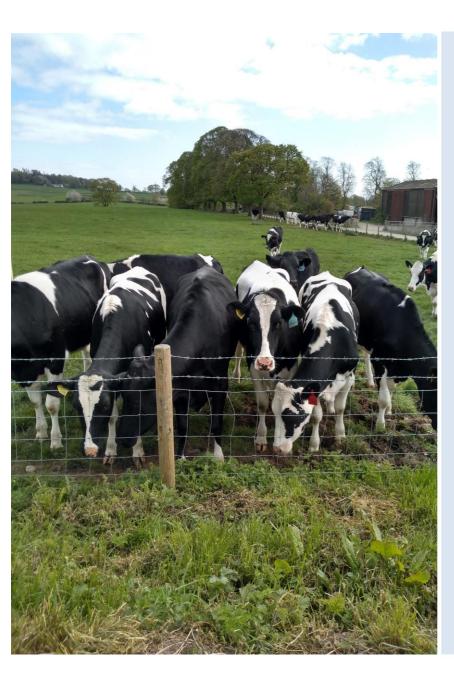
Issue 48

May 2022

# Milk Manager NEWS



**National Advice Hub** T: 0300 323 0161 E: advice@fas.scot W: www.fas.scot



Contents	
Milk Market Update Global and domestic situation	1
Straights Update Cereals and protein prices and market information	2
Dry Cows at Grass What are the risks?	3
Colostrum: The Starting Point of a Calf's Life Management factors affecting colostrum quality and calf health	5
Understanding the Freezing Point Depression The factors that influence FPD	6
The Importance of BCS for Lameness Prevention The link between body condition and the digital cushion	7
Resilience in Scottish Dairying Findings from farmers and processors on the impact of COVID	8
Dates for Your Diary Webinars and events	9
This month's editor:	

Lorna MacPherson

### **Market Update**

### **UK Wholesale Dairy Commodity Market**

- Fonterra's latest on-line GDT auction (3<sup>rd</sup> May) resulted in a substantial fall of 8.5% in the weighted average price across all products, reaching US \$4,419/t. This is the 4<sup>th</sup> consecutive fall in a row since 1<sup>st</sup> March. All products on offer decreased in value from the previous auction. The biggest decline was seen in butter (-12.5% to \$5,807/t) with cheddar back 8.6% (to \$5,652/t) and skim milk powder (SMP) down 6.5% (to \$4,130/t). Full results are available at <a href="https://www.globaldairytrade.info/en/product-results/">https://www.globaldairytrade.info/en/product-results/</a>
- UK wholesale prices for bulk cream and butter showed the biggest monthly rises, up 12% and 8% respectively from March. Normally prices would be expected to start falling at this time of year with the spring rise in milk production. Although prices took a dip mid-month due to disruptions around Easter with less product exported, tight supplies continued to keep prices firm.

Commodity	Apr 2022 £/T	Mar 2022 £/T	% Difference Monthly	Apr 2021 £/T	% Diff 2022- 2021
Bulk Cream	£2,612	£2,330	12	£1,405	86
Butter	£5,890	£5,460	8	£3,450	71
SMP	£3,430	£3,330	3	£2,150	60
Mild	£4,520	£4,280	6	£2,980	52
Cheddar					

Source: AHDB Dairy - based on trade agreed from 28<sup>th</sup> Mar – 22<sup>nd</sup> Apr 2022. Note prices for butter, SMP and mild cheddar are indicative of values achieved over the reporting period for spot trade (excludes contracted prices and forward sales). Bulk cream price is a weighted average price based on agreed spot trade and volumes traded.

• SMP showed the smallest percentage increase in price in April, with any surplus milk due to plant breakdowns and closures being dried. Also, the GDT auction price on 19<sup>th</sup> April for SMP fell 4.3%, resulting in lack of buying commitment in the hope that prices could fall further. However, tight stocks, lack of surplus milk and high energy prices meant that there was little excess production other than ensuring contracted sales volumes were being met. • The market indicators AMPE and MCVE continue to climb on the back of rising commodity prices. AMPE was up 1.84ppl from March, largely on the back of the increase in the butter component. MCVE rose 2.03ppl mainly due to the rise in the cheddar component (43.11ppl to 45.26ppl) and whey prices throughout April.

