

# Placement Assignment- Insight into Business

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## Contents

Summary.....	2
Current Situation .....	3
Alternative proposals.....	3
Beef Enterprise .....	3
Sheep Enterprise.....	3
Why development is needed .....	4
Pig Enterprise.....	4
Benefit of proposals.....	6
Conclusion and Recommendations.....	7
Part 2- Sustainability .....	7
Economic .....	7
Environmental .....	8
Social and community.....	8
Pig enterprise.....	8
References .....	10

## Table of Figures

Figure 1: Old Cattle Shed .....	5
Figure 2: Christmas Trees.....	5

## **Summary**

Farndon Fields Farm in Leicestershire currently grows vegetables, cereals and potatoes, much of which is sold through their own farm shop in Market Harborough. Meat is currently bought from local producers and sold through the shop, costs could be reduced should the farm buy and rear animals itself to butcher in the shop, beef and sheep enterprise were considered but it was decided that a pig enterprise would be most realistic and possible to implement at the farm. This pig enterprise is very much possible, due to the existing, unused spaces of the farm and large work force. The pigs could be housed in an old cattle shed that would require some building work before it is ready, and offers the possibility to expand the enterprise in the future. Adding the pigs to Farndon fields will provide many benefits, particularly to the shop where they will save money and allow the business to advertise and promote the pigs to the customer base.

## **Current Situation**

Farndon Fields Farm is situated in Market Harborough, South Leicestershire and is run by the owner Kevin Stokes. The main purpose of the farm is to supply the farm shop that is also owned by the farm and situated on the edge of Market Harborough. The farm does this by growing over 40 different crops, with around 8 hectares of vegetables, sixteen hectares of potatoes, fourteen fruit poly tunnels and cereal crops grown on the rest of the land. The farm shop is the main aspect of the business, it is extremely successful and boasts a cafe, butchers, delicatessen and plant centre. Therefore the farms main job is to supply the shop with high quality, fresh fruit and vegetables throughout the year. However currently the farm is only able to supply fruit vegetables and potatoes to the shop, all of the meat used in the butchers is bought from local suppliers and then butchered and sold in the shop; however if the farm was able to rear some of the animals themselves it would allow them to further advertise the 'home grown on our farm' aspect in the farm shop and provide opportunities to use the pigs to promote the shop. Therefore this report investigates how the addition of a pig enterprise to Farndon Fields Farm would be possible and of value to my employer.

## **Alternative proposals**

There are several alternative proposals that could be looked at as well as the pig enterprise. Beef and lamb are also bought from local producers and sold through the farm shop so could also be considered.

### **Beef Enterprise**

A beef enterprise is one alternative that could be looked at instead of pigs. Beef is also bought from local farmers to be sold in the farm shop so it would bring the same advantages as the pig enterprise such reduced purchasing costs and would allow the shop to sell 'home reared beef' at a premium. The cattle could be bought from Thrapston market which is a 40 minute drive away. The farm already owns one aging cattle shed that would require a small amount of work to become suitable for cattle, and has one permanent pasture field with sufficient grass for around 20 cattle throughout the summer. However running a beef enterprise will require much more technical knowledge than is required for pigs so would require one or more of the staff to be trained or for a new staff member to be brought into the business at extra cost. Also due to the requirement for pasture and winter feed significant investment would be required if the project was to be successfully run over a long period of time, therefore the beef enterprise would not be as economically beneficial or as practical to Farndon Fields as the pig enterprise so should be disregarded.

### **Sheep Enterprise**

A sheep enterprise could be run at Farndon Fields in a similar manner to the beef enterprise; modification of the old cattle shed to house the stock throughout the winter then use of the permanent pasture field throughout the summer. However again the same problems are met such as a workforce that have never worked with livestock before and the stock will be limited to one shed and field unless investment is made, therefore the sheep enterprise should also be disregarded in favour of a pig enterprise.

