

How would you choose to invest a large amount of cash in your business?

# The £100,000-investment question

In CowManagement's recent reader survey, we asked how would you invest £100,000 in your business? Cow housing was top of the wish list for 42% of respondents and represents a good potential return on investment.

text Rachael Porter

Not only does the top answer to the £100,000 question show that progressive producers – CowManagement readers – are committed to dairying, but it also demonstrates an increased awareness of the importance of investing in cow comfort, health and welfare and their link to good fertility and productivity.

"Producers are certainly switched on to the importance of cow comfort and not just due to welfare. They know that cows that can lie down, get up and move around freely will also have better health and fertility and, ultimately, productivity,"

says The Dairy Group's senior dairy housing consultant Brian Pocknee. He's currently busy visiting many dairy units that are upgrading cow housing. Replacing mats with mattresses is proving popular at the moment, as is switching to sand-bedded cubicles on units that have the slurry handling facilities to cope with it.

"And we're not always talking about massive investment here. Some producers are just

'tidying up' and 'smoothing the edges' in cow housing. They're doing what they can afford to do at the moment and prioritising by identifying any bottle necks or limiting factors in their system."

## Cow flow

"This could be a cubicle head rail, which is restricting cow movement, that needs to be adjusted. Or it could be fitting rubber flooring in the collecting yard and at turning points in the parlour, such as the exits," says Mr Pockney. He adds that not only will this improve cow flow, but it's also better for cows' feet. "Fewer cases of bruised soles can make a huge impact on improving



Cow lounge: Comfortable and easy-to-access beds are just one vital aspect of well-designed housing

hoof health and reducing lameness in the herd. Remember, a cow that's happy on her feet will eat and drink more than a lame animal."

Happy, healthy cows are also much easier to manage, so investing in cow comfort can reduce stress levels for staff. "Identifying 'pinch points' for the herd will also deal with any management factors that cause staff frustration," says Dr Pocknee. "Anything that improves the efficient running of the herd – be it in terms of labour saved, better cow health or more milk – will see a return on investment. So don't view rubber matting, cow mattresses or wider passages, for example, as a 'luxury' or as simply complying with a farm assurance scheme. There's money to be made on improving cow comfort and cow flow."

## More milk

And Dr Pocknee believes that the penny is dropping: "Most producers realise that investing in facilities that encourage the cow to lie down or eat for longer, or allow her to move around more freely, will ultimately increase milk production. They will see a return on investment. But before grabbing the cheque book, he urges producers to take a step back – perhaps pay someone else to come in and look at the cows and their facilities with fresh eyes.

"It's not about throwing money at the problem. You need to invest some time first and identify limiting factors. Sometimes you can do a lot with a can of WD40 and some elbow grease. Simply knocking down a wall can provide more lunging space and improve ventilation. Remember, some new installations and facilities can actually cause more problems than they solve if they're not designed correctly for your system and set up. So take your time, watch your herd and see what changes you can make on a tight budget.

"Once you've done that, you can start to day dream about what you'd like to do if you had an extra £100,000 in the bank and begin working towards making that a reality."

## Limiting factors

NMR/RABDF Gold Cup finalist Darren McMurran, from County Down in Northern Ireland, runs a 300-cow commercial herd in partnership with his



Brian Pocknee:

"Producers are switched on to the importance of cow comfort and not just due to welfare"



Darren McMurran:

"Investing in cow housing is next on our list. It's definitely a limiting factor for our unit"

## Views and comments posted for @cowmanagement on Twitter



**@farmboy\_sammy:** I'd spend it on robotic scrapers, a fancy foot-trimming crush and anything else that would quickly pay for itself

**@mattpilks1:** I'd spend it on things that give the best return... cow tracks, water troughs and decent fencing

**@JoeDelves:** Pay off some family members, so I don't have to borrow it. Young stock is where we invest spare cash – and property

