



INSIDE ►

If it's going out, it's coming in!

Our 2 intake pits are running from five in the morning through to eight at night tipping the bulk raw materials that we use in the mill...

Continued on page 3

02 CMC CONCENTRATE PELLETS

03 RAW MATERIAL INTAKE

04 EGG FOCUS DATA

TOMORROW'S FARMER



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YOUR NEWSLETTER FROM CREDITON MILLING COMPANY

Good to be in the South West

As I write this there are headlines splashed across the national media about price increases in retail dairy prices over the last year, with Which? magazine stating that butter, milk and cheese up 30% on last year. It picked out Utterly Butterly as one of the worst offenders, followed by the Duchy organic milk brand.



Chris Walkland

WP Walkland Partnership

This rampant inflation is not good for dairy sales at all. Indeed one trader told me last week that demand for his products has "evaporated". This, twinned with rising milk production across Europe (the latest data shows Germany nearly 4% higher than last year!), is resulting in commodity prices falling at the fastest rate I can remember. This might be difficult for farmers to believe, because so far Q1 prices have not dropped significantly. But the reason for this is simple – Q1 farmgate prices are governed by Q1 revenues and these come from sales in Q4 2022, when prices were so much better. Q2 is the danger period, because prices for butter, SMP and cheese are low now, and convert into a milk price between 30 and 35p.

Consequently when the commodity prices are looked at in isolation it is hard to pick out any good news this time around, I'm afraid. Commodity prices and the futures are falling fast and there is no floor in the market just yet. Nevertheless, there must be some positives out there?

Well yes! The South West has milk processors with a good track record of paying some of the best prices in the country. There's Arla at the top of the league, with Credition Dairy usually always in the top three or five.

Saputo used to be regularly in the top five, but currently it is well down the table in 15th place out of the 26 processors I track. Muller is behind in 16th place.

But it's here where there could be good news coming, because Muller could quite quickly rise up the ranks. That's because the firm has introduced a new contract for its farmers which promises to "boost stability, competitiveness and transparency" through a new A and B type pricing system.

continued on page 2

DAIRY

POULTRY

BEEF & SHEEP

FORAGE

Good to be in the South West *continued from page 1*

The A price will be based on returns from its premium markets, with the B price coming from commodities. The ratio of A to B will vary for each month, with a maximum B percentage of 12.5%. April's split is the highest at 88% A, 12% B.

To work the scheme relies on Muller maintaining good revenues from its premium customers to support the A price well above commodity values. If it works then it will keep the Muller price higher than it otherwise would have been. But will it work?

Well I said this week at The Semex Conference in Glasgow that I didn't think it could fail! That's because if it doesn't work, then Muller will have half of its farmers happily sitting on

relatively high aligned supermarket contracts, and half of them, its Directs, on a price considerably below theirs. And they will be furious because of it – especially after Muller's recent pledge. Muller won't want to go back to the bad old days of a big price differential across its milk pool.

This doesn't mean the Muller price won't fall. It will, because the A price



will fall. But the overall price shouldn't fall as much as processors fully exposed to commodities.

I also think it will indirectly support other liquid processors' prices because they will try and compete with Muller on price, because if they don't then they will lose farmers over time. But it might also result in considerable financial pressures for other companies, and that also poses a long-term risk to farmers.

In the short-term, though, markets are awful, and milk prices will go down. At the moment it's hard to say by how much, though. Let's hope the positive that Muller has come out with will succeed in mitigating the price falls to come.

CMC Concentrate Pellets

We very much appreciate the diversity of farms with many farmers able to home produce a lot more of their feed materials, and therefore are less reliant on buying a more complete feed from us.

However, in many cases these materials need to be balanced to meet your stocks nutritional requirements, such as the need to additional protein, vitamins, minerals and essential trace elements

Cattle Con 33% & 40% – both products contain a balanced offering of protein sources including hipro soya, and utilising a small amount of urea helps keep the costs down, however it is not advisable to feed to stock less than 6 months old as the rumen may not be fully functioning till this age and will not effectively utilise the protein from the urea. Triple vitamins & minerals pack ensures and good balance of all the essential elements even when diluted with other materials

Milkrite Con 33% & 40% – again both products contain a balanced offering of protein sources but boasts hipro soya as being the top raw material. Not containing any urea means it is not only ideal for dairy diets where additional urea in not required but is perfect for youngstock less than 6 month of age. Again, containing the triple vitamins and minerals

Sheeprite Con 35 – with Hipro Soya top material and triple vitamins and minerals pack, and no urea, makes this the perfect balancer for any ewe diets

All products are available in bags, totes and bulk, and please find below a chart which should help determine mixing rates to delivered your desired finished protein levels



For more information please do not hesitate to either contact your local sales representative or the sales office.



