

New Entrants NEWS

October 2020



National Advice Hub
T: 0300 323 0161
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W: www.fas.scot

Welcome to the October edition of *New Entrants News*. A lot of change has happened since our last edition in March, we have seen lambing, calving and sowing in lock down and now months later, we are now seeing these animals sold and grain harvested while pandemic restrictions continue across Scotland. Many industries ground to a halt, but agricultural and rural businesses where very much operational. I hope this helps show case our attractive industry to others and enhances the level of new entrants to agriculture in Scotland and that opportunities for land and finance allow this.

In this edition will give you an update and signpost you to the new resources that are now available to support and inspire new entrants, as well as inform you what is coming over the winter months. We will also summarise industry initiatives.

Joint Ventures – the experts opinion

Joint ventures allow a unique entry into agriculture, where you can benefit from a low capital investment, while having an opportunity to build and develop your business and yourself.

We are holding a webinar on the **3rd November 2020 at 8pm**, this will allow you to hear from the leading industry experts,

- Chloe McCulloch**, SAC Consulting
- Hamish Lean**, Shepherd and Wedderburn
- Ian Davidson OBE**, Scottish Land Matching Service
- Matthew Currie**, Savills

This will give you an understanding of both the landlord and contractors perspectives, recognise the legalities and how to avoid problems, as well as hearing about the opportunities that currently exist.

This webinar is free to attend, and there will be an opportunity to ask any burning questions to the experts on the night. For more info and to register

<https://www.fas.scot/events/event/joint-ventures-the-experts-opinion/>



Scan for quick access to specific pages aimed at new entrants on www.fas.scot

Also check out the events page to see what events are coming up.



New Fact Sheets and Podcasts

Fact Sheets

We have added to our suite of fact sheets, that are available online. There are now over **25 fact sheets** to sift through covering the basics of getting started, business topics and technical efficiency. The new fact sheets are shown below.

New Entrants to Farming Fact Sheet

An Introduction to Benchmarking for Sheep

What is benchmarking

Benchmarking is a useful m depth look at your farm busi to track progress of y against others of similar siz discussion groups, monitor!

Benchmarking provides a to setting targets. By compari targets or other flocks, it als weaknesses are in the busi There are a number of ben to look at, both physical and physical KPIs to improve it.

Key benchmarks for sh

The sheep year can be divid

1. Tupping

KPI
Ewe to ram ratio
Ewe mortality
Flock replacement rate

The cattle year can be divid

New Entrants to Farming Fact Sheet

An Introduction to Benchmarking for the Suckler Herd

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Key benchmarks for sh

The sheep year can be divid

1. Tupping

KPI
Cow to bull ratio
Barren cows %
Bulling period (cows)
Bulling period (heifers)

The cattle year can be divid

1. Mating/Bulling

KPI
Cow to bull ratio
Barren cows %
Bulling period (cows)
Bulling period (heifers)

The cattle year can be divid

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New Entrants to Farming Ruminant Nutrition and Forage analysis

Overview of the Rumen

In order to get the best performance from ruminants it is helpful to know the primary functions of their specialised digestive system. Firstly, there are many different species of ruminant animals including cattle, sheep, goats, deer and buffalo. Ruminants can digest fibrous and fibrous roughages that monogastrics (e.g. humans, pigs and poultry) can't. Ruminants have evolved a special system of digestion that involves microbial fermentation of food before it is then exposed to their own digestive enzymes. Instead of one compartment for the stomach, a ruminant has four. As shown in figure 1 these are the reticulum, rumen, omasum and abomasum. The rumen being by far the largest section in the digestive tract.

Figure 1:

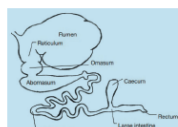
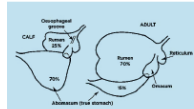


Figure 2:



Development

Newly born animals are classed as 'pre-ruminant'. Although they have the same four stomach compartments as the adult, the rumen is significantly smaller. Figure 2 shows that the largest part of the digestive tract is the abomasum (also known as the true stomach which most resembles how a human's stomach functions). At this point the pre-ruminant calf or lamb digests food the same way as a young monogastric animal. The animal is dependent on milk or milk replacer as a source of carbohydrates and protein.

