ResULTS project: case study D interview 37

Face to face interview with farmer, conducted 19th September 2018

Interviewer: I

Respondent: R

R: Well my farm is obviously in [area D] in [island 7] which is our connected island to the mainland of [area D]. So there is direct transport links between the central hub which is [town 1] and my farm. I’ve been farming there for the last ten years myself, previous to that…well actually, no, it’s more like…well I started in 2004 farming full time. I had a part time job and I moved away from the…and this year…well last year was the first year that I moved away from working in a part time job to be fully employed on the farm, where that’s my main source of income is now the farm. Previous to that I was working part time and my dad was working on the farm as well, but he was also a while ago previously employed as either a mechanic or a local councillor. He was a councillor for the local area.

My farm when I started had 60 cows on it and it was initially put up with…we started renting some cow and then it went from 60 cows to 80 cows, when we rented some ground. Then we bought another farm so the numbers went up again to about 115 cows and recently we’ve bought a bit more land, two years ago we bought some more land, so it’s going from 115 cows, which we’ve just got into at that stage. Last year we calved 120, next year we hope to calve about…well this coming winter we hope to calve about 140, and then following year have about 150, if we can have enough grass and resources to look after the animals. So that’s been the history of the farm, it’s built up to over double the size over the last few years.

I: So primarily it’s cattle…

R: Cattle.

I: There is no sheep or…?

R: I have no sheep. My wife has some sheep but I have no sheep.

I: Your wife…you consider the sheep production that your wife has as part of the same farm or…?

R: It’s a separate farm.

I: It’s a separate farm?

R: It’s a separate enterprise that she has, she has 25 sheep that she looks after herself, whilst I have primarily a beef herd. I’m specialised in producing what would be called store cattle, which is I don’t fatten any of my own cattle, I am just…I’m just producing the calves for somebody else to fatten.

I: Usually you sell them to the [area D] auction or where do you sell them?

R: We sell all our animals to Aberdeen, the reason is there’s access to a bigger market and they have an advantage of cheaper feed. So it’s cheaper for them to fatten my cattle down there than it is for them to be fattened in [area D]. They get high quality cattle and they get the ease of fattening them there. That’s the idea and a lot of people do it that way.

I: Just for clarification, you are paid monies…you sell the cattle and then you’re paid the money, you don’t get any premium in case the cattle…pretty much they grow very fast when they…?

R: No. I do two sales a year, I sell them when they’re 11 months old and I sell them when they’re 18 months old, and the market that’s being sold at the moment is 18 months old. I do get a slight premium for some of them as I sell them as a native breed, but there is no direct payment I get for being a native breed, they’re just worth more because they’re looked on as a premium product. It’s like Aberdeen Angus cattle is some of the ones that I’m selling. So only other source of income is subsidies which I get LFA single farm payment, greening payment, beef support…island beef support scheme…

I: Beef efficiency…?

R: I don’t get beef efficiency scheme, I didn’t see it was worthwhile entering into and there was a lot of confusion over the scheme in the early stages. So I didn’t want the hassle going into something I didn’t know what would be the requirements of myself.

I: Now you know the requirements you still consider it as…?

R: I think I’ve missed out now, I can’t get into it because I didn’t do it at the beginning. But it’s something I might look at, they’re asking you to do extra work at a very stressful time of year, when you’re as busy as you can be in the mires, trying to save the calves lives, trying to make sure they’re kept warm…

I: The way you explain that is brilliant because pretty much you’ve given me all the relevance behind the choice and also these trade offs, it makes much more work at certain times and like that. All these kind of trade offs, I’m looking for those, yeah.

R: The only other thing which hopefully will get approved at Christmas time this year is I’ve agreed to join an environmental scheme. The reason I joined the environmental scheme was that I’d seen with Brexit there was an emphasis moving towards environmental schemes and I wanted a positive, that look I’m not just joining an environmental scheme where I only getting a bigger payment from them now, I want them to have a historic database that oh look he was doing it before, he’s continuing on doing it. That’s why I joined the environmental…that’s why I’ve joined this environmental scheme. The downsides to it is it’s something extra to think about. This is the hassle with the environmental scheme is you’ve got to think when your cattle goes into a field, is there a time restriction on when you can start graising that field. You lose a certain lot of [inaudible].

I: Like?

R: Like the rolling the fields.

I: What?

R: Rolling the field.

I: Ah, roller okay.

R: You put a big steel roller across the field, flattens down all the bumph, makes the field nice and flat, and level, produces better grass, discourages weed production and stuff like that, but you can’t do that earlier in the year.

I: Oh, okay, because of the environmental scheme?

R: Because of the environmental scheme, so that’s the downside to it. The upside to it is I get on this current scheme, £10,000 extra a year and that’s the pay off. I personally don’t think there’s actually a big environmental benefit through the schemes, because I don’t see over the course of doing the scheme a big uplift in bird population, wildlife. I can’t see how cutting my fields in a bird friendly style or an environmentally friendly style saves the environment, because nobody’s actually managed to explain to me how would a mouse or a vole know what way to run when you’re mowing from the centre out the way?

There’s no proof that…I would assume you’re taking a 20 feet cut a time of grass that’s going through the field, a bird nest or an animal is in the middle of that, it doesn’t know what way to run. I’ve got big doubts on the environmental schemes, whether they’re giving a tangible benefit. But it keeps a lot of people happy, it shows that we’re trying to do something…I guess it shows we’re trying to do something positive.

I: Is there any other side effects related with environmental schemes like…someone told me, for example, because there is a restriction when you can start doing harvesting, pretty much, that [inaudible] farmers to start, first of July, everyone wants to harvest, they’re not, you know, contractors [inaudible] work like crazy. But obviously there are a lot of people they start thinking, oh I might start, own the machinery in order to have control when I’m going to do the harvest. When it becomes quite complicated, people they start buying expensive machinery but it’s disproportionate with the size of the land they have, so they pretty much get a lot of fixed costs already. So someone told me that look you can see that as a side effect of those.

R: Yes, I can see that, but…I can see how that would have an implication on that farm, that’s a farmer’s decision. For myself I’m lucky that…particularly for the silage production, I go for volume of silage that I produce. I’m looking for a lot bigger volume of silage, so I’m happy to wait until the middle of the month. I start about the 15th that’s when I start and I have the equipment already, I’ve always done it in-house as it’s the cheapest way for me to do it. There is going be some equipment bought, like a lot heavier rollers so I can roll fields in the middle of summer, when it’s too dry to work with the equipment I’ve got at the moment.

But that’s…for myself the cost of the environmental scheme is it does degrade land, it degrades the production and output of some land, because you can’t roll it, you can’t spray it for weeds and you can’t plough some of the ground during the five year scheme, sets our field back. Where you might have looked at say a grazing field and seen it had got full of weeds, it was getting a bit damp, it was tailing off, oh I’ll go plough that this year. Rejuvenate it, turn it into a high production silage field, you get to the stage where oh you’re stuck in the scheme and you’ve got lots of fields that have been run down and are poorer.

I found that happened with the last environmental scheme I was in, when I came out of it I had a lot of poorer fields after it and I had to come out for three or four years so that I could get that field improved again. That was a real downside of the environmental scheme is the loss in quality of grazing and production from that. The farm I bought which is called The [farm name], it was one of the first ones to go into the environmental scheme, and I basically had to plough about 75 per cent of the farm and readdress the fertilizer balances and readdress the fertilizer, put in extra gains. I removed a couple of kilometres of fencing because each scheme had subdivided the farm. That was a big amount of work I had to do to try and get that. I do see a negative impact on the quality of the farming if that makes sense. Yet you’re almost weighing up in your mind big cheque, downside is poorer land, more difficulty to manage it and stuff like that, if that makes sense.

I: The other example also with the environmental scheme, someone told me I used a lot of pesticides to stop the weeds and everything on the other part, but then when my animals go to that area, eat the grass or the weeds from there and then they go to the rest of the crops, and pretty much spread the weed seeds everywhere. So next year I need more and more fertilizer, things like that…

R: That’s a very fair point and that’s basically where I come to the environmental schemes degrade the quality of farmland. You have…

I: Okay, so you agree with that farmer, that’s a valid point?

R: It’s a very valid point. I would say more of the form of the poaching and your grazing land not being able to spray it for…particularly dockens, that’s a really big problem in [area D] is the dockens come in, cattle don’t eat docken, fills you full of crop full of stuff that’s just waste bulk and it kills the grass, the leaves of the docken shade out the ground, which prevents the grass from growing. But then saying that I can spray the ground if it had ragwort in it, which is a phase one weed, which is…ragwort is a little yellow flower and when you have that in the ground, that’s poisonous for the cattle.

I: They don’t have any issues with sheep?

R: Huh?

I: Sheep, they don’t have issues?

R: They do but they die a lot sooner than cattle. No, sheep do suffer from it they just live a lot shorter…that’s a fair point.

I: Yes.

R: As somebody said a sheep is the only animal that is born to try and think of an interesting and novel way to kill itself. There is certain exemptions that would allow us to spray which is good, so it’s basically ragwort would be the main one that you’d be allowed to spray your ground for in that, but then you’ve got to apply for permission then to do it and you’re a bit like it’s a lot of work. Your habit is to leave it.

I: My perception is in the past you have taken subsidies based on the volume of…?

R: Yes, we did have a…

I: Headage?

R: We did them in the past, we only have the beef calf scheme now which is headage payment and we did used to have that. But back in that day I would say that the percentage of our income was a lot less, was like a third of our income was based on headage payments, the rest was made up of sales. Nowadays our subsidies because the value of cattle have fallen, a cow being sold nowadays is worth the same as what it was in the early nineties, there’s been no increase in value. For a very long time, my dad had a paper from 1974 and the cow prices were better than what we were getting in 2000s. So the price of cattle haven’t gone up, it’s like they’re not linked to inflation. Every year I don’t get two and half per cent more for my cattle and the subsidies have slowly…have kept at the same level but their value is getting worth more and the price of my cattle is getting less. Now I don’t like the idea of headage based payment, I don’t think it’s right, I think it’s a lot fairer to base it on area of land myself.

I: You briefly described the negative side effects of head substitute…

R: Headage based payments mean that somebody can overstock their ground and they can play the system, and it works the…if you put a headage based payment on beef cattle, everybody would go into beef cattle. If you put it onto goat, everybody would go into goat. It’s better to have an open market that is based…it would be lovely to be a headage based payment in some ways. I think a lot of farmers would think brilliant that you’re getting paid a seven month per each animal and that means that you are…it would help with the argument of active farming, because you would have to produce to get your subsidy, if you didn’t produce you would get no subsidy. But the arguments for and against headage payment is 1) the politicians can deal with it, 2) it means that everybody gets paid the same which means that if I look to buy a bit of land or something and knew exactly how much subsidy I’m going to get off of that land before I even start to buy it. So that gets paid for day one.

It’s a really good way of getting older and retiring farmers to hand over the farm to a new generation, as they’re getting a set income from their subsidies. If they keep getting the subsidies, they will rent out their farm to a young entrant who maybe isn’t getting paid the subsidies for this, but he can work the ground, he can product a profit off of this.

I: There are some cases that are obviously now you make the case, the head based and land based, but there are a lot of arguments saying that land based pretty much give them incentive for farmers to lay back and say since I have the land, I don’t really need to be very active to produce. And it helps to create obstacles for the new entrants that would like to find land to buy not to rent.

R: Yes, but then nobody can afford to buy land. Imagine going to a bank and saying I want £400,000 for this farm that’s going to earn me £10,000 a year in profit. The bank is going to turn around and say no, the barriers to new entrants’ path of getting into it saying say we need to have a turnover in an area of land to begin with such as rented land. I don’t…I’m of the opinion that we’re not going to have very many new entrants in the farming community, that’s not the way it’s going to go. The existing farms will get bigger, they have to because inflation or because my price of my cattle don’t go up every year, I have to get bigger. And therefore, I have the power to buy out, therefore I’d be in position to buy out the retiring farmers to get their land, which pushes up the price of land for new entrants, because I have to expand. I’ll have to be a lot bigger by the time I go out of farming to have a viable enterprise into the future and that’s the thing.

I was saying about land based against headage in my opinion the benefits of headers payment to me just to try and simplify it is that I can predict exactly how much I’m getting, it’s a simple system which removes the pressure of me to drive up numbers or anything like that. It’s there to just be…it is there to support my business, to stimulate growth, to help me stay in business so I stimulate the rural economy, so that my business is profitable. At no point has an area based payment ever made me have the decision to reduce my cattle numbers to slow down or back off of producing as many as possible. It’s meant that I’m wanting to produce the best quality of animal in terms of focus on producing…it’s made me more conscious of the value of my cattle to produce…

I: So it’s more market oriented?

R: Yeah, more market oriented is what I’ve been aiming for, I’ve been aiming for a set location instead of producing an animal or something. Because in the good old days you had your subsidies kicked in for your calf when that calf was a certain age and then when it was close to slaughter you got another payment.

I: When that happens?

