, shocks, drivers of change, whatever you would like to call them. But when you go through those, most of them look like threats. So my question is if there is from that list any important driver that is missing for your farming business, and then if any of those can be seen as an opportunity as well.

R: To me looking at all this it’s the stuff that generally we can’t control. We have to have that resilience to withstand all these. The changes in weather patterns is the same as extreme weather events.

I: This one is more like a gradual small increase in the temperature or increase in rainfall over the years, while this one is like a flood or heavy snow or storm or something.

R: That’s something we never think about.

I: The extreme ones.

R: Yeah. Because we’re basically brought up, we just get on with it. We can walk out and just roll up our sleeves and deal with it. Whereas you go into the towns and, say, the likes of this March, you get the extreme snow of the Beast from the East. Everybody, oh, we’ve lost the power, but we can’t see what’s going on. Well, look outside, it’s three foot deep in snow, what do you think’s going on? We just have to get out and deal with these ones. The weather is a definite threat because to us now we only get extremes. Like you say, I know what you’re talking about, the gradual change, we’re kind of in it. It rained all last summer, then we had the hardest winter on record, then we’ve had the driest summer just about. So we’re used to dealing with that.

I: Okay.

R: Water availability is obviously very much the topic of conversation after this summer.

I: So what is the issue there? I mean, this area it seems…

R: Just because everything dried up, basically. I was fortunate enough that I’d literally just put a borehole in, so we did sustain it. If I hadn’t done that, it could have been…

I: But you didn’t knew that it was coming, obviously, it didn’t happen…

R: I didn’t know it was coming, it was just something…

I: [Inaudible].

R: …because of the extreme weather events of two years ago when we had flood after flood after flood, it washed away all my usual methods of water extraction, so that was me doing the resilience part to combat water shortages. So hopefully that one’s not going to affect us again.

I: Which numbers are those?

R: That was relative to number three, water availability.

I: Okay. And probably number seven, because you said you had the drought, the extreme…the snow.

R: Number six was relative to the drought. I would say our extreme weather, it’s a case of generally this rise in weather pattern from number one has made now number six, the extreme weather event. We talk about sheep or livestock having had a hard winter, but I actually say winter/summer, but it’s not, I would say they’ve actually had a hard 18 months having to put up with all the wet weather from last summer, then into an extreme winter, followed by an extreme summer. So that’s the type of…

I: The other thing is with climate change, have you seen any changes in diseases or the pests or…?

R: The main pest we have seen is the rise of liver fluke, which is associated because of probably the last four or five years or wet weather. The increase of snails which has created liver fluke, which has then been a huge problem with sheep. So that’s definitely been from the change in weather patterns.

I: So number two you mean.

R: Well, that would be that, yeah. So number one and two then are associated relative to your pest. That’s a pest rather than a disease.

I: And you don’t have any issues with geese here.

R: No. We’re fortunate on that side.

I: You mentioned some of the effects that these extreme weathers or the pests or whatever have on the farm, but I was thinking, what type of solutions are you trying to implement in order to deal with those? You mentioned the borehole.

R: Yeah, for the water.

I: Yeah. So that was a kind of measure.

R: That was a measure.

I: That helped you to become more resilient against the drought.

R: Because due to all the big floods of two years ago where we normally extract water from, it changed the watercourse in an extreme way, so it made extraction of water an awful lot harder, so therefore to combat that that’s when we started looking into the borehole so as to have that security of a continuous flow of water, of clean water. Because before the abstraction we were needing clean water and not water that was brown and filled with sediment, because of the wearing parts within the abstraction pumps, so that was why the borehole was then looked at.

I: So that was one choice. Any other adjustment you have done or measures you have applied to deal with either the lever for the wet weather…? Have you changed the stock range, for example, have you housed some…?

R: There’s not so much in the stock range. What we’ve done is tried to fence off more of the areas whereby it’s poaching of ground near watercourses where the mud snail will tend to live, so trying to prevent…

I: That’s exactly the type of practice I’m looking for.

R: Yeah. But then unfortunately due to the way the weather extreme has been it’s actually been whole fields that have been getting contaminated, so the only way of dealing with that is not to have any stock in the field. But that’s just not practical.

I: Yeah.

R: So we can fence off the worst areas but then it also has to stop raining.

I: Okay. Did you house some of the animals for…?

R: Some might get housed, otherwise it’s…

I: For the same amount of time or for longer periods?

R: No, because there’s just not the capacity for the number of livestock to house for that period. As it was all happening through summer months, you can’t house through summer months. Costly, bedding materials, fodder. There’s no point having grass growing in the field if you can’t get to it to cut it. So you can take short term measures to try and move them from field to field, having them on a slightly dryer field, but then you haven’t go the dryer field and that gets in wet ears, you can destroy the sward.