Source: 'Ruminant development of the calf digestive system'



The European Agricultural Fund for Rural Development
Helping farmers in rural areas



Scottish Agricultural College



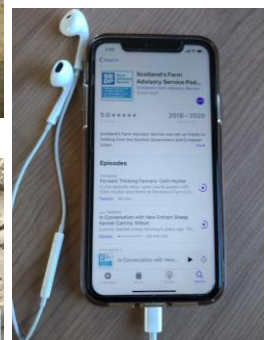
Scottish Government
Rural Affairs and the Highlands
gov.scot



Inspirational Stories

We have a fantastic resource of inspirational stories of people who have entered the industry through tenancies, ownership, succession and joint ventures which are available <https://www.fas.scot/inspirational-stories/>

During lockdown we have added a number of podcasts which are hugely inspirational, take a listen!



Building a Brand

<https://www.fas.scot/new-entrants-2/developing-a-product-and-telling-your-story/>

“Woodside Farms” Sound familiar? How about Suntrail, Redmere or Willow Farms? They all have one thing in common – they don’t exist. In 2017 Tesco got into some hot water over the ‘fake farm scandal’. But why would they even bother to make up fake farms to sell their fresh produce and meat?



Consumer research shows that people care about where their food comes from. We had started to see a shift in buying habits back in 2016, with more consumers choosing produce from Scotland, or the rest of the UK. Brands that were easily identifiable as “local” were picked far more frequently than supermarket own brand, or “finest” ranges, we even saw consumers choosing “local” over “organic”. You saw how Tesco reacted, they fabricated a range of farms to provide that “local” feeling to its customers. It backfired...

Consumer behaviour has changed, it’s always changing – but the trend for “local” has only strengthened since 2016.

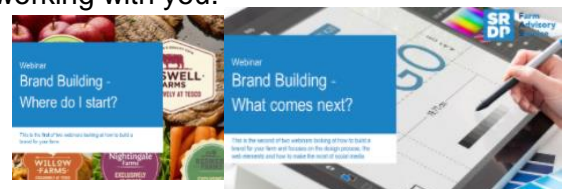
If you were sceptical that the local trend would continue; 2020 and the Covid-19 pandemic has brought an even sharper focus to the need and desire for “local and safe” food. As the supermarkets ran out of stock and swarmed with people some consumers actively sought out local producers who could do click and collect / delivery/ individual shopping slots/ honesty boxes.

Our Farmers and Rural businesses stepped up in a big way in their communities. Those with existing retail had to increase their offering, and those who had never even considered it before found themselves using their farm name or location to market their produce to other retailers.

All of this comes to Provenance – the origin/ source of something’s value. Provenance is a hot ticket topic, and the best way to capitalise on this for any product or service, is to build a brand. Having your own brand will allow you to communicate safety, transparency, trust, animal welfare, human rights, national pride, and will speak to anyone with environmental preferences, or sustainability concerns.

We have two webinars available that highlight what you need to consider before investing in a brand as well as the design process, and where on earth to start with a website, or social media.

Whatever you decide, knowing how to promote yourself and your business is really important, talk about what you do, honestly and passionately. Advocate for your produce or services, and share the benefits that your consumers will get from working with you.



<https://www.fas.scot/new-entrants-2/developing-a-product-and-telling-your-story/>



PR

what is it and why should I care?

If PR is a term that makes your skin crawl, or if it's something you're keen to learn more about, check out the series of three recently recorded podcasts on the FAS website (<https://www.fas.scot/new-entrants-2/positive-pr/>) where Kerry Allison, Senior Marketing Consultant with SAC Consulting discusses PR with a Food PR Agent, an Agricultural PR firm, and farm businesses who is rocking their PR opportunities.

There's an old saying: "Advertising is what you pay for; publicity is what you pray for."

The positive side of PR cultivates a story that portrays a business, individual, product or service in a positive light. In a sense you can think about PR as being storytelling. Unlike advertising, (paying someone to listen to your story) PR tells a story through unpaid or earned media. These unpaid or earned avenues include traditional media, social media, or speaking engagements - which are especially effective opportunities for reaching your local community. Keep in mind that a PR isn't just about trying to reach a customer ... it's a story for anyone and everyone, and you want as many people to hear, engage and share it.

There is also a more negative, damage-control side of PR, it's also used to mitigate anything that could weaken or damage your reputation or business. In the early 1980s, numerous bottles of Johnson & Johnson's (J&J) Tylenol product were laced with cyanide by an unknown person, killing seven people. This could have resulted in the end of Tylenol products. J&J took aggressive PR measures to mitigate the damage.