## **Why development is needed**

The development of a pig enterprise will help Farndon Fields for a number of reasons; firstly it would provide a use for an area of the land that is currently not used at all. There are a number of possible locations for the pig enterprise that are currently not used by the farm, therefore the pig enterprise will allow one of these areas to be used for a money making exercise without many extra costs to the business as no new land will need to be purchased. The addition of the pig enterprise will also help the farm shop, having new, home grown produce will allow them to run promotions and public relations both in the shop and online to strengthen the important home grown and local aspects of the business to the customer base. Photos of the pigs can be displayed to customers, something that is not really possible when the pigs are bought in from suppliers, to show that the pigs are reared in healthy and clean conditions. The pigs could also be show to customers at events such as Open Farm Sundays to really help the customer base connect to the food they are buying and help them know that what they are eating has come from a local, reliable source, something Farndon Fields Farm Shop tries hard to promote. It will also help to refresh the business, it is important that new products and elements are regularly brought into a business to keep customers interested to make sure they become repeat customers, so this will help with this. Finally it should help to increase sales of pork in the farm shop, as the increased promotions and the knowledge of exactly where the food is coming from should mean customers are more likely to purchase the pork products, and therefore make more money for the business.

## **Pig Enterprise**

A pig enterprise at Farndon Fields could be added to the business without too much investment or work, currently it would be best to buy in wiener piglets and fatten them up with a mixture of pig nuts and a small amount of vegetable waste from the farm shop. The pig enterprise would not require any further staff, as there is always at least four people working at Farndon Fields at any one time which could easily be trained in the basics of pigs sufficient to feed them and to identify any problems with the wieners. Feed can be purchased for the countryside store in Market Harborough where both growing and finishing feeds can be used at different stages of the pigs growth (Countrywide, 2014). There are a number of different options for purchasing the pigs, the local market at Thraspton will sometime have pigs, but supply will be inconstant so not ideal (Bletsoes, 2014). Alternatively a regular supply could be formed, ideally with the current supplier of the pigs to the shop, to ensure that a regular supply of similar stock can be established. In the future the farm could look at keeping breeding pig and rearing their own with the use of a boar, however this will require addition space to what is currently available.

There are a number of areas that could house pigs without the requirement of large amounts of building work. There are currently three main areas that are unused and could be converted to house pigs:

### **Old Cattle Shed**

A plot of land recently bought that is situated directly opposite the main farm buildings contains an old cattle shed with concrete yards. The shed would mean the pigs would have weather protection without the need to purchase or build new shelters. The shed consists of wooden walls, a sloping roof and seven bays, however it is not in the best condition and structural repairs may be required if

it is to be used for the foreseeable future. The wall would also require some maintenance before housing the pigs to ensure that they cannot easily escape. Fencing would also be required to split the shed into sections and allow access to load and unload the pigs. However the farm already owns a number of used gates and excess sheep netting that would reduce the cost of this. The barns already have a water supply, including one old large cattle water trough that would not be suitable for pigs, however bowl or nipple drinkers can be fitted at relative in expense (Henderson Plastics Ltd, 2014). Adjacent to the shed is one large and one small concrete pad that would be an ideal position to fit a feed big that could hold pig feed and could also be used to store muck after mucking out and before it is spread on the fields. In the long term these other concrete areas could be used for the expansion the of pig enterprise.



**Figure 1: Old Cattle Shed**

The location of the old cattle shed near to the main farm buildings means that it would not be difficult or time consuming for farm workers to feed the pigs the pigs twice a day, however the shed has direct access onto a quiet country lane with no nearby houses, therefore increasing the risk of pig theft, something that has been increasing in recent years (O'Neill, 2014).

### **Christmas Trees**

There are two main Christmas tree plots at Farndon Fields Farm, one of these is situated near to the main farm, backing onto a new housing estate. This plot could provide a free range area that pigs could be reared in. The plot is around two acres so would provide sufficient space to fit the required number of pigs. However appropriate fencing would be required, either electric fencing which would give the option of moving the pigs around the area but would not be suitable for the long term, or a post and netting fence around the perimeter of the area which would be better for the long term. Dividing fences could also be erected to keep different batches pig separate. This area does not have shelter, other than the trees themselves; therefore shelters would need to be provided which would raise the cost. The area does not have mains water, although it is situated close to the farms irrigation reservoir, so investment would be required to get the water to the pigs.