R: This was back in…it would be in nineties, I would think. You got three payments, you got your different tickets as they called it, you got your pink slip or your blue slip or something like this and as your calf grew up you got your payment. So back in the good old days if we had a calf and we kept it to three years old we got all the subsidy out of the animal and we got a lot more money for the subsidy side. Now it’s cheaper for me to sell our animals directly off the farm to somebody who can raise it up quicky, get it to market, rather than they’re not going to be sat around on the farm like the subsidy before. Because we didn’t have the feed or the ability to fatten it as sufficiently down south, so it was more…now it’s more we’re producing the calf to sell to a market. I would say the number of fattening animals in [area D] has dropped down a lot because it doesn’t pay to do it here. So it’s…

I: Because of the subsidy or also because at the same time there was…probably it wasn’t the same time but used to be abattoir here, so there was a market for some of those, the fattening animals. But what do you think it’s the number of fattening animals is decreasing because of the subsidy, because of the lack of the [area D] anymore...sorry the lack of the abattoir anymore or both, what do you think?

R: The abattoir doesn’t help, I wish there was an abattoir here. Just a quick sidenote on the abattoir, I wish it was here because it marketed [area D] cattle. It sold [area D] cattle and they said they were the best in the world and that was really good because that’s somebody saying the cattle from [area D] are the best in the world, they’re really good, really tasty, here they are, try some. And that organisation was constantly selling out the way, so that helped to rise up our price of our animals. Now because the abattoir…the percentage that the abattoir actually slaughtered was very low of the total number of cattle in [area D]. Even at its peak the total…it was 60,000…of the 30,000 breeding cattle in [area D], there wasn’t 30,000 calves going through that a year. There was just a few thousand and that was the…so it didn’t have that much on impact.

I: So it didn’t?

R: It didn’t have that much of an impact but it was a really good sales tool. I think. So when it comes to…I would say that the market has been throughout Scotland has been changing, so it’s more…the animals are being slaughtered at a younger age and this initially happened due to BSE. Because your animal had to be under four years, I think it was for BSE which moved everyone to be a lot younger when they slaughtered the animal. And then people figured out that there was a cost to keep that animal per day on the farm, so the fewer days you keep that animal on the farm, the less cost it is overall. The age has now started to go down and it’s a general trend in the industry that everyone is starting to sell earlier. I would sell an animal for…I could say an animal after 24 months for £800 or I could sell the same animal after 18 months old for £750 or I could sell that same animal at 11 months old if it got to the right weight for £700. It was the cost of feeding and all of that was outweighing it and I think in the fattening market they add £100 to each head of an animal.

They put £200 worth of feed into them and add a value of £300 onto that animal and sell it for slaughter then. So they get £100 out of each of that animal. It’s worth a lot more for me in [area D] to have a cow, which costs a lot less to keep and produces a calf which right away is worth £700. You see what I mean, each cow produces me a lot more money than a fattening base, and that fattening base is taking up the space of a cow. That’s a decision to go for selling store cattle and I think that the trend throughout [area D] is moving that way because it’s more profitable, it’s easier to work in a way and people outside of [area D] are a lot better at specialising at it than us here in [area D] for fattening. And the subsidies have made it us freer to do that because we’re just getting…the subsidies are freer for us to do that.

I: Freer?

R: Freer and easier because we can take our cattle and we don’t think about oh if I keep it to…so now that we don’t get paid a subsidy for when the animal is 20 months old or something like that, that means we don’t have that restriction to hold onto that animal. It just makes it a lot more smoother and the [area D] mart, a lot of the people that buy there have been flowing up from south to buy our cattle to ship them south to their farm. So they’re up here buying the cattle here and shipping them south anyway, so there are two routes out of [area D] for your cattle is to send them direct to Aberdeen to a mart down there or sell them direct to…or to sell them in [area D] but then they go straight south. And sometimes what was happening is they would go to the [town 1] mart and sold there, turn up in the Aberdeen mart, get sold there again.

I: Say again, they go to first…?

R: First they would go to the [town 1] mart…

I: [town 1]…?

R: [Town 1], [area D] mart. So they will go to the [town 1] mart, get sold there and then go on the truck to the Aberdeen mart and get sold there again. The middleman was taking money off of that cattle doing that and that’s…

I: So it seems that the prices you’re getting at Aberdeen are…?

R: Are better. That’s why I went to…but then some people feel that they really need to support the [town 1] mart but there’s nothing wrong with the [town 1] mart, it’s just I make a better profit in Aberdeen because my animals are more suited to there as well.

I: You mean…

R: Suited, as in if you…

I: In terms of…?

R: If you go to [town 1] mart you will see Charolais cows being sold there, the big white cows being sold there at a big weight. I sell Aberdeen Angus which are a lot lighter, smaller and they don’t fit into the same class.

I: It’s pretty much…the [area D] market has been differentiated as selling one breed [voices overlap]…

R: …yes…

I: So that’s the [inaudible] pretty much.

R: That’s pretty much it. I couldn’t figure out why I never sold…why my dad never sold to the [town 1] mart and then I went to go and see a sale there, nothing but Charolais. All through the mart as far as the eye could see, mine would look very small and not productive, so why would somebody buy mine? Whereas if you go to the Aberdeen mart place, there’s a sea of black cattle.

I: Pretty much you see the black…?

R: Yeah, it’s the person in Aberdeen who wants to buy my cattle, the person who is in [town 1] doesn’t want to buy my cattle, that’s the reason.

I: The other thing is that, someone told me that some of the rates at some point they were very…I don’t remember which bit [inaudible], but he was saying that some of the European rates, they [inaudible] confirmation of the carcass but the taste is not the same. Like some…

R: Native breeds, yeah.

I: So you agree?

R: That’s scientifically proven, the breeds such as Aberdeen Angus is very well known for it, it puts more fat into the muscle, you get more marbling and it’s more tender and softer. Compared to a Charolais which is…the fat mainly accumulates outside but they produce a lot more muscle.

I: But I assume the consumer was looking for much more lean beef or whatever so that they have [inaudible] at that time?

R: Yes, that is true and it changes the whole time, at some points Charolais are…people are wanting lean meat and a chef goes but you want is tasteful meat and it falls the other way. This is the kind of thing that happens, it changes back and forth of what’s your ideal breed.

I: So pretty much this is the main two breeds that they have in [area D]?

R: We’ve got all of them. We’ve got…I would say the main breeds that we’ve got in [area D] would be Simmental, Limousin, Charolais, Aberdeen Angus and then we the third main breeds would be the likes of Shorthorns and…well you’re more…we have a vast variety of animals and somebody might be a Charolais producer but their core breeding herd of cattle might be Simmental, because that animal is good at producing milk and is very maternal and is easy to work with. And the bulk of their herd they put to a Charolais bull, they produce a big calf that is very profitable to them, they sell that on but they also would have maybe a Simmental bull to keep the Simmental cows. That is…

[short pause in recording]

I: What are the special features particular to the [area D] area that should be maintained in your view?

R: Well the special thing about [area D] is really we’ve got a good thriving community here, we have a lot…I don’t know if you noticed but around here there’s a lot of stuff happening, there’s a lot of activity in the town, we have a well supported main street, there’s very few shut shops. There’s a lot of industry that happens here, there’s lots of building firms and commercial building firms, and there’s a huge…because of the agriculture that’s in [area D] there’s a huge support network that’s on the back of that. I would probably say that the agricultural sector in [area D] is one of the biggest employers because we have this big support network to do it, where there’s lots of people employed looking after agriculture in [area D]. And the reason for that is that the majority of money that is made on the farm is reinvested into your supplies for the farms, your tractor sales, sending your kids to school because a lot of farmers have families, it’s just the way of it, farmers like to settle down. I feel that there’s just a lot better community in [area D] because of the farming I think and that’s one. I think it’s key to the agriculture…

I: When you mentioned a lot of activities, obviously there is farming and farming industry but what other activities are here? I think I saw something about jewellery…

R: About?

I: Jewellery.

R: Yeah, we’ve got jewellery here which is based on the tourism industry that’s here. The main industries in [area D] is I would say, the farming is the main industry. We have fish farming here that employs a lot of people, we have the oil and gas industry because we have [company 1] that’s here. And we have all of these different…we have lots of activities are going on here commercially, but the likes…jewellery is really good because that employs a lot of people to handmake jewellery and that’s good because your jeweller has a shop that does that and that has a big diverse impact. But you take something like the oil and gas industry that’s here, they take oil in tankers and they ship out oil on tankers.

There’s very little money being fed into the local community except for the employment that that’s generated. So those have maybe 50 people employed there they’re taking a good wage out, but if you replaced that fella with a farm or something like that, you would have a lot bigger income coming in because a farm maybe has a turnover of £100,000 and the farmer only makes a few thousand in the year, the rest of that money has gone into the local economy. Whilst [company 1] will be making millions and it will be going straight out.

For the tourism industry it’s sort of distorted a bit because you’ve got the likes of [company 2] that are taking the people here and the cruise liners. Their money that they’re making is going out of [area D] whilst the farming is staying in [area D], that’s why I think it’s an under looked industry because it doesn’t maybe have the big high headline figure of billions going through the oil terminal or millions going through the tourism industry, but the money stays here in the local community.

I: [Inaudible] is about upland food system and obviously [area D] \sit doesn’t have a lot of hills but is considered upland because it’s remote in terms of the environment. But what we mean with food system, I’ve tried to create these kind of cards because it means a lot of different things for different people. So what you see here in blue arrows you see the supply chain, input of products and then upland farmer, lowland farmer, primary producer, secondary producer, processor of the meat, secondary processor of the meat, wholesaler, retailer, consumer. And then you have in the orange circles, you have pretty much all the kind of companies or organisations that pretty much support that supply chain. So you can see banks, you can see consultants, like vets, accountants or whatever. You can see colleges, business centres, extension services like SAC, developmental agencies like HIE. I don’t know what is that, I don’t remember.

R: Schools, bodies…

I: Well in [area D] probably this might be…I heard the business ring…oh, not the business ring, there is a kind of training…

R: Yes, SAC do training and there is the college as well.

I: But there is also some kind of enterprise which is related with business ring and provides some training for farmers…?

R: Yes, SAC do that as well as…I don’t know if the business ring has done stuff like that in the past as well. Yeah, you get skills courses and stuff like that, yeah. But the business ring does do recruitment of people as well and maybe run training courses, modern apprenticeships maybe.

I: Mm, probably. Because I had an interview this morning and I didn’t know that they were providing any training and they said they provide it but it’s quite independent from the business ring. But anyway…

R: I don’t have any [inaudible], so I don’t know.

I: Don’t worry. So here we have the orange with the blue together, altogether they create the value chain and here you have the green ones, where it is government…[inaudible] affected and sometimes affect the supply chain. So there is the government and the funding bodies, the pharmaceutical industry, like vaccines or antibiotics or whatever, and then the energy market, which is a conventional or renewable market. And then you have environment, social kind of NGOs or charities and then you have here the local community and tourists, and then you have the general public. This is the kind of human side agent of the food system, but also you have the biologic organisms, like animals, trees…

R: Not too many of that here.

I: Yeah?

R: Not too many of that here.

I: Yeah, but I wanted to find a picture of a plant but it wasn’t so easy to find those icons.

R: No, it’s absolutely grand.

I: Or a kind of bacteria, whatever…

R: I know what you mean, there’s like the whole [inaudible] chain.

I: All these are the food system actors or agents or whatever you call, and what we try to do is to see how these interact…are interacting and also in which environment they operate. So that’s…does this kind of picture make sense to you? Would you like to change in any possible way?

R: Well for my business it ends earlier on here in the supply chain because I’m selling my cattle out of [area D] at a relatively low stage in the production. But there is no facility to continue them on in [area D] here, I can’t fatten them to send them to the abattoir here and it’s unlikely I would do that because my business would be better to ship them and take the money home. But then I do use a lot of the services within here, yes.

I: I think your position here like an upland farmer and would sell to the lowland farmers and then they probably goes to the processor so that’s fine. The other thing is I would like to ask you, what does resilience mean for you?

R: Resilience means the ability to continue making a profit when there is a challenge to your business, such as the removal of subsidy, to continue on at a lower profit margin or weather and climate changes, that as I was mentioning earlier on, we’ve just gone through three years of torrential wet weather. And it’s the resilience to carry on the business and maintain your profitability in that time and then turnaround have a drought and still maintain your profitability. This is the resilience to continue on to be able to look in 20 years time I will still be in business and I will still be producing enough to make me live off of my income from the farm.

I: So when I went through the resilience literature for this project, I came across this definition which says resilience is the capacity of a business or a system as a whole first to either absorb/buffer against internal/external disturbances or learn and adapt through incremental changes or even transform through radical changes. I can give you examples like incremental changes can be increase/decrease your stocking rates. Buffer it’s you pretty much don’t do anything, you just absorb the loss and you expect something to change and then come back to the previous situation. While transformation might be, beef cattle doesn’t work anymore for me, I move to sheep production or dairy production or tourism, agritourism, whatever, or to crops. Okay, so more radical changes. And someone today told me if you see that it’s like a time…this is usually what you do first and then if the disturbance lasts longer then you start doing some of the incremental changes but they don’t really work, and then you say that’s it I’m going for very radical change. So he added to the time perspective.