An effective PR strategy saved J&J reputation, as well as their product, they saw shares climb back up to 24% just six weeks after the crisis. PR was necessary: PR professionals were able to spread a story that portrayed J&J as a company that puts consumers ahead of profit.

PR isn't just used to influence a story after it happens -- it's also used to write that story in the first place.

PR is about reputation, storytelling, and influencing behaviour.



Farming and Agriculture sometimes get a tough go in the mainstream media. Sensationalist headlines, jaw-dropping documentaries (with questionable sources) and one-sided commentary is potentially damaging to the industry. PR done right, allows Scottish Farmers to take back control of the story, to educate, and share the real, honest and positive story of Scottish Agriculture.

[Web address](#)



Scottish Land Matching Service Update

Scottish Land Matching Service

Ian Davidson OBE, Independent Advisor

As coronavirus still casts a shadow over what we would see as “normal” life we can reflect that farming and crofting still carries on delivering. No matter what the industry has thrown at it there is a great capacity for resilience and adaptability that always comes to the fore.

Uncertainty does not make planning for change easy but there are things like succession and retirement that can benefit from early thought and discussion. Nobody likes to contemplate taking a step back or even retiring but much better to have discussed it openly and have an idea of what could be possible rather than having it forced on you through unforeseen circumstances.

The Scottish Land Matching Service (SLMS) can help by offering confidential discussion and advice to anyone looking to the future.



Since lockdown back in March queries to SLMS have continued to come in and increased significantly after the launch of the website (www.slms.scot) back in April. There is still an imbalance between the number of enquiries from people looking for opportunities and those offering an opportunity. Currently that ratio sits at about 3.5 seeking for every one offering an opportunity.

That is something we need to find a way of improving as the youngsters of today are the lifeblood for the industry going forward.

There have been successful introductions, and these are progressing but as I have said previously any joint venture is as much about building the relationship and trust, and that does not happen overnight.

SLMS has been running now for a year and the key principles of finding the right people to match who are committed to making a joint venture work whilst achieving their objectives still apply. That includes being adaptable and flexible in the approach to any agreement. One size does not fit all.



Woodland creation an opportunity?

Lyn White, Forestry and Farming Development Officer, Scottish Forestry

You will be aware of the multiple benefits of creating a new woodland on your farm can bring. It is important to note that these benefits can receive funding through the Forestry Grant Scheme (FGS).

The trees can provide shelter for livestock, which in turn increases productivity and reduces costs. Shelterbelts can also protect crops and reduce soil erosion, keeping the soil, your most valuable asset, in the field.

Added to this, the trees can help prevent runoff of manure and fertiliser into water courses whilst also providing a future income through timber sales. Tree planting can redefine or renew farm boundaries which can help in the on-going management of stock, always handy.

There are wider benefits too as the woodland creates new habitats for wildlife which can host a large number of insects, helping in the pollination of nearby crops. In fact, Scotland's forests and woodlands are home to 172 protected species, as well as 75% of the UK's important red squirrel population.

Another important benefit is that tree planting will help reduce the [carbon](#) footprint of the business.

By planting on marginal parts of the farm, helping to bring underutilised and difficult to manage ground into productive use, you can also provide a secure, longer-term, income.

FGS provides a wide range of grant support options to meet your objectives, whether it be for timber production, improving habitats, sporting use or for source of wood fuel. There is also a "Sheep and Trees" grants package which allows you to apply for woodland creation and infrastructure grants at the same time, so you can plant woodlands and benefit from building an access road to aid management of your new woodland.

The FGS also helpfully provides an opportunity for landowners to establish trees on non-productive land currently covered by gorse or bracken by offering a grant rate for clearance, currently £720/ha for gorse and £225/ha for bracken. This is available when applying for woodland creation on the same areas, providing an ideal opportunity to not only do something with that land, but also an opportunity to create new woodlands

The grant scheme is open all year round and, importantly, the land planted under the scheme remains eligible for the BPS. Successful applicants to the scheme will receive:

- an initial planting payment (covering design of scheme, ground prep, trees and planting)
- annual maintenance payments for up to five years (to ensure the best start for woodland)
- capital grant (e.g. for fencing and tree protection)

If you would like to know more please look on our website for practical informative information forestry.gov.scot/support-regulations/woodland-creation or you can email your local Scottish Forestry office forestry.gov.scot/about/local-offices



Woodland

Scottish farmers and crofters can apply for up to [£1,000 funding](#) through the Farm Advisory Service (FAS) to enlist the help of a specialist adviser to help with woodland creation. The adviser will work with the land manager to add value to underproductive land by reviewing farm-specific opportunities and financial incentives available to create or manage woodland. This includes identifying the most suitable grants and assistance packages that farmers and crofters can use to optimise the use and value of their land.