I: Destroy the…?

R: You can destroy the sward on a lot of these fields…

I: Sward?

R: The grass.

I: Ah, the grass, okay. Sorry, didn’t catch the word. Is this the word for grass, the one you use?

R: A grass sward is what they call it.

I: Okay.

R: A lot of the measures that you’re doing is you’re just thinking on your feet on a daily basis. If one field’s getting too wet you try and move them to dryer fields. Not have as many stock on them. But then the mud snail eggs can move up the actual leaf of the plant as well, so they’re still getting ingested. So then really what you’re doing is you’re going down to…not so much in here, but the resilience part, always being in touch with the vets…

I: Which number?

R: I can’t see it at the moment. Be in touch with the vets on how best to deal with the problems, testing sheep for the problems, and then once the vets can isolate the problems then the best way to deal with that problem, with the vets.

I: Okay. So you use it more for services of the vets in order to get the right solutions.

R: The right solution.

I: Okay. You have discussed for the physical, but what about the rest?

R: The one that really stands out to me, at the moment when it comes to 12 to 15 they’re all there as threats until such point the government decides what it’s actually going to do. I don’t even pay any attention to it. I haven’t even been to one of the NFU meetings on Brexit because I find it very hard… My view is you’ve got to deal with your own farm and not worry so much about what the governments are going to do because actually until they can start making up their own mind, yes, we can lobby them but you’ve got to get your own farm, own system ready for it. I’m trying to basically get my system so it can stand on its own two feet, and if that means it has to stand on its two feet without subsidies, that’s where I need to be.

I: So you tried to make your farm ready in terms…so what is the worst scenario you’re preparing yourself? No subsidies, what else?

R: No subsidies.

I: So only in terms of subsidies. What about the tariff protection or the access to the European market?

R: Basically the tariff protection on that, that’s why I’m going to reduce my sheep numbers by half, because we export most of our sheep, whereas we actually have to import all our venison, so that way if we go onto a world market I’m going to be more resilient to that because we’ve only got half the amount of sheep.

I: Okay. That’s exactly the type of measures I’m looking to hear. I’m preparing myself to face this one by doing this.

R: I’m wanting to do it because I believe you have to do something for yourself and don’t expect others to do it for you. That’s the way I look at it. So I don’t expect you to come onto the farm and just hand me a cheque every year, oh, doesn’t the place look pretty, and give me a cheque for it. I feel that I’ve got to do all these things for myself. If somebody wants to give me a little bit after that, great. I’m not going to turn it down.

I: Of course not.

R: But the area that is a worry and understandable is nature and conservation, because, yes, we need to keep the countryside looking good, but at what cost? Depending on what happens in Brexit there will be measures that we have to do, we still have to look after the countryside, but actually if it ain’t going to make money I’m not really too keen on doing it. So within reason I will look after my watercourses. That’s what I’m already doing, and I will continue to do that, because that is relative to number two which is your pest spread, which we discussed earlier, but we have to be also careful that yes, it’s great to look after the countryside, but if the land’s not working and providing the income, what is it doing? So this is me thinking down the resilience…every piece of land will have to actually work.

I: So you mean every piece of land has actually to produce food in a kind of…

R: Not necessarily. Maybe not necessarily food.

I: Produce something that brings back an income.

R: There has to be income from every piece of land.

I: Yeah. And actually profit, not only income.

R: Yes, it has to be profit. Every piece of land must be profitable going forward. I dare say I know the way the governments are thinking, yes, we should go down the environmental route. If they want me to shut off bits of ground for the environment I’ll do it, but I need to get income from it, otherwise I will make that piece of land work and that could be putting on sheep, cattle or deer, just from what I’ve got on my farm. So every piece of land must produce profit.

I: How you prepare your farm against all the issues about the production standards? Right now, the British farmers produce very high standards, which obviously is associated with red tape, issues with extra costs, whatever. But at the same time they have access either to the UK market or to the European markets because they have those standards.

R: And I quite agree with those standards.

I: Okay. But imagine a scenario that those standards for the UK market after Brexit is not compulsory, so pretty much meat from other countries with lower standards is allowed to come to the market. How you prepare your farm and what type of road you’re going to follow if that happens?

R: I think it is a big worry because actually we have got good standards and I would like to keep those standards. Basically the main price bit will be number eight, price volatility. Because the general public, if they see two bits of meat on a supermarket shelf and we’ll just say it’s at £5 a kilo for something with lower food standards and £7 or £8 a kilo for something with British food standards as we currently are today, the general public will buy on price and they will go for the £5 rather than paying the extra to go on the more premium product because of the animal welfare that we currently produce. That to me is the worry.

