

THRILOW FARMS

2009

Fasten seatbelts for a bumpy ride

In 2008 we made more money than we have ever made in my farming lifetime. The wheat yields were big, the prices higher than ever and the costs relatively low. This year we shall lose more money than we have ever lost. The wheat yields were average, the prices were down by 40% whilst the cost of inputs doubled. Indeed the cost of fertilisers actually rose by 300%. Put these two years together, divide by two and you have two average years.

Once upon a time it was simple to define a good farmer. He was a man (and occasionally a woman) who achieved high yields and kept his costs low. Conversely a bad farmer was a man who grew small crops and had high costs. It was simple as that. Today, however, all bets are off. The market is now so erratic that if the good farmer sells his crop at the wrong time he will lose money whilst the bad farmer can make a profit if he sells at the right time. Marketing is now more important than husbandry.

What has caused this vomit-inducing volatility in what was for so long a sedentary and boring marketplace? In the good old days (which, by the way, were rarely good) supply and demand were the only things that mattered. A big harvest meant low prices and a small harvest meant high prices. Today the following factors all play a part, but their relative importance can (and often does) change overnight: the size of the world stocks of grain, the rainfall in Australia or Argentina or Kansas or Saskatchewan, the price of oil, currency exchange rates, the strength of the Chinese economy and the actions of a small band of commodity speculators.

This year, for the first time in a decade, I sold very little of the harvest forward. I have, as a result, sat back in numb horror as the price of wheat fell and fell again. Just when it reached the bottom, I chose that moment to unload two thirds of our harvest. Since then it has risen a small amount. Silly me. But overall my track record in these bumpy times has been pretty good, so I can hardly complain about one seriously bad (unlucky?) decision. It has, however, made me wonder whether it would not be more sensible simply to sell one twelfth of our harvest every month and thus ensure that we manage to achieve an average price throughout the year. I suspect that if I were selling wheat on behalf of someone else I would do just this. I could never be accused of having made a wrong (and expensive) decision. But since I am selling wheat only for myself, I will continue to take risks. Indeed I have already sold one third of the 2010 harvest forward at a price which today looks very good indeed. Perhaps I am at heart a gambler. Or maybe I am just stupid.

But it was not all gloom and doom at Thriplow this year. In contrast to the cereals, the break crops performed magnificently. The sugar beet (see below) was mind-bogglingly good. Peas, beans and oilseed rape also all managed to yield more than they have ever done before. How come? Beats me. The snag is that from an economic point of view, compared to wheat, our break crops are relatively unimportant.

WHEAT

After last year's barn-busting 10.4 tonnes per hectare, we returned to tedious normality with a yield of 9.1 tonnes/hectare. This happens to be our average yield over the past decade. The climate was against us for much of the year. The wheats struggled to germinate in a dry autumn and then faced a very unpleasant six week drought in April and May. One extraordinary and improbable event did, however, result from this weather pattern. Our second wheats (planted following a previous crop of wheat) actually out-yielded the first wheats (planted following a break crop). In a normal year first wheats can be relied on to yield at least fifteen percent more than second wheats. This bizarre situation occurred because most of our second wheats were – by pure chance - grown on our heavier, moisture retentive

soils whereas the first wheats predominated on the thin drought-prone land at the south end of the farm.

Oakley was the most successful variety, averaging 10.6 t/ha, followed by **Viscount** at 10.1 t/ha. **Humber** (8.9 t/ha) and **Glasgow** (7.6 t/ha) were mainly second wheats. Next year we will concentrate on **Oakley** and **Viscount** with a small acreage of **Glasgow**.

As usual, we started harvest with me announcing that the price of oil was so high we would graciously permit God to do all the grain-drying. So much for our good intentions. After nearly a week of rain we relented and switched on the drier. The second half of harvest was, however, dry and easy, which explains why we finished on August 27, nearly three weeks earlier than last year.

BARLEY

Fifty years ago this farm only grew barley because our soil was considered too poor for wheat. In those days it was spring barley because winter barley had not yet been invented. We stopped growing spring barley thirty years ago and I have never regretted the decision. But this year we were faced with a field from which the sugar beet had been lifted in early February and we decided it was really too late to drill winter wheat. So, with some trepidation, we opted for a spring barley called **Tipple**, which we would definitely sell for malting at an enormous premium.

