

Kite

update

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Progressive Dairy Operator's Conference 2017

Speakers from all over the world are now confirmed for our Progressive Dairy Operator's Conference 2017, taking place on October 9 & 10 at the Park Royal Hotel, Warrington. The full programme for this year's event, entitled 'Flying High for the Future' has now been released and promises to focus on the subjects that really matter to UK farm owners and dairy managers. We have secured a fantastic line up of UK-based and international speakers, travelling from as far away as New Zealand and the US.

Recently confirmed, we are delighted to be welcoming Mitch Davis from New Sweden Dairies, Minnesota, who will be contributing to two sessions on 'Wealth Creation'. Mitch grew up working in the family cheese-making and spray-drying business 'Davisco Foods International, Inc.' and graduated from the University of Minnesota with a Bachelor of Science degree in Food Science and Nutrition. He has worked in most areas of



PROGRESSIVE DAIRY OPERATORS CONFERENCE

the company with emphasis on products derived from whey, and he currently manages Davis Family Dairies LLC, a dairy and beef animal system that manages over 19,000 animals and milks 8,700 animals each day. The third-generation business employs 140 people and has a strong focus on staff development, so much so that the New Sweden Dairy site is also home to the Dairy Education Center, affiliated with the University of Minnesota College

of Veterinary Medicine. To this end, on the first day of the conference, Mr Davis will be leading a session on 'Wealth through People'.

Together with his brother, Mr Davis also owns and operates several other businesses and will be contributing to a second 'Wealth Creation' session on Day two that looks at 'Inspiring Business Models'. Joining him at this session will be Angus Wielkopolski, founder of the St Helen's Farm goat milk brand, and Sir John Campbell OBE of Glenrath Farms – a first generation farmer who now runs one of Scotland's largest farming enterprises.

Full details of the entire programme can be found on the enclosed flier and on the Kite website. Places cost £350 for farmers and £400 for trade and include dinner, bed and breakfast, lunch on both days and refreshments throughout the conference. Please note that trade places are limited.

To book, please email emma.bradshaw@kiteconsulting.com, call **01902 851007** or visit our website to download a booking form.

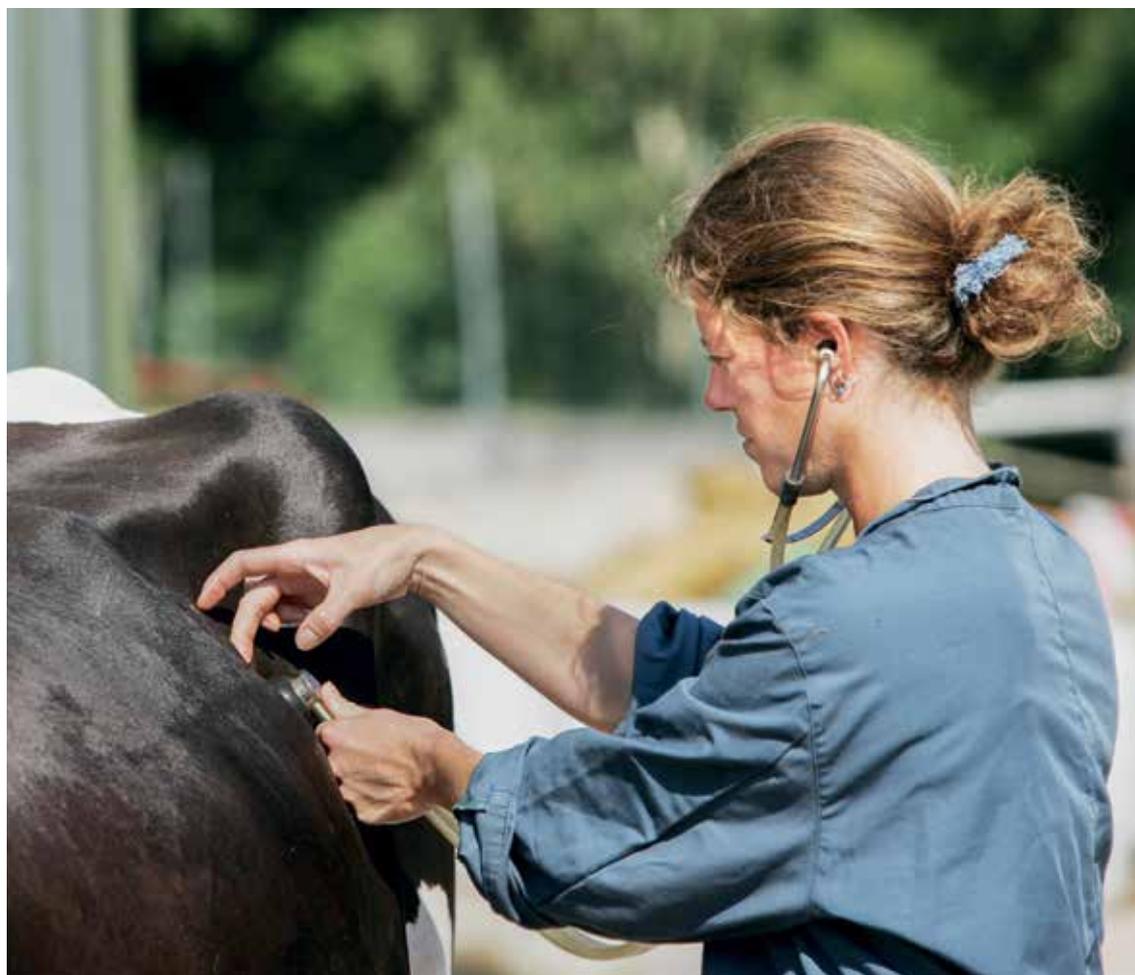
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Antimicrobial resistance