I: Yeah. But how you prepare yourself for that situation?

R: We have to prepare ourselves at this situation basically right on ground level and we have to lower the cost of our production.

I: Okay. So it’s pretty much you try to keep still the same standards but find ways…

R: We’ll have to keep to the same standards and drop the cost…

I: …to drop the cost.

R: …of keeping it in the same position.

I: Okay, that’s fine. I’m asking because it’s not clear what they’re going to decide, so for you it’s how you prepare yourself to go either way. About the last category, this one.

R: Unfavourable profile of agriculture. It is getting a far better profile at the moment compared to what it has done.

I: So there was a time that it was unfavourable, but then it comes back.

R: I think it has increased over the last few years.

I: Oh, okay. How that has happened.

R: I think the public has become slightly more aware of what we are producing, and along with some of the television programmes that are happening that they are generally, the public… There’s still a lot to be done though.

I: In what terms?

R: Just to get people to understand more from the inner cities and places, just to understand where food comes from. A lot of children only know that milk comes from a carton. They don’t know that it comes from a cow.

I: What is the image of farming career, having a career in farming in rural areas? Because obviously, yes, it’s better than the city, but still it seems that a lot of people don’t choose that career.

R: They don’t choose that career basically because of the hours. This is not a nine to five job. And because of the factors up in the six and one it’s down to then the profitability of it is that we have to run faster and faster just to stand still. It’s the unsociable hours. A lot of youngsters nowadays, why would they want to come into farming knowing that they can generally work from seven o’clock in the morning to seven o’clock at night seven days a week? I’ve now got it down to I can get a lot of weekends off. It’s just down to that. Through the extremes of the weather, because you probably spend a few…say at lambing time there’ll be four weeks in the run up to lambing time, lambing time itself, and at lambing time you can be doing 14, 15 hour days, seven days a week for three to four weeks, nonstop. It’s great for the first day, you drive off the farm for four weeks. You’ve been let out of jail. And why would youngsters want to take that on? Out with the cost of getting into farming.

I: Okay. So there is a quite big cost of new…for younger person.

R: It’s huge. Financially it is not viable. You can do it very slowly, but there is no... Just take my example, but bearing in mind it’s an existing business, just gone into deer farming. I’ve got my first hinds on the ground this year. Hinds are female deer. So the stags have gone in this year, the first calf’s born May next year, and from a young calf to when I can sell the first of the male ones for slaughter 14 to 16 months later, you’re talking two and a half years from today till I get my first cheque. That’s where a youngster can’t consume that pressure. They can consume probably mentally the pressure, but how can you put a business plan forward to a bank and say I want to go in, this is what I want to do, but I’ve got no income for two and a half years. So that’s the area…

I: I assume if you own land or you don’t own land it plays a huge role.

R: Without a doubt. Currently the rules…certainly I can only speak from the Scottish government side, make it very hard for youngsters to get in even as new entrants because they have to have some land to get any form of subsidy, whether it be…

I: And I assume any form of loan from the bank as well.

R: Yes. So it makes it very hard for them to get in. I’ve met quite a lot of youngsters that have been wanting to get in, and we actually helped, we found a farm for somebody this year and helped him out to find a bit of land that he could try and get into, and that was great. But then there’s other farmers, supposed farmers, slipper farmers that within the rules are actually still claiming subsidy but they’re sitting back, watching the golf in front of the fire all the time. They’ve shown enough receipts to pretend they work, but actually they don’t.

I: I have to ask you, land reform is not in that list but someone has had it. How affects you?

R: Doesn’t affect… The tenant reforms are the ones that probably affect me most.

I: How they affect you?

R: Because if I put a tenant into one of my cottages, once he’s in I can’t get him out, even if he destructs the place. I shouldn't say destruct, but just mismanages the place. Unless it’s at an extreme level we can’t get them out. So actually I’ve been to meetings and basically the sum total there is any key cottages that are on the place will never get rented out. So it will be kept and probably put into holiday lets. This is talking for general farmers, in general. A cottage maybe that’s closer to the steading will never get rented out to anybody because it’s a key cottage. So if they’re making a nuisance of themselves but we don’t have the power now to say we’re terminating your tenancy, goodbye. You don’t have that power anymore, so they’re not going to get rented out. So actually the government wants to have more rented accommodation but the rules are so strict landlords aren’t interested because we have lost that power. Land reform, depends what are the rules they think up, but I…

I: I was talking more about the tenancy issues. So obviously it creates a disincentive for you to…

R: It’s created a distinct disincentive for us to rent out cottages.