**@sandpark\_rob:** Labour-saving investments, improved and 'easier' housing. Trouble is, £100K doesn't go very far!

**@BritishCrass:** Getting the grass right, good reseeds, fencing for grazing, tracks and water troughs

**@stirbilly55:** sand beds, ventilation fans, locking yokes, smooth feed surfaces, transition pens and quality staff

**@JJGBld:** £100K? I would become a dairy farmer! It wouldn't be easy, but with help from good people in the industry it could be done

**@JoeFrecknall:** COW TRACKS! Anything to improve cow flow

**@Farming\_Gareth:** I would invest it in First Milk as not going to get an 8% return from many other places!

brother Stuart. He says that he'd definitely look to invest in cow housing if he had £100,000 in his back pocket.

"That's next on our list – to put up a new cow house. Housing is definitely a limiting factor for our unit. We need to improve cow comfort and we also need more feed passage space."

He explains that cows housing is already a little tight at the moment and the family want to expand the herd to 450 cows. "We've been investing for the past 10 years and there's more to do. We have no choice really. It's all about economics of scale and driving down the cost of production."

### Robotic milking

Stewie Bird, herd manager for Somerset-based Steambow Farms – also a Gold Cup finalist – says that if he had £100,000 to spend, he'd put it towards a robotic milking system or calf igloos. The 500-cow herd is owned by the Christensen family and currently averaging around 10,500 litres at 3.6% butterfat and 3.2% protein. "The unit's two 16:32 herringbone parlours are about 25 years old," says Mr Bird. "The parlours have been updated, but the stall work is a bit

too small for the cows. We're getting close to the point where we have to think about replacing them.

"Something needs to be done, so we're either looking at two new herringbones or robots. That said, we'd need nine robots to milk the herd and with the cost of fitting that would take us up to around £1 million."

He says it would be worth it: "The robots would offer a consistent milking routine and make a significant saving on the cost of labour. We milk three times a day at the moment. Cows would probably be milked more frequently through the robots, which would push yields up slightly."

The unit has already invested quite heavily in cow housing. If it hadn't, Mr Bird says that cow comfort and housing would have been at the top of his list. "We have sand bedded cubicles and the cow houses are as good as they can be – they're right up to scratch."



Ed Hewitt:  
"Improving ventilation and easing cow flow are priorities on many Scottish units"

Ayrshire-based cattle vet Ed Hewitt, from the XLVet Armour Vet Centre, says that Scotland's Rural Development Programme grants can only be spent on capital investment, so almost all Scottish producers who are eligible have spent it on cow housing and facilities. "So yes, we're seeing a lot of investment on farm on upgrading cow cubicles, improving ventilation and easing cow flow," he says.

"Producers are looking closely at their units, sometimes with our help, and identifying the limiting factors. Many are installing more water troughs and self locking yokes, and eliminating dead ends. They're all changes and additions to improve cow flow and cow comfort and to make managing the herd that little bit easier."

Mr Hewitt says that the focus on cow comfort has increased in recent years because herds are housed for longer periods: "And producers appreciate that cow housing has to be right if cows are to be healthy, fertile and productive."

That said, he says that calf housing is lagging behind on many units and he'd like to see a little more investment here. "Ventilation is particularly poor. Calves tend to be put in any accommodation that's going spare and are often treated as second best."

### Adding value

Anderson's Wiltshire-based dairy consultant Tom Mitchell stresses that producers should look to invest in things that will 'appreciate' rather than depreciate. "So that's cows or land, although the latter can sometimes depreciate. Cows, on the other hand, should increase in value and you should see a return on your investment – particularly in terms of the home-bred replacements."

But, ultimately, any investment should pay for itself: "You need to see a return on your capital. And it's important to identify the limiting factors on your farm to help you do that," he says.

"An out-dated parlour, for example, could be limiting productivity and increasing costs. Make sure you invest in something that will add value to your business. Not just a big shed or a tractor!" |