R: I would agree with that but quite a lot of the time we are…I quite often say that people would be working in number two, where we’re doing adaptive changes in the business, like I had a decrease in silage last year, so I increased my fertilizer. I considered my stocking rate on my animals and I’m considering that this year. The buffering…sorry, the adaption is within the herd number and that can happen quite quickly and radically, and it’s something that you can…and every year you would have to think about those changes. And the buffering is when things get a bit worse for me, that’s when I have to tolerate the decrease in income because I would be more willing to buy feed in, so I’m buying feed in to keep my animals going, then the buffering will I lose…one and two is interlinked. Number three in my transformation is basically giving up, it’s stopping your farming enterprise, it’s stopping. It’s such a radical…yeah, you almost think about different markets and businesses, such as maybe growing an arable crop instead, we’ll grow potatoes or something along…you think about things like that.

But that’s difficult for us to do…well it’s difficult for us to do in our business and I would assume for most businesses in [area D] as we’re specialised. We have spent a lot of money on the buildings and the infrastructure to house beef cattle, and we set up to produce the beef cattle very efficiency. If we wanted to say grow potatoes, we’ve got to buy big tractors to plough the ground, we’ve got to buy specialist machinery to take that out of the ground. We can’t use our sheds because they’re all specially designed for cattle. Then we’ve got to build supply chains around that, you’ve got to get exports of that material. We’ve got a moving…well left Monday night with cattle on, nothing but cattle, so that’s a specialised exit chain for that product, well there’s non existing for other ones.

I: Great, what you said there pretty much covered something later on, but it was great that you put it altogether. But also, it was great that you said some of those may happen at the same time, so buffer and adaptation might happen at the same time. But also, when I was thinking about radical changes, I was thinking also diversification to nonfarm activities like tourism or renewable energy or whatever, like new sources of…

R: I tried the renewable energy…

I; Oh, so you tried…?

R: I tried, I wanted to get a windmill put up on my land and it went through the…some people that came into…a lot of people have got small domestic windmills, and a lot of people have come here to retire and have a quiet life here, set up a protest group, argued that strongly that the project got rejected. And if the project had gone ahead it [area D] would have got a cable here to export as much renewable power as we could generate, that’s now at risk of not happening. Because there was a company south that wanted to rent my ground and put the windmills up, so they were going to put up one windmill on mine and four on my neighbour, and that was going to provide [area D] with a cable, provide community funding of £100,000 a year and it was going to…community funding, well it would have provided a few jobs here. But it would have allowed us to export the power we curtailed at the moment. But they protested and said it was not…

I: When did that happen?

R: That happened last Friday or two Fridays ago, a sore point. I have been trying down the renewable route but I can’t because people like…

I: Sorry…

R: …the scenery too much.

I: Those windmills are the big ones, small ones?

R: Three megawatt…

I: What is that…?

R: Double the size of the one that’s here, double the size of the one that’s just in [town 1] and they are big.

I: They are big ones.

R: They are big ones but in the scheme of windmills throughout the country they’re now medium sized large scale commercial windmills. We considered bringing a cable to [area D] …

I: Yes, you need those.

R: …you need that needs case. You need a big generator for that.

I: Let’s move on.

R: I guess what you could say about that is yeah, you can try and diversify but sometimes…

I: Sometimes it doesn’t happen.

R: …it doesn’t happen.

I: We’ll talk about that, don’t worry.

R: I’m just moaning now as a farmer.

I: I really like the fact that whatever comes to you, you get it with a smile, that’s great, great, great, that’s really pure resilient attitude. So this card is trying to summarise all the functions, roles, calls or whatever you want to call them, but pretty much is the same thing. Do you think a farmer’s business needs to have or should have? So you can go through those and I have pretty much categorised them into three ways, one is more related to the private interest of the owner. The second one is more related to the multiplier factor you were saying before. And then the third one is related to public goods. So please go through, read them, let me know if there’s anything there that is missing you feel that me as a farmer or other farmers in [area D] they have these kind of [inaudible]? If you come across something that is not that clear what it’s about…

R: ROI?

I: It’s return on investment.

R: Ah, right.

I: I should have put it…

R: Sorry, I should know what that is.

I: No, it took me years to remember how to…

R: I agree with most of the stuff on the list, some of them are…

I: Some of them may be not relevant to [area D].

R: Yeah, so some of them are not relevant to [area D] such as moorland and stuff like that.

I: Like what?

R: Well like…was it moorland or something like that, about the carbon station. That happens with grassland as well but out of the top list I would say number eight is looked on as the lowest priority about the production of other products like leather. But it’s something I would like to be able to make a bigger worth out of. I would like it if there was a recognised breed of carcass or something that was worth more because of it. I now find that some people talk about the best leather comes from farms that don’t have barbed wire fencing. I don’t have a lot of barbed wire fencing on my farm so in theory my cattle are worth more because the leather is better, but that’s not looked on that highly. The forward process of looking at a biproduct that they can make a little extra off of, whilst the benefit oft that doesn’t come back to me because…

I: Someone today told me something about using the wool for insulation…

R: Insulation?

I: Yeah.

R: Yeah, that’s good that we can…that’s something that is good to see happening but it’s something that should be probably looked at to develop further to produce a better market in that. Succession is really important in a farming business because by the time I’ve paid for the borrowing that I’ve incurred to grow my busines to where it is, it’s not going to be me that’s going to me that’s going to benefit when the loan is paid off in 25 years, it’s going to be the next generation. That’s something that’s really important in farming is that there is a succession plan, that there’s a future for the farm going ahead, whether it’s in my family or somebody else’s family. It needs to keep growing and doing well and being able to support our family.

I: The five first order for you, which ones?

R: I would say…

I: I didn’t say that but you could do that. Some of them they’re interlinked, so you could say number five and eight can go together. Not these particular five and eight but I’m given an example. So you can group them together and say those two together is my first priority.

R: I would say succession and personal family satisfaction is probably the reason that I’m in farming, that you’re doing well yourself and that you’re enjoying your life, that there’s a future for the farm, I’d say that’s really highly important. For me personally food security is less important because…respect of the community is something that you would like but that’s not guaranteed by your farm, that’s the person that you are and your engagement in the local community. But it is important. I like the fact that my farm does produce local employment but, yeah, I’m going back to the thing it’s personal and family satisfaction of life, that’s why I’m in farming.

I: Of those is there anything else?

R: As far as…well that’s important, I was going on about number 11, the multiplier effect, recycling the money back into the local economy is very important as well. When we go down to public goods and all of this that’s more a benefit of why you want farming, clean air and water, carbon [inaudible]. This is natural things that are the benefits that come out of farming within a local area.

I: But you think it’s a duty for a farmer to provide those? It’s a faction that they should fulfil?

R: It’s something that naturally comes out of my business, it’s benefits that’s derived. My main thing is to produce food for people, I produce food…yeah, the cattle produce a nice environment, to produce pretty little fields and stuff like this. But the core of the business there is to feed people and to give me a good life, when it really comes down to it.

I: That brought back to something I wanted to ask you when we were discussing about subsidies, have you any subsidy about calves?

R: Calves, yes I do.

I: I will ask you later to give me any…how you see that calf subsidy has any side effects or not. And then the other thing I would like to ask you is…what did you say just before?

R: I said that…well about food security is an important part of farming.

I: Ah, yes, I remember, this time of the day. There is a lot of discussion of moving towards payment for environment or public goods. Do you feel that it’s a good direction to go for subsidies? Because I had a comment from a farmer saying something…yes, okay, fine about the environmental subsidies but then at the end of the day the emphasis should be on the production of food, you shouldn’t forget we produce food. You shouldn’t only target environmental public goods and then you don’t subsidise for the food production because…do you agree with that?

R: I strongly agree with that. I don’t think we should be targeting subsidies at environmental benefit, because I don’t think we can provide a good environmental…I don’t think…I think it distorts…I think if you start paying money towards environmental stuff, you will distort the look of the environmental benefit. One thing I get scared about is the ministers got into trouble for having a duck pond. He took a lot of public money to build a duck pond in his garden and built this, there was a huge scandal throughout Britain regarding this. Well you could do a very much similar thing with the environmental schemes because my uncle at the same time he was putting in a duck pond on his farm and he got paid environmental subsidies towards it. There was no difference, it could have easily been seen as oh this farmer dug a hole in his farm, he got paid £1000 a year for this, that’s ridiculous.

There could be a big backlash against it which then hurts my profits terribly and if we…I don’t like the idea of focusing on the environmental benefits of farming, because it’s a beneficial outcome that happens because I am here farming anyway. I’m not…if suddenly you put all the money into environmental schemes the environment isn’t going to improve, it’s going to warp. What happens on the farm to satisfy to chase this money which decreases the food output, could potentially have a negative effect on the environment because you’re no longer focusing on the management of your cattle, the management of your fields, your drainage and stuff. In the environmental schemes they want you to block drains, well that increases the water table and raises the water table up, which produces wetlands. That ground then can no longer capture large rain events, causes greater runoff, causes increased soil erosion. It can have a bigger detrimental effect just because somebody wanted some wetland nesting birds, well that ground’s been dried out to prevent flooding.

So you can…we’re getting into a dangerous area where there potentially could be a backlash against farmers getting paid for stuff that our city, of which a lot of the environmental stuff is, it could affect the country’s ability to produce food economically and sustainably, because then we’re chasing environmental money as opposed to keeping a concentrated eye on our own business. It also might restrict our access to markets, such as like Europe and stuff like that, because we’re no longer paying in the same manner of means. Europe they’re looking to protect themselves, they’re a body, they’re within their own interest to protect themselves. They would love the ability to shut us out of that market, because as soon as they shut us out of the market, they’ve got a bigger internal market themselves.

So we must be aligned to what they’re doing and follow their system so we can access their market. If they get paid more than us means that…if they get paid more subsidy than us, which they do, means that they can produce their product cheaper, which means I can’t access that market and it’s their access to that market that I want, so that I can sell my product for it sustainably. By focusing on the environmental side, I think it could reduce my overall subsidy could lend to a lot of bad feeling towards farmers in the long run, and I don’t think we’d be able to access external markets as easily.

I: Great, because already what most of what you’re saying it comes to this card.

R: I don’t like the idea of going down the environmental route, I really don’t.

I: I wanted to ask because obviously…

R: It’s a policy within the government, I think it’s a terribly thought out policy, I really do, it’s daft.

I: In this card I’m trying to summarise…before we go to this card, I would like to ask you, you have already said some things on that and I would like to ask you if you want to added anything. Is the full potential of adding value to [area D] beef and lamb products currently reached, if not please elaborate on what more can be achieved?

R: No, it’s not. We’ve lost our abattoir which I alluded to earlier on, I felt was a really good way of selling ourselves, it was a really good advertisement for ourselves. If that business didn’t make a profit it’s still having a huge benefit to [area D] as it’s advertising our product and driving it up our value of our cattle and that’s what was good about it. Nobody looks on the benefit that it had on the reputation of [area D] and the quality that was linked into [area D]. And it also meant that there was a really…

I: Also the benefit for the store?

R: For the shops here, for the butchers that are here.

I: For the store animal…for the farming storing animals.

R: For the store animals then drive a better value because their stuff is worth more, then your fattening people in [area D], just a small number, that then they can make a life out of that and then on top of that you can have secondary production off of this. So you’ve got your abattoir but also you’ve got your forward processing and the cutting up of that animal into steaks and all of that, ready meals, all of that could have been derived from it.

I: Like sausages or pies…?

R: Yeah, that was all done and that has been done up until recently in [area D] and now we have to export our animals to take them back to do that and it’s just a daftness, absolute daft. But unless somebody has got the will to run one who’s going to run it at a loss? Who’s going to have a successful business like that? It’s difficult commitment for folk.

I: Let’s not speak too more about the abattoirs now, let’s move to this one because we have jumped a little. So this one is pretty much summarising disturbances, long term pressures, drivers for change or whatever you want to call them, they’re mainly different names for the same things pretty much. So let’s say driver for change and then you go through those and when you read them, most of them you consider them as threats. But first if there’s any important driver that is missing here and second if any of those drivers can be seen as an opportunity as well for [area D]?

R: Number one, it’s now a lot more unpredictable weather patterns within [area D].

I: Anyway, please continue. So is there any missing first of all? Any important driver that you have to face, any change and you don’t see that there?

R: As far as the first section, no. I don’t think I can think of anything else that’s…only access to money.

I: Huh?

R: Access to money like lending from banks, that’s a risk. Do you have that?

I: I think I don’t have it.

R: That is something that’s quite important that I worry about that it could come up in the future. I have agreed borrowing with my bank and that gets reviewed every year. If we get economic restrictions through Brexit my business could still be profitable or the bank could say I no longer want to fund your business, give us back all your loans. Yeah, I’d say access to financial services is something that is a risk to my business, that’s one thing that’s missing.

I: You’re the first person that’s found a new one, good.

R: As I said the bank, they really liked my business plan because it’s accurate, they don’t have to ask too many questions, the banker says you’re the best…you always come with the best business plan, [name of farmer].

I: Great.

R: Because we are in a business and we’re here to make money and that sounds harsh but it’s to support our family and support our way of life. There’s no point…

I: It’s pragmatic.

R: Pragmatic, we have to make enough money to survive.

I: So actually, some people they told me look in order to have all of those, you need first to have this one and then you have all the rest. But if you don’t have the first one you cannot deliver any of the rest.

R: I agree, yeah.

I: So pretty much it’s the same…?

R: Same thing, we need to have the ability to borrow money to look after our debts, to continue on into the future and the ability to expand our business by buying more land and growing the core business. There will always be farming but there will be less people doing farming and the less people that do farming the secondary services, such as the tractor salesmen, the school, the local hall being used, is what suffers from there being less farmers. If they make farming very profitable you can have smaller farms which means you have more farmers, which is more money going to the community. And that’s one of the benefits of subsidies is it means that my business isn’t as efficient as a big farm. Does that make sense?

