



Kerry Agribusiness & Teagasc

wish to thank all of the programme participants for their co-operation and goodwill throughout the year and also all those who open up their farms for events.



Focus on Profit

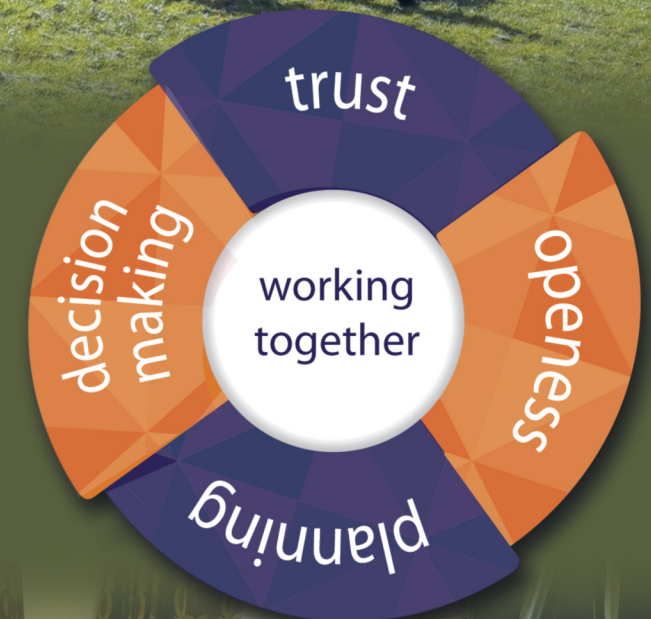
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- Grass dry matter production increased by 7%
- High P & K compounds used on low index soils
- High milk composition worth over 3 c/l
- Increased focus required on labour efficiency and management

In 2017, the Monitor Group created individual farm development plans which focused on many aspects of farm management including labour, genetics, soil fertility, reseeding, stocking rate and grass production.

Mid-year during an interactive one-day information sharing event, individual farmers shared their farm development plans and actions to-date with other Group members. This facilitated constructive analysis and feedback regarding planned farm management strategies and investment.



Monitor Farm Review 2017





Performance Overview

- Very good grass growth conditions prevailed in the Winter/Spring of 2017 and the 10 Monitor Farms grew 1t DM/ha in Spring 2017 v 0.3t DM/ha in 2016.
- Milk solids production was 13% higher for the 15 farms in 2017 v 2016.
- Good early to mid-season grass growth allowed monitor farms harvest surplus silage and reduce/eliminate concentrate feeding.
- From late July onwards weather conditions were more difficult and many farms failed to achieve planned lime and reseeding targets. Additional concentrates were also fed as a consequence at this time.

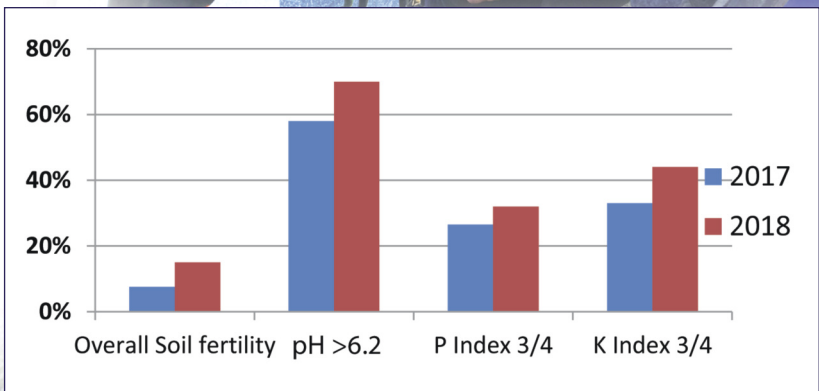
	10 Monitor Farms		5 Heavy Soils	
	2017	2016	2017	2016
Cow Numbers	94	87	103	99
Milking block (MB) area (ha)	38.8	38.0	38.3	39.5
Stocking rate - MB Dairy Area (LU/ha)	2.47 2.15	2.35 2.01	2.71 1.96	2.52 1.86
Milk Production per farm (litres)	509,105	457,637	589,278	533,998
Milk Solids/farm (kgs)	40,482	35,965	47,706	42,971