I: But also what further distortions does it create? For those people, they lose access to land or…

R: These are tenants just for the cottages.

I: Just for the cottages. It’s not for the farm.

R: That’s specifically for cottages. That was literally just for the small side. For the actual land reform on a bigger basis it’s one that the rules are so complex unless you’re actually dealing within them because you’re needing something within a tenancy… I don’t know. I can’t truthfully answer the questions. Because of all the amount of legislation we have to keep up to date with as far as anything that’s current on the farm what is happening within land reform there’s times that we’re struggling to take it on board unless it’s going to start affecting you directly. So I don’t even know what the rules are at the moment. I know what I’ve heard out with and…

I: Obviously the regulations are quite complex, and the type of information or the level of understanding is quite low, but how that affects the whole resilience of your farm that this situation…

R: The main bit that worries me is that the Scottish government are very anti farmers like myself, because the only way for us to keep surviving is to keep growing businesses. They would prefer for everybody to have 100 acre…I’m not so sure what size of block, but say a 100 acre block of land so everybody has the opportunity to farm. But that’s not viable.

I: So in this upland area can you give me an estimation what do you think is viable, what level of businesses are viable? So at least you need to have…

R: I would say to be viable and to be a farmer without having an evening job/weekend job, you’ll have to be heading to 400 acres. And that you’d be farming probably just on your own.

I: How many animals?

R: It depends. On an upland area you’re going to have to be in the region of… I mean, I’ve never worked it out myself, but you’d be having 1,200 sheep.

I: And because obviously in upland areas or even worse in hill areas the quality of the land is not equal in all places, which means you have 100 acres but it doesn’t mean you actually have 100…

R: You might have 100 acres, or if you put it up onto the uplands you’ve probably got 1,000 acres…

I: Which is equal to…

R: …you might have 800 or 1,000 ewes at the most on 1,000 acres. Whereas if you came to lower ground you could probably have your 400, 500 acres and still have…

I: The same amount.

R: …the same amount of sheep.

I: Okay.

R: The equivalent of on the low ground…

I: Is there a rule of thumb for ratio that usually…?

R: I don’t know. It is all down to land quality. But the best way of describing it is if you’re in the low ground area you’ve got your bread and butter and the jam on the top, but if I’m in the upland area all I’ve got is a piece of dry toast, and it just takes a bit more eating.

I: I understand. Number eight and number nine, you mentioned about price volatility in products but also in inputs. I wondered if you have any more examples of how vulnerable is your farm on that and how you try to make more resilient against price volatility.

R: It’s basically lowering the cost of production and not keeping any sheep that isn’t working for you properly. So I don’t carry passengers and have to be a lot harder on livestock for that purpose. So the livestock have to work for me and not me work for the livestock. So it’s down to just trying to lower the cost of production but also up productivity.

I: Can you give me some measures, some ways you try to lower the cost? Because obviously I assume it’s more challenging in an upland area to do that.

R: I try to lower the cost by lambing outside, so I don’t have to rely on an expensive, bought in feed. I’m trying to grow more in the way of forage crops to try and minimise bought in feed. So it’s basically trying to prevent the bills going out and buying in expensive products.

I: Inputs you mean, yeah.

R: Yeah.

I: But you do a bit of outsourcing in terms of contracting.

R: We do outsource contracting because of the price of machinery.

I: But there was someone, a farmer gave me an interesting point like he’s trying to prepare his farm and make it more resilient by outsourcing even more, because except of having access to machinery actually he has access to much better machinery that he could ever afford.

R: Yeah.

I: And also doesn’t affect so much the fixed cost.

R: You’ve got to try and lower the fixed costs as well, but there is a limit to… The main part in that you can lower is the depreciation cost. Sometimes it’s how far can you lower your fixed costs… No, I’ve got it the wrong way round. Try and treat your variable costs as your fixed costs and your fixed costs as your variable costs. So we do need to still lower the cost of machinery, like you say. You do have that access to better machinery, but you then have to offset that against just might not get the machine on the day you need it. Say, for argument’s sake, it’s going to be a sunny day tomorrow, I want to cut my silage, you phone up the contractor, he says oh, I’ve already got three people in front of you, you’ll have to wait till the next day or two days’ time. This is where it’s also down to the extreme of the weather events, it’s putting more pressure…

I: On having your own machine.

R: So I went down that route a number of years ago and I’m still down that route.

I: Which route you mean?