If the winter wheat at Thriplow was poor this year, the spring barley was a catastrophe. It hated the drought on its thin land and eventually produced a pathetic 128 tonnes from 20 hectares (6.5 t/ha). What is more, the quality was so bad it will be barely suitable for pig feed. Now I remember why we don't grow spring barley at Thriplow.

PEAS

Peas, like sheep, have only one ambition; to die as soon as possible. I hate growing peas. They usually look rather good until they stop flowering in June, at which point they give up the ghost and collapse. So by the time the combine comes into the field in mid August the plants are lying flat on the ground and are almost impossible to pick up. To do so you must lower the combine's header so that as well as collecting the prostrate peas, it is also bulldozing mud and molehills and all manner of rubbish. Progress – if you can call it that – is slow and the combine sometimes blocks up with the accumulated debris. No. I don't like peas at all.

But this year something odd happened. We had one large (32 ha) field of peas which behaved perfectly throughout the entire growing season. For the first time in my life the crop was standing up tall and straight for the combine. This made harvesting a doddle. And the yield of 5.7 tonnes per hectare was wonderful. Across the entire farm the peas averaged a record 4.5 tonnes per hectare. The variety was called **Prophet**. It should have been called **Profit**. Hallelujah.

OILSEED RAPE

This crop, which had been drilled late and then struggled to germinate in the dry soil, looked desperately poor in the autumn. Oilseed rape is an extremely difficult crop to assess in the field, which is why we were not optimistic when the combine started work in mid July. The yields were, however, the best we have ever known at Thriplow, averaging 4.1 t/ha. **Excalibur** was particularly outstanding, with one field producing 4.9 t/ha. In retrospect it is now clear that the reason for these exceptional results was that the crop did not suffer from the hitherto inevitable disease of Sclerotinia.

BEANS

Yet another break crop which enjoyed a splendid year. As usual, we kept our own seed from the previous year, drilled in November and hoped for the best. And the best duly arrived. Seen from the combine seat the crop looked bad. Weed control was awful because we are no longer allowed to use **Simazine**. However, the eventual yield of 5.2 tonnes per hectare was the best we have ever known. Like the peas, the variety was aptly named – **Wizard**.

SUGAR BEET

This is becoming incredible, ridiculous, and faintly embarrassing. For the third year running we will have broken our record – this time by an astonishing 20%. If anybody had told me a year ago that we would be able to produce 2774 tonnes of sugar beet (at 16% sugar) from a 26.37 hectare field (105 tonnes per hectare) I would have said that it was impossible. And yet that is precisely what we have achieved this year from the first of the two fields we are growing. Forty years ago I told my father that we should give up growing sugar beet completely as our yields had hovered around 20 tonnes per hectare for the previous three years. Thank goodness he did not allow me to do so. In 1982 we achieved 51 tonnes per hectare and were so excited that we commissioned a silver beaker engraved with sugar beet. Today, 27 years later, we have doubled that yield and I am still vibrating with excitement.

Unfortunately the economics of the crop are today as bad as the agronomy is good. British Sugar, the monopoly processor of sugar beet, has grudgingly given us £1 per tonne more than we achieved last year, so with today's incredible yields, we will exceed our quota by about 850 tonnes and make a decent profit. But we would be stupid to assume that this year's performance is now the norm.

SITES OF SPECIAL SCIENTIFIC INTEREST (SSSI)

We have three SSSIs on the farm. One consists of peat holes in the chalk, which are apparently unusual and must interest someone somewhere. Another grows the most delicate Marsh Orchids and the third is the home for an animal called the Fairy Shrimp (*Anostraca*) which is extremely rare. These tiny creatures often appear in pot holes and other temporary pools. They are well-adapted to living in dry areas where water is present for only part of the year. Their eggs will survive drought for several years and hatch about 30 hours after rains fill the pools where they live. This particular SSSI is also important since it is one of only three arable sites in the UK where one can find a very rare purple-flowered plant called *Lythrum hyssopifolium* or Grass Poly.