To apply or for more information, call 0300 323 0161 or email advice@fas.scot

Future Events

Our delivery of meetings is continuing in a virtual manner throughout the winter period. We have numerous webinars planned for the coming month. You can browse and register for these <https://www.fas.scot/events/>

Once you register, you will be sent a link to gain access to the webinar - don't worry we will send you a reminder the day before the event too.

Then all you need to do, is find a comfy seat, click the link and enjoy the meeting from your home!

LET'S GET PLANTING!

NO PROJECT TOO BIG OR TOO SMALL
Under 1 to over 500 hectares.

Average grants over £4,000 per hectare.

GET PLANTING QUICKLY

- Over 99% of applications have been successful
- 75% were given the go ahead within 20 weeks

9 WOODLAND CREATION GRANTS
to suit most needs.

- CONIFER
- DIVERSE CONIFER
- BROADLEAVES
- NATIVE SCOTS PINE
- NATIVE ISLAND BIRCH
- NATIVE BROADLEAVES
- NATIVE LOW-DENSITY BROADLEAVES
- SMALL OR FARM WOODLAND
- NATIVE BROADLEAVES IN N & W ISLES

SUPPORT FROM BEGINNING TO END
Grants can cover up to 90% of costs, including planning, planting, maintenance and tree protection.

PLANNING → PLANTING → MAINTENANCE → PROTECTION

We can give advice and put you in touch with **FORESTRY EXPERTS**



“A New Start”

Webinar Series

With pandemic restrictions not permitting face to face meetings with groups of people, we adapted our usual regional workshops to national webinars throughout the summer.

Every Wednesday night for eight weeks we ran a webinar taking new entrants on the journey of a new start, from sourcing finance, to acquiring land, building relationships and resilient systems and implementing changes for climate change. These are now available online at <https://www.fas.scot/new-entrants-2/getting-started/a-new-start-webinar-series/>

The **top five tips** from each webinar are as follows:

Webinar 2 Acquiring Land Through Purchase

1	Surround yourself with trusted and competent professionals e.g. agent, accountant, farm advisor, banker/broker and lawyer
2	Look at every opportunity (diversification and grant funding) and don't be afraid to have a go
3	Create a good business plan
4	Understand how borrowing works, particularly loan to values
5	Deposit (cash and third party security) is key to determine how much you can borrow

Webinar 1 Setting Up a Business and Sourcing Finance

1	You are not planning to fail, so don't fail to plan. Write down your business idea including figures. Understand your numbers and keep them updated as situation changes
2	Get correct finance (loan, HP, livestock markets) and ensure that you can pay the money back. Use price sensitivity to ensure that in worst case you can still service the borrowing
3	Have a plan A, B and C at least. Build in headroom or retain cash for things not going to the plan
4	Make a wide range on contacts – estates, land agents, accountants, bank, solicitor
5	Use climate change as an opportunity and build your business with climate change in mind

Guest Speakers

Webinar 1 – Sandy Hay (Bank of Scotland) and Jane Mitchell (Johnstone Carmichael)

Webinar 2 – Ali Christie (Galbraith)



“A New Start”

Webinar Series

Webinar 3 – Joint Venture Farming

1	If considering a joint venture but unsure where to start, the Scottish Land Matching Service is an absolute must, even if it is just to make contacts.
2	Broadly speaking there are 4 different types of joint venture agreements; contract farming, share farming, tenancy and farming partnerships, so it is important to be familiar with the differences and know what you want.
3	Know what skills and assets you can bring to the table regardless of what agreement you go for, but also try and identify gaps in what can be achieved and consider how best to fill them.
4	The success of a joint venture agreement hinges on the relationship you have with those involved, including trust, flexibility and communication, it is also important to have a clear exit strategy, if for whatever reason it does not work out.
5	Joint venture farming is not just for new entrants, it's also got huge potential for those looking to slow down and transition out of the industry so is worth considering.

