

Carlow farm makes

This new entrant is driving milk solids per hectare on a mixed owned/leased farm in Carlow

Eamonn Grace
Teagasc Dairy Advisor, Carlow

Richard O'Brien
Teagasc/Glanbia joint programme coordinator

We have gradually managed to assemble the land we needed, says Jamie Kealy, who farms with his wife Lorraine at Slaneyquarter near Tullow in Co Carlow. "Originally, we were beef producers on a 13ha owned block. In 2013, we leased a 27ha block 8km away. We started in dairying in 2014 milking 63 heifers that year. In 2015, we leased another 10ha beside the

milking platform. For 2017, we have leased another seven hectares, which is about 2km away from the milking platform."

The most remarkable feature of this farm is the excellent milk output achieved from a young herd. "The key thing was the quality of stock we were able to acquire," says Jamie. "We were fortunate to be able to start with very high EBI heifers."

In the first year of production, they milked all heifers with an average yield of 435kg milk solids/cow. This increased to 516kg MS/cow in 2016 from first second and third lactation animals. The herd is predominantly Friesian with some crossbreeds. The fertility performance of the herd is excellent with six-week calving in excess of 85% and infertility of less than 10% over the last three years.

"Our meal feeding was excessive over the initial two years in production," says Jamie. "I'm now more focused on measuring grass and I believe that we can sustain high production based on well-managed high-quality grass and good cow fertility."

The original 27ha milking platform

has excellent soil fertility. Jamie says that the remaining blocks of land are low in phosphorous and potassium and are currently receiving maintenance, plus build up fertiliser treatment. This will continue for the next few years and the whole farm will be soil sampled again in 2017 to check soil fertility status. "We're fortunate in that this is a very dry farm in a low rainfall area (well under 1,000mm/annum)," says Jamie.

"Cows were grazing for 280 days last year. The spring of 2016 was very difficult but on this farm our animals were out grazing day and night from 1 February. The average growth on the farm has been 13 TDM/ha over the last number of years. Some 75% of the milking platform has been reseeded in the last four years. The farm needs to grow 13t DM/ha to sustain a stocking rate of 2.5LU/ha."

"The overall investment to get the farm up and running will amount to €200,000," says Jamie. "Half of this was funded from the sale of our suckler herd and other stock. This is a former dairy farm and it was leased with good facilities and infrastructure in place. Reseeding and fencing were funded through cashflow. Bank borrowing funded the remainder of the investment."

Milk price is very good on the farm due to high fat and protein percentage. Costs on a per-litre basis are being diluted over time as the volume produced increases. The cash breakeven for this farm in 2016 was 26.5c/l. Costs were kept to a minimum this year. No reseeded took place and there were very few repairs and maintenance in 2016. Jamie has recently completed a cashflow budget for 2017.

"As new entrants to dairying, we were careful not to get too carried away by a good price for milk in the early years," says Jamie. "We expected the price to be volatile and so it proved. We believe the only way to be competitive is produce a high output of milk solids largely from grass."

The future

With 60ha, this farm should be able to go to 130 cows and 30 replacement units over the next three years. Output of 65,000kg MS/year (130 cows x 510kg MS) is realistic with a whole farm stocking rate of 2.5LU/ha. "Both Lorraine and myself work off farm but we plan to reduce or eliminate that work to run this operation with assistance from seasonal labour," says Jamie.

Table 1: Physical data

	2014	2015	2016	2017
Total land farmed (ha)	40	50	50	57
Overall stocking rate (lu/ha)	1.49	1.84	2.5	2.5
Milking platform (ha)	27	37	37	37
Milking platform stocking rate (lu/ha)	1.89	2.08	2.46	2.81
Cow number	58	77	91	104
Milk solids per cow (kg)	435	480	516	525
Fat and protein (%)	4.16/3.64	4.29/3.71	4.44/3.7	
Milk solids per dairy ha	826	884	1215	1475
Grass growth (kg dm/ha)	13	13	13.2	14
Six-week calving rate (%)	88	85	87	90
Meal fed kg	1000	770	800	600

Investments

	2014	2015	2016	2017
Heifers	63 (€75,600)	20 (€25,000)	20 (€24,000)	10 (€12,000)
Grazing infrastructure				
Quad	€4,000			
Slurry scraper			€12,000	
Additional cubicles			€9,000	
Upgrade parlour				€12,000
Bulk tank				€9,000
Reseeding		€4,000		
Upgrade fencing	€15,000			

Table 2: Financial performance

€/litre	2014	2015	2016
Co-op milk price	39.41	32.54	27.70
Gross output	37.73	33.70	28.71
Total variable costs	11.79	10.20	9.28
Total fixed costs	17.62	12.17	9.01
Net profit (excluding BPS, drawings, tax and capital repayments)	8.32	11.33	10.42

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Ailbhe Kealy (seven), Jamie Kealy and Eamonn Grace. Jamie and Lorraine Kealy are part of the Teagasc GII joint monitor farm programme.