I: Yes, it makes huge sense.

R: I feel it’s a very important factor, access to borrowing is a huge economic risk because if farming looks bad, the banks won’t want to lend to it. Because it was something that was stressed, farms started to grow and become more successful in [area D] when the banks started to be willing to lend. This is something that’s talked about…that happened back in about…when would it be? It would be the fifties to sixties it started happening and it’s what the older generation talk about, so my father’s generation because in his late seventies he said when you could start getting borrowing, you could then start investing in your farm, you could start growing the business. It’s really good at the moment because money is cheap to borrow which is really handy because then you can buy, you can increase your business and all of that. If they take that facility away from you, I’m stuffed.

I: Which you mentioned which is missing, great, I’m asking, is there any of those opportunities for [area D] farmers?

R: It depends the way it falls. If Brexit falls and they give us more subsidy it’s an opportunity, they might increase it. Realistically most of them potentially could be challenges. Now when you come to stuff like price volatility may be good as if there’s a downturn for a while, there would be a big reduction in cattle. And on the back of that over the long term it might become beneficial because then you can’t…with beef farming you can’t…once a coo has gone it takes you three years to replace that cow, and it takes another two years before that has a calf, before that calf is ready for selling.

So if you have a decrease in beef cattle because of poor prices, it’s easy to sell a cow but it’s very difficult to replace them, and that’s something that could…it’s difficult…what drives up the prices is good or subsidies if they’re designed well to support my business to go forward into the future. But supplying something that gives me something that I can look at my business for the next ten years and plan into the future, beef farming is something that we think about in ten year circles. Tourism could be looked on as a beneficial thing but it has no impact on me.

I: It’s not tourism, it’s tenure…

R: That’s irrelevant to me. No, I could have somebody…we get people…social…you see each of these could be turned around as a benefit…some of them could be turned around as a benefit like changes in lifestyle. If we sell them in the right way, if we advertise in the right way, we can make them look at buying better meat and stuff like that.

I: But right now, it’s more like…there are a lot of voices about vegetarian…

R: There’s a lot of militant…

I: Or there might be things like why meat, because it’s cruel, you’re killing…

R: Our marketing bodies that we have to invest in to make that more to tell our story, because my goal as a farmer is to care for my animals as best as humanly possible, because that’s the only way I can make profit out of them.

I: What is the marketing bodies?

R: We’ve got QMS is the one in Scotland, Quality Meets Scotland and their job is to sell the red meat industry and also, they run the Scottish label assurance scheme. On a lobbying side in a bigger way is the NFU and their job is to look after the…that employs lobbyists in government and Europe to tell our story and how to diversify our market. Also, my wife she’s doing a lot of social media stuff and all of that and she’s there just showing what we do on the farm. I think that’s really important just to show how the farm works, it’s a social…it’s providing something to the customer, like these guys work really, really hard for such a small margin.

Just by naturally just showing what happens and this is really…and basically, I was laughing about the concerns about that, when you were talking about that, she’s already starting to get vegan hate stuff and comments and all of that. And it’s our job to educate people that…well to try to I as a beef farmer would never force a steak down somebody’s neck. They’re trying to force their viewpoints on us and manipulate us on stuff I think…my wife brought up something about hugging the dog, oh you love your…why love one animal when you kill other? Well we hug cows as well, it just happens that we eat some of them.

I: Yes, they get to quite an extreme level sometimes.

R: It’s very interesting.

I: From that list can you rank the five most important for your farm?

R: The five most important for my farm. 13, free access to Europe, have to have that. On a wider scale changing weather patterns, that’s so important and has an immediate impact on my farm.

I: So which number is that?

R: Number one. We will go number 19 is also quite important because social concerns about meat production for damaging ecosystems, well…

I: Not only damaging ecosystems but also the…

R: Animal welfare and all of that, viewpoints within the media and stuff like that, it’s important to educate them to tell the right story.

I: And so far, it seems that a lot of the stories in the media they’re not…

R: Against and that’s wrong. For us I think as farmers we’ve done a very good job of educating the politicians up until now, we need to educate the media and the wider social world. The reason for that is I think we can show that their choices have a beneficial effect. A cow when it gets killed now, most of the cow goes to mince to be turned into hamburgers and is sold at a low value. Particularly with the roasting joints, which are some of the best bits, most of the roasting joints don’t get sold as roasting joints, they get sold as mince and that’s terrible. Because if we could get folk to buy the roasting joints the value of my cattle would be so much more, but they’re sold at such a premium so when they don’t sell them, they just go and mince them all. It’s a shame because cooking a roast is very easy, educating somebody how to do that is very easy, put it in the oven, there you go, lovely food. It would be good if we could folk some educated just by eating different food that tastes really nice.

I: Is there anything else on your list that you find most important?

R: Well, that’s where I was going with that one about socioeconomic. 15 is irrelevant to me. 12 is access to foreign labour and subsidies is incredibly important to me as well in the business.

I: Access to foreign labour is irrelevant?

R: Irrelevant to my business.

I: But the other thing is very relevant?

R: Very relevant is 12, is subsidies. So subsidies, free access to Europe, weather and weather patterns and all of that…

I: What about 14, production standards?

R: Production standards…

I: I’m talking here because if we go, for example, Brexit [inaudible], then we might get standards in the UK that are closer to the USA standards for producing food instead of European standards.

R: That won’t happen. It will not happen because the backlash of going down hormone enhanced beef in the media, as soon as politician or an official try to suggest this would get shot down, but nothing would be said about a boat arriving here with beef from America coming in. So if we opened up our markets to America for beef we would get the crap coming here. But I don’t feel they would ever ease the welfare standards and the TMO standards and all of that. They will never go with that.

I: These standards for the producers if they accept the products, the supermarkets that come from America than consumers pretty much will consume cheap…

R: They will, yes, but I won’t be allowed to cheat, I won’t be because when they’re paying me subsidies if they caught the fact that I had a big bag of hormones sitting in the corner of the shed, I can’t access any of these products. I can’t get sprays and chemicals because it’s all banned and it’s really good because it means that we’ve got high welfare standards, it means we’ve got ethical product to sell.

I: It’s important to keep it?

R: I think it is important to keep it and it will stay…

I: Because there are a lot of other…I have interviewed farmers for many other different projects but many of them they have come with the complaints like oh those European standards they are so high, so much bureaucracy, so much cost, so much whatever.

R: But Britain is never going to turn around and go let’s get rid of all our standards, how bad this will look for the politician, let’s make our products shite. He has to get up and say that. And oh, let’s have neonicotinoid sprays again, he can’t say that because it’s flying in the face of public concern. The reason these standards are there is that there’s been public concern over them.

I: You think the public already have realised the benefit of those standards, that will not allow them to go away?

R: They will never ever go away, they will only get worse, they will get more under Brexit, we will get higher standards. But we will probably also on the backlash of it import beef from America because it’s cheap and we won’t get paid a subsidy to decrease the value of our beef to eat their beef. The reason that this will happen is that it’s easy to put a rule in place to stop us doing something, it’s very difficult to remove that rule. And the first thing that happens in Brexit is all European rules get turned into British rules.

I’m certainly not going to get free access all the shite to reduce the costs in my business. It would be very nice to put out a few buckets of feed products that had hormones in them, that grew the weight of my cattle when they were fattening. It would be so easy to do that but I’m not going to be allowed to do that at all. I have absolute confidence that the politicians would never ease the standards that we have at the moment, they will only make them more secure. And that gives us our right, that gives us our main argument of why we should get subsidies.

It’s really interesting because you’re really getting into all of me viewpoints and stuff like it’s…

I: You like it?

R: I like it, it’s very well placed because it really gets you into discussing each side and my viewpoint and the way that farming is happening.

I: Thank you very much for this feedback, we tried a lot about those cards…

R: The way it brings up conversations is really good.

I: What would be the impact on your organisation if upland sheep, beef cattle farming is dramatically reduced or ceased altogether?

R: If it ceased altogether?

I: Mm, from [area D] what do you think would be…?

R: Well, if farming ceased in [area D], the schools shut, the businesses shut in [village 1], the roads will be poorly maintained, so there will be no income to the local community. We will…the environment will be changed, I don’t know if it will be bad but there will be a big impact on the diversification of some birds that nest on farmland, will no longer nest there. But the main thing is the economics of [area D] will suffer dramatically. And if it’s a complete cease of it, it will be a big change to [area D].

But [area D] has gone through changes in the past as well, we might come out with an industry that works very well for agriculture. [area D] a long, long time ago had fishing and farming, folk did a bit of both. Then the First and Second World War started happening and that started lining us up for more agricultural production here. And then there was a big industry developed in hen industry and the whole of [area D] was covered in hens. We produced a vast quantity of eggs because we could pack the eggs and ship them south.

This proved incredibly profitable for a long time and then concerns over E.coli eggs started happening. The diets of people in Britain changed to more going down cereals for their breakfast instead of having a couple of boiled eggs. And you don’t see many hens in [area D] now, there’s only a very few pens, just along the road where we were at there was a big factory there for an egg packing station, where we packed eggs and shipped them out of [area D] the whole time. That’s all gone now. So the beef farming will change, hopefully some form of agriculture will take over, I have no idea what that is but something that would be…there is the potential that it would have a huge economical effect on [area D].

I: Geese issues.

R: Yes, shoot the buggers.

I: Where are the geese issues? Where’s your farm?

R: There, so my farm runs across the middle there. But really there’s a lot of geese there and there.

I: Can you name them?

R: [area 1] and [area 2]. Thousands of geese there, that’s where they nest, at night that’s where they go because they don’t get shot on these islands and that island are full of geese. But there’s a lot of problems through this area with geese.

I: Can you name the areas?

R: Between [area 3] and [area 4] but I don’t know exactly, I’m not doing the counting of where the geese are. In [island 5] we do have geese and we’ve got quite a few of them, luckily there’s very few on my land at the moment but you can suddenly have 300 geese turn up and wipe out your crop.

I: What is the effect of the geese on your land?

R: Impact of geese on my land is they can eat…well last year’s impact was that they ate three acres of barley and that three acres has a cost…as a weight of barley that was on it would be about two tons of the acre. So that’s six tonnes and that six tonnes has a direct value of about £90.00-£100.00 a tonne, to buy that grain. So they ate £600 worth of grain on my farm in two days. In addition to that they eat the grass through the winter and that grass then stunts the growth in the springtime, so my cattle go out later and it probably costs 20p a day to keep a coo inside. So you’ve got roughly 200 animals on your farm that can’t get outside the door because the geese have eaten your grass. That’s a direct impact. So that was probably like another £600-£700 for a few more days. Yeah, I’d say about £300 worth of damage they would do in eating the grass that prevents it from growing.

They also can cause ponding and losses of areas of ground which means I don’t get paid the subsidy on that ground. Ponds, geese have big flat feet and they slap…when they slap their feet down in a wet area that packs the surface down and the water sits and rises up in this area and you get a lot bigger area of water. Which kills all your grass in that area, which prevents any regrowth then through the next year, you lose your high quality grasses, you lose your fertiliser and stuff that you spread on that area, that’s another impact there.

I: That’s called ponding?

R: Well it’s what I call it. So they cause that damage as well. That’s the proven damages, there is also the potential that they could have diseases that they bring as well in their gut. Lots of people talk about this that they cause disease but that’s not scientifically proven yet.

I: But those disease are related to the cows or the sheep?

R: Cows and sheep, people blame it coccidiosis which is toxins that are in the ground that can be transferred by dung between areas, so the dung in the animal can go to a different bit of farm and affect it and the toxins in that area can then build up in the soil and kill it. The theory is the geese can transfer that toxins because they’re flying about. So you’ve got coccidiosis and also black leg is another one that can be transferred in a similar mechanism.

I: Black…?

R: Black leg.

I: What is that?

R: It’s another…I can’t remember the exact…but it is a disease that causes the muscles to liquify in the cattle and a sore will open up in inside the animal and their muscle will basically run out of them and they’ll bleed to death.

I: Okay, that’s quite…

R: Coccidiosis causes the animal to turn inside out.

I: Okay, that’s enough for tonight.

R: My apologies.

I: So in order to respond to those, you might have a kind of [inaudible] for your solutions but farmers like you or other in [area D] they would like to use. So please read those, if any one of those that doesn’t make sense and you would like me to explain a bit more, I’m happy to do that. What sort of solutions are you applying to respond to these pressures? And from those you are applying is it working at a satisfactory level? What’s your constraint limit?

R: Probably just to quickly go through them. Reduce stocking rates and totally remove stocking over the winter months, for that we house our cattle here in [area D]. That is a big cost and the reason we do that is to maintain our production on the grass during the summer months and that we can have harvests.

I: So you house them when?

R: In winter.

I: In winter for…?

R: Well they’re in for eight months of the year over the last few years, so that has a huge cost on my business and it means there’s a lot of work in dealing with housing them. But we do it to maintain the ground and the environment to prevent it getting knockback. Some people ship their animals south for…in the north of Scotland they take all their animals and they ship them all the way south to house them. It’s a good solution. Reducing…

I: It doesn’t happen for [area D]?

