

## Lyndon Farms

Will: Hi and welcome to AHEAD OF THE FIELD, a podcast series brought to you by NFU Mutual exploring how farmers are growing their businesses in the future. I'm Will Evans. I'm a farmer and podcaster based in North Wales. This series of podcasts will look at new sources of income, new farming models, new farming technology, and our first few episodes will be focusing on farmers who've done something different, who've diversified their businesses and are looking at new ways to secure their farming futures. I myself moved from being a relatively small scale dairy farmer into beef production, arable crops, a free range egg unit, contract bailer business and a little bit of podcasting on the side. And what it's done is it's made our business more robust for the future. According to our research, over 60 per cent of farm businesses have done some sort of similar diversification and so we're starting this series by setting out to meet some of the people who've done this, who've met the challenges and are inspiring other people with their successes. We'll hear their stories, we'll walk around their farms, hear what the biggest challenges that they've had to overcome and hopefully get them to tell us some of their secrets and ask what they think the big opportunities are. We'll also talk to the experts, who can give us all some insight and advice about what help is out there if you're considering diversifying for your own farming business.

Today we're at Lyndon Farms in Leicestershire. Back in the 1980s, Simon Smith was dairy farming with just 150 acres. Now, along with his daughters Penny and Becky and his son James, they've moved out of dairy production and diversified into agri-contracting, with a hugely impressive operation covering over 3000 acres. So it's going to be fascinating today to find out just what they do here and how they made that happen. It is flat - a little bit different to where I'm from in North Wales. Lots of trees, lots of big hedges and lots of blue sky. There is some massive equipment here. It looks very well looked after, really well maintained and there's a lot of people rushing around, looking very busy getting on with their days.

So we're here, sheltering from the wind in one of the sheds here at Lyndon Farms and I'm with Simon, Becky and Penny. Let's start by hearing who you all are and what you do here.

Simon: Hi, morning. My name is Simon and I'm one of the partners in the business.

Becky: Hi, I'm Becky, I'm Simon's eldest daughter and I work on the farm.

Penny: I'm Penny, I'm also Simon's daughter and I work on the farm.

Will: Simon, why did you feel the need to move out of dairy farming – are you just not a morning person?

Simon: I wasn't particularly interested in dairy farming at the time and this was back in the 90s when dairy farming with quotas was going through a bit of a difficult time. I've always had a passion for machinery, so that's really where it came from, using the machinery. Some of the machinery I already had on the farm. I decided to go and do a bit of contracting.

Will: Well perhaps you can tell us what you've got here and what the business does.

Simon: Well basically speaking, we cover most contracting operations from foraging to full share farming contracting on the arable side, lime spreading, hedge cutting - but we also run a plant hire business which is like a sister business to this one so we tend to end up doing quite a lot of plant work - civils and things like that as well.

Will: So you've got a real mix of old and new equipment here, haven't you?

Becky: Yeah we have, as you can see we've got two four-string balers there. I think they're

older than me and I'm 22. Dad loves those balers, but they're four-stringers and we've moved on to six stringers now, which are actually becoming really popular and then as you can see obviously with the weighbridge there, all the lorries come in from Wales and take the straw - six strings and four strings - and they go off to Wales or wherever they go to.

Will: So how many balers are you running here?

Becky: We've got three square balers and one round at the moment. The squares are really popular for haylage, because we do a lot of haylage as well.

Will: Right, okay. So what's your favorite piece of kit to drive? What do you like using the most?

Penny: The Fastrac!

Becky: Definitely the Fastracs! We spend our whole time on the Fastracs.

Will: Oh yeah ok, is that just for speed or...?

Becky: They are so comfortable on the roads. They pull the trailers really well don't they?

Will: And how do you two like working together, do you get on okay?

Penny: Yeah I think we get on really well to be fair.

Becky: Well the main thing is we're always having a laugh aren't we?

Penny: Oh yeah, yeah.

Becky: We don't get too serious.

Will: I can see that. What about the rest of this – how many staff do you have working here?

Becky: We have about 5 full time all through the winter and then in the summer we have about 14 of us that come. Even ourselves, we sometimes go off and do other work in the winter.

Will: So there's plenty of work for them all to be doing.

Becky: Oh plenty, yeah – always lots to be done.

Will: So we're standing right in the middle of the farmyard here. But how much land have you got here on this farm?

Becky: We've got about a 1000 acres in a ring fence around here. This is the main farm. We've also recently just bought another property which joins on to that as well. And that was Dad's main goal - to have, to buy land.