	10 Monitor Farms		Heavy Soils	
	2017	2016	2017	2016
Milk Solids/cow (kgs)	431	414	460	429
Milk yield/cow (litres)	5416	5261	5694	5354
% Protein	3.55	3.52	3.59	3.57
% Fat	4.17	4.11	4.27	4.21
SCC ('000)	163	169	163	171
TBC ('000)	20	18	21	19
Herd EBI	99	88	101	94
6 Week Calving (%)	83	74	88	79
Milk Solids/ha on MB	1057	959	1243	1082
Concentrate / Cow (kg's)	710	620	943	710

Soil Fertility

- Changes in soil fertility require a long-term focus & investment.
- You can't manage what you don't measure – need regular soil samples and action.
- Farms focused on soil fertility will achieve incremental improvements.
- Monitor farms initial focus was on soil pH (lime) and they moved to using high P & K compounds eg. 10-10-20 and 18-6-12.
- On average the Group invested €360/ha on fertiliser (€146/ac).

Information from our Monitor Farm Programme has shown that achieving the soil fertility targets for pH, P and K will deliver up to 2t DM/ha, equivalent to 300 bales from 30ha milking block. Hence, a key component of the Monitor Programme is the priority placed on soil fertility.



Financial Performance

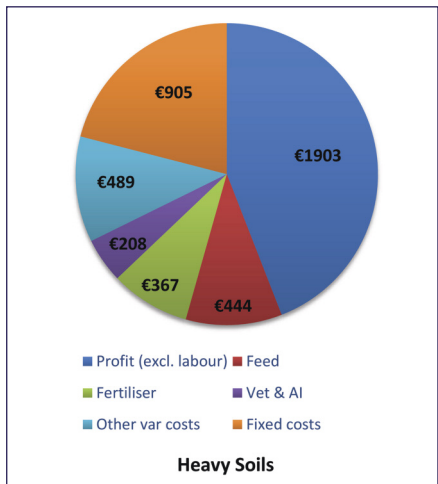
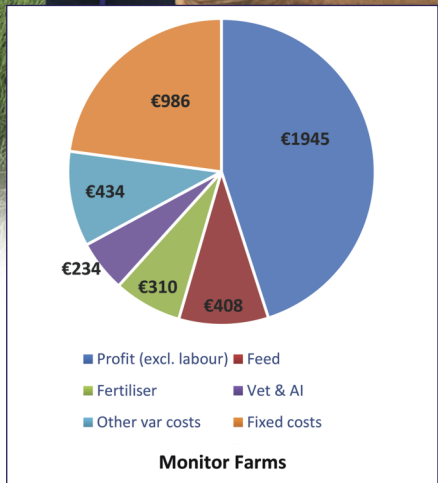
Currently land is the major limiting factor on our farms and therefore measuring performance from every hectare farmed is essential. Ultimately the objective is to establish a farm business delivering cost efficient production of milk solids at stocking rates that are driven by maximising the use of grazed grass in the herd diet.

The figure on right shows the breakdown of different cost items per dairy hectare for the Monitor farm and Heavy soils groups.

At a base price of 33.3c/l (3.30 & 3.60) Monitor farmers retained 45% of Gross Output as profit to pay own labour and give a return on capital and management equivalent to €1,945/Dairy ha with figures for the Heavy soils group of 44% and €1,903.

The Monitor group achieved a net milk price of 37.4c/l due to higher milk composition which has a significant impact on farm profit. Feed and fertiliser remain significant costs (30% of total costs) within your control, hence it is important to continuously review these.

For productive investments, eg. Lime, reseeding, capital fertiliser (build up P and K), consideration should be given to short / medium term financing rather than relying on cash flow. Equally, in years when cash surpluses are generated it is import that these are invested in areas which give a good long term return or offset risk within the business.



Grass Production

Grass dry matter production on these farms increased by 7% in 2017 compared to 2016. This is a consequence of the groups focus on reseeding with superior grass varieties, grass measurement and soil fertility. This will help ensure that the farms are environmentally and economically sustainable.

	10 Monitor Farms		5 Heavy Soils	
	2017	2016	2017	2016
Grass Grown (t DM/ha)	12.4	11.6	11.9	11.1