R: As in I sold a lot of machinery off. We sold the combine, we sold the bailer, we sold the tractor. We still have those come back into the farm, but it’s the contractor’s decision, not mine. So it could be a nice sunny day and there’s no combine on the farm. That’s where it gets quite hard to…

I: And why you starting selling all the machinery, why you do that?

R: To lower the costs. Lowering the cost of production.

I: So measure to pretty much become more resilient.

R: Yeah.

I: Okay. So from all of those can you pretty much prioritise the five most important?

R: To be resilient against, basically.

I: Yes. The five most important threats, pretty much, that you really need to prepare for.

R: The most important threats that we’re preparing for, at the moment it has to be number 12.

I: Okay.

R: By losing the subsidies. And then basically 13. We just have to wait and see on that one. Then thereafter we’ve got to be more resilient to the extreme weather effects, number six. Those are the main ones. Price volatility and inputs and products, that’s basically involved number 13 anyway, which is price volatility. So it’s just waiting to see on the access.

I: Any comment on number nine, which is uneven power of dynamics in the supply chain? So how you feel is your position as an upland farmer in the supply chain? How much is your bargaining power?

R: At the current moment not a lot, but with what we’re going forward doing we have go the bargaining power.

I: Which one you mean?

R: Within deer. So we actually can price dictate on that rather than price take.

I: But with sheep and beef?

R: We have to price take.

I: And where usually you’re going? Do you go to the market, do you go into the…?

R: We’re basically going direct to abattoir.

I: Which abattoir?

R: It varies at different points in the year. Sheep it could be down to [town P], or later in the year going to [abattoir name] which supplies [supermarket name]. And then the beef, it can vary year on year slightly.

I: Do you use [organisation name]?

R: No, I don’t. I’m a member of [organisation name] but I haven’t been using it for a while.

I: How are you finding your customers? Do you phone them, how you sell them? Because obviously you don’t use the [organisation name]…

R: We go through an agent to the abattoir.

I: Agent?

R: So we use basically a procurement company.

I: Okay. So what is that? Which one?

R: [organisation 2 name]. They will find the best outlet.

I: So that’s not an auction mart.

R: It’s not an actual auction mart.

I: How it works, that thing?

R: They basically can buy and sell livestock for you. It works as an auction mart, on the same basis, but they don’t sell animals through the live ring.

I: They do the dead weight.

R: They will do dead weight for fat stock, but they will have people phoning up wanting store cattle or I can phone them up saying, look, I’ve got 50 store cattle, can you please sell them for me, or I’ve got breeding sheep, can you please sell them for me, and they will then find the homes.

I: What is the name of the company?

R: [organisation 2 name].

I: Is it the kind of common channel for people here in this upland area? Among farmers, do they use it a lot?

R: These type of people are there. There’s various different companies that are doing that.

I: Okay. So there are more than one companies in there.

R: Yeah. There’s a lot more of them outwith what they call [inaudible] usual auction marts where you’re selling live through a ring.

I: Okay. What are the benefits or the disadvantages using a live auction mart, dead weight sale or through either farm stock or through the route you are doing?

R: The biggest one is on the breeding stock.

I: The biggest what? Advantage?

R: Livestock markets have everything come into them from different farms and have a higher degree of passing on infectious diseases.

I: Okay.

R: Again, I dare say when I think about that, number two, disease and spread risk patterns, I now have what I call a closed flock of sheep and a closed herd of cattle, apart from buying in terminal sires, and that is trying to minimise buying in other people’s diseases.

I: Okay. So you don’t prefer the livestock of the auction mart because of the risk of diseases. Is there any other type of reason you don’t prefer that route?

R: I stopped using that route a while ago because actually I would generally go there in a good mood, and there was an awful lot of farmers that were very depressed about farming and I came away feeling depressed, I thought I’m actually quite happy and I don’t like going there and coming back feeling… I just find they’re a very depressing place to be.

I: Okay. The other route, you have tried [organisation 1], and you’re trying the one you just explained to me through the…

R: They work the same principle. They work in exactly the same way, they’re just two different companies.

I: But obviously you have some reason you prefer the one in [place B].

R: Yeah, that was just a personal thing. A few years ago there was a man…[organisation 1], came onto the farm, they were needing livestock, they were specifically drawing the lambs for fat market and I got my fingers severely burnt.

I: Which means? Sorry, I didn’t catch the phrase.

R: He took far more than he should have done, they were far too thin, and I wasn’t impressed with them, and he knew that, and that’s why I moved to the other one.

I: Okay.

R: It was a personal reason that he was detrimental to my business on that occasion.

I: Yeah. Obviously selling dead weight, because that’s the stage you were doing pretty much…

R: That’s right.