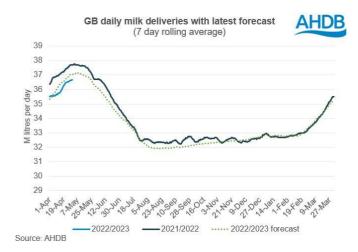
	Apr 2022	Mar 2022	12 months previously	Net amount less 2.4ppl average haulage – Apr 2022
AMPE	56.32ppl	54.58ppl	33.11ppl	53.92ppl
MCVE	51.98ppl	49.95ppl	33.47ppl	51.58ppl

Source: AHDB Dairy

- The Milk Market Value (MMV) for April was 52.85ppl and this is calculated from 20% of AMPE and 80% of MCVE prices. Movements in MMV are closely reflected in changes in the farm-gate milk price, with a 1ppl change in MMV likely resulting in a 0.5ppl change in the average GB milk price three months later.
- For the week ending 30<sup>th</sup> April, spot milk was between 34 to 42ppl delivered and bulk cream eased back from the previous week to £2.64/kg ex works and was as low as £2.55/kg, due to increasing volumes of milk.

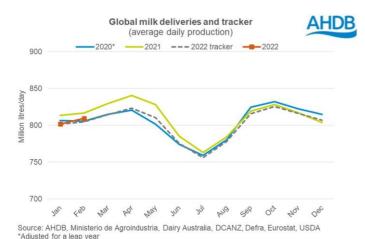
### **UK Milk Deliveries and Global Production**

• For the week ending 30<sup>th</sup> April milk deliveries were up just 0.5% on the previous week, with a daily average of 36.67 million litres. Deliveries are now 2.7% less than the same week in 2021 (equivalent to 1.03 million litres).



 Global deliveries as determined by the six key milk producing regions showed a year-on-year decline for February, with an estimated daily

production of 809.4mlitres, which is 7.3mlitres less per day compared to February 2021. The biggest decline was seen in New Zealand, back 8.2% for February due to adverse weather.



### **Monthly Price Movements for May 2022**

Commodity Produced	Company Contract	Price Change from Apr 2022	Standard Litre Price May 2022
Liquid &	Arla	+3.45ppl	41.65ppl
Cheese	Farmers	liquid	liquid
	UK	+3.58ppl	43.30ppl
		manufacture	manufacture
Cheese,	First Milk	+2.3ppl	40.05ppl
Liquid &			manufacture
Brokered Milk			
Cheese	Fresh	+3.5ppl	40.0ppl
	Milk	for both liquid	liquid
	Company	&	41.61ppl
	(Lactalis)	manufacture	manufacture
Liquid & Manufacture	Grahams	+4ppl	40.0ppl
Liquid &	Müller	+3.5ppl	39.75ppl
Manufacture	Direct		(includes
			1ppl direct
			premium
			and
			-0.25ppl
			Scottish
			haulage
Limital 0	NACIU - II	N/- /	charge)
Liquid &	Müller	Not	37.97ppl
Manufacture	(Co-op)	announced at time of writing	(April price)
Liquid &	Müller	+2.04ppl	40.84ppl
Manufacture	(Tesco)	· ·	
Liquid,	Yew Tree	+3.0ppl	40ppl
Powder &	Dairies		Standard A
Brokered			litre price

### **Other News**

 Müller farmers who signed up for the 3-year fixed deal with Lidl have seen their milk price rise for the second time this year by a massive 7ppl, to bring their price up to 40ppl from 1st May. This follows a 4ppl rise in January to 33ppl this year from the initial fixed price which was set at 29ppl. It is good to see Lidl acknowledging the increased cost pressures on farmers and paying a similar price to other milk buyers, despite the fact that they could legally have stuck to the 29ppl fixed offer which farmers voluntarily signed up for.