R: It doesn’t happen because it’s too costly to do it from [area D]. I worked out the cost of it and it would be…if I was on the mainland it would cost £20,000 to ship all my cows away for the winter. So they would go and live at the border in somebody else’s shed and be fed there, it was a pound a day or something like that, so 100 days away, 150 cattle I was working out on the number there, so you have 150 cattle to ship away. It worked out well until you put on the cost of shipping and shipping from [area D] was far too expensive to do that. You and then add another 10 grand which is £30,000.

I: Did that removing stock over the winter months and housing, is it the latest years it’s becoming more and more solution because of the wet weather or it always was happening like that?

R: Typically, cattle back a few years would only be housed for six months of the year…

I: Whereas now because of the weather…

R: Where now it’s eight which has a negative impact on my business because I have to produce more feed for the winter and my cattle do better outside. Stocking rates, if I reduce my stocking rates it reduces the profitability. I never think about reducing my stocking rates because I need the money from my cattle sales to maintain my business and to maintain my borrowing.

I: So average stocking rates in your farm or in…?

R: I don’t know what other people’s stocking rates is but I have 2.5 acres per cow, so every 2.5 acres keeps one cow, which has a calf and it has a store base. So you’re looking at three animals…you’re looking at an animal an acre roughly. Proving resource efficiency, water…well no to stocking rates, yes to housing in winter months. Improving resource efficiency and water reduction. We don’t have a problem with water in [area D], we have heaps of water here, even this year when we had a drought it didn’t really affect us that badly. Labour optimisation, I think that goes on a bit further on, it’s just me working on the farm. I’m the only labour that’s there and I am looking to make my business as efficient as possible, so I will invest in machinery and equipment to reduce my labour. If I can see a way of doing something that saves me time and increases efficiency, I will buy that piece of machinery to do that.

I: In order to become more resilient do you try to increase efficiency, that’s the question?

R: Yes, I do. My efficiency I try to increase as much as possible.

I: So that means in order to increase your resilience?

R: Yeah. Back in the good old days we had tied cattle which you couldn’t clean out with a tractor. We then went to [inaudible] buyers that you can clean out with a tractor, so move the dung from that animal with a tractor. We now have slatted [inaudible] which fall into a tank below them and we just feed them by their head, we can lock them in and interventions. The system has come a lot more efficient over time, hence I have more cattle and less time. Improve operational efficiency, yes, so I always try and improve my operational efficiency, remove bottle necks, buy machinery for that busy time of years, yes, we do that. We’re always looking…but machinery is getting more expensive which makes it more difficult to buy that machinery. Utilise technological innovations, sometimes the cost is too high so we can’t access that technology. But then if you do you might become more profitable.

I: So what type of technologies do you use?

R: Technology I have an app on my phone for tracking my…for keeping a track of my cattle records and GPS system for spreading my fertiliser. But it’s just a straight line one, it’s not very fancy. Some farms have cameras in the byre and stuff like this and then I would like to see more technology coming into it.

I: When you answered that, it primarily answers about your farm but if you know any interesting things that other people do, it’s good to tell me because then we don’t have to repeat the whole thing.

R: Not in [area D] but I know that you can buy boluses, microchips you can put into the cattle that give you…

I: Boluses?

R: Boluses, a tablet that they swallow and it stays in their stomach, it doesn’t come out of their stomach and that can have a little computer in it that can tell you the temperature of that animal and how its gut is performing. So if it falls ill you can immediately treat that animal.

I: I didn’t know about that. It’s happening in [area D]?

R: No, it’s happening in research, but that’s a really interesting technology for the future. Not in [area D] but you can have…

I: How do you know that?

R: I speak to scientists who are developing it and stuff and you go and ask…

I: Where did you find them?

R: That one was Agrotech or something like this, it’s a research funded thing. If you look up 5G in [area D] you’ll get directed to their website and they’re looking to put a 5G mobile phone signal in [area D] and they’re looking for projects to deal with animals in [area D] to put Agro technology into farming or increase it.

I: Just because I will ask you later on where you get the innovative ideas.

R: Another one that I got was about they have a tag, an electronic tag in their lug so it’s a bit less blue sky. This tag in their lug tells what animal that is and that animal walks and it drinks and when it drinks out of a big drinking trough the animal is weighed.

I: Do you apply that here?

R: I don’t, this is really fancy stuff, this is in America they do this. So the animal is weighed every time it drinks and then it’s monitored when it’s at the feed station eating. And they can tell its temperature as well I think they can do as well somehow. They can scan its temperature and from that data they can tell if that animal is going to fall ill, they can tell exactly how much weight that’s putting on every single day. And if it’s going to fall ill, they can take it out and treat it right away before it infects the rest of the animals. So it produces a lot more higher welfare standard for that animal.

I: And that is only in America?

R: There’s one or two of that in the UK but not many.

I: Have you met…

R: That was from…

I: …those farmers?

R: I have not met those farmers but that was given…that information was given to me during the winter in [area D] we have talks…

I: Discussion…?

R: Yeah, discussion forum and that was one of the things in it. I thought that was really neat. I don’t put that much technology on my farm because it’s too costly and I would like to see more of it come and be able to access it. I find it difficult to diversify into new agricultural incomes such as number five because my farm’s that specialised to its production route. I produce beef cattle, I am completely tooled up to produce beef cattle, to change is very costly. Nonfarm act…

I: You see that high specialisation level as a feature that indicates vulnerability?

R: It is, it does cause a vulnerability because we’re that specialised, if the price of cattle drops it has a big impact on me, but if I had a beef and arable farm, one might be down and the other might be high in profitability. It makes you more resilient. I find it difficult to invest into new agricultural incomes. As far as non-farm activities or farm activities, I’ve been working my whole life to work on the farm. That’s what I…

I: But you tried, for example, the [inaudible]?

R: Yes, it didn’t work out and I’ve worked off of the farm for a long time bringing an income in to support myself. But it’s not what I want to do, I want to farm.

I: So you work in non-farm business?

R: I did.

I: What type of business you were in?

R: I did computer modelling into fish farms that’s in the sea to…

I: So you did computer work…?

R: [section deleted to maintain anonymity]

I: You’re the only one I know.

R: Well it would be difficult to find another one because there’s not many that have beef farms on top of that.

I: Okay.

R: I would like to see more market chains for my cattle, I try and sell to different markets, the different types of animals I produce.

I: Now how many different markets do you serve?

R: I serve…I sell my calves to Aberdeen which is one market source and then I can sell young coos that aren’t productive, I can either sell them to Aberdeen or I can sell them direct to a slaughterhouse and I sell older cows direct to slaughter, like really old ones. I have about three different people that I sell to. I sell to Aberdeen northern mart, northern mart slaughter facility and ADP slaughter facility as well. So I’ve got three markets that I sell to, but it’s not really a different market it’s just selling your coos. I do share labour and machinery with my uncle and that’s a big advantage, we do our silage together which means that we can afford to have a chopper to cut our own silage, and this reduces our bill of our silage cutting from about £10,000 a year down to just a couple of thousand in fuel and labour. Because we hire in labour during that time. So that’s a big help to our business. What’s this about subsidies?

I: As a solution you’re thinking okay subsidise my goal or whatever, so in order to prepare myself let’s try other sources of income and rely less on subsidies, in a contrast with someone who says okay I am producing food and then I have to subsidise and that’s it, I’m not trying to find other sources of income.

R: Well as far as subsidies go over the last couple of years because of the weather and difficulty to produce a good profit from the beef side, I’ve looked to go into the environmental scheme to get more subsidies that way. I joined as a new entrant farmer so that I could have an uplift in my basic payment and got in capital grants for the farm. I do look to increase the subsidies…

I: But diversify within the different subsidies?

R: Yes, diversify within the different subsidies. I’m trying to farm the subsidies. People in [area D] are very, very good at finding a subsidy, applying for it, taking the money and using the money. If you produce a scheme…

I: But actually, subsidies are a way of making people to be active and try to produce.

R: Yeah, I really like…

I: And reinvest.

R: …the subsidies that was along the ditching or ploughing or drainage or buildings because I took that money, I spent here in [area D], that money then made my business better but I couldn’t afford to do it in the first place. So draining, I got a better field because of that and I will have that for hundreds of years, that’s a really good way to spend a subsidy.

I: So it’s pretty much building infrastructure?

R: Yeah, building infrastructure, building a more profitable thing like fencing, drainage, all of these things used to be funded and a lot of people got subsidies that way, all of that’s gone. A lot of that’s gone now to what it used to be. My dad I think he said he got £100,000 worth of subsidy on the farm through draining and ploughing grants, and that’s brilliant, that’s a big help to our business. I asked him if there was a limit and he said, no. I was like really, no limit, you could do as much you want? Yes, as much as I wanted. Flipping heck, it was a 70 per cent grant, so 70 per cent of the farm. What a wonderful life he would have had, if I could just go into the department and go, I’m going to plough this field, this field and this field, give me the money, no bother, there you go Mr [name of farmer], hope that really helps your business. Thank you so much. Instead of them coming to me going, you put a cow you weren’t meant to put a cow there, there’s a penalty.

Me dad once went into the department and started asking some questions and the person went like this behind the counter, Mr [name of farmer] we’re no longer here to help we’re now here to police you. And that was said to him and this is when the subsidies changed from being headage based, grants based, subsidies to more land based subsidies. It’s all Bob Geldof’s fault…

I: Pretty much it was that shift to policing from them?

R: Yes, it’s not very nice and it’s very odd to think that when the majority of farm inspections are done, they find something wrong. The farmers are not there trying to be…not all farmers, I don’t think there’s ever been a subsidy…an inspection that the farm has passed 100 per cent, been completely okay and that’s really weird. Because that means every single farmer is a crook out to screw the system. We’re not and they spend so much money policing the system for what the actual crooks are getting out of it is far less than what people have been fined for, the cost of sending the inspectors round, the rules and regulations they put in their way. It’s just nuts. Sorry.

I: Actually, you’re answering questions I have later on, don’t worry.

R: Yeah, that’s a big factor, geographical distance for me. It would be lovely if I was in the middle of Aberdeenshire working in a better climate.

I: That’s a bit different, distribution of facilities of markets and assets. For instance, if you say okay, I’m going to have some land here and then I’ll have somewhere else in [area D] some land. So you try to geographically distribute your farm or your assets. If you were a processing factory you have one factory here but then you have another factory somewhere else. Some people they try to become resilient by this way.

R: I would say that I wouldn’t. I would say that would be a problem…that would be something that would cause a problem in my farm because if I split my farm apart, I’ve got a distance to travel between it. And the distance travelling between it cost me time, money and effort, so it’s better to have everything centralised for me for efficiency. That make sense? Yeah, short term.

I: What is that? Number…?

R: Number 11. It still does have effects. Number 12 doesn’t really have much bearing, so…

I: What is number 12?

R: Twelve, well we need to have food in store and all about this and enough material which would be feed for our business…

I: So it’s building inventories pretty much?

R: Yeah, that’s just something that we have to do.

I: In some cases, someone told me in the winters with a lot of wet winters, because of the wet winters he had to pretty much rent some extra land in order to allow some land…young grass to grow and avoid putting animals on it. That’s a strategy of try to…that has to do with the first one which is preserving the productivity.

R: Yes, I would say that that is something that just naturally happens, we’re all working to prevent damage to it and produce enough raw materials to get us through the winter months. It just depends how you look on it, a lot of what we do is adapting to the challenges that we have in this local area. So we have to store food for the winter, it’s just naturally thought of that we have to do it and we have to make our business resilient. The majority of what we do is to make our business resilient for the winter months to carry us over and it has a huge cost and impact.

And sometimes that cost and impact makes us vulnerable as well because if you’re storing a lot of feed or you’ve had to make and build stores for that. I’ve spent the last week putting out slurry on my farm, well that’s from the winter months and I’m putting it out so I’ve got storage for this winter. It’s all building in and we’re always adapting our business to be as resilient as possible, which generally leads us down to a more specialised route, which then makes us more vulnerable. Increasing our visibility, supply chains and all of these things…

I: Yes, I can explain it.

R: But what I’d say is this is stuff that we find difficult to do as the primary producer but we hope that people going up the chain are doing a lot of this to help us out. They need to do, the beef producers need to be doing the advertisement and need to be selling the product so that keeps us going.

I: But for yourself as a farmer do you try to…obviously you gave this answer about the processor has to search the consumer trends for those to find new markets. But yourself except trying to find new markets, do you see what other farmers they’re doing as competitors or things or you don’t pretty much take into consideration with other farms?

R: I do take into consideration what other farms do and try to compare it to my own farm.

I: But it’s more like the production side?

R: Yeah, so production side, I have to do what fits my business, so I haven’t changed what I’m doing so much because of outside influences. I’ve changed it to what’s working in my business, so that’s where I try and go for. The problems on my farm that I’m having at the moment is the inability to produce enough feed to keep my cattle over the winter, so I’m having to buy in feed which is costing me a lot of money. I’ve got disease problems with pneumonia in my calves which causes them to grow poorly, so I’m looking at ways of increasing their health, every year I’m trying new things and to better help their immune system, and doing research into this of how I can help this. And once I’ve got that sorted out, I can look at other things to then…once I’ve got my calves healthy and I’ve got enough feed in winter, I’ll run it how I make my calves grow more, how I can change the breeds of my cattle to have higher production. But the main one at the moment is getting the health right and enough feed. I must make myself sustainable under my own resources first and produce well, if that makes sense?

