



Changes to milk pricing T&Cs

Chlorates now form part of milk pricing from 1st May >> page 4

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## Lakeland AGM hears of strong progress



AGM of Lakeland Dairies (L-R) Niall Matthews, Chairman, Michael Hanley, Group CEO, Peter Sheridan, Group Chief Financial Officer and Keith Agnew, Vice-Chairman.

Lakeland Dairies held the Society's AGM (Annual General Meeting) and an SGM (Special General Meeting) on Wednesday 27th April.

The members in attendance heard that Lakeland's business continues on a strong growth path.

Lakeland Dairies' Chairman, Niall Matthews said, "The strength and resilience of the co-operative can be seen in the results achieved for 2021 where Lakeland Dairies reported a 20% increase in revenues to £1.09bn across our four operating divisions of Food Ingredients, Foodservice, Consumer Foods and Agribusiness.

"While paying a competitive milk price, operating profit of £23.6m increased by 8% and EBITDA increased by 5% to £46.4m. This demonstrates a continuous underlying positive trend where EBITDA has increased on a recurring basis for several years.

"Over the past decade, Lakeland has invested £160m in new facilities and technologies, increasing our milk supplies to a record level of 2 billion litres from 3,200 family farms.

"In that time we have enabled large scale consolidation, cost reduction and the creation of economies and efficiencies in the dairy industry

across the northern half of the island. We continue to prioritise progress and success for dairy farmers," said Niall Matthews.

### MARKET STABILITY

Lakeland Dairies Group Chief Executive Michael Hanley told members that they could expect good returns from dairying for 2022 despite the higher on farm input costs.

"The annual results reflect prudent management in the context of an intensely competitive and increasingly volatile trading environment. We are focused on a sustainable future and the creation of further value for our dairy farmers.

"We expect relatively stable dairy market conditions through 2022 albeit there are significant challenges in our operating environment, including inflationary pressure on all costs."

### SUMMARY 2021 RESULTS

Lakeland Dairies Group Revenues: £1.09bn.

Lakeland Dairies' revenues increased by 20% to £1.09bn across its four operating divisions of Food Ingredients, Foodservice, Consumer Foods and Agribusiness. Operating Profit: £23.6m (+8%) / EBITDA (Earnings before Interest, Tax, Depreciation

and Amortisation): £46.4m / Shareholders' Funds: £193.4m.

### Food Ingredients Division Revenues: £696.6m

Food Ingredient revenues increased by 20% to £696.6m, based on consistently strong demand for the co-operative's functional and enriched powders, proteins and dairy fats throughout the year.

### Foodservice Division Revenues: £187.6m

Foodservice revenues increased by 23% to £187.6m, which was robust considering that global foodservice markets continued to suffer from volatility and disruption due to the pandemic throughout 2021.

### Consumer Foods Division Revenues: £142.6m

Consumer Foods experienced a 16% uplift in revenue at £142.6m.

### Agribusiness Division (Lakeland Agri) Revenues: £72.5m

Lakeland Agri increased revenues by 14% to £72.5m for the year, based on a strong performance with feed sales volumes of 218,000 tonnes and fertiliser sales increasing by 19% over the previous year.



We continue to prioritise progress and success for dairy farmers

# Making the best possible silage on your farm

Silage season is in full swing across the country. Some suppliers have already made their first cut in late April, taking advantage of the dry weather.

In most cases it was late March and early April before silage received its chemical fertiliser so most farmers should be aiming to cut now in mid May.

As grass approaches heading, yield increases. However, leave it too late and protein, digestibility and metabolisable energy all decline. After heading, the digestibility of grass falls by about 0.5% a day.

Delaying cutting might produce a heavier crop, but because its nutritional value will be lower, it won't have the same ability to support milk production. Plus, losses are actually higher than with a lighter crop.

So the yield benefit isn't as great as you might think. Early cuts allow for subsequent cuts at intervals of 5-6 weeks to maintain quality.

- Mow no lower than 6.5 cm to ensure rapid regrowth
- Cut midday or early afternoon with a mower conditioner

## SILAGE DRY MATTER

A common problem encountered on suppliers' farms is low dry matter silage.