Will: And what kind of distance do you cover with the contracting? Do you go a long way? I guess you must do.

Becky: Yeah we go pretty far.

Penny: The furthest we go is...

Becky: ...the other side of like Melton.

Becky: And Crick. So would that be like a thirty mile

Will: So that's why you like the Fastracs!

Becky and Penny: Yeah, yeah, exactly!

Will: Now why don't we move into the workshop Penny, so you can show me where you do your favorite job, mechanicing? So you've got a fantastic workshop here – plenty of space – what are some of your favorite things to work on the farm?

Penny: I do like servicing kit to be fair, when you've been driving them for a while. After five hundred hours you have to give them a full engine service. So I like doing that side of things, so when I get back on the tractor and driving it, I feel like it's given it that, refreshed it kind of thing. Given it a whole new engine oil change and the axles, axle oils and stuff.

Will: And what's the absolute worst piece of kit to work on?

Penny: I don't like doing digger buckets. I struggle with them.

Will: You struggle taking them on and off?

Penny: Well yeah. Hammering the metal on, and putting points on and off, I do struggle doing that. Because I'm only small. Just through there we've got a pit that we just drive the tractor over and can get underneath everything easily. So yeah. Good bit of kit that is.

Will: So it's not a bad place to spend the winter, especially on a day like this.

Penny: Yeah it is, nice big heater there. And yeah, this is where we all basically live in the winter.

Will: I'm quite jealous – this is a hell of a workshop.

Penny: It's not the tidiest but it gets the job done!

Will: NFU Mutual's Rural Affairs Specialist is Tim Price. Tim, more and more farmers are looking for ways to diversify. Why do you think that is?

Tim: Well at the moment, with direct subsidies to farmers starting to fall from 2021, a lot of farmers are looking at ways to increase their income and we're finding that about 20 percent are seriously considering going into diversification when they've always before stuck to pure farming.

Will: And what do you think most people are hoping to achieve from it – from diversification? Is it just a case of expanding their business, or...?

Tim: Well it's a variety of things. The first thought is often that you need to boost the income to keep the farm ticking over and make it sustainable in the future. But there may be other reasons too and amongst those we find that a lot of farms are looking for a way to keep the children on the farm, because there's very often not enough work to enable them to stay in a role there, but if they diversify into something that they've got a personal interest in, make their own business that works as part of the overall structure of the business, and that can be incredibly successful.

Will: And is agri-contracting one of the most popular ways that people are diversifying?

Tim: It certainly is - for a lot of farmers it's quite similar to what they do already. They've got the machinery already and it seems a fairly easy step to move into contracting. So - particularly for

young farmers - a lot of them think "yeah I could get out there, I could fit it in with the work I already do on the farm. It's the obvious thing for us to do."

Will: What are some of the considerations that people need to make when they start to think about diversifying into it?

Tim: It's not just about getting on your tractor and going down the road and working for your neighbour. You've got to be a businessman, you've got to market yourself, you've got to set your prices and you've got to get in the office when you get home. Do all your sums and send your invoices out and in some cases you've got to chase them as well.

Will: Yeah, well, the less said about that the better! So yeah. So it's not always successful then - I mean what are some of the common pitfalls?

Tim: I think the ones we see often are people who haven't sort of thought through their goal - they've set up with a short term objective of getting some cash. But you really need to think how you're going to develop the business, how are you going to replace your machinery or increase the size of your operation and also very much if you're a farmer, how are you going to fit in this contracting work with what you've got to do on the farm yourself. Because all the work comes at the same time - when the sun comes out, that's when everybody wants you and everybody's on the phone, and your own harvest is ready as well. You've got to really work out how you're going to get over that one.

Will: Yeah, as someone who does contract baling myself, I know exactly what you mean by that. Your phone's red hot when the sun comes up. Contracting is a competitive market. There's a lot of people doing it. What do you think people need to consider most when starting to think about diversifying into it?

Tim: It's about fitting it in with the work on your farm and the other skills that are needed, apart from getting on your tractor and driving down the road to your neighbour's farm. There's marketing, there's a lot of paperwork, there's pricing, there's getting out amongst farmers to show them what you can do - and all these things take a lot more time than people imagine. The temptation is to put in quite a low start cost and just think of how much diesel's costing and your own time, and really that's not enough. You've got to think of this as a business which has got big overheads. You've got to replace your equipment to keep it going in the future. So don't price yourself low.