**Figure 2: Christmas Trees**

As the Christmas tree area is situated close to the main farm building so the farm workers would be able to feed them daily easily, however the trees are blocked by other fields in all directions which could make access difficult, especially with livestock trailers when the ground is wet. However having the pigs free range would be another advantage that customers would appreciate and may allow the pigs to be sold for a premium.

## **Pens at Kites Hall Farm**

Kites Hall Farm is situated eleven miles from Farndon Fields Farm and is where the farm owner Kevin Stokes lives, there are two unused pens here that could be converted into pig pens without too much difficulty. They consist of brick walls around three sides of the pen and wire fencing along the front of one of the pens, although the second pen still requires a fence fitting. The pens are 8 meters by 12 meters so could hold enough pigs to supply the shop. Access for trailers is possible, although gates would need to be fitted to the front of the pens. They do not currently have shelter so this would need to be added. Due to this site being separate to the main farm it would require Kevin Stokes to feed the pigs daily, which would only become a problem when he is away and someone would have to cover for him. The site has access to water but shelters would be required. Although there are two pens here there is little opportunity for expansion, so there might not be enough space to house enough batches of pigs to ensure a constant supply to the shop.

## **Chosen Site**

Having looked at all three options it would be best to keep the pigs in the old cattle shed, it offers good access, ease of feeding and does not require too much work to produce an area that can hold sufficient pigs to supply the shop. The area also has mains water and shelter provided so development costs should be lower than the other sites. The site also means feeding the pigs twice a day will not be a problem as the workforce live nearby so there will always be someone that can feed them. The main disadvantage of security can be minimised with locked gates, CCTV and regular checks of the pigs.

## **Benefit of proposals**

Starting a pig enterprise on Farndon Field Farm should provide many benefits to the farm, the farm shop and the customers. The farm will have expanded and have a new element, meaning staff will learn new skills and space on the farm that was previously being wasted will now have a use. The farm will also have spread its risk, meaning if the market for vegetables and cereal crops is very low and the farm shop must drop its prices accordingly, the pigs may be worth more and be able to prevent the farm having a poor financial year. The farm will also be able to use the pigs at the Open Farm Sunday events (Farndon Fields Farm, 2014) where they will be shown to the shop customers and mean that there will be livestock as well as vegetables and machines on show, this is important because animals are popular, especially with children, so will help the open farm Sunday gain attention. The shop will also benefit drastically, having meat reared on the shops own farm for the first time will allow the shop to sell it at a premium and run promotions to make sure customers are aware that the pork has come from the shops own farm. They can also be used as a tool of social media, with regular photos and updates of their progress to keep customers interested and returning to the shop. Finally it will benefit the customers themselves who will not only be able to see them at Open Farm Sunday events but also have the benefit of knowing exactly where their meat has come from and that it has been reared well.

## **Conclusion and Recommendations**

In conclusion the introduction of a pig enterprise at Farndon Fields Farm is very much possible and would benefit the business greatly. The location of the pigs, once done up, will allow several batches of pigs to be reared at a time to create a constant supply for the shop. I would recommend splitting the barn into four bays to allow different batches at different stages of growth to be housed separately. Once the whole batch have gone to slaughter that bay can be cleaned out using the existing farm machinery and a new, young batch can be brought in. Another reason the pig enterprise would work well at Farndon Fields is because there is a guaranteed market of the shop. Although the national pig price would influence the price of the pigs that are brought in at, having the farm shop allows the farm to add value to the product and sell it directly to the end customer, something that will benefit the farm financially. It also removes risk from the business, there are no specific contracts to meet and no risk of contracts being terminated and being stuck with pigs without a market to sell them to. The addition of pigs will not alter the day to day running of the farm drastically either, although their feeding and occasional mucking out will require some time there is ample staff at all times of the year to meet the work load. Other enterprises such as beef or sheep are possible, but there are limitations that prevent them from working well in the long terms and higher investment and training would be required than for a pig enterprise.

## **Part 2- Sustainability**

Sustainability is being able to maintain and satisfy existing needs without damaging factors for the future (DEFRA, 2010). It is important the pig enterprise at Farndon Fields is sustainable so that the business can continue to operate successfully and build a new aspect of the business that will work and continue to work into the future.

