

Contract Heifer Rearing

Neil Perkins

Dinas Island, Newport, Pembrokeshire



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Will needed someone to contract rear his heifers and this represented additional income for Neil who had the available facilities and labour.

“The venture came from nowhere really. We started to talk about what we were going to do here at Dinas and we started to see there could be a mutual benefit to both our businesses,” Neil added.

In the first year, 60 of Will’s heifers were transported to Dinas Island Farm to be reared. A key driver in Neil’s decision to engage in a Contract Rearing Agreement was an ability to split the risk across more than one enterprise.

Background

Neil Perkins and his family operate a mixed enterprise business at Dinas Island Farm near Newport, Pembrokeshire. The partnership runs a flock of 1600 mainly Lleyn sheep and 350 replacements on 600 acres of land. The ethos of the business is to make a profit from grass and to ensure its survival long term without the support of a Single Farm Payment.

“My father has always been forward-thinking and allowed me to have an important role in the business from a young age. Our aim is to make the business adaptable and move with the times,” says Neil.

How it started

In spring 2008, after Neil had stopped rearing beef cattle, local dairy farmer, Will Pritchard, offered to buy his redundant calf feeder. As they discussed the sale over a cup of coffee it became clear that each business had something to offer the other.



“Sheep is the main enterprise for us here but we wanted to expand the business and make more efficient use of the facilities at Dinas,” Neil explains.



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The business wanted an enterprise that did not risk the health status of the farm and could be integrated with the sheep enterprise to facilitate mixed grazing. Heifer rearing also meant there would be a steady cash flow into the Perkins' business without laying it open to the risks of the marketplace.

"One of the main benefits for me is the splitting of financial risk and I also enjoy rearing calves," Neil admits.

How the agreement works

The farm now rears around 300 Friesian crossbred heifers from the age of 10 days to 12 months. Neil is set a target daily liveweight gain weight of 0.7 kg, achieving a target weight of 300kg at 12 months. The calves are weighed both when they arrive and depart and Neil is responsible for the rearing costs. A contract fee is paid to Neil via a direct debit system and if the heifers either exceed their growth target or fall below it, this is balanced at the end of the year.



Will has responsibility for any cattle inspections and movements and also for TB testing. For this purpose, Dinas Island Farm is set up as a Sole Occupancy and linked to Will's dairy holding.



Key areas for success

Neil says that for this Joint Venture to be successful, there needs to be a number of elements:

- Communication and trust between each party.
- The dairy and rearing enterprises must share the same goal.

Neil believes there are key benefits in a Joint Venture:

- The opportunity to work together to solve problems and share experiences.
- Allowing each business to be more efficient and simple.

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