Just before we carry on with the rest of this episode, you might like to know that NFU Mutual has published a report on diversification that you can download right now.

Just go online and search for "NFU Mutual diversification."

And if you're enjoying this podcast, please do make sure you subscribe so that you never miss an episode.

Right, back to the programme.

Will: So we're back in the shed now with Simon, Penny and Becky, and we're also joined by Esther and Tim from NFU Mutual. Let's hear a bit more about their diversification adventure. Simon, what was your first move into agri-contracting? Did it come about by accident or was it a very deliberate plan?

Simon: Yeah it did actually sort of come by accident really. That's the route that I wanted to take but we've purchased a round baler and then a bale wrapper which was the first one in the area.

So that sort of kick-started us with that and we also bought a new digger. We looked at buying a second-hand digger and it was better off to have a new one. So we had a new one and that ended up going on hire to the council and then it sort of snowballed from there.

Will: Okay. And it's a competitive business isn't it? How did you start building up your client base?

Simon: Just word of mouth really - just trying to do a good job, being reliable and being passionate about what you do. The same as any business really.

Will: Yeah, and what marketing techniques have you used and what have you found has worked best? I mean, have you used social media or anything like that?

Simon: We run a Facebook page but that's about it really on social media, and the branded mugs, and a few flyers and things like that we use at Christmas time - you know, pens, pads, that sort of thing. But basically speaking it is really through word of mouth and probably seeing a potential outlet and going to see them and seeing if we could work together.

Will: Yes, farmers do appreciate that communication don't they, and that personal touch?

Simon: Definitely, definitely.

Will: So do the rest of the family all get involved in the marketing side of the business as well?

Simon: Well the girls do, and Anna my wife in the office, she obviously deals with the office side, emails and all that sort of thing. But yeah, the girls, what have you been up to?

Penny: Well I've got a GoPro and I put it on the machinery when we're out sileaging, and then I edit it and put it on YouTube. So it appeals to the younger audience.

Will: And what kind of views are you getting?

Penny: Well we had someone in to do a drone and GoPro video and it got 9k views.

Becky: Yeah, it went mad didn't it?

Penny: Yeah, it went viral.

Becky: It did also go on Instagram and Facebook. But you've done your own sileaging videos and whatever, and they were really good.

Simon: But that's a way of reaching the younger audience isn't it.

Penny: Yeah, that's what I mean.

Becky: Yeah that was good. And the Facebook page was probably more our idea. But Dad likes it too now and he posts like mad now.

Simon: Yeah it does, it promotes the business and it's a bit of fun isn't it? The young farmers are always keen to see what's going on.

Becky: Yeah but also you explain to people that don't know about farming. They are actually interested aren't they, to learn more, and you put explanations on.

Simon: That's a very good point actually because I hadn't thought about that. Yeah. Things like to do with crops or the spraying of crops and things like that, or drilling. I have tried to do a bit

for non-farming viewers if you like, and explain things. And there has been quite a bit of good feedback from that.

Becky: There has, there's been a lot of people interested.

Will: There's definitely an appetite out there for people interested in where their food comes from isn't there?

Simon: Yeah, oh yeah, yeah, definitely.

Simon: It is actually good as well because, you know, I am trying to let them take on more responsibility because ultimately at the end of the day it will be their business I hope. I'd never force them to do it if they didn't want to do it. But they are pretty keen at the moment and, yeah, I've got things to do when I retire.

Becky: You're never going to retire!

Simon: Don't you believe it!

Will: And you must have had to invest in an awful lot of new kit. I mean, you mentioned the baler and the digger to start with. I mean, I guess you would have had to quickly build that up.

Simon: Yeah. We have never been big takers on brand spanking new machinery - a whole yard full. We run a fleet of sort of older second-hand, we buy second hand. We also have newer stuff as well. We probably have ex-demonstrator stuff. A lot of our machinery purchases are done through a budget. Too many times I see people starting up, and they get too carried away with a brand new shiny green tractor, and blow all their budget on a tractor and have nothing to put on the back of it. I've always looked at a budget, that if you can buy something, save 10,000, 20,000, you can then use that to put it on the back of something else. And always purchase like that, without having too much stuff on HP.

Will: And just from walking around the farm I can see you obviously look after the equipment - it's really well maintained and clean and tidy.

Simon: Well yeah, we try!

Becky: Well that's where me and Penny come in - to wash it all!

Simon: Yes, the girls keep it clean.

Will: If you don't mind us asking, how did you initially fund the set-up of the agri-contracting business?