Wet silage leaves it very difficult to achieve desired intakes for high yielding cows.

A Dry Matter of 28 - 32% should be aimed for with the silage being picked up within 24 hours.

Auto-swathers on mowers which



throw 20 or 30 foot of grass into one row make it impossible to wilt.

Grass in a 6m (20 foot) row will only reach 23% DM after 48 hours. This is not ideal as grass is still too wet and also respiration losses will lead to lower levels of energy in the silage.

The ideal is mowed flat, tedded and rowed and harvested inside 24 hours to achieve close to 30% DM.

Take care not to over-wilt. If grass is dry at mowing and there are sunny conditions and temperatures of over 18°C, then a 12-hour wilt might be sufficient.

Make regular checks on dry matter levels. If silage is made too dry, it becomes prone to losses through heating caused by aerobic spoilage.

## OTHER POINTS TO CONSIDER

- Apply a silage additive if deemed

necessary.

- If harvesting conditions are not ideal or sugar content of grass is low:

- Select an additive containing the most efficient fermentation bacteria

Chop long to maintain structural fibre

- Consider a chop length of 5cm or longer for good clamp management

- If above 30% DM then chop length should be less than 5cm

Ensilage for the best possible fermentation

- Apply best practice approach when clamping or baling

- Roll to squeeze out air

- Seal effectively to maintain airtight conditions

- Ensilage in layers to maximise compaction

## Dairy farm carbon audits commence

Dairy farm carbon audits are currently being undertaken on farms in Northern Ireland.

This new initiative is to help tackle carbon emissions within the dairy sector and was launched by Agriculture and Environment Minister, Edwin Poots.

The programme runs in conjunction with dairy processors and is led by the Dairy Council Northern Ireland, and CAFRE.

BDG dairy farmers in Northern Ireland can take part in the programme which will enhance the understanding of carbon emissions within the sector and how to reduce them.

We would strongly encourage all eligible dairy farmers to get involved in the programme.

There are a number of reasons why these carbon audits need to happen.

If we are to reduce our carbon footprint we need to measure emissions.

Secondly, our customers are asking for information on the level of emissions and what measures are being taken to reduce these.

And third, we need baseline data to provide proof as to the sustainability of family run dairy farms in Northern Ireland.

**LAKELAND DAIRIES AND THE OTHER MILK PURCHASERS IN NI SUPPORT THE PROGRAMME.**

**TO FIND OUT MORE INFORMATION ON THE DAIRY FARM CARBON AUDIT PROGRAMME AND HOW TO PARTICIPATE PLEASE CONTACT LAKELAND DAIRIES MEMBER RELATIONS .**

## Lakeland Dairies at the Balmoral Show

The 153rd Balmoral Show will take place from Wednesday 11th to Saturday 14th May 2022 at Balmoral Park, Lisburn.

The Balmoral Show is one of the main dates in the diary for all farmers and Lakeland Dairies is delighted to be in attendance for the course of the week.

**We will be exhibiting at stand C18** and we welcome any supplier as well as their families to come and join us on the stand any of the days.

Suppliers can join us for a customary ice-cream cone using world class Lakeland Dairies milk or have a cup of tea with members of the Lakeland Dairies Board, Management Team as well as your local Member Relations representative.

# Top 10 tips for passing Red Tractor audit

If you know you have an inspection pending or have received the date of your next inspection, please ensure to contact your local Lakeland Dairies Red Tractor Advisor to help you prepare for the Audit.

**Tyrone/Fermanagh Jennifer Prue 07767-846350**  
**Antrim/Derry/Londonderry Ian Olphert 07525-897746**  
**Down/Armagh Heather Martin 07741-168627**

## 1. FARMYARD

Maintenance should be maintained throughout the year not just before an inspection.

- The dairy and parlour should be kept clean at all times
- Broken gates and tin should be replaced when required
- ALL effluent must be collected

## 2. MEAL BINS

Ensure area surrounding meal bins are kept clean and all areas feed is stored are labelled correctly.

## 3. EAR TAGS

- All Cattle must have two ear tags.
- All calves must be tagged from 36 hours old and be given access to clean fresh water from birth.