I: Yeah, that makes a lot of sense. The next one, supply chain feasibility, is along the supply chain whether there are [inaudible] systems. So assume for you would you say that is more like for other farmers for producing fattening animals rather than the store animals. Because I assume for fattening animals pretty much the supermarkets, they request to know which farm it came from that particular carcass. But I don’t suspect they go back to the store?

R: No.

I: That visibility has been lost if you were dealing with store animals?

R: I try and…I should be doing more of it but I should be selling my animals to the store people. I should be talking to the folk who are buying saying oh buy the best cattle in [area D], buy my…I should be advertising myself in that way and hopefully I’ll just make a few more pence per kilo. I just have to be careful that I do it…because I sell them an ill animal, they’ll never buy from me again.

I: They might go to the other [area D] farmers?

R: Yes, so you’ve got to be careful with stuff like that. We’re going to have be better at selling into the future I think, that’s going to be important.

I: About your customers, the ones that you’re selling, what kind of relationship do you have with them, it’s one off, you meet them at the auction market and then nothing more or you know a bit more what they are doing, what needs they have, what limitations they have?

R: It’s actually probably worth just going to a cattle sale, it’s very interesting to watch the person selling…

I: I was hoping to go on Monday but I was filled up with interviews and I lost it but it was like argh.

R: It’s really good in Aberdeen.

I: So what do you see?

R: In Aberdeen, you go and you stand in this little box there, the auctioneer is there beside you and they run your cattle through and they sell them in front of you. And they sell them in lots of five, so you’ve got five animals in the ring and the people bidding they’re marks are bidding like this or…and it’s almost secret. I don’t get to go and speak to that farm, I just find the list of names who bought my cattle and where it had gone to. That I find quite interesting that I don’t actually then…I’ve never actually then gone and spoken to those folk, how did my cattle do and all of this?

I’ve had fatteners from Aberdeen up here and they’ve done talks about their farming business and the way that they work. One of them goes, I don’t care if you’ve injected them for pneumonia, I don’t care if you’ve done anything, I don’t care anything about that, I’m buying 300 cattle on that day I need them to be in this set category. Once you’ve bought them, I give them an injection for pneumonia, I dose them for flies and worms and stuff like that right of the bat. Because I’ve not got any idea if the first 20 I’ve bought was injected or not. He had no clue, he had no care about the management numbers or anything, he just had his category of animal he was looking for and once he filled that batch, stop buying.

That I thought was very interesting and the folk that are buying are buying per kilo and they’re calculating out whether they can make a profit on that or not? It’s really interesting how little they care about me or what’s happened to that animal beforehand. They just have a weight category they need to buy, they fill their shed with it, they fatten it and they sell it and hopefully they’ll make a profit out of the [inaudible].

I: Does that constrain in any way?

R: I think it does because it prevents me adding value to my animals, I can’t speak to the farmer and have a relationship with him and say oh how did you get on with my cattle, is there anything I can do different that you would pay a bit more for? Do you want something done to them beforehand?

I: I suppose…okay this is not obviously something people they do but you have the contact or the name of that person, so what prevents you to go to him later on and ask once you have time, how things gone or why you haven’t thought?

R: Because in some ways I don’t want to sour the relationship with that fella and cause any hassle.

I: So you think if you get closer you might…work the opposite way?

R: He might just happen to go the other way, you just happen to get…you’re lucky to have them. It would be interesting to try and speak to some of the folk that are buying them but some of the folk that are buying my cattle are just absolutely huge fattening places that are buying thousands of cattle. So they don’t care about me, they have no interest in me whatsoever they just need me animals. It’s an interesting…it’s a very vulnerable bit in the relationship where I have to supply…I’m basically supply a commodity product that is available to huge fluctuations and that’s throughout the selling of all cattle through our ring. Yes, you can have buyers that buy cattle and they will pay you a premium, but sometimes you like to bet on the fact that you might get a better price at the ring that day, so it might be less or more that you make. At least I’m getting…it’s the fairest way of getting the value of my animal but it’s also the most risky.

I: The other thing now you’ve said about risky, when you get cattle to the upland site, obviously there is one risk because you have to pay in advance all the moving, the transportation cost, which is an added cost in terms of doing that through [area D]. And then pretty much do you think it makes your position you have to take price they are giving you there because it doesn’t make sense to bring that cattle back?

R: Yeah, it’s a huge risk. I had it happen once I really had a bad sale, really, really had a bad sale. I can remember standing up in the ring box and the cattle were coming to be sold and my cattle came to be sold and it was just when the second wave of foot and mouth outbreak happened. It’s when a lab released the disease into the environment a few cattle got it, which crashed the market price right away because potential for movement ban and all of this was to happen. I was there in the ring with me cattle sold and instead of making £20,000 that my cattle should have gone for, I made £10,000. I remember standing there and them selling it and thinking I have to sell it, I can’t bring them back, I don’t have the space to house them, I don’t have the feed to look after that animal, there’s no way back for me I’ve got to sell them. It was a terrible decision to be put in.

It’s £25.00 a head to get your animal to Aberdeen but it’s £25.00 back and it’s £25.00 again away, so there’s an additional cost of £50.00 if I was to it again. I did have a field lined up in Aberdeenshire to hold them for a week but I couldn’t do anything about it, I had to sell them. I did actually arrange for a farmer to look after them and if it had gone below a set price, if they hadn’t sold, I was no don’t sell them. But I probably should have done for the first pen of five. But, yeah, it’s a terrible decision to be put in but that’s selling in a ring.

I: Fifteen? Trying to get more insurance, try to get more say and have more savings or try to diversify things?

R: I’ve got lots of insurance and costs me a lot of money. Savings, I’ve got very little savings. Profit diversification, well I would love to be able to put the money into different…I put the money that I get from my profits into…sometimes I put it into machinery instead of myself, so that it makes my business more efficient. Or I improve the fencing to make it easier to move cattle so it’s more efficient. I’m in a position where my farm has expanded so I don’t have any savings, I’ve got borrowing and it’s trying to fund that borrowing and pay that borrowing off that I’m living to. If that makes sense? So financial resilience I would say is a big risk in my business but it’s something that I want to go forward so that…if I had no borrowing, I would be making a lot of money, but a lot of people would say that if they had no credit card debt or anything like that. Using renewable energy, well it costs a lot to put up…

I: On the range of…how much debt?

R: How much debt? On my farm I have an overdraft facility of £80,000 for the running of the farm. So that goes down to nearly zero and then up to £80,000 about this time of year before I start selling my cattle, before the subsidies come in. I have on top of that the borrowing on my farm is £320,000 I have outlaid at the moment in money of long term loans that I have to repay. I have to pay £1000 a month to repay that loan…

I: So it’s pretty much like a mortgage?

R: Mortgage?

I: Yeah, mortgage of…

R: Yeah, it is a mortgage on the land that I’ve got and I will be paying that off for the rest of my life…

I: For example, for me for living in Edinburgh this is pretty much the mortgage I have to pay.

R: Yes, that’s exactly true. I also have my house on top of that as well but I wasn’t counting that. It’s about 300 and something thousand…

I: That is an average typical mortgage for a family in Edinburgh.

R: Yes, but on top of that I’ve got to have my family home as well and the profit…the total profits my farm make that I get to reinvest in the business and all of that is about £25,000 a year. So all I take out of the business is £11,000 a year, that’s my income that I spend on myself a year. So that’s very, very…try and living off of £11,000, it’s not a lot of money. I think…

I: I have seen analysis of the DEFRA of stuff, something like £14,000 is the kind of average.

R: Yeah, because I’ve also got my dad in the business as well, he needs to live off of something. Luckily, he’s got a pension which helps him greatly and he doesn’t cost much to keep which is good. I’ve got to remember that with my dad, he doesn’t cost much to keep, I’ve got to keep up with his new van every now and again and that’s all. He’s happy with his paper once a week and that’s just fine and doesn’t have expensive habits which is just grand, he doesn’t even drink or smoke.

I: Oh, great. Does he play golf?

R: No, all he does come out once a day and annoy me on the farm and then go away again, which is just brilliant, that’s just grand, you got to look happy on that.

I: Annoyed by doing what? What he says…?

R: I have to do what he says everyday, well he’s actually a really good resource of knowledge, of skills and you can ask him questions about stuff, like where’s the drain in that field? Oh, it’s over there, really good ground on that. Thanks dad. That’s actually something that you could add to this is knowledge, having good knowledge and having an understanding of your industry on a broader sense, so experience is a really good resilience factor.

I: So building knowledge?

R: Building knowledge. So take for these wet years we’ve had, me dad advised me to do certain things to cope with the wet year, because he had gone through one 30-odd years ago.

I: So like?

R: So like how to degrade just some fields and leave others. Leave the field alone, so don’t put the cattle in that field or yes you can put the cattle in, it’s going to do this damage we’ll just do these operations next year to make sure it comes back to life. So there’s a lot of advice like that, that was…they have to go out now, just put them out the ground will be…and there was stuff we didn’t do like topping and rolling because it would cause more damage on his advice. I can’t remember but it was just lots of little things he suggested doing that was a big help and a big improvement. It was also the confidence in knowing that you were doing the right thing, he would suggest something and be like, yeah, that’s actually a good enough idea because of these reasons.

I: So this recorded of…

R: Of knowledge…

I: …knowledge is making your farm much more resilient and much more confident in the choices…?

R: Yes, it’s even a long time ago I asked about rent on a bit of ground and he goes…oh, actually a good example this year, I asked about rent on a bit of ground and he goes, you’ll get nothing off of it. Oh right, why’s that? Well I cut that bare field ten years ago, I got very little off of it. I know my proposal to the person was a very low value rent, but I couldn’t rely on the crop from it because I might not get it. The person that was offering to rent it to me did so at a very low rate and I was happy to take it, and the deal was a percentage off the feed, it was something like 20 per cent off of the feed off of it, would be the rent. I would give him 20 per cent of the crop that came off of it and the fella that was renting it to me proposed that it was going to be 120 bales you give me 20 of them. That’s fine, that’s what we went off with. I gave him three bales, there was 13 bales on it and my dad’s knowledge of that ground from when he had cut it, gave me the knowledge that I could only offer such a low volume.

I got a big field to rent for three bales but I got a very little return on it myself. That knowledge was handy and that’s proven time and again. Because he knows the geology of the area, he knows what areas are going to be productive or not productive which is very handy.

I: If I’m going to buy land in [area D], I will take your dad with me.

R: If you were to buy in that island spot on, anywhere else no use at all, luckily I farm in that island. That’s a really good point of resilience is knowledge, it’s knowledge of your environment and local area.

I: Great, you’ve also added something there.

R: Excellent, I’m making your list longer. But a lot of the farmers here have such a huge amount of knowledge about their local area they wouldn’t realise it. And way of farming is tailored to the environment that’s here, so it’s a resilience in a way, so it’s a knowledge of how to farm in [area D]. So like if I was to sell everything up here and buy a farm in America I’d have no clue on how to make that profitable until I found out from the local people what crops I could grow, what way farming paid, what regulations I have to follow, all things like that. Knowing the regulations, knowing the rules, all of that is incredibly important to the resilience of a business.

I: Which probably brings to my mind this one, which organisations did provide you that type of knowledge and support, similar to your father? Because you said public relations but obviously your father isn’t updated with the latest regulations. Is probably an organisation there that might be for examples…?

R: SAC.

I: Okay, SAC.

R: Scottish Agricultural College, I get some information from them. I also get information…a lot of my actual information on the regulation side of it comes straight from the department.

I: Which department?

R: Agricultural department. Agricultural and Rural Affairs Department.

I: Here in [area D]?

R: Here in [area D]. Well…

I: The CGRP?

R: And NFU. I get weekly newsletters from the NFU about information about subsidies and the future of subsidies and rules and regulations that are going to apply to my business. One change is when [area D] is removing the exemption burn plastic.

I: So one exemption?

R: We had an exemption to burn plastic, we’re allowed to burn plastic. So that’s the film wrap on bales which we have about 100 bales a year that we burn the plastic on. I got informed by the NFU and the department that that exemption would be removed at Christmas time and that I’d to seek means of disposal of that. And then local media like Radio [area D] did a report on plastic today about where you could actually put that to. Which was…so that’s one example, so that people is where I get a lot of the information from, talks and discussions from them.

For improving my business, for improving the ground conditions or my animal performance, a lot of that comes from SAC, Scottish Agricultural College, I can get information from them, I can consult and speak to them. They give me recommendations on how to feed my cattle, how to feed my soil and the fertilizer to use, various things like that. In addition, you…for the feeding of my cattle I get information from feed merchants and salesmen, which is probably quite risky because they’re almost trying to sell you their wonderful product. But hopefully you have enough knowledge to back it up. I get for vets…spend a lot of money on veterinary advice and help but you have to for the welfare of your animal.

If the vet stood there and looked at it and done everything and that animal dies, you don’t have a concern in the world, because you’ve tried everything to keep that animal alive, and they’ve charged you a couple of hundred quid to look at it and say that it’s going to die. Very expensive vets but it is a resource that we need and we need the information from the vets, their knowledge base of animal…

I: Do you think that kind of information make your business a bit more prepared, more resilient?