Simon: When I think back, and I think of the prices that the equipment now, it's insane compared to those days. Yeah it was just done through business capital really and having stuff on HP and then just gradually building it up. You know, if you've got four bits of equipment and two of them are on HP and two of them are paid for it helps dilute it down and keeps it all rolling forward. So that's what we've always tried to do.

Will: I mean, is it a very competitive environment, are there many other contractors locally?

Simon: There is a lot of contractors locally actually. The key really is individuality, and just making your business different to everybody else's. Don't try and go into competition with your next door neighbour because you're just in a price war and it's just nonsense.

Will: And when we were walking around the farm we saw the portable weighbridge - is that the sort of unique selling point you can use?

Simon: Yeah definitely. In the last five years dairy farms around here have all expanded and we are now supplying forage - both grass and maize - into these different farms. And we use the mobile weighbridge - which is pretty unique around here because no other contractor has got one - so we can weigh every single load onto the farm. We take samples of what we're bringing in to get the dry matter on them, so we know exactly what we're charging the farmer, and the farmer knows exactly what they're getting.

Will: Okay, and it's one of you girls who operates the weighbridge isn't it?

Becky: Yeah that's me - I like to operate that. That's my baby. I like to be in charge of everything and charge all the tickets, and then when the job's done I like to go in the office and sort it all out myself, ready to send off to the customers so they know exactly what they've got and also how well the fields have yielded, give dad some figures and whatever.

Will: Okay, so how does the contracting business work alongside how you manage your own arable farm because, you know, when the sun shines, you need to be in ten places at once don't you?

Simon: That's the skill of being a contractor isn't it, is to make sure that timeliness is key, especially in a difficult year. This year's been very, very easy - the easiest one I've known in fact. But yeah, it's all to do with just knowing your workload and placing it really.

Will: Esther, you're a customer of these guys - why don't you tell us a bit about who you are and why you're here today.

Esther: Hi, I'm Esther I'm a local NFU Mutual agent. I'm also a partner in a contract dairying business with my husband. And we are a customer of Lyndon Farms.

Will: Okay, so how many cows are you milking now?

Esther: Just under 360 at the moment.

Will: So pretty busy then?

Esther: Yeah, it keeps my husband out of trouble.

Will: Okay so why do you use agri-contractors?

Esther: For us it's really cost-prohibitive to invest in the machinery. Plus we are a dairy farm and specialize in milking cows not driving tractors. So all in all it suits us to get contractors in.

Will: And why did you choose to work with Lyndon Farms? Why these guys?

Esther: When we first moved to the area, Simon and the family were really highly recommended to us. I think Simon came and met my husband Jimmy and had a good chat with him and Jimmy was really impressed with how professional he was. We also got a free mug which helped! And overall, ever since we started working with them they've been incredibly reliable and professional throughout so it's been a really great working relationship from our part.

Will: They turn up when they say they're going to.

Esther: They do!

Becky: And we stay till the bitter end! No matter what time it is...

Simon: Even at 12 o'clock at night...

Will: You don't come as far as Wrexham do you, by any chance? If someone was setting out then, to start their own agri-contracting business now, what should they consider from their customer's point of view?

Esther: I think reputation is key. I think my husband always says, 'You are only as good as your last job'. So a professional approach, competitive pricing. Obviously everyone wants to keep their costs down, and the fact that they are reliable, turn up, do the job, and do the job well.

Simon: Yes, I think basically speaking, every job you do for a customer, you do it as if it was your own job. That's the secret really. Sometimes things do go wrong - the weather, the machinery breaks, something like that - and it's just a case of working together with a good partnership really, trying to keep the partnership on both sides.

Will: So Esther, how important is it to you that you and your husband Jimmy have a close working relationship with Simon? That's it's not just a matter of him turning up on the farm, but you're actually working together and planning for the year.

Esther: Incredibly important. I mean, at the end of the day, we've got to get 360 cattle through winter with plenty of food, so we can produce lots of milk. So my husband speaks to Simon throughout the year, but they get together annually to really sit down and work out what's needed. So my husband will calculate how much fodder they need throughout the winter months - so maize and silage - and we'll have a sit down with Simon and work out how we can get that sorted.

Simon: Yeah this is a very good example of what we are now doing with Esther and Jimmy and various other customers as well, working as a partnership, get together and see what we can sort out, because we're already planning now for next year. So it's a 12 monthly planning process to do with the cropping really, with the emphasis on ourselves then to supply what these guys need.