## 4. WELL/BOREHOLE WATER

Well or Borehole Water used to wash the milking plant must be tested, contact your Lakeland Dairies Red Tractor advisor to arrange this.

## 5. MILKING PARLOUR

Make sure you get the Milking Parlour Pulsation Check Certificate and Bulk Tank Gas Check Certificate when they are carried out during the year.

## 6. SPRAYING

- PA1 PA2 certificates
- Sprayer MOT
- Receipt or docket if a contractor carried out the spraying

If your sprayer is older than five years, it must have an MOT carried out every three years.



## 7. VET DOCUMENTS

Ensure you have all the vet documentation:

- Health Plan Signed
- Vet Review Signed
- Johnes Vet Declaration (Risk Assessment)
- Needle/Medicine Bottle Disposal
- TB Test Appointment Letter

## 8. MEDICINE CUPBOARDS

Can no longer be kept in the same room as the Bulk Tank.

Medicine stores need to be locked with a sharps box.

## 9. MEDICINE RECORDS - WITHDRAWAL PERIODS

Withdrawal Periods should be recorded, Length of withdrawal in DAYS/HOURS AND the DATE it can go into the MEAT chain as well as the length of withdrawal in DAYS/HOURS AND the DATE it can go into the MILK chain.

- For Individual Treatments Cow ID must be recorded and the Reason for Use.
- Everything you give to your

animals must be recorded.

New Medicine Books are available from the NIFCC to all FQAS Beef and Sheep members.

## 10. HUSBANDRY PROCEDURES, ANAESTHETIC AND ANALGESIC USE

• Dehorning Paste – must be used at less than one week of age alongside a pain relief which is recorded in the medicine book

• Dehorning Gas or Electric Burner – must be used at less than two months of age with BOTH a Pain Relief (analgesic) and an Anesthetic.

• Squeezing using a burdizzo - must be carried out at less than two months using pain relief which must be recorded in the medicine book

## NON-COMPLIANCES

You should aim to have as few non compliances as possible to avoid repeat inspections and Spot Checks.

**REMEMBER YOU MUST CLOSE OUT ALL YOUR NON-COMPLIANCES WITHIN 28 DAYS OF THE DATE OF INSPECTION OTHERWISE YOU WILL BECOME SUSPENDED FROM THE SCHEME.**

## Falling BVD levels and the need to protect at-risk herds

Latest figures from the BVD Programme show that for the first time in the life of the NI BVD Programme, for three consecutive months fewer than 40 herds have been retaining BVD Positives for more than five weeks.

Snapshot figures from the start of May indicated that there were 181 living BVD Positives in 113 affected herds. The rolling herd level prevalence has fallen to 4.57%, the lowest level seen this year, with a greater improvement being seen in beef herds compared to dairy herds.

Larger herds have generally a greater likelihood of infection getting in. The key risk factors that increase the probability of BVD entering a herd are: • History of BVD in the herd • Purchase of cattle • Purchase of 'Trojan' cattle (in-calf animals carrying a

PI calf) • Increased concentration of BVD-Positive animals in the vicinity of the herd.

BVD vaccination induces a protective immunity in breeding animals to help avoid a range of negative outcomes of infection including failure to conceive, abortion, birth defects and most importantly the creation of calves that are persistently infected with BVD virus.

Factors to consider in whether to vaccinate will include: animal movements into a herd, the level of contact with neighbouring herds, whether there have been outbreaks in a neighbouring or associated herd; a greater than normal throughput of people, such as on demonstration farms; and in herds of high genetic merit females where progeny is of a higher value.

# Chlorates form part of Milk Purchasing Terms and Conditions from 1st May 2022

As you will know from previous correspondence Lakeland Dairies has invested a very significant amount of time and resources into the reduction and removal of chlorates from its milk supplies over the past seven years.

Chlorates are harmful chemicals that are formed from the breakdown of chlorine in dairy detergents or in straight chlorine.

Chlorates interfere with the thyroid gland and the absorption of iodine especially in very young children/infants.

We have also informed all suppliers on an ongoing basis of the requirement to remove chlorates from milk supplies and assisted many suppliers in adopting alternative washing routines that eliminate the risk of chlorates.