Guest Speakers

Ian Davidson OBE, SLMS

William Stevenson, Ballantrae, Ayrshire

Webinar 4 – Success Through Hard Times

Making farming work when you have to battle against the weather, fluctuating input and output prices can be daunting and seem almost impossible. In this webinar, Charley and Andrea Walker, Grassland Farmers of the Year 2019, explained that it is possible to succeed despite all of these challenges. Their top 5 tips were:

1	Be bold, be creative and be flexible
2	Keep systems simple
3	Analyse investment, think before you buy, is there a better more efficient way to spend that leaves lasting benefits e.g. ewe feed Vs electric fencing equipment
4	Get involved in discussion groups, to bounce about ideas and have people sense check your ideas
5	You don't need extra land to expand, you just need to manage the land differently.



“A New Start”

Webinar Series

Webinar 5 – Relationships, the Most Important Crop to Grow

At Relationships - the most important crops to grow we heard from the opinions of a New Entrant and from a professional about what make good relationships and although from different aspects this is how they complement each other.

John Laughton, HSBC Agriculture Relationship Director	Andrew Marchant, New Entrant
Communication	LISTEN - you may think you have a great plan but you need to be prepared to be flexible and open minded. You will find that good, progressive farmers and business people tend to be very open and generous with their time and advise.
Trust	Do what you say you are going to do - If you manage to get some land or finance you must deliver on your plans in order to prove yourself and build trust, faith and good will.
Mutual benefit	It won't happen overnight! - you need to be willing to do the hard yards and show drive, determination and commitment, these are the things which key partners in your business will value and are the key to further opportunities opening up.
Honesty and Openness	Don't be afraid to tell people of your ambitions and plans
Personal Aspect	Be decent, friendly and nice to people....it goes a long way!



“A New Start”

Webinar Series

Webinar 6 – Starting with a Tenancy or Seasonal let

Many new entrants start their journey on seasonal land, with the hope of finding a tenancy or purchasing land, Dave Green a member of Aberdeen Endowments Trust, and CEO of Duncan Farms, Turriff gave attendees the necessary tools to look at business opportunities for seasonal lets and farm tenancies.

Where	Look out for agricultural land opportunities in newspapers, land agents/professional advisors, online, farmer groups and through word of mouth.
Visit the Land	Walk around the land and assess its capabilities for different farm enterprises – does the farm suit your level of experience and interests?
Seek Advice	Take rental advice from farming peers and professionals and carry out costings to calculate a rental value that is sustainable for you.
Plan	Request relevant tender documents if applicable and confirm rental conditions. Carry out (or seek professional help) to complete a business plan which is practical and sustainable. Within your business plan, be realistic with your budgets, identify any potential risks and limitations and know how you will deal with them. Investigate required investments and ensure these are included in your budgets and cash flows.
Meeting your Potential Landlord and Funding Support	First impressions are extremely important, demonstrate your experience, enthusiasm and dress smart for any meetings, as well as having a list of questions ready. Build connections with the landlord and investigate their main objectives. Ensure that you know your business plan well, including the financials as you will be questioned about these in an interview.



“A New Start”

Webinar Series



The final two webinars focussed on climate change.

Webinar 7 – Cows Vs Cars

We were joined by the ‘GHG Guru’, Frank M Mitloehner, Professor and Air Quality Specialist, University of California, who gave us a comprehensive understanding of the cow carbon cycle and the role livestock play in the challenge of nourishing a growing global population. The key take home messages from this meeting were.

1. Ruminants are part of the biogenic carbon cycle where there is balance between what plants use during photosynthesis and what animals release into the atmosphere.
2. Everyone can play a role in mitigation of climate change by small changes.
3. Maintain good manure management practices to optimise soil health and microbial activity.
4. Ensure your breeding animals are productive, don't retain breeding animals with poor performance traits.
5. Reducing methane from livestock through improved management practices can have an instant positive impact on emission levels through the cooling effect.



Webinar 8 – Crops Vs Cars

We were very lucky to have two guest speakers (Professor Bob Rees is SRUC's Head of Carbon Management and Professor Ian Bingham, senior researcher with SRUC) who are both at the cutting edge of research into how arable farming may have to change in the future and how farmers can manage the carbon footprint of their cropping systems. Key messages from this meeting included,

1. The climate is changing, and cropping systems are going to have to adapt to cope with this, this will be done through a variety of agronomic measures
2. Growing crops which are resilient to extremes of weather will be essential
3. Maintaining healthy soils is key to this
4. A carbon neutral mixed farm can be achieved but does require significant sequestration, either from biochar or forestry
5. A very wide range of technologies will have to be used to reduce GHG emissions