R: Yes, because if a vet has explained a disease case to you, if you’ve got the ability to learn and look at that, you can catch early signs, effects of that and treat that animal at an earlier stage, make it better.

I: [area D] Radio, you mentioned that, do you get anything from that?

R: Yes, well I got the report on plastic from there. Yeah, they do a lot of…because our farming is so big, news quite often hits about that on Radio [area D] quite often. So any big news in farming will come on, on Radio [area D] and that’s useful. Yeah, it’s all right, it’s only half an hour programme, maybe four minutes of it once a week will be on farming and that’s useful enough. We have the farming papers here in [area D] and that’s quite good. [area D] Farmer, there is a dedicated farming magazine, comes out once a quarter.

I: Where can I find that?

R: Newsagents on the high street. They won’t have it in Tesco’s but they’ve got it on the high street. Also some national papers I’ll read as well, like The Farmers Journal, I’ve got a subscription to that so that gives you national news throughout Scotland. There is also a section in [area D] about farming as well that you get information from but one piece that I really get a lot of interesting information and different, and some of the higher stuff is the discussion forum as well, which is brilliant. It’s a grand excuse for a bunch of farmers to get together and natter about really boring things and talk about coos and all the rest of it. But I think it’s really important and other farmers are a really good resource of information and help.

I: Where you meet the other farmers it depends on what place…?

R: So you’ll meet them at the discussion forum, quite often people will come around the farm to borrow or get a bit of help with something, so you talk to them. Your friends are farmers, your relations are farmers, you just always…you’re just always bumping into farmers and meeting them and speaking to them about various things.

I: The next one?

R: Renewable energy or…?

I: Yeah.

R: I wish I could have it but I’m not allowed it. I have low energy inputs on the farm so I don’t need renewable energy so much, something I would like to look at into the future. Increasing physical…?

I: Physical and electronic security. So that usually goes for the processing factories because there their access is quite restricted, but also electronic security. It goes for all the data yourself as a farmer or the data they collect about your farm and all these organisations. So they have to make security quite…shouldn’t lose pretty much.

R: Luckily that isn’t so important at the moment as far as electronic security goes. There’s very little that could harm my business by a security breach. If somebody found out how much subsidies I was getting paid well that’s published anyway on public register, they can look up the mart report and find out how much I get paid anyway. They could muck up my cattle records but that would just be something that would be for other people to resolve. This is actually something that is physical security here in [area D] is something that we’re blessed with.

I: So pretty much you don’t have thefts or…?

R: I leave my car keys in the ignition. If my car goes missing it’s because somebody has needed to move it, it’s not because it’s been stolen. My sheds are never locked, great crime spree could happen here in [area D] but we’re in lucky position that way.

I: Is there anything else there?

R: Building values and all of that.

I: You try to add a bit more…increase your status even at market, so either by differentiating your product or by increasing the brand, the reputation of your brand. This is more like about the [area D] brand rather than individual…?

R: I think it’s important.

I: Customer loyalty.

R: I think it’s something that we need to build on in the future not enough of it happens at the moment, we need to build on our selling of our high value product as opposed to commodity. That’s something that we’ve got to work on in the future.

I: We’re almost…this bit covers pretty much features that indicate vulnerability. It can be level of the business or it can be for the whole supply chain? Look through that and if you see something that resonates to you that you just let me know? For example, first one heavy reliance on…

R: On external or…well we’re blessed that that’s not a problem in [area D] because we have a good supply chain here.

I: Is it because especially in [area D] most of the stuff you have to import from distance and also your product…?

R: Yeah, but take for example if you are in the middle of Scotland, like if you’re in the north of Scotland if you need to get a vet they’re in Inverness and it’s a big distance there.

I: You mean the distance of the provision of the services?

R: Service is very, very far whilst here it’s much closer. If I need to buy a tractor I can go into [town 1] and buy them. If I’m in the Highlands I have no access to that and that comes to spares material and all of this. I can buy fertilizer, fertilizer comes into [area D] by the boat, so we’re very well linked that way. We have good access to stuff, unfortunately it costs us a lot of money.

I: I understand now the point, yeah. Next one?

R: Low diversity in assets or entitlements?

I: The thing is the entitlements has to do usually with the tenants and low diversity assets is where your farm doesn’t have machinery, doesn’t have buildings. So pretty much you don’t have enough assets…

R: It is a problem and with the assets…getting fixed assets costs a lot of money to get. Costs a lot to build the building and all of this, so it is a vulnerability. Luckily over previous generations we’ve built up that asset and that’s now we’ve got them, it gives us resilience.

I: I understand that. So for your farm specifically that’s not an issue?

R: It’s not really an issue but then it is an issue in the fact that we’re too specialised.

I: I think it’s coming later. What is the next one? For example, in the access to get environmental subsidies it depends on the type of the land you have. In some cases yourself, you could get environmental subsidies but your neighbour cannot really. So it’s not equal access to that. That’s an example.

R: Luckily things are fairly fair.

I: I think also in [area D] because they are so strong with business rings and all the other organisations or whatever, you have a lot of…most of the farmers, they don’t have difficulty to find inputs when they are looking.

R: Yes, that’s actually a blessing. In [area D] we have a good supply chain, we have access to resources. If you compare it to…

I: And there is no restrictions some farmers that have more or some farmers they don’t access, pretty much it’s equal?

R: We all have equal access. The biggest restriction is the farmer themselves having the ability to go and access it. So you’ll get some farmers that are very shy, very stand back-ish, won’t push to go and get another subsidy, won’t go and push to find out information about something but that’s within his own…

I: But the information is here?

R: Is available and it is equal opportunities to everyone, there’s no restriction in that way.

I: In other places things maybe completely…?

R: In the Highlands where you can’t just nip into [town 1] and go up and grab the official that’s just signed the document and go, why did you write that about me type thing? We have a good access to everything in here.

I: Also, I suspect in Highlands that the distances between the sizes of the farms are huge, you have great estates and then you have…

R: Tiny little farms and the tiny little farm and access to an environmental scheme because [inaudible] steal it, because it’s massive. They can get all the money with that and he’s just left with a tiny payment, it’s not fair. And I was across in Thurso last weekend for the [area D] discussion forum two weekends ago, and we were there on a contractor’s farm and he goes, I have seen it where I may…a forage chopper broke down, I jumped in my pickup and I started driving south because I ordered the part at five o’clock. The part came up from south in a taxi at the same time, we met in the middle of the country, I took that part, I drove right back up to my shed, I got there at two o’clock in the morning and we got the chopper fixed for nine o’clock in the morning to start cutting silage the next day. Now if that was in [area D], I would have phoned up the local machinery dealer, asked for the part and it would have been here by air the next day. It’s such a difference we’ve got here because we’ve got a good supply chain.

I: But it’s interesting because the good supply chain…because you have a lot of cooperative type of organisations, so pretty much they keep the balance. There are a lot of private businesses but also you have the cooperative that keeps the standards and the prices.

R: Yes, the cooperatives, for example, we’ve got [Co-operative 1] [Co-operative 2], One’s a cooperative, one of them is a private business. But if the cooperative folded, [co-operative 1s] prices will go through the roof, so they both work together, one gives the efficiency of free market and other gives the ability to keep the prices down by keeping the market open, keeping competition, which is really good to hear. But that’s just one example and machinery ring keeps the price of contractors down because you can repair.

I: Which means the whole area is much more resilient if you compare [area D] in these terms.

R: Yes. We need a few more vets here in [area D] because they’re charging far too much money.

I: What’s that?

R: The vets. The cost of doing a caesarean section in…

I: Because I heard bet…

R: Sorry, it’s just me accent. A vet, the cost of a caesarean section is about £150 on the mainland and here it’s about £300. But never mind that. What’s that word there, sorry I’m a bit dyslexic so I’m a bit slow…

I: Oh, you should have said that, I would have read that. I should explain that. When we say about institutional weaknesses, institutional is if they have enough written policies, rules, standards, procedures, so for example all these kind of cooperative type of organisations you have here for input in the past for the [inaudible] or whatever, because they had enough, how to say, institutional regulations, they had enough regulations…

R: Well if you compare that to rules and regulations to deal with single farm payments and stuff like that, when they develop a new system and a new scheme of doing something, they never have enough information on the new scheme, they never have enough literature on what you should be doing. You’re always second guessing how you should tailor your business to that scheme and this is a big challenge in my business, I want to know what’s happening into the future.

I: That’s exactly institutional is what you explained. Thank you for coming with all this experience because obviously at this time of the day…

R: But that is a challenge in my business is…

I: Also if they have low ability to produce all these things.

R: They do, they’re terrible at it. This is throughout Scotland we’ve gone for a new area based system, which a new computer system was made for. They’ve spent millions on this computer system and it’s still not working and this computer system is really causing…has really been a…

I: What’s the name?

R: Rural payments, is what it’s called, that’s the name of the website. It’s meant to be the system that manages our form filling for single farm payment and all of the schemes it’s meant bring for all of the money is meant to go through this one website. It’s been broken since they brought it out, it’s always been broken, they’ve never fixed it, it’s caused a delay in Scottish payments which is just terrible. It’s a scandal and it’s because they don’t have enough resources to do it, they tried to pull off something far too fancy. Italy had a system that was working, we could have bought that system, we didn’t, we decided to invent our own one and it’s not worked. But we’re okay and they’ve got enough people in the department to deal with most things, we just have to tolerate the delays of a few six months or something like that, that’s the problem. Inflexible policies…

I: Inflexible policies can be…an example can be the environmental schemes for example. They’re very inflexible you have to start that day, you have to…they don’t allow flexibility for a lot of farmers to see what it takes to develop a farm.

R: Yes.

I: Am I being completely wrong? It was given by one of the interviewees and I thought that might make sense.

R: Yes, that’s a perfect example, you’ll have lots of stuff around the environmental things about inflexible policies. But all of the things cause restrictions to our business even the registering of calves, when a calf is born it must be tagged within seven days of its life, it must be registered with BCMS within 25 days I think it is. If that’s not done you can’t sell that animal. If that registration doesn’t go ahead the only way of doing or getting that animal registered to be sold, to get a cattle passport is to get a DNA test on that calf to prove who its mother is, just because you haven’t registered it in time. That’s an inflexible policy and it has an impact on my business, so it means that I have to register all my calves, so again the busiest time of year I have to sit registering calves in front of a computer after doing a 12 hour day I’ve got to fill out all this paperwork. It applies to even the single farm payment, I have to pay somebody to fill out my form and makes sure it goes in right and is claimed right, because if I don’t I get penalised for it. Everything around that causes…

I: Who you pay, there is someone…?

R: I pay the college to fill out my SAC to fill out my forms for my single farm payment. If I don’t, if I don’t get them to do it I could be wrong I could end up with a fine. I’ve got so many things that I have to be careful with. Luckily I get paid subsidies for that and I hope I will continue to get paid for subsidies for doing all of this form filling and rules and regulations. But it is a burden on my business, you’ve got to be so careful with it.

I: Which one…?

R: Inflexible…

I: The next one is six…

R: Lack of functioning…

I: Functioning markets and low levels of economic activity. That example is [area D] Meat…[area D] abattoir let’s say. The fact that you don’t have it the whole market cannot really function enough. Low activity is when you have it still but not enough farmers produce through that, so then ended up having some…

R: Lack of infrastructural…that one…

I: More functional markets.

R: Yeah, that I have a good functioning market, the route that I’m selling at the moment, I have good functioning access to that. Low levels of economic activity do affect me because if there was more forward processing there would be a higher value, there would be less of my product going to a commodity market and I could investigate selling direct to people in [area D]. It’s for other people to develop though because I am specialised in producing store cattle and I have a good enough access to markets and I can change who I’m selling to.

I: Those features are not only for the farm level it’s also for the whole supply chain?

R: Yeah.

I: So when I was talking about [area D] it was the whole supply chain of meat in [area D], it suffers because it doesn’t have…

R: It does suffer and it is something that we need to look at into the…something that I think will have a bearing on us long term that it will make our cattle just the same as any other Scottish cattle. We need to revive…it’s a side benefit to have an abattoir to my business but I think it is really important.

I: When you were still in the…

R: [Inaudible].

I: You mentioned what was the reason for the failure of the first initiative, what about reasons of the failure of the second initiative for butchers?

R: The reason that…the only reason that abattoirs shut is the council didn’t think they were earning enough money out of it. They had the facility there, they said that they had lost umpteen million by running it. Now the reason they had lost these millions was because they were not collecting the rates from the building, the full rates, they were giving the butchers a discount. Now they’re collecting no rates for that building at all, so they’re making a bigger loss on the building now, but the council said that they needed to earn more money out of it, they weren’t earning enough money out of it and they decided to shut that abattoir. So we have an abattoir here that functioned as [area D] Meat, that functioned as [area D] Meat Processing but is not allowed to be run because the council own it.

I: I’m asking because from my understanding in the second initiative, through output from that abattoir, it was pretty much from what the butchers wanted in order to supply the local market.

R: That was absolutely true and that was the only purpose of that abattoir.

I: But which pretty much…because the facility, the capacity was much, much bigger, so they had pretty much already a fixed cost but…

R: But it was being run as a big abattoir, they had 20 people on the killing lines. The [area D] abattoir, the [area D] Meat Processing ran with five people on the processing line. A lot of the fixed costs was in the rates of the building, it wasn’t actually…it was the rates of the building that caused that business to go under.