### THE SUCCESS OF THE PROGRAMME

This programme has been very successful, and the majority of our suppliers have removed all traces of chlorates from their milk and have seen absolutely no deterioration in the hygiene or quality of their milk (TBC, Thermoduric, etc.).

From 1st May 2022, Chlorates will form part of the Lakeland Dairies Milk Purchasing Terms & Conditions and the following deductions will apply for milk supplied which does not meet Chlorate specification:



Chlorate Result	Deduction
0-20 ppb	Base
21-50 ppb	-0.25 ppl
51-100ppb	-0.5 ppl
101 ppb +	-2.0 ppl

Steps to avoid chlorate residues include:

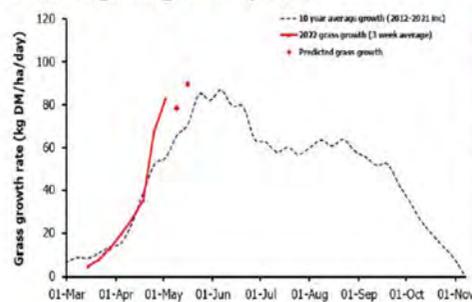
- Use chlorine-free detergents on your farm.
- Rinse the milking machine fully before and after detergent circulation with 14 litres of water per unit.
- Never reuse or add chlorine to rinse water.
- Do not reuse detergent solutions

- more than recommended.
- Use only the correct amounts of detergent – don't use extra.
- Do not stockpile detergents and ensure all detergents are in date – chlorate levels increase significantly over time.
- Store detergents in a cool, dark place.
- Ensure the bulk tank rinsing cycle is correctly set so that the tank is adequately rinsed.
- Use peracetic acid as an alternative to chlorine for cluster dipping and water sterilisation.

**IF YOU REQUIRE FURTHER INFORMATION PLEASE CONTACT YOUR LOCAL MILK ADVISOR**

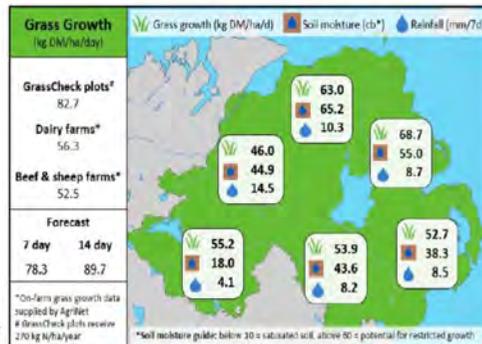


### Week Beginning 2<sup>nd</sup> May 2022



#### MANAGEMENT NOTES:

- Recent rainfall has improved grass growth rate forecasts significantly.
- Grass growth between plots was very variable this week, in line with an difference of 22.7kg DM/ha per day seen between av. County on farm rates
- Measure grass regularly as growth rates increase over the coming weeks.
- Use a grass budgeting programme to predict grazing surpluses and deficits ahead of time, to allow swift and early management decisions to be made.
- A surplus can contribute to extra quality silage and capacity for reseedling
- Sow fertiliser in a little and often approach immediately post grazing to maximise utilisation efficiency. Grass growth response to N will be highest over the coming weeks as growth rates peak, if soil conditions are correct.



Value of Grass		Grass Quality	
Dairy – maintenance plus (M+) (kg/cow/day)*	20.3	DM (%)	19.5
Growing animals – daily live weight gain (kg/head/day)**	1.01	CP (% DM)	17.3
		WSC (% DM)	15.9
		ME (MJ/kg DM)	11.4

\*M+ calculated assuming: 650kg cow, and 15 kg DMI. Maintenance=75 MJ/day, 5.3 MJ/kg milk  
\*\*Beef daily gain assuming: 300 kg beef steer, and 6.6 kg DMI. Maintenance=35 MJ/day, 40 MJ/kg gain

## Contact

The Lakeland Dairies Member Relations Division works closely with all our milk producers to help drive profitability at farm level as well as providing information on the progress of the Society.

Contact us by calling 0818 47 47 20 (ROI) or 028 3026 2311 (NI).

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