

# Collaboration helps dairy farmers achieve business and personal goals

**Two Leicestershire farmers have joined forces so one can build up his dairy herd and concentrate on producing milk while the other former milk producer rears youngstock and has more time to himself. Mike Green reports.**

Like many dairy farm businesses replacing an ageing milking parlour was a crunch decision and a dilemma for Paul Eggleston—if he splashed out on new milking facilities he also needed to increase cow numbers to justify the investment. But how could he finance the extra cows and quota?

The answer came from their agricultural consultant, Tony Evans of Andersons, who saw an opportunity for the two farmers to achieve their business and personal ambitions by collaborating with each other.

In 2002 Paul Eggleston, from Bridge Farm, Long Clawson, was 35 years old and had a herd of 200 cows with a 26 year-old 14:14 herringbone parlour in need of replacement. "As part of a five year plan, which began in 2000, we had built facilities up to house 300 cows. By 2002 we had plenty of cow places, feed storage and a bulk tank for this number of cows.

"I milked the cows one morning in 2002 and it took me four and a half hours—from 4:30 to 9:00am—and realised we had to do something."

At the same time 57 year-old Ray Hewson, from Home Farm, Eastwell, Melton Mowbray, was milking 100 cows in a 25 year-old 10:10 herringbone parlour with the help of one employee. Having milked cows for 43 years, since he left school at 15, Ray was looking carefully at the future of his business.

With the help of Tony Evans the two farmers began to look at the possibility of collaborating in late 2001. However, they already had one connection—Paul's late father was Ray's cousin. By the spring of 2002 they had come up with an agreement that Ray's cows would move into Paul's herd and Ray would rear Paul's youngstock.

This gave Paul the green light



*Leicestershire farmers Paul Eggleston and Ray Hewson have both got more time to spend with their families following their collaboration.*

to invest in a new parlour and after thorough research he opted for a Waikato 24:48 swingover herringbone parlour installed in a purpose built shed. "I visited a parlour in Cheshire and after milking in it for an hour realised this was the parlour we needed. It is a simple parlour with ACRs but no milk meters or feeders."

Milking started in the new facility on August 17, 2002, with 220 cows and on August 20 Ray's 100 cows joined the herd. Cow numbers now stand at 370 but 100 of them still belong to Ray.

The initial agreement was rather complicated and involved working out the proportion of milk produced by each partner's cows in the herd and the value of calves and culls. This gave a share of the milk cheque from which a share of production costs were deducted to give Ray a monthly cheque.

This has now been simplified. At the beginning of the year they agree a valuation of Ray's cows and milk quota. Paul then pays

Ray a monthly cheque. "I pay Ray a return on capital as if I had used anyone else's money," explains Paul. "I now keep all the cull and calf sales but pay him to contract rear the herd's heifers under a separate commercial agreement.

"Ray has been very trusting and lets me do all the paperwork, including movement details and holding all the passports," says Paul. "In fact we have not actually signed a formal agreement."

"You have got to trust each other if this is to work," adds Ray.

Paul's pedigree Holstein herd has the Sherriccliffe prefix which is still used. Ray's Heritage prefix has been lost but Paul puts an 'H' after the Sherriccliffe prefix when registering calves to indicate they have Heritage ancestry.

Ray's cow numbers in the herd are maintained at 100 but Paul makes all the breeding decisions. "When a cow needs to be served I look at what is standing in front of me and not whose cow it is."

The herd is calved in two

blocks—February-March and June-July. Ray now rears about 100 heifer calves a year which go back to the Bridge Farm herd four weeks before calving at two to two years, two months of age.

The advantages to both partners and their businesses have been numerous because both can now concentrate on either producing milk or rearing heifers.

While the yields of Ray's cows increased in Paul's herd because they moved onto a TMR ration, the heifers are performing better because Ray can concentrate on meeting performance targets.

"In the past we would milk the cows and the youngstock would be an afterthought," says Paul. "I am very lucky now—Ray has made some changes and now has a good unit. The youngstock get first cut silage in winter and preferential grazing in the summer."

For Paul Egglestone the benefits of collaboration have been clear. "My lifestyle has improved because the extra cow numbers justified another member of staff. This means that the staff and me get more time off."

The farm has two herdsmen, a young stockman and relief milkers on two days a week.

This has given him more time to spend with his family—wife Claire, 11 year-old daughter Amy and seven year-old son James.

It has also given him more time to concentrate on the business. "I used to focus on cow performance but now I am focused on business performance and time off," he adds.

Paul is no stranger to collaboration. He is a director of the nearby Long Clawson dairy co-op (Ray is a shareholder and former director). He shares silage making equipment with two other farmers as The Vale Partnership which makes silage for 1,300 cows