I: …so it provides you a lot of feedback I suspect, what type of carcasses, compared to the live auctions. In live auctions you don’t get any feedback.

R: And then because I’ve got a different breed of sheep, it’s called Romney, and because they look different you can’t sell them through the auction mart because the buyers just don’t understand them. So you’re better off selling dead weight whereby you actually get paid for exactly what you’ve got. There is nothing wrong with my stock, it’s just got a different look.

I: Yeah, I understand. The feedback you were getting, are you satisfied with that level of feedback or would you like more feedback or it’s not maybe…?

R: I think we could always do with more feedback, but are we in a position to change that feedback?

I: What do you mean?

R: Well, would we do anything about it if we got more feedback.

I: Okay. But do you think the feedback you’re getting it makes some difference to the way you prepare animals, you grow them next year?

R: The feedback that we’ve had on the actual grading system of the livestock has been a help because I can see that I’ve improved my own business.

I: So how practically improves your business?

R: Because I moved the sheep up a grade so I’m getting a bit more money for them, in the confirmation category.

I: Yeah. But it was easy to make that kind of translation, yes, that’s the call, I would like to move up a grade, but it’s easy for you to do it, to achieve that or identify the ways to get to there.

R: Yeah. It was just buying the rams that helped move…with a better confirmation…

I: Okay. So pretty much it changed the way you’re buying the rams, pretty much.

R: It’s just buying the rams on the growth rates, and again just trying to improve the bottom line profitability of the business.

I: I understand the weight sales have a lot of advantages because they help the farmers to produce market oriented products, what the market really needs. But I wonder why other farmers choose the livestock sales. What advantages are they getting from there?

R: Depending on the type of stock you’ve got, you can have heavier stock to the live weights, they can be heavier, they can look good, and you can sell them generally what I would call butchers type of [inaudible] on the sheep side, say, butchers’ type of sheep, lambs, and they can get a big price. But a big price doesn’t always translate into the most money, the most profit per head, and a lot of farmers like that big price.

I: Although it’s not more…

R: Although it might not be profitable.

I: Okay. And you think because they don’t get all this type of feedback they don’t realise that…

R: No, they will be quite happy. They probably just haven’t done their sums back at home.

I: Yes.

R: They have not looked at their cost of production.

I: When you get that kind of feedback based on dead sales pretty much it’s very obvious.

R: It is very obvious. It’s down to the farmer to work out the cost of production. Just as an example, I could have a lamb go on a live weight basis, go to an abattoir, say it was 45 kilos live weight when it left the farm, it would probably have a dead weight of around 20 kilos, probably 21 at the top weight, and I could probably make more money off that than a farmer that goes with a 55 kilo lamb into the auction mart and getting a bigger price, but I’ve worked out my cost of production, he hasn’t. So it’s down to the farmers to work out their cost of production. Doesn’t matter whether it be the abattoir or the auction mart, they always try and get you the best price, unless you’ve worked out your own costs of production you don’t know which is the best price.

I: Yeah. I’m asking because I got comments like livestock or auction marts pretty much the auctioneer pretty much said it’s able to set higher prices, that’s why they prefer them, or sometimes it’s easier for when they have animals that are not exactly the same, I can create a batch and get a price for the whole batch, while if I go through the dead weight route the smaller animals might get less profit.

R: But if they try to create a batch… I haven’t been to the auction mart for long enough so I don’t know how they’re creating it, so I can’t comment.

I: Okay. I’m making these questions because I try to understand whether the way the whole supply chain is set up, whether it really affects the bargaining power of the farmers and makes them less or more resilient. That’s why I’m making all these kinds of questions. Okay. So let’s move on. Let’s check the time. So it’s 11:32, pretty much in ten minutes the person is going to come back.

R: Yeah.

I: I would like to ask you, you were talking about a few things, what type of solutions you’re using in order to respond to those things, and you gave me some examples. In terms of how you try to optimise the label… No, let’s do that quickly. It’s much easier. So here is the portfolio of solutions, some of those you’re using and you have explained already, whether you try to reduce stocks or move livestock. So when you’re facing all of these kind of challenges then you try to implement some of the solutions, and I wonder from that list what also you are doing. So how you try to improve the resource efficiency or the operational efficiency of the farm.

R: Number four.

I: What type of technologies do you use?

R: Basically using [inaudible].

I: What is that?

R: Which is a New Zealand system whereby we’re going to try and make sure that we understand more about the feed utilisation on the farm. So basically a grassland…

I: Okay. And you do that through SAC, I suspect.

R: We’re getting all that set up through SAC. So basically doing that so we can understand the grass and utilisation on the farm. So that would be a bit on the technological side.

I: Any EBV values, IDs or…?