### **Economic**

Economic sustainability is about long term survival with the ability to grow the business (Doane and MacGillivray, 2001). Farndon Fields Farm is completely owned by Kevin and Millie Stokes, meaning that they automatically have a strong amount of economic stability and the ability to sustain the business for a long time as there is no risks that come with renting land or being tenants. On a local level Farndon Fields provide economic sustainability to many local businesses and farms that they purchase from for the farm shop, they use many local contracts and workers for farm work such as hedge cutting, fencing extra tractor driving. There are also two large housing developments being built in Market Harborough, increasing the amount of potential customers for the farm shop and meaning it is likely to continue to be profitable. On a national level national potato prices greatly influence the price they can be sold for through the shop, with a 25Kg bag of potatoes being sold for £9 in 2012 when they were in short supply, but only £6 in 2013 when the country had good harvests. This is completely out of the farms control and brings an element of risk to the business as the cost to harvest and grow the potatoes will largely remain the same but the end price received for them could be reduced. A second national factor of the growing population means there is an ever growing demand for food, and it is a market that will always be required. On an international level global harvests can influence the cereal prices that the farm can receive. Currently prices are low but in recent years poor weather and harvests in Russia pushed prices up in the UK. Again, similar to the potatoes this can be a disadvantage to the farm as the cost of production will be similar, but prolonged low prices can mean the farm will not be economically sustainable. However the prices

fluctuate drastically year on year so most of the time the farm will be making good money on the crops.

## **Environmental**

To be environmentally sustainable the actions of a business must not have adverse impacts on the environment when they performed over time (Erwin, 2011). Farndon Fields produce large amounts of waste from the farm shop but do their best to deal with it in a sustainable way. All cardboard and clear plastic is taken to the farm and compressed into bales that can then be recycled and all food waste is spread on the land and ploughed in. All pallets and crates that food is delivered in are reused or burn in a dragon boiler than heats Kevin's house. However not all the waste can be dealt with so well, some cannot be recycled and must be sent to landfill. In the winter the shop is powered by a woodchip boiler, with woodchips from a local wood recycling plant, this is much more environmentally sustainable than heating from a source such as oil. The farm has large uses of diesel, both from tractors used on the farm and from the large amount of deliveries that are made to the shop. This is an unsustainable process in the long term internationally, as diesel is a diminishing resource throughout the world. Currently there is little the farm can do about this as there is no reliable alternative to fuel currently. There is also environmental sustainability concerns with chemicals that are a necessary use on the farm as they can cause damage to the environment particularly to wildlife and in watercourses. Chemicals are necessary at Farndon fields especially with the range of crops that are grown, but the amount of chemicals used could be reduced with the use of more cultural control methods. The government are also regularly reducing the amount of chemicals available to farmers, as they remove the more harmful ones.

## **Social and community**

Farndon Fields is a farm well integrated with the local community largely due to the farm shop. It employs around 25 local people that work in the shop and prides itself in buying most of its products from local producers and small local companies. The business runs up to date website and account through social media is constantly keeping people up to date with what it is up to. On a national scale the business has won awards from Farmers Weekly and FARMA for being food retailer of the year, proving its success. The farm has also run its first open farm Sunday event in 2014, something it is planning to repeat, the event brought around 1000 people onto the farm where they were able to see how the crops were grown as well as animals and machinery. This event created strong links between the farm and the food people buy and helped get the community involved and understand how farms work.

## **Pig enterprise**

The proposed pig enterprise could easily be run sustainably at Farndon fields. It will require work from local builders to create the pens for the pigs to be housed and mean the farm will have to purchase both the wiener pigs from a local breeder and pig food from a store in Market Harborough so will economically help others outside the business as well as the business itself. The pigs will save the business money as they will be able to add significant value to them by butchering the animals themselves and selling the pork through the shop, will little risk of national pig prices affecting profits, this will help it be economically sustainable. Environmentally it will mean fewer deliveries of

pork carcasses are required from producers, however it will require more fuel to be used to collect the pigs and to take them to and from the slaughter house.

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