

# WOLDGRAIN

## CONVEYOR

Summer 2021



Tom Marsden - Chairman

This is my first contribution as Chairman for our Newsletter.

At our last board meeting, which we were able to hold in the board room again,

rather than virtually, it gave me great pleasure to present Fred our outgoing Chairman, with a caricature depicting his life and loves, or at least those the board knows of!

The other presentation made that day was to Michael Anyan who has decided to stand down from the board after giving many years of dedicated service including being company secretary. An album of images, pictures and press cuttings covering Michael's 38 years had been produced, with messages of good will included by the current board and presented to him by Fred Myers. The last chairman Michael worked with.



**Well done to Fred Myers, our outgoing Chairman and welcome to Tom Marsden!**

Looking to the future, agriculture is entering a period of significant change. However, whatever changes occur there is no doubt in my mind that quality produce will still be required by our end users. Woldgrain has gained a reputation to help members to deliver what is and will continue to be required.

Sound management and prudent financial planning will, as always, be upper most in your board's minds. Thereby ensuring that however turbulent the next few years prove to be, Woldgrain and your investment in it are able to continue to deliver the service you require.

Demand for space since our last expansion has continued to grow outpacing the available capacity. This has led us to embark on a further 11,000 tonne expansion which should be available

*Continued...*

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[www.woldgrainstorage.co.uk](http://www.woldgrainstorage.co.uk)

adding value in the food chain



Left to right: John Burnett, Andrew Lyle, Dan Murphy, Amanda Brook, Michael Anyan, Tom Marsden, Fred Myers, Emma Bradley, Chris Baylis and Mark Worrell.

this harvest. Providing the current world wide situation doesn't throw any more spanners in the works.

Difficulty in finding good staff, or in fact any staff to work in our sector is becoming more and more apparent and will be keenly felt on some farms as we move into the summer and autumn period. The effect on the haulage industry and its implications for all of us are outlined in Nigel's comments later in this newsletter.

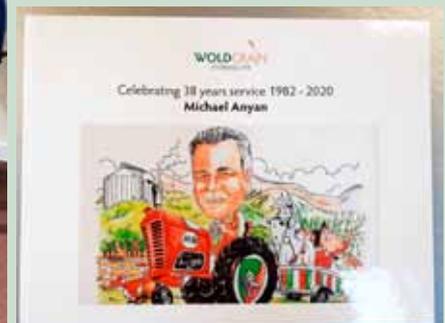