R: Not doing EBVs or anything else on that side at the moment. Not on individual animals. We’ve obviously diversified into new income sources…

I: Yeah, like the ones you mentioned.

R: …like the deer.

I: Is there any other income? You mentioned something about renewables.

R: I have got renewables. They’re one area partially of concern. I’ve got solar panels, which is fine, but I have got biomass boilers, and I think that is definitely the concern going forward into the future because we’re just on the lag of available timber now. The big buyer renewable plants are taking huge quantities of timber, so poorer quality timber is not readily available and getting harder to source.

I: And why do you need that timber, please explain?

R: Because it’s biomass we then burn the timber to make the renewable energy.

I: Right, okay.

R: And because of that I can see me going back to oil.

I: Okay.

R: The government might meet its targets because it’s got these big power plants that are literally harvesting all this timber, but people like ourselves as a small farmer that’s trying to do their bit now are struggling to source the timber, so we’re all going to land ourselves into a big problem shortly because of this.

I: Okay. Good that you mentioned it because no one has mentioned that before to me. Also is there any other income? For example, your wife is working in a different sector or…

R: We’re about to also diversify into potentially holiday lets, into putting a large accommodation for that.

I: And here about inputs, outputs, market channels or disease control measures. The products you mentioned, there is deer, there is a number of products, but disease control measures.

R: That goes back to the auction marts and trying to keep the flocks closed so you don’t buy in your problems. So that’s the main measure to try and prevent disease. Share resources, labour and machinery.

I: Do you share with other farmers?

R: We do for that on labour and machinery.

I: Do you use the business ring?

R: The machinery ring.

I: Yeah.

R: Not that much, because I’ve got a local friend who comes and does my combining, we work together for the bailing. I get somebody that comes in and helps with the sheep work.

I: And I assume you do a lot of nine. At least this is your goal.

R: Yeah. That’s what we’re basically working towards.

I: But so far how much as a per cent is the subsidy of your income?

R: At the moment we’ll be sitting at about 20 per cent.

I: And then your target is zero or…?

R: We’ll wait and see what the government decide.

I: Yeah, but now you’re preparing yourself…

R: The biggest problem that we’re going to have is I’m setting up the business with the likes of what I’ve described on the subsidies for the production to prepare for a drop in subsidies. The biggest resilience part will be we’ll stop spending. Further down the road I will not be spending on infrastructure if the subsidies go.

I: Yeah. So it means no investment.

R: It’ll be a sad day because I’ve done a lot of investing. We won’t invest in the business. Further down…

I: Do you think the banks also will lend you less because you lose the subsidies? Because the subsidies…

R: Yeah, I think they will. Also, because if I stop spending it means that the local fencer’s not going to have as much to do, nor the man that’s doing the… Because of what I’m spending on the farm, whether it be the maintenance of buildings, so it could be everything from an electrician to a plumber or slater, I wouldn’t be spending money on that. I will make sure my business survives, but it’s then the infrastructure behind me that might not.

I: So pretty much the infrastructure is going to be your buffering kind of…absorbing the whole of the subsidies…

R: Yeah. Further down the line, once we know what Brexit does, I’ve got a man that’s getting close to retirement age, I probably won’t replace him.

I: So you’re going to cut also…

R: So basically costs will get absolutely shaved.

I: Okay. You said you have a tenant.

R: We have got tenants.

[Interruption]

I: So do you try to geographically distribute your facilities or also your markets, you try to supply markets in different locations as a kind of…?

R: I’ll be honest, I’m not quite sure about the question.

I: The question is if your farm is here do you lamb somewhere else, by this way you try to minimise the less flood there or…

R: I don’t have land elsewhere. All three spaces are together.

I: No. And do you try any farmers’ markets or…?

R: No. Definitely don’t have the time. The trouble with farmers’ markets, and it’s no offence to them, they are great, but they are more for your smaller markets, smaller farms where they’re going to have a niche area. I literally just wouldn’t have time to go and stand at a stall.

I: Okay. So then there is a kind of preserved production capacity, raw materials…so you have inventories of stock. Your stock input, or inputs like feed or something or you try some part of the land not to use it for a year, just to preserve its capacity to grow grass. Do you do things like that?

R: We do that sort of thing, it’s just that is down as a natural rotation.

I: As part of the rotation.

R: As part of the rotations throughout.

I: And then it’s more like about either in the supply chain if there is any traceability system there or try to understand the buyers of your product, how they… It’s with the company [inaudible], that does the thing.

R: They do that side.

I: And you try also to see what other [inaudible] to understand where consumer trends [inaudible] they are going.