FALLOW

There is no setaside any longer. Yet in spite of this we did fallow one field which, because it floods and is very gravelly, has been in setaside for the past decade. In future we will try to use this field for an equestrian cross-country course – or something else which will appeal to the leisured burghers of south Cambridgeshire.

LIVERY STABLES

Half the horse paddocks have been re-fenced and a new water supply has been installed which will simplify our lives substantially. After the very wet conditions last winter, we have now restricted grazing during winter months in an attempt to reduce the sea of mud which sometimes surrounds the stables.

MACHINERY

Not a vintage machinery year. The last of this farm's three Mercedes G Wagens departed and was replaced by a shiny dark green Land Rover so Dick would not look out of place among the 12 bores (and that is a conservative estimate) of south Cambridgeshire. We also replaced our pair of nine year old 4000 litre Berthoud sprayers with the latest models. For the past 36 years we have been loyal to Berthoud and thus must be among their oldest customers in the UK. By sheer chance the Berthoud factory is five miles away from our dacha in the Beaujolais, so it is easy to mix business with pleasure when in France.

THE FUTURE

At the time of writing I am happy to be able to report that the crops growing in the ground today (wheat, oilseed rape and beans) look excellent. We have had enough moisture this autumn, the slugs have been controlled and another half mile of rabbit fencing has restricted the bunny population a bit. Thus from a purely agronomic point of view I am cheerful. The economic side of farming remains extremely unclear. The world today has 188 million tonnes of wheat in stock - an all-time high - which would suggest that prices will not rise much. The

cost of oil has risen from \$40 to \$80 a barrel which suggests that fertiliser prices will also move in that direction.

And as if that were not bad enough, the HSBC bank has recently predicted that it will cost the average farmer £135 to produce a tonne of wheat. Since the forward price for November is today £109 it suggests that next year will be as dismal as this year.

Looking further ahead, it seems that the two most fundamental changes which we will experience at Thriplow during the next decade both begin with the letter G. GPS and GM will both become everyday features of farming life. Genetic Modification will result in plant varieties which do more than simply make weed control easier and sell more herbicide for Monsanto. The next generation will – at long last – actually provide benefits to the population of this planet. Maybe these crops will be more drought-resistant (use less water) or maybe they will contain Omega 3 oils. A few weeks ago I spent the day with Monsanto in St Louis. The technology is brilliant and useful and inevitable.

I have seen the future and it works.

The second change is less fundamental but much nearer. It is probably only a year away when we shall buy a new combine. Global Positioning Systems have been available in agriculture for some years now. But henceforth they will cease to be the preserve of intensive vegetable operations and instead become as essential to arable farmers as hydraulics or air conditioning. This technology will also enable us to have yield maps showing which part of every field will need additional fertiliser. Likewise each field on the farm will be contained in the GPS computer on the tractor or combine, enabling the machine to know precisely where it is, when it has to turn and where it must drive. The traditional skill of the ploughman to steer a straight furrow will be as redundant as the skill of the horseman to keep his animals pointing in the right direction.

One of these days something drastic will have to be done to our grainstore, which, like a tin Topsy, has “growned” over the decades and is now a diverse collection of rusty buildings which were well-suited to the technology of the 1970s but struggle to keep up with a modern harvest. One option would be to buy space at Camgrain, the local co-operative grainstore. This would mean that, as with our sugar beet, once the crop has been harvested it ceases to be our responsibility to dry it, store it, sell it and move it. Another solution would be to build a large on-floor store here at Thriplow which could cope with our entire harvest, and maybe that of some of our neighbours too. Both these exercises will, however, cost a lot of money, which means that, for the moment at least, we will probably muddle along with our existing antiquated system.

It is probable that this will be the last year we use solid nitrogen fertiliser (urea). Next autumn our tramlines will increase from 24 metres to 32 metres after our sprayers have been fitted with larger booms. We shall retire our old 24 metre pneumatic spreader and use the sprayers both for agrochemicals as well as for top dressing with liquid nitrogen.

Meanwhile the population in the south eastern corner of this overcrowded island will continue to grow, putting enormous pressure on farm land for both housing, leisure and Tesco. Perhaps Thriplow Farms should today be thinking more about cross country jumps for horses than GPS steering devices. But this, I suspect, will be for a different generation.

O.W.
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