By Duncan Williams MRCVS duncan.williams@kiteconsulting.com



Antimicrobial resistance (AMR) poses a growing threat to human and animal health. Here, Duncan Williams looks at the implications for the UK dairy industry.

What is AMR?

Antibiotics are used to target bacteria, disrupting their growth mechanisms and leading to their death. AMR occurs when, by random chance, changes in some genes in the bacterial DNA result in bacteria becoming resistant and avoiding death, allowing them to continue to grow and reproduce. The more the antibiotic is used, the greater the chance resistant bacteria will develop and thrive, increasing the proportion of bacteria in a population that will be resistant to antibiotics. Once bacteria acquire resistance, they will pass those genes on to their offspring, but can also transmit them to other strains of bacteria through

DNA transfer. Because of this process, it is essential that when antibiotics are used, the correct dose, interval and duration of course are used, as under-dosing increases the number of bacteria that survive, thereby increasing the likelihood of resistance developing.

Antibiotics in agriculture

The O'Neil report in 2016 provided a wide-ranging review of antimicrobial use, which resulted in the government setting a target for agriculture whereby antibiotic use is reduced to an average of 50mg/kg by 2018 (compared with the 2014, UK agriculture-wide average of 62mg/kg). For this, the kg figure is calculated on Population Corrected Units (PCU), making it a useful cross-species, inter-country comparison tool, but making it less relevant on an individual farm.

In addition, the World Health Organisation has published a list of Critically Important Antibiotics (CIAs) which are deemed to pose the highest risk to human health should AMR occur through agricultural use. These antibiotics include the 3rd and 4th Generation Cephalosporins and Quinolones.

Whilst the significance of AMR needs balancing against the economic implications on farm and animal welfare, understandably, there is significant pressure on the agricultural industry to make changes to current practice as soon as possible. For the dairy industry, we are expecting an industry specific target to be applied in the coming months, as well as restrictions on the use of CIAs. Therefore, the more progress we can make before the legislation comes in, the better.

AMR in the dairy industry

One area of weakness identified in the dairy industry is the lack of good quality data on antibiotic use and the old saying still applies; you can't manage what you don't measure! Any measurement scheme needs to allow for comparison with other farms and, as the government is likely to implement a mg/kg target for antibiotic use, all measurement schemes must allow this number to be generated.

ADD (Average Daily Dose) is considered the gold standard in on-farm measuring and has been used on the continent over the past few years to drive improvements in antibiotic use. It looks at the doses of drug used on a farm and analyses it alongside production, health and profitability data. In essence, ADD measures how many days-worth of antibiotic are used per cow over a 12-month period.

We have been working with farms and processors across the country to implement this way of working and it has been very well received. One of the most important parts of the roll-out has been the round-table



discussion that we have facilitated, helping everyone in the production chain to see where others are coming from and what pressures they are under. Following these meetings, we have seen rapid reduction in antibiotic use, and most importantly, a shift away from drugs classified as critical for human medicine.

Moving forward

Responsible antibiotic use goes hand-in-hand with good farm management. To reduce overall antibiotic use the focus should be on good preventative strategies and

high animal health, as well as not using antibiotics to treat viruses.

In the dairy industry, an obvious example of a preventative strategy is Selective Dry Cow Therapy. Here, farmers, together with their vet, combine clinical mastitis records, cell count monitoring and risk based disease management to make animal treatment decisions. Many processors have targeted this area as a first step and a good number of farms are starting to use a selective rather than a 'blanket' approach to antibiotic use at drying off.

In terms of CIAs, most supermarkets are already monitoring or have banned the use of these by their supplying farmers, so for those who aren't yet looking at this, now is the time to explore other options.

The key message for those not yet taking the above steps is that farmers who have started this process are seeing good results. The more of the industry we can get on board through voluntary schemes before legislation arrives, the better equipped we will be to meet the challenges we know are coming.