R: I feel that’s an area whereby your abattoirs and…they need to be feeding that information to us, because they’re the ones who are ultimately… We’re selling them the product, they then sell it on. We can’t actually influence that decision because it’s too far down the line for us.

I: But you don’t get anything about what consumers want from the abattoirs through the channel you…

R: No.

I: And you think if you had that information will make it any different.

R: We would have to find out what that is because for what we’re doing we’re providing a carcass and we can’t physically change the attributes of that.

I: But I assume it might affect the choices of the breed, for example. I’ve heard comments like I go for native breeds because they produce more tasteful meat.

R: I do agree with you from that point of view, and again it’s down to the awareness of the…I agree it is the awareness of the consumer and what they want, but there’s a limit to how… For the amount that’s currently being produced in the UK, again that’s more of a niche market. Certainly on the sheep side you don’t get specifically paid for that, for eating quality, you do on the beef side for increased marbling on certain breeds, but again it’s more of a niche market. There’s certainly a better understanding from it on that.

[Interruption]

R: I’ll reverse the role. Of the questions you’ve still got to ask what’s your most important one?

I: The most important one I wanted to know, pretty much in the news they were talking we are going down to the environmental subsidies, which is not really connected with the food production. So I wonder what is your thought on that, is it a good route or if it’s going to be environmental subsidies only what type of environmental subsidies you want? Because obviously the Scottish government are going to have some power to manoeuvre there, but you have seen governmental subsidies and you have seen side effects in those, which one…?

R: It’s down to those environmental subsidies, are they still going to be associated with food production.

I: Is it crucial to do that?

R: No, it’s not. So I would say are they still wanting to ultimately make sure they’ve still got the ultimate control over the top of farmers, which they do at the moment? Because they have the control by going back to the very beginning on using the subsidies to do what I would call, some of it is unnecessary checks on farmers.

I: Okay. Because it seems you have more to tell me about, is it fine when I go back next week to my office to phone you, and I promise, no more than 20 minutes? Seriously, I promise, and just discuss about the subsidies and one or two other things I had in my list. Is it fine?

R: That would be fine. I wouldn't have a problem with that.

I: Okay. Because it’s quite hard to squeeze everything in just half a minute.

R: It’s hard to squeeze it all in, especially for us to get… Because you’re doing the interviews so you’re down [inaudible] and we’ve got to get our head round the questions you’re asking. So it takes a bit of…

I: Yes. Okay, now you have seen pretty much [inaudible] you haven’t seen the whole…but that’s fine. You have seen most of that. Also think about whatever else you would like to say about you having the chance…

R: What you could maybe do is there could be two sheets there that you want me to have a look at, send the sheets…

I: Yeah, I can do that.

R: …so I’ve seen them, then I’ve got them in front of me then we can discuss them with those views.

I: Well, most of the cards I wanted to use with you I have already used them, but anyway, I will try to send you something and then I will phone you next week and then we do the rest.

R: I’m not available for the first three days.

I: Okay, that’s fine. So it’s going to be Thursday you’re free.

R: Yeah.

I: That’s great. Don’t worry, you’re going to receive an email and we set up a time, because obviously I don’t want to interrupt you for anything else.

R: No, that’s not a problem.

I: Did you find it easy to go through…those two are mine, nothing else here. Did you…it was quite difficult?

R: It’s just a bit like going back to school, you’ve got to understand the question.

I: Yeah. And I was trying hard to make the questions… But the problem is I decided to use the cards because I’m interviewing so many different people and the topic is so complex, and I didn’t want to have an interview, cover five topics and then go to the next interview and have another five topics but not the previous ones. So I wanted people pretty much to cover the same areas.

R: Every farmer’s different, every person’s different, we have a different view. There’s nothing wrong with the questions, it’s just making sure you understand… Because it’s an awful lot to take in. I thought two hours, and I would say actually two hours is not long enough when you see it.

I: Exactly. I had the issue that when you see the topics that are…

R: When you read it you thought…

I: But the resilience is that. You have to face everything, and also all these things are interrelated, from how the animals are going to react, how the weather is going to be, how the Brexit’s going to be.

R: And it’s still the same. It might be settling down, but we’ve still got to think on our feet. Everything that we do, it’s not like, say, manufacturing a piece of steel. It’s the same process every day. Whereas as soon as we walk out that door, we’ve got a different weather pattern.

I: It’s like raising kids, every day it’s a new experience.

R: Exactly. Without a doubt. And the good thing about it, if you get to the point where you’re grandparents, at least you can hand them back. Thank goodness for that. I’m nowhere near that.

I: Hand them back. Okay, [inaudible].

**End of transcript**