

Malemesbury Monitor Farm meeting report

Better grain marketing post-Brexit

Speaker: John Pawsey (Shimpling Park Farm), James Webster (AHDB), David Swales (AHDB)

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Key messages

- There are a number of factors to watch when assessing the market
- Ask questions when selling grain
- Maize market statistics impact on cereals markets by substitution
- Prepare for the future by doing a SWOT analysis and creating a business plan using SMART objectives

Practical grain marketing

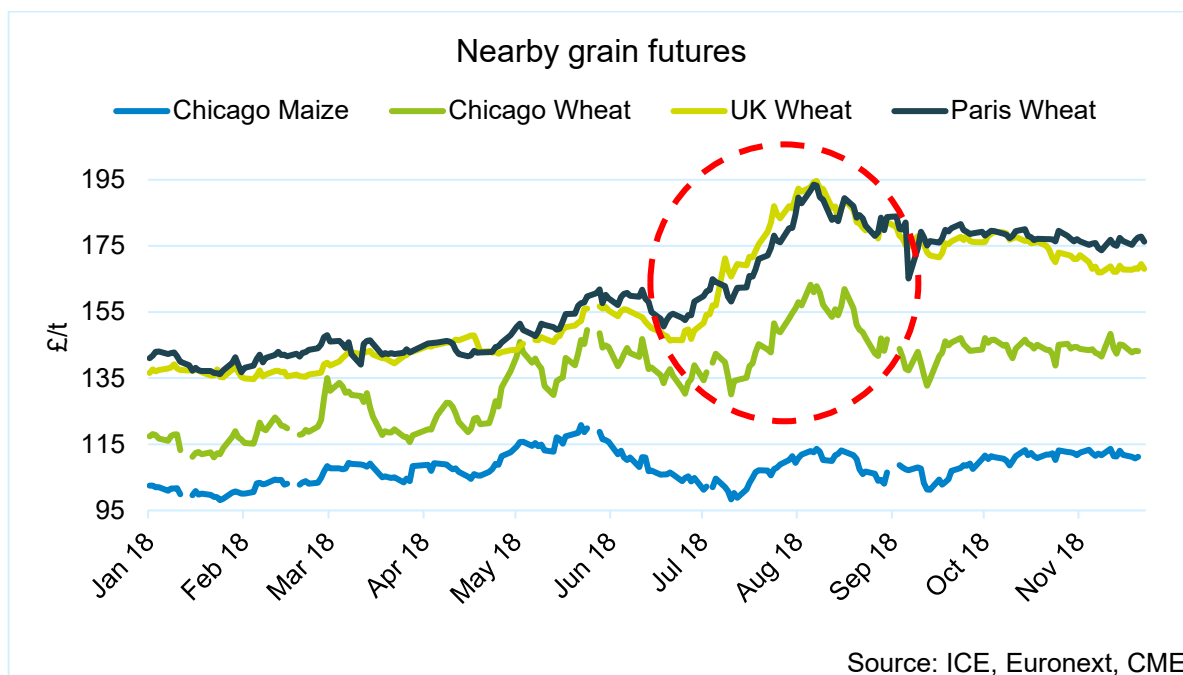
- Read reports (including AHDB Market Updates) to assess what world factors market have already priced in and how long impact is likely to last eg lower plantings data will have long-term supply impact
- Stocks:Use ratio can be a guide, for example, the wheat market is considered tight when it reaches 16%. It is currently 25%.
- As well as currency and Brexit. UK markets are finely balanced according to whether there is an exportable surplus or not. Look out for this information for a season.
- Remember to look at world maize statistics which can impact on cereals by substitution.
- Take control of your grain marketing

If I want to sell grain, what questions should I ask?

- What markets are there locally?
- What specification do I need to meet?
- What is my margin/ what price can I afford to sell at – what is my cost of production?
- What are my storage constraints / costs?
- What are my cashflow constraints?
- How much should I sell forward?
- How am I planning to manage volatility?
- What is my attitude to risk?

If my merchant phones me and wants to buy grain, what questions should I ask?

- What market is the grain going to?
- I don't want my grain to travel further than X.
- Are there any special terms applied to my contract – specification?
- Contract dates – negotiate payment terms
- Any Brexit specific clauses?
- What are the delivery terms – volumes, timings?
- What feedback will be received – when if multiple deliveries?
- Ensure you receive written confirmation promptly – your silence will be taken as acceptance
- Remember, what is agreed over the phone is taken as contractual agreement.
- Keep samples



Brexit: the future

Brexit is like a health scare – go to the gym, start taking your 5 a day. Do the same for your business – set business and personal objectives; do a SWOT analysis; assess current position, do a Business Plan and set SMART objectives etc.

Key elements to business planning

- What is the big picture? What is required? Consider business and personal objectives in the short, medium and long term.
- What is the position now? Honesty key and personal and financial position need to be considered
- Do a SWOT analysis (strengths, weaknesses, opportunities and threats).
- What are the options?
- What are you going to do?
- How are you going to do it?
- Who is going to do it? Who is responsible for key elements?
- Are there the resources and capabilities in the business to achieve the plan?
- Set SMART objectives for people and business:
 - Specific
 - Measurable
 - Achievable
 - Relevant
 - Time based

Find out more – Links to AHDB information sheets or research

For more information on business planning, including setting business objectives, personal objectives and exploring options for the future, visit ahdb.org.uk/business-planning

[Pillars of risk](#)

[Risk matrix](#)

[Farmbench](#)

[Brexit impact calculator](#)

[Webinar: preparing for change](#)

Next meeting

Date: 7 February 2019

Topic: Health soils, healthy crop

Location: Lower Odd Farm, Crudwell, Malmesbury, Wiltshire SN16 9SN



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