

# Hereford Monitor Farm meeting report

Meeting 5: Sweating your assets: the power of farming

Speakers: Martin Williams (Hereford Monitor Farm), Russell Price (Hereford Monitor Farm), David Kinnersley (Fisher German), John White (Caplor Horizons)

Date: 21 February 2018

Location: The Green Man, Fownhope, Herefordshire, HR1 4PE

For more information, visit: [cereals.ahdb.org.uk/hereford](http://cereals.ahdb.org.uk/hereford)



## Meeting summary – key messages

- Do plenty of research and consult others
- Complete your SWOT & key competencies analysis and be truthful with yourself
- Be clear about what you want to achieve
- Prepare a business plan & seek advice from others
- Consider how you will manage risk
- Grants are useful but don't let them help a poor plan!
- Talk to the bank manager

## SWOT analysis: Russell Price

### Strengths

- Profitable business
- Economies of scale – farming/contracting
- Knowledge & experience of growing/contracting especially in specialist potato sector
- Experienced manager of resources & projects
- Skilled team in office and field
- Machinery sales business
- Large rented yard & workshop with sublet near Ledbury
- Secluded traditional farmhouse & buildings at Fownhope

### Weaknesses

- Seasonal nature of work – winter cashflow
- Is there time to devote to other projects?
- Rent & finance payments – ability to borrow more?
- Main base in rented building/yard
- Is there flexibility of workforce?
- Enterprises that consume time but don't generate profit – Herefords, direct potato sales, machinery sales?
- Working capital tied up in machinery
- Are there clear objectives for the business & succession?

## Opportunities

- Technology = higher productivity = release time
- Good broadband – opens up many opportunities
- Declining number of active farmers – expansion
- Agricultural reforms/Brexit – expansion as others retire/rents adjust
- Growth in affluence of area – other goods and services
- Demand for “staycations”, holiday breaks in beautiful areas, rural experience & outdoor activity
- Rural grants

## Threats

- Landlord & change in circumstances at main yard
- Falling consumer demand for potatoes
- Brexit/Agricultural reforms – greater price volatility & risk
- Access to capital/funding
- Rising interest rates
- Inflation – fuel, labour & machinery

## Diversification considerations for Russell Price

- Farming & contracting likely to remain the core
- Invest/divest – cattle/direct potato sales? What are margins?
- Classic tractor restoration? Use existing workshop and skills over winter
- Hard landscaping & wider machinery contracting services to country houses/estates
- Property – develop buildings at Fownhope – requires capital and time to develop & manage
- Niche tourism – naturist camp at Fownhope?
- Vlogger – all things machinery?



## SWOT analysis: Martin Williams

### Strengths

- Strong team commitment
- Experience managing a wide range of activities
- Economies of scale – farming/ contracting/ joint venture
- Cash generation from property
- Diverse income – solar/property/phone mast etc
- Location: In AONB – natural beauty/ river Wye/ Good access to M50/A49/ close to thriving village & popular destination for outdoor activities etc
- Good broadband
- Environmental/ natural capital “offer”
- Further property potential – farmhouse/barns

### Weaknesses

- Is there time to devote to other projects?
- Time spent on low margin activities – hay & straw?
- Finance payments – ability to service more?
- Is there flexibility of the workforce?
- Are there clear objectives for the business & retirement?
- Grassland income dependent on beef/sheep sector

## Opportunities

- Growth in affluence of area – other goods and services – storage/leisure etc
- Demand for “staycations”, holiday breaks in beautiful areas, rural experience & outdoor activity
- Collaboration with other local leisure providers
- Increase in demand for “Environmental Services”?
- Undeveloped building/alternative uses
- Rural grants

## Threats

- Brexit/Agricultural reforms – greater price volatility & risk – sheep tack/cattle B&B etc
- Access to capital
- Rising interest rates
- Inflation – fuel, labour & machinery
- Planning policy
- Local opposition to non-farm developments

## Diversification considerations for Martin Williams

- Reviewing beef B&B and hay & straw enterprises – release assets and time to generate better return?
- Developing storage further to generate cash flow
- Tourism
- B&B in spare bedrooms in farmhouse?
- Glamping during summer months
- Tie up with leisure experience businesses – stop off point for river users etc
- Develop traditional barns for self catering etc?
- “Pay per ride” – mountain biking/horse riding etc



## Find out more – Links to AHDB information sheets or research

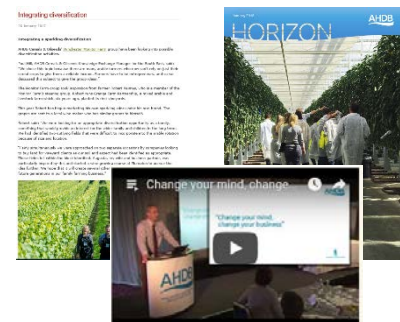
[Integrating diversification](#)

[Driving productivity growth together](#)

[AHDB Cereals & Oilseeds blogs](#)

[AHDB decision-support tools](#)

For videos and presentations from the Monitor Farm conference 2017: Change your mind, change your business, visit [cereals.ahdb.org.uk/monitorfarmconference](http://cereals.ahdb.org.uk/monitorfarmconference)



## Next meeting


**Date:** 19 June 2018

**Topic:** Russell's summer meeting

**Time:** 13.00

**Location:** Bromtrees Hall, Bishops Frome, Herefordshire, HR7 4HZ

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