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	Protein	Mix Ratio					
Barley	10.00%	2	3	4	5	6	7
Con 33	33.00%	1	1	1	1	1	1
Finished Protein		17.7%	15.8%	14.6%	13.8%	13.3%	12.9%

	Protein	Mix Ratio					
Barley	10.00%	2	3	4	5	6	7
Con 40	40.00%	1	1	1	1	1	1
Finished Protein		20.0%	17.5%	16.0%	15.0%	14.3%	13.8%

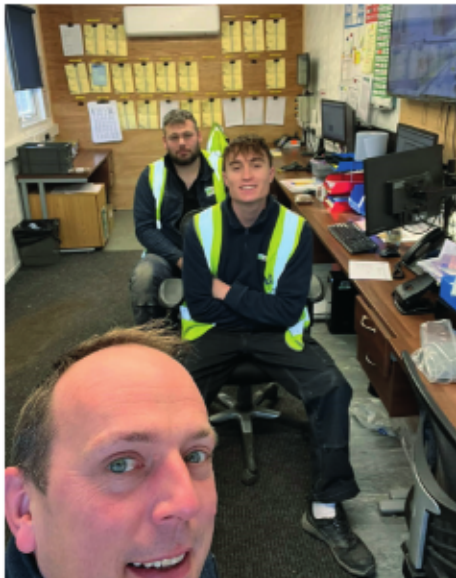
	Protein	Mix Ratio					
Barley	10.00%	2	3	4	5	6	7
Sheeprite 35	35.00%	1	1	1	1	1	1
Finished Protein		18.3%	16.3%	15.0%	14.2%	13.6%	13.1%

If it's going out, it's coming in!

In the last 12 months the Raw Material Intake department has taken on two new members of staff, Jodi Courtney and Jacob Dack. These guys have fitted into their new roles with ease and are proving to be integral cogs within the mill personnel.



Our 2 intake pits are running from five in the morning through to eight at night tipping the bulk raw materials that we use in the mill. We are able to accept both tractor and trailers and artic lorries. On average we will be tipping 25 loads of raw materials each day, however on really busy days this can increase to over 30 loads per day.



Each of our two intake pits takes approximately 30-45 minutes to tip 29 tonnes and all raw material bins can be accessed from either of the pits.

CMC is lucky to have its own fleet of artic lorries that are dedicated to collecting raw materials from farms and docks to service the needs of the

mill. We will also use the delivery fleet to make collections of raw materials if their location and work load allows it.

During the busy months of the year we work closely with a selection of trusted, reliable hauliers to bolster our efficiencies when needed, these guys and girls make our days, weeks and months achievable.

We send our lorries all over the south of England collecting raw materials. They will go to docks that are located in Gloucestershire, Somerset, Dorset, Devon & Cornwall, they will also collect grains from these counties where we have on farm purchases.

In the middle of each month we will start rubbing our 'crystal balls' to try and predict our usage for the following month. By doing this, this allows us to give our suppliers forward notice about deliveries so that they can organise the haulage for our requested delivery dates, this gives us the best opportunity to receive what we have asked for on the dates that we want.

To be able to run as smoothly as we do, would not be possible without the relationships and support of our customers, suppliers and hauliers for which we are continually grateful, thank you!



MIKE COBB
RAW MATERIAL CO-ORDINATOR



Egg focus data



As onerous as this endless recording can often feel, data is important.

As commercial egg producers, you will be very good at recording data – shed temperatures, store temperatures, eggs produced, floor eggs, seconds eggs, feed consumed, welfare checks, and mortality, amongst others, I am sure! But, once it is recorded in your record book, and scanned over for daily management purposes, what do you do with it then?

As onerous as this endless recording can often feel, data is important. In our current era of tight margins and increasing inflationary costs, how can we improve, and become more profitable, if we aren't analysing the data to identify our current performance?

This data can help identify trends, flag up potential problems before they become big problems, assisting you in being proactive in the management of your flocks. It can facilitate

comparisons between flocks and give you the heads up on when it may be time to look at your flocks' key performance indicators (KPIs).

Crediton Milling offer the Egg Focus Service to support its commercial egg producers. The service is there to assist you with the management of your stock. The information and data generated is completely confidential and will only be visible to you and your advisor (unless otherwise agreed).

Participants in the group are invited to submit their weekly production figures and egg weights in any form they like (WhatsApp/email/phone call). The figures will be inputted, a graph produced and benchmarked against breed targets.

From a nutritional perspective, these graphs can quickly identify the beginning of trends – a change



in production or eggs increasing/ decreasing in size – which can be quickly flagged to the CMC poultry team and amendments to your ration made, if required.

I would urge any of our commercial producers (2,000 birds or above) to give the Egg Focus Service a try. If you don't measure, monitor, and manage it, you can't improve it. In today's climate of tight returns, we all need to be as informed as we can.

You can join at any stage of your birds' production cycle, but to ensure you get the most out of the service, it is best if you submit the historical data for the flock – as you will then receive a full production graph. To discuss, or join the group, please contact the CMC office.



LIZ WARNER
POULTRY SPECIALIST

CMC Forage Extender Meals

As we can start to see the first signs of spring in the distance many clamps are starting to look a bit bare, making a small change now on your daily diet will stop a big change in a month.

There are the normal alternatives such as moist feeds to help stretch out your feeds but supply is extremely tight, even non-existent in many cases, and

as with any moist feed it can be very inconsistent, and you need to take full loads to be cost effective

We have a range of Forage Extender Meals, offering a very good balance of energy, fibre and starch, and are available as 14, 16 and 18% proteins.

Not only do these have all the benefits a meal can offer over other alternatives, they can easily be tagged on with deliveries with existing blends and cake orders, which means you do



not have to take full loads, so will not only help with storage but will also help with cashflow.



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