- Many milk buyers have already announced further price rises for June, the biggest one being a 5ppl rise by Saputo Dairy UK, bringing their manufacturing price up to 43.75ppl (42.19ppl for a liquid standard litre). Müller are increasing by 1.5ppl and First Milk by 2ppl from 1<sup>st</sup> June.
- Arla Foods is strengthening their commitment help their farmers reduce methane emissions. They are working closely with Royal DSM to start large-scale on-farm trials with Bovaer, DSM's feed additive which has been proven to reduce methane emissions by 30%. The additive will be fed to 10,000 dairy cows across Denmark, Germany and Sweden during the summer and autumn of 2022 and will be provided by the farm's feed suppliers to mix into the ration. Milk samples will be collected to analyse milk composition and compare it to cows not fed Bovaer. If results are as expected, the project will be scaled up in 2023 to include 20,000 cows.
- Defra announced that the UK farm-gate milk price for March was 36.79ppl, which was 0.91ppl more than the previous month (+2.5%).

Iorna.macpherson@sac.co.uk; 07760 990901

### **Straights Update**

### **Global News**

 In Ukraine, the progress on spring wheat and maize plantings is currently one quarter (3.6 million hectares) of the total forecasted area according to Ukraine's Agriculture Minister due to fuel shortages and damage from the war. Nevertheless, analysts predict that their 2022 crop production could reach 17mT wheat compared to 33mT in 2021 and the maize crop

could reach 18.5mT compared to 42mT in 2021. Export capacity will be greatly reduced from Ukraine due to damage to railways and ports and this has contributed to the new contract highs for European new crop wheat futures at the end of April.

- There are concerns over the US wheat crops, with only 27% of the winter sown wheat crops rated as good to excellent due to persistent dry conditions, the worst percentage rating since 1989. In the Midwest (corn belt), cold and wet conditions have delayed spring plantings, favouring more acres going into soya as the date of optimal sowing for maize to maximise yield potential has now passed.
- Indonesia, the world's biggest palm oil producer has banned exports of refined palm oil products from 28th April in order to protect domestic supply. As a result, palm oil futures for July have recently risen by 10% and oilseed markets have been even more bullish with increasing demand for other vegetable oils. The Ukraine conflict has also been a key driver of oilseed prices, with no access to Ukrainian sunflower oil supplies. In addition, recently revised data from Canada shows the oilseed rape acreage back 7.1% this year to 20.9 million hectares.

### **UK and Scottish News**

 An indication of Scottish barley and wheat prices ex farm as of 6<sup>th</sup> May are given in the table below:

Period	Feed wheat	Feed barley
May 22	£320	£317
Jun - Jul 22	£340	£322
Aug - Oct 22	£294	£277
Nov 22	£315	£280
Apr 23	£318	£285

Source: Graindex

Farmers will be pleased with how the spring cereals have come through the ground but once again we find ourselves coming out of a dry April and into a dry May and many will soon be calling for rain to push these crops on to reach full potential. Rainfall has been well below the average for April in the UK, and while the majority of crops are reported to be in good to excellent condition, rain is now needed, especially in the south of England. If the dry weather continues, there will be concerns about the impact on yields, especially with the dry weather hampering the uptake of nitrogen fertiliser.

- We are heading for unchartered waters beyond harvest 2022 with decisions soon to be made on early season Nitrogen offers for the 2023 season. UK old crop wheat and barley carryover stocks will be slim and increasing demand from bioethanol later in the year will put more support in the market looking forward. Grains to livestock may adjust downward slightly as the pig and poultry sector re-align themselves. With this and all the international volatility in the supply chain currently it is difficult to see the cereals market easing any time soon.
- Although the UK harvest should help ease the pressure on prices, world grain stocks to use ratio has been in decline over the last eight years and according to the IGC, this trend is set to continue in 2022/23. The availability of grain stocks to the world market could further compound the issue if the Ukrainian exports are blocked and China continues to stockpile grain for their own consumption which is outstripping domestic production.
- Distillery by-products (draff and pot ale) may be hard to get as most of this is contracted or going into AD plants as the plants are willing to pay more for these products due to high energy prices. Potatoes are very good value against cereals at around £40/T delivered and are around 9% crude protein which is slightly lower than average barley. Replace 1kg of dried barley (14% moisture) with 4.5 kg of potatoes and if using moist barley (20% moisture), 1 kg can be replaced with 4kg of potatoes.