Will: Farming is a long term game isn't it - you're not just thinking two weeks ahead, you're thinking two years ahead really aren't you?

Simon: Well actually I spoke to a customer this morning. He's put another unit in, which will be another 200 cows. It's a bare field site at the moment but this time next year they're hoping to start milking 200 cows on what is now green field, and he's booking grass and maize for two years' time.

Will: So if we can just bring in Tim. Tim, have you got any advice for Simon or is Simon's business a good example for someone who's just coming into agri-contracting?

Tim: Well having a walk around the farm this morning it's clear this is a business that's really buzzing. Everybody knows what they're doing. There's machinery moving, maintenance going on - lots of well-planned activity. And it's clear that this is a well thought out business, and that the parts fit together - the contracting fits with the farming side. And in fact that's the key to diversification. If you get it right, play up all the skills in the family so that everybody can take their own part and also be happy doing so, where the whole makes more than the sum of the parts. And I think they've cracked that here and that's probably a lesson to take when you're planning diversification. So look at the skills you've got, set real goals and do something that you're going to enjoy.

Will: Simon, I know you're not finished with diversification here. Are you always looking for new income streams?



Simon: Oh yes! I'm always on the next mission. Yes I think the contracting will move forward. The plant hire will move forward as well. And there's some things at home - we've got a farm across, adjoining us that we purchased about eight years ago that we would like to develop more, to possibly put contract rearing heifers in for one of the customers. So we'd like to develop that into a larger scale business I think.

Will: You've always had strong goals and plans - have you got those mapped out for the next 10 years then?

Simon: Yeah I think so yes, yeah. Yeah there's always plenty to do, new projects. I love new projects.

Will: Speaking in the next 10 years, how important is it for you to involve the family?

Simon: Oh very important, yeah. As I say, I'd like to retire one day and leave them to it - I'm not going to do it till the end. But yeah, getting new people involved in this business, and any of these other businesses really, is quite important - very important in fact. That's the future isn't it?

Will: And what about you then girls? Which direction would you like to take the business in in the future years?

Penny: Well I'd like to carry on with the business because I'm very proud of what dad's done with it so far and I'd like to carry it on.

Becky: Yeah I'd like to carry it on and I hope that us three will always work together really well. And I think that although the business is doing really well, I think that we could take it so much further as in technology side of things, even little things like stuff to do with the weighbridge, auto steer. I think there's just so much out there in the future that we can get into.

Will: Just before we go, do you have any thoughts or advice for other farmers who might be considering the world of agri-contracting?

Simon: Yes, I think the main thing with contracting is not to be a busy fool. You can be a busy fool with shiny machinery on HP and get nothing out of it at the end. That's the thing.

Will: Is there any advice that you wish you'd had along the way? Is there anything that you'd go back and tell yourself when you were just setting out?

Simon: There isn't really. I'm sort of quite pleased with where we've got to. We've managed to turn our profits back into the machinery and the business but also into purchasing more land, because that is the key. Land is the key. Buy land, not machinery.

Will: And Becky and Penny, you're young, you're only 20 and 22 - have you got any advice for any other girls who are thinking about going into farming?

Becky: It is scary. I mean when I was 16, it was daunting - big machinery going around - but I feel really happy and comfortable now and I think we've gained a lot of respect haven't we, from a lot of people.

Penny: Because it's very male orientated job. But we see more females around the farms when we go contracting.

Becky: Yeah, it's good to see.

Will: Well thanks again for having us here guys and we wish you all the best of luck with continuing to expand your empire here at Lyndon Farms.

Simon, Becky, Penny: Thank you, thanks guys.

Will: So having spent the day here at Lyndon Farms and as a farmer who does a bit of contracting myself, I'm really impressed with everything they've got going on here. The equipment's tidy, it's well maintained, the family seem to get on really well, they work well together and they've got their eyes open for any future opportunities. It's been a real privilege to spend the day here and see what they do.

If you've been inspired to find out more about diversification, how to do it and what advice is out there for you, NFU Mutual has published a report on the subject that you can download right now. Just go online and search for 'NFU Mutual diversification'. In the meantime, if you've enjoyed this podcast, please do subscribe through your normal podcast app, and that way you won't miss an episode.

In the next episode, we'll be visiting the Ramsbury Estate in Wiltshire, to find out about their expansion into brewing and distilling.

For now, from me, Will Evans, NFU Mutual and everyone at Lyndon Farms in Leicestershire, it's goodbye.