Vicky joins the team



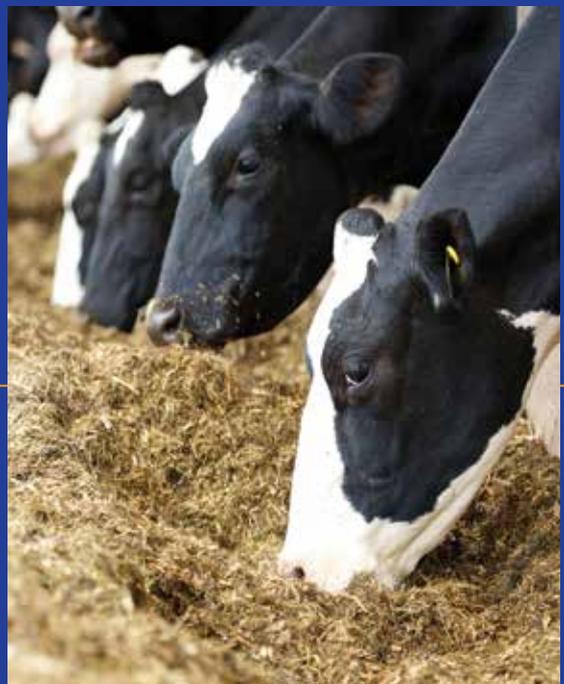
Vicky Hicks has joined the Kite team this summer. Having graduated from Hartpury College in 2009 with a degree in Dairy Herd Management, Vicky has previously worked for a milk buyer, the NFU and has spent the last four years overseeing the development of new milk infrared tests at NMR, specifically

fatty acid and energy balance testing. Based in Frome, she'll be working across several projects including genomics, nutrition and data management.

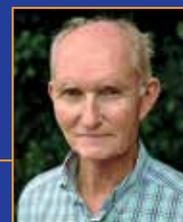
Vicky can be contacted at Victoria.Hicks@kiteconsulting.com

Gold Cup prize draw

Congratulations to Andrew Hurford from Lower Westwater Farm in Axminster, who won the Kite Prize Draw at this year's Gold Cup Open day and received a case of wine. The open day held at Pilson Dairy Farm in Dorset, courtesy of the Bugler family, was attended by more than 1200 people.



Viewpoint from New Zealand



Nico Mouton



In the early 80's, agricultural subsidies were removed almost overnight in New Zealand. Nico Mouton, a dairy consultant from AgFirst Ltd, working in the North Island talked to the Kite team at a recent meeting about how the New Zealand dairy industry reacted and what lessons British dairy farmers can learn as they face the challenges of Brexit.

"The massive change caused a lot of unsettling experiences for many New Zealand farmers who were used to a supported system," said Nico. "And, as a result, farmers had to really think about what they were doing with their businesses, and how they were going to develop and innovate to survive. Farmers, particularly in the dairy industry, strove to find the opportunities and saw this as a chance to build a different agricultural business.

"There was a rapid production expansion of the dairy industry as the country continued to expand its trade overseas. Land which had previously been used for beef and sheep production and even forestry was

converted, with the aid of irrigation in some cases, as the size of farms grew.

"In 1984 there were 16,000 dairy farmers in New Zealand, with an average herd size of 120 cows and by 2017 the number had fallen to 12,000 with an average herd size of 420 cows. Two clear trends associated with this rise was the growth in kgs of milk solids (MS) per cow and the rise of multi- farm owners."

Nico went on to explain that the dairy industry growth was funded by debt and these high levels still today leave farmers exposed to the volatility of milk price and physical conditions, which in New Zealand's case is the weather.

"It's now the case that 70% of the industry's debt lies with the top 20% of farmers on scale," explained Nico. "The ability to handle debt has recently become an issue and I think debt levels on New Zealand dairy farms have reached a plateau. Debt reduction is a big focus for banks and farm businesses across the board."

Volatility also became a reality for New Zealand dairy farmers. As a dairy trading country dealing with 130

countries world-wide, exchange rates are also an issue. The very thin world markets, that are very sensitive to volume, can also add to uncertainty. New Zealand provides 30% of the world trade in dairy products, so the slightest change in volume can make a big difference in price.

"In the UK, dairy farmers are already developing their own coping mechanisms in order to live with the ups and downs of milk and feed price, and Brexit will be another factor effecting volatility," says Nico. "In New Zealand, we saw a new type of resilient dairy farmer develop from the challenging times; one who understands the whole dairy industry environment they are working in, the world market, the capacity of their individual farm in terms of climate, soil type etc, cattle quality and people. They work with their strengths to provide what the market wants now, and for the future, and have developed successful businesses.

"Change isn't always easy, but farmers must have an open mind; there will be opportunities for the right people after Brexit," he concluded.



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