<u>lorna.macpherson@sac.co.uk;</u> 07760 990901 <u>mark.bowsher-gibbs@sac.co.uk;</u> 0131 603 7533

## Dry Cows at Grass – What are the Risks?

Many dry cows are put out to grass during the grazing season and even calve outside, which in good dry weather can be healthier for both the cow and calf. However, the two main risks to health

and future productivity of the dairy cow when spending the dry period at grass are body condition gain and milk fever. These risks can be greatly reduced by housing cows for the whole of the dry period or at the very least bring them inside for the last three weeks before calving.

It is the mineral balance in grass that can predispose cows to milk fever. Grass is high in calcium and can also be high in potassium, especially if the ground has had slurry applied. The high potassium reduces magnesium absorption, with magnesium being important for the control of hormonal mechanisms which stimulate the release of calcium from bones at the onset of lactation. Provision of a high magnesium mineral can help. Too much calcium in the last three weeks before calving can make the cow less able to mobilise calcium reserves from bone. Calcium should only be added to dry cow rations when using anionic salts such as magnesium chloride.

While clinical milk fever may not be evident at grass, subclinical milk fever could still affect performance in early lactation and increase the risk of developing other transition diseases such as retained cleansings, metritis, displaced abomasum, ketosis and mastitis. The only way to know whether subclinical milk fever is an issue is to blood test cows within 24 hours of calving. A blood calcium level below 2mmol/litre indicates subclinical milk fever and below 1mmol/litre, would likely be seen with a clinical case.

The milk fever risk can be reduced at grass by keeping stocking densities high and cows tight of fresh grass. As a guide aim for a stocking rate of around 3 to 4 cows/acre with a grass height of 4cm. This is not always easy to do when grass growth rates are high. With limited grass availability, cows should be supplemented with low quality forages, either straw or hay or very mature stemmy grass silage to maximise appetite and rumen fill but avoid putting on condition. If on a sacrifice paddock with no grass, feed a maximum of 15 kgs grass silage per head per day, with straw to appetite and cows stocked at around 10 cows/acre. Recommended silage intake will vary depending on its dry matter and feed value and it is best to take advice from a nutritionist on silage provision.

The target condition for cows at drying off, which should be maintained until calving, is 3 and certainly no more than 3.5. A cow in condition score 3.5 will have a curved line between the hook and pin bone when viewed from the side and rounded hook bones. The tailhead ligament will only just be visible and the sacral ligament still easily visible (see following photos). If either of these ligaments are not visible, then cows are carrying too much condition for calving.

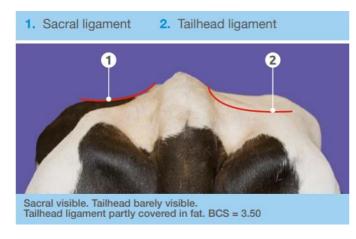
Wet weather can have a significant impact on dry matter intake and hence rumen fill during the dry period if grass is relied on as one of the main sources of forage. Fresh grass is not great at promoting rumen fill and if this negatively affects appetite, there is increased risk of the abomasum displacing shortly after calving.

Tips for managing dry cows at grass:

- Keep fresh grass supply to a minimum but provide ad lib low quality forage to maximise rumen fill but avoid putting on condition.
- If in any doubt about milk fever risk, house cows three weeks before calving on a proper dry cow ration with appropriate mineral supplementation.
- Keep an eye on condition to ensure cows are not gaining condition in the early part of the dry period.
- Keep cows on old grass and fields that have not been heavily fertilised or slurried to limit potassium intake.
- Provide a suitable dry cow mineral supplement which is high in magnesium.