I: Rather than the…?

R: Yeah, because what it meant was when you had a cow on the killing line the way it works is very much like this. So the initial model was a guy stood here and did that operation, did that operation, did that operation, it went and eventually it was a finished product at the end. What happened was when [area D] Meat Processing did it, they did that operation there and the guy then walked from there to there and did that operation, and then walked from there to there and did that operation. So it was possible to run it with less staff and it was financially working. The reason it didn’t have a bigger output was there was no market demand for more beef in [area D] and they couldn’t sell out…and it worked too well because it made a little bit of profit, it made our product available here to sell our brand here. The shame of it is that the butchers were happy making it…they make enough money in their operation here to have a good life. None of them suddenly turns around and says I want to supply three butcher shops down the road with the product because…

I: You mean in the mainland, you mean south of England?

R: Yeah, or the South of England. None of them got the…

I: Ambition…

R: …ambition to expand this successful operation. And if one of them had gone actually I’m going to put 40 animals through this next week instead of five and I’ve sold all the carcasses, it would have worked. If they had managed to get the markets but the old mart was so badly run that they never managed to sell all of the animal. They always sell it at a much lower rate or they didn’t satisfy their contracts, it was just a mess.

I: That’s the…?

R: The old, old one. So that’s why the business model worked quite well with the small one because they knew exactly what they were wanting, they could sell everything off of the animal.

I: While in the previous model they…?

R: They were far too big of an output and they could sell all the steak, they could sell a lot of the roasts, the high value, but they couldn’t sell the poorer cuts of meat. And eventually somebody did find a contract that they could do that and I think once they managed to get the contract satisfied. So they asked for a number of kilograms of meat and the [area D] abattoir was always short of it and didn’t supply the right product. So they lost that market then. It was badly run because it was a cooperative that turned around and would say at every minute they needed more money, instead of looking at how they could make their business more successful and profitable. They just asked for money, they asked for new facilities, they asked for new equipment the whole time, they asked for a new abattoir before they went bust. They were asking for a bigger and better abattoir to be built because that one wasn’t big and good enough.

I: Without securing the market for…?

R: For the produce. So it was a badly run business and that’s why it failed. This one’s failed because the council isn’t getting their rates, I think.

I: But I think right now there is a movement…not a movement, but a move to get something again running probably on a smaller scale?

R: My personal viewpoint on that is we’re going to build another abattoir.

I: Somewhere else?

R: In [area D]. We’ve got one, we’re going to build another abattoir that’s going to be designed to be small. There’s never the opportunity to expand then. You’re basically building yourself a small…if I was…it’s a bit like saying that I reduced the number of cattle on my farm so I need to buy…on my farm I’ve got a capacity to hold let’s say 100 cows. If I got…reduced down to ten cows…

I: And pretty much reduced level buildings and everything?

R: I stand there and turning around and saying I don’t need that building for a 100 cows because I’ve got ten in it, I need to build a building over there with ten, space for ten cows. And then that building that I’ve got gets demolished, the one that’s suitable for 100 cows, I go over there with ten cows I can’t grow, I can’t expand, I can’t do anything, I’m stuck. It’s a daft solution when we’ve got a building there.

I: But how do you think…the whole farming community how it can manage to build the right kind of markets?

R: The way of doing it is starting up a cooperative that their goal is to market [area D] beef and it’s to sell the image of [area D] as the prime goal. Their objective is not to make a profit, it’s reinvest the profit into the facility to keep it running through the hard times.

I: So something like the [area D]…the first initiative [area D] Meat?

R: Yes, but [area D] Meat was there to make money and it had shareholders and it produced profit. We need something here that’s to produce…to satisfy the image of [area D] and to sell high value product…

I: And build the market…?

R: And customed for that sort of tailoring. It’s more that focus we need to go down I would say that we maybe should forget about having an abattoir and start doing the stuff like you suggested about me going to the people that I’m selling to and speaking direct, that may be a better process of doing it. It’s maybe somewhere better to put our energy in.

I: But if you go to those people, you’re always going to be farmer…store animals with abattoir you still have the opportunity to go and do fatten the animals. It’s a different discussion if the [area D] farmers have the resources in terms of cost, it’s worth going the fattening animals direction, it’s a quite different story. But if we say that, yes, [area D] they have enough resources to fatten the animals and just they need an abattoir in order to add the extra value?

R: I would say really what’s lacking is five people that really, really want to do it. If you had five people that really, really wanted to run an abattoir and really wanted it to be successful and do the marketing, that had the…that could get the funding to get going, it would be successful.

I: But the business have other kind of skills and I wonder how farmers here or people in [area D] have these skills of marketing, of building the marketing channels…?

R: No and when [area D] Meat was initially run the farmers that were in it, that were running that cooperative didn’t have the ability to take on the advice of marketing and building a bigger customer base to make themselves more profitable.

I: So there was someone marketing it?

R: There was a marketing person…this is the story I alluded to about the poorer cuts of meat, they hired somebody to help the business out. This person says you’re losing so much potential markets money here, if we could sell 50…the equivalent of the output of 50 cattle that produces lower cuts of meat we could sell that directly to a big customer, that would help our bottom line so much. So she arranged all of this, did it and then the board couldn’t set the procedure in place to satisfy that contract and they got voted out.

I: This comes back to what I was saying before like low institutional capacity, they couldn’t build the procedures and everything in order to…?

R: Yeah, to do that. And the old [area D] Meat had a manager that ran away with all the money and started off having something like…I don’t actually know the figures but it was the equivalent of it had like £100,000 in the bank and by the time he left it only had a couple of thousand. They employed a really poor manager, which never helps. I would assume it would still be going if they had had a good board that was dedicated to making a profit but knew that the core of the business was to invest in itself.

I: You mentioned also something else that they felt it policed what is going on with the people…the butchers down the south in buying [area D] and selling ten carcasses while they’re buying only one carcass for here under the name of [area D]…but they felt policed that part. Also the new abattoir needs to make sure that you build a strong brand and you secure…

R: That brand and that’s important of PGI status, we have predictive status the same as…

I: Actually, yes, through the PGI status you could pretty much police that.

R: Yeah, this is why I think we should just have the…I wish what would happen is a board would come together to run a meat processing facility on a small basis to start off with, with the potential…with the ambition to grow and sell to bigger markets. And if we had a small group of people that did that and they got the abattoir, the current facility and they owned it and they owned the land, their fixed cost would be practically zero, it’s the cost of keeping the lights on and the power. And they start employing people to do the processing that they require, start off supplying the ten cattle to the [area D] butchers, look at trying to sell to a few down the road.

I: So pretty much you are suggesting that the new cooperative has to own the abattoir rather than the council?

R: Yes, it has to because the rates was the killer always. Yeah, I said it was poor management but poor management could blame it on the fact on the rates, they blamed it on the rates, the new operation was successful and the council closed them because they blamed they weren’t getting enough rates. But it really comes down to it when you speak to the person that was…I think it was [person 1]…I can’t remember his name, but there’s a fella he does home kill, he kills animals to put in your deep freeze. He’s the one person that was there that did all the killing of the animals and he basically said told me look it was the rates and the council saying they weren’t earning enough money out of it, that closed it. I think it’s just daft and I don’t know…a dedicated team of folk that could market our product.

And like I said, I’ve worked in the salmon farm industry and I had a privilege of working inside the industry for a year, so we’ve got a business [business name] here, [business name] is a massive…one of the biggest fishing sea based food producers in the world now. They’re owned by a Canadian company that owns heaps of salmon farms and you see [name of product], they own the processing boats that process their catch and stuff. That company has a processing facility in [area D] that processes more salmon than the beef industry does, they produce more tonnes of killed product that’s exported to [area D] than does the beef industry in total. There’s lots of lower socioeconomic effect.

I got to learn a bit about their business and they have a building in Bellshill in Glasgow that’s like three floors and the majority of the people there are marketeers and sellers that sell the fish. That’s their entire job. We never had that at [area D] Meat, we had one or two that was selling beef, imagine the marketing ability of having somebody like five people in it. It changes, if we had 30 people selling [area D] meat it would change, everybody would be going into fattening because the demand through the slaughterhouse here would be that high. Sorry, that was a bit of a side note.

I: No. All of those things you’re telling me they’re really, really relevant and it’s nice because you’re articulating them very, how to say, very well structured.

R: Arguments.

I: Yeah, but the arguments are quite well structured, so for me it’s excellent. So probably that’s why it takes more and more but I assume you don’t have something else you have to do?

R: No. Well I have to go and get the boat at 11:00 but I would also like to see my mum.

I: Okay, you should have said you have something else.

R: Oh, no, it’s just me mum that I’ve got to go and see but I get the boat at 11:00.

I: You know mums are quite important, I am a mum and I want my boys to consider me important.

R: Yes, it’s very, very important I see my mum.

I: So highly specialised production supply and marketing chain, you have said a lot about this.

R: Well I think we’ve covered that.

I: And the next one, ignoring slow variables and only responding to fast figures. Because there are a lot of slow gradual variables…

R: Weather and climate.

I: Yeah, increase of temperature or demographic changes or the farm becomes larger but fewer…things that happen gradually and sometimes we don’t take into consideration what would be the accumulated effect of those. Or it might be even stronger event, for example if people, young people they don’t come to the farming business then some of the pool of skills…

R: Are not developed and are lost. I agree we…

I: Do you see something like that happening?

R: The slow variables are actually just general variabilities in farming because it is slow industry to change. So me dad wanted to change from Charolais to Aberdeen Anguses at the beginning of the BSE crisis, which was in 1997. In 2004 still a high percentage of…still we had ten or 20 cows that were Charolais and by 2014 I think…2012 the last Charolais died, pure bred Charolais. So that tells you how long it takes our business to change, to start and to finish. Slow variables are incredibly important to them and we do watch out for them, and it is a potential risk that, as I said earlier on, the demand for eggs dropped, it completely changed [area D], and there is a potential for that so we have to watch out for it and it is a big risk. So we are a very slow to…

I: You have but do you…

R: Foresee it? As I said…

I: Because if you don’t then it’s a vulnerability.

R: Maybe I’m blindsided to them but I’m always thinking about the vulnerabilities to my business, I don’t know what’s around the corner with Brexit, I don’t know what my next sale price is going to be, all of these are vulnerabilities to me. And some of them shouldn’t be short term vulnerabilities like Brexit, that shouldn’t have such a big impact on me but it is going to. I guess I don’t really see slow term vulnerabilities.

I: Cross scale interactions including subsidies, they are fully understood and related to uncertainty. This is…you have the local skill which is [area D] and then you have the Scotland, and then you have the UK, and some of what is happening here is out of control of [area D] people, because it comes from either the Scottish government or the distant markets in…from the supermarkets or the…it might be because the meat processors and everything it pretty much has nothing to do with [area D]. It’s somewhere in the supply chain outside from [area D]. So these different scales sometimes they might create…?

R: They do and it does affect…the environmental policies can be blatantly wrong because they’re not suited to [area D] conditions. Sometimes they can be quite beneficial to us though in another way. So you can take the environmental thing of cutting silage at the 1st of July, that has a big impact on somebody that’s south of us because their silage is ready on the 1st of June, so they’ve got to wait a whole month. Here my silage is ready to cut on the 15th of July, so it’s a benefit in that scenario. But then you get other management routines that are just pointless.

I: Like?

R: Well we’re lucky with the environmental schemes and all of that, that they’re not…I guess one of them…I’m trying to think of a good example but one of them would be what we’re paid per acre of land for a single farm payment. On average the majority of farms in [area D] lost subsidy because we’re very productive up here compared to a highland farm. So it warps…so our subsidies have dropped because of a national scheme and that’s a good example, and it was a big concern at the time that we’d lose so much subsidy. Luckily we had the ability that our local NFU office fought and we got an uplift in our beef calf scheme and that helped ourselves. So it was a good response to a vulnerability that. If that makes sense?

I: Great, excellent examples. Insufficient recovery from previous sales that have reduced the adaptive capacity? So for example you had four or three wet…

R: Three wet years followed by one dry year.

I: But have you already recovered from the previous ones?

R: Oh no, no, no.

I: So now pretty much your farm is already…

R: Vulnerable.

I: …vulnerable when the next shock comes to you?

R: Well really good example, three wet years would have lowered the root structure, it would have raised up, because they can’t go down because the ground was saturated, it was totally wet. When it came to the dry spell the ground…the crops had grown their roots down the way and they’re gone down the way to find water, to find nutrients and they couldn’t grow the grass at the top above for that. I got a big hit because the crops are putting all their energy into producing roots. All my worms and organisms like that have died because they’ve been drowned. The environmental effect has a big effect on my soil, it’s less productive at the moment which means when it came to the dry year, I should have got bumper crops, I got less. I got not as much as what I was predicting.

And then you’ll have a crisis such as BSE or foot and mouth and there’s a reduction in what folk are eating beef and then the next one comes along or you feel like your industry’s just recovering from a bad publicity scandal and then a documentary comes on about how cruel it is to cart animals away live, like beef calves, no sorry, dairy calves.

[Interruption]

I: Seriously, what time has it been? Ten o’clock, seriously? You should have said something. Come on, okay, fine.

R: Alright, okay.

I: I think we covered a lot.

R: I think you have and I’ve lost my voice.

I: You should have said something, I hadn’t realised what is going on.

**End of transcript**