### Condition scoring of a cow at BCS 3.5





Source: AHDB Dairy

Iorna.macpherson@sac.co.uk; 07760 990901

## Colostrum: The Starting Point of a Calf's Life

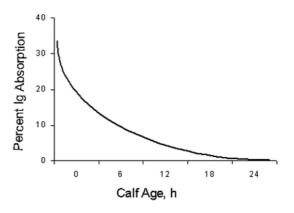
A calf's resilience and lifetime productivity are determined within the first 48 hours of life. A calf is highly vulnerable to disease due to being born without antibodies to fight pathogens (antibodies are also known as immunoglobulins or Ig, of which IgG is the most common). Good quality colostrum provides the calf with these vital antibodies. However, timing of delivery of the colostrum is vital to allow the passive transfer of antibodies to occur prior to the closure of the gut wall.

What is considered good quality colostrum? The quality of colostrum can be measured on farm using a Brix refractometer or colostrometer and both methods measure the level of IgG within the colostrum. Colostrum with levels above 50 g/L of IgG are considered good quality and if below 50 g/L of IgG, ideally the colostrum should not be used as the first feed and the calf should receive another cow's colostrum or powdered colostrum. On a Brix refractometer 22% equals 50 g/L of IgG. Quality of colostrum decreases six hours after birth. Therefore, it is important to milk cows as soon as possible after calving to ensure the calf receives the best quality possible. Collection and storage of colostrum can impact quality and if the colostrum becomes contaminated with bacteria, then quality can decline quickly.

To give the calf the best possible chance of a high passive transfer of antibodies, colostrum should be fed within two hours of birth, and it is recommended that this feed should be three litres. A second feed of three litres should be fed 12

hours later, with colostrum being fed at body temperature (38°C). Absorption of antibodies across the gut wall declines within the first few hours of life and by 10 hours the efficiency of absorption will have reduced quite significantly with very little being absorbed by 20 hours after birth as seen below.

## The percentage of IgG absorption with increasing age of the calf



Source: Adapted from Greene, 1986

There are a variety of factors that can influence the quality of colostrum produced by the cow. Heifers tend to produce lower quantities of colostrum compared to multi-parous cows and similarly the quality tends to be poorer. The length of the dry period can see cows with shorter periods, less than three weeks, having poorer quality colostrum. The timing of first milking following birth also has an impact, with colostrum harvested within the first six hours having the highest levels of IgG. Post six hours after birth, colostrum IgG levels gradually decline. Therefore, if a calf does not receive colostrum until this time, then there is a reduction in colostrum IgG and absorption of IgG across the gut wall is also reduced. Therefore, these calves are more susceptible to disease due to their poorer levels of antibodies available to fight pathogens.

Blood sampling calves within a week of birth can provide information on the levels of IgG in the blood which can be categorised into good, marginal and poor quality, as seen in the following table. If more than 20% of calves sampled fall into the marginal or low category, look at your colostrum management and determine where there are areas that could be improved, for

example using a Brix refractometer to test the dam's colostrum prior to feeding the calf.

### Blood IgG levels in calves

Quality	IgG (g/L)
Good	> 12
Marginal	10 - 12
Poor	< 10

The key benefits of ensuring calves are fed good quality colostrum within two to six hours of birth include improved life performance and less illness. The key message is ensuring good quality colostrum is fed within two hours of birth to give the best possible chance of high absorption levels across the gut wall into the blood stream.

cara.campbell@sac.co.uk; 01586 552502

## **Understanding the Freezing Point Depression**

The average freezing point depression (FPD) of milk from GB dairy herds has fallen over time from 521m°C in 2006 to 516m°C in 2020. On the back of this decline, new standards were set in May 2021, with GB milk now being acceptable with a FPD of 505m°C or above for tanker and retail milk. The previous standard was 509m°C or above. The decline was thought to be a naturally occurring phenomenon, with no known explanation.

The FPD is a measure of extraneous water in milk. While water freezes at 0°C, the freezing point will drop as more solids/particles are dissolved in water. Raw milk has a freezing point in the region of -0.512°C to -0.550°C, which is reported as a whole number: 512 to 550m°C. Therefore, if water accidentally (or deliberately) is added to the bulk tank, the freezing point of the milk will move closer to 0°C with a FPD less than 505°C, resulting in penalty.

Many factors can affect FPD, the obvious one is water contamination from the milking plant. Others include seasonality, with cases more common in spring and summer due to changes in the diet at turnout and higher temperatures or heat stress increasing water intake. Stage of lactation and protein nutrition are also thought to have an effect. With a low FPD, the first checks should be with the milking plant to ensure that there is no way for

water to enter the bulk tank. Prior to milking, check that no water has pooled in the bulk tank from condensation. Plate coolers can also be a source of extraneous water in milk due to leakage from corrosion or pinholes. Consider increasing the pressure of air blasts to make sure that all water is removed from the milk lines. Lastly, if there is a FPD issue, it may be worth running the first milk through the lines to waste or feeding it to calves to reduce the risk of leftover water in the system ending up in the bulk tank.

There tends to be more cases of FPD failures in the summer under warmer temperatures and the issue can be exacerbated if water is in short supply or cows have insufficient access to water at grazing. This can cause cows to gorge on water when it does become available and if this occurs close to milking time, more water can end up in the milk due to it being very quickly absorbed through the rumen, into the bloodstream and then transported to the mammary gland. A deficiency in certain minerals (especially sodium) can also be a contributing factor, with cows losing potassium and sodium when they sweat. Ensure good access to mineral supplements or free access rock salt under high temperature conditions.

Dietary imbalances leading to a low milk protein content (and low urea) have been shown to lower the FPD. Block calving herds are potentially more at risk as the FPD tends to be lower or closer to 0 in the first three months of lactation. This time also corresponds with dietary changes at turnout and warmer temperatures when cows are at peak lactation and have a higher water requirement, along with reduced milk solids.

The first port of call for an issue with FPD is to carefully check the milking plant, including the bulk tank, to pinpoint any areas where water could enter. Check availability of water, especially at grass and ensure troughs are refilling quickly. During periods of hot temperatures, access to water is even more important. A tell-tale sign of insufficient space is cows crowding round water troughs when taken in for milking. Take steps to mitigate the effects of heat stress and review nutrition to ensure mineral supplementation and protein supply are adequate.

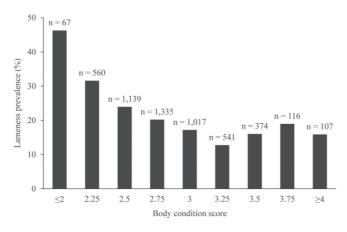
https://www.fas.scot/article/how-are-your-cows-coping-with-the-warmer-weather/

Iorna.macpherson@sac.co.uk; 07760 990901

# The Importance of Body Condition for Lameness Prevention

There are many factors that influence the risk of lameness in dairy cows. Cow comfort, walking surfaces, stocking density, housing environment and management relating to standing times are just a few. Another contributing factor is body condition score (BCS). Thinner cows have an increased risk of claw horn lesions (CHL), which include sole ulcer, sole haemorrhage and white line disease, due to thinning of the digital cushion in the hoof. The following graph shows the prevalence of lameness with BCS in a survey of 141 dairy herds in Canada including over 5200 cows. There is a significant reduction in lameness prevalence as BCS increases.

### Prevalence of lameness with BCS



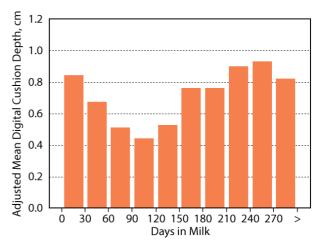
Source: Solano et al, 2015

The digital cushion is the collective name given to the three cylinders of fat which sit under the pedal bone in the hoof. These fat pads dissipate concussive forces from foot strike from the sole area to the stronger weight bearing areas of the hoof walls. Research has shown that the thickness of these fat pads or digital cushion are influenced by BCS, with leaner cows tending to have thinner digital cushions. The digital cushion also reduces in thickness in early lactation which corresponds with when cows typically lose condition (see opposite graph).

The risk for developing CHL is increased when cows lose significant body condition in early lactation, with the greatest risk of mild or severe lameness being for cows in a condition score 2 or

less (Randall et al, 2015). As BCS increases, the risk of lameness is reduced, with a BCS of ≥ 2.5 suggested as being the optimum for minimising the lameness risk. However, the correct BCS for the stage of lactation must be adhered to in order to prevent calving problems and metabolic diseases i.e., avoid overconditioned cows at drying off and at calving, with the target score at these times being 3 (3.5 maximum).

### Variation in depth of digital cushion according to days in milk



Source: Bicalho et al 2009

Randall et al also highlighted other risk factors for lameness, which included increased age at first calving (over 24 months), higher lactation number, BCS loss in the first month after calving, higher milk yield in the 16 weeks prior to a lameness event, time since previous lameness occurrence and feeding and genetics.

With that in mind, managing nutrition to achieve the target BCS at various stages in the production cycle are important, as fat dry cows tend to lose more condition in early lactation due to a lower feed intake. Feeding management for post-calving/high yielding groups of cows should focus on maximising dry matter intake, with tailored rations based on forage quality to match energy requirements to milk output as best as possible. Providing adequate feed space (minimum 70cm, but more will be beneficial to newly calved cows) and avoiding overstocking of cubicles will go a long way to help these animals minimise BCS loss in early lactation and protect the functioning of the digital cushion.

Iorna.macpherson@sac.co.uk; 07760 990901

# Resilience in Scottish Dairying: Implications and Opportunities Arising from the Pandemic

In Scotland restrictions implemented during lockdown in March 2020 resulted in immediate changes along the dairy supply chain. The sudden drop in demand for dairy products had several major effects. Most of the major processors were forced to ask dairy farmers to reduce their milk production in some way. The effect on dairy herds, farmers, and the wider supply chain was assessed by SRUC researchers as part of the RESAS programme funded by Scottish Government. Information was gathered from interviews held with stakeholders. farmers, and milk buyers/processors.

Increasing costs are not reflected in the income generated from sales and this can be illustrated by the milk to feed price ratio expressed as a rolling average over the last two years of the pandemic (see graph below). COVID did not on its own generate a financial crisis for Scottish dairy farmers, however the combined effects of Brexit on the availability of labour, and costs of feeds, building materials as well as increases in fertiliser and fuels have vastly increased the costs of production of milk.

## Milk to feed price ratio (Monthly & Rolling Average)



Source: AHDB, Kingshay, Promar, Defra, AHDB & Daera. MFPR calculated by AHDB, Defra

Some farmers found difficulty in interpreting COVID legislation in the workplace. This could have been eased by improving the flow of

communication from government and agencies, so that the effects of policies for farmers could have been delivered more clearly. During the pandemic others reflected on their positions as local businesses in a crumbling global economy and began selling direct to the public through vending machines. Main effects and outcomes of sudden fluctuations in demand are outlined below and summarised in the following table.

- 1. Farmers responded by altering production levels, changing procedures, and focussing on labour.
- 2. Processors responded to the initial oversupply of milk by putting more into long shelf-life products such as cheese or chocolate.
- 3. Key strategies that allowed processors to cope with the volatility of the situation were high levels of communication within the company to facilitate quick decision-making, communication with farmers and flexibility of management. Going forward, the adaptability of buying algorithms and technology will improve resilience to future shocks.
- 4. For dairy farmers in Scotland during the pandemic, communication was key to conduct business, interact with milk buyers, cooperate with other farmers, and reduce isolation, which highlights the necessity of modern digital connectivity in rural Scotland.
- 5. For the Scottish national herd, overarching trends continue with the number of dairy cows per farm continuing to rise, and the total number of herds declining.

### Positive and negative effects of the pandemic

Pandemic Effect	Positive outcome	Negative outcome
Labour Labour availability   Labour planning ↑	Farmers gained HR perspective & staff more appreciated	Concern for staff and their family's health and welfare
Communication Business conducted online or mobile Communication ↑	Improved communication between farmers, milk buyers & stakeholders Increased technology skills for farmers (good rural connectivity required)	Increased isolation can lead to lower mental health outcomes
Farm management Milk production   Delivery frequency (e.g. feeds)   Milk collection frequency   ✓	Inefficient cows removed from national herd	Loss of condition or over conditioned cows. Increased storage capacity and larger bulk tanks on farm
Farm economics  Milk income ♥ (lower production)  Costs of production ↑  Direct sales ↑	In Scotland some people are prepared to pay more for milk through vending machines	National milk output reduced (4% Dec 2021). Cash flow problems
Diversity of product range Liquid milk sales to hospitality venues etc.   ✓	Door-step deliveries of bottled milk rose, sales of other milk products such as cheese, ice cream and chocolate increased	Loss of sales of liquid milk
Flexibility in management Fluctuations in demand for dairy products Restrictions due to COVID placed a strain on management	Decision-making processes were streamlined: companies reported having daily 'Cobra' meetings. Contingency plans were made	Stress on staff, as staff worked long hours in stressful conditions
Automation Social distancing	Drove automation of some aspects of the milk processing procedure	Fewer staff required
Digital information processing Supermarket algorithms did not match demand and supply	Supermarkets reconfigure ordering algorithms to cope with 'shocks'	Milk being discarded on farms while supermarket shelves were empty

Scottish dairy farmers have remained resilient throughout the pandemic. Positive developments such as increased communication should be maintained in the face of future challenges to the sector.

maggie.march@sruc.ac.uk; 01387 403599

### **Dates for Your Diary**

- 12<sup>th</sup> May Blythbridge Holsteins Open Day. Blyth Bridge, West Linton, Peeblesshire, EH46 7DG. Time: 10.00.
- 16<sup>th</sup> 18<sup>th</sup> May DIY Artificial Insemination Course. Scotland. For more information please contact Embryonics on t: 01606 854411 or email: courses@embryonicsltd.co.uk
- 18<sup>th</sup> May Scotgrass 2022. Rosehall Lodge, Glencaple Road, Dumfries, DG1 4TX.
- 22<sup>nd</sup> 24<sup>th</sup> May Alltech ONE Conference.
   On-line and Central Bank Center in Lexington,

Kentucky, USA. For more information please visit: https://one.alltech.com/

- 26<sup>th</sup> May Safe Use of Veterinary Medicines. On-line event. For more information please contact Embryonics on t: 01606 854411 or email: courses@embryonicsltd.co.uk
- 13<sup>th</sup> June Dumfries Auction Mart Monthly Sales of Dairy Cattle. Dumfries Auction Mart Huntingdon Road, Dumfries, DG1 1NF. Time 13.30 onwards.
- 13<sup>th</sup> 15<sup>th</sup> June **Herdsman Foot Trimming Training Course for Farmers**. For more

information please contact Embryonics on t: 01606 854411 email: courses@embryonicsltd.co.uk

- 23<sup>rd</sup> 26<sup>th</sup> June **Royal Highland Show**. Royal Highland Centre, Ingliston, Edinburgh, EH28 8NB.
- 28th 29th June Holstein UK Celebration & AGM. The Holiday Inn, Dumfries, DG1 4UQ.

30th June - Safe use of Veterinary Medicines. On-line event. For more information please contact Embryonics on t: 01606 854411 or email: courses@embryonicsltd.co.uk

For any further enquiries regarding the information in this newsletter please contact:



Lorna MacPherson (Dairy Consultant) SAC Consulting Ferguson Building Craibstone Estate Aberdeen **AB21 9YA** 

lorna.macpherson@sac.co.uk 01467 530445 Fmail:

Tel· Mobile: 07760 990901

© SAC Consulting 2022. SAC Consulting is a division of Scotland's Rural College (SRUC). Funded by the Scottish Government and EU as part of the SRDP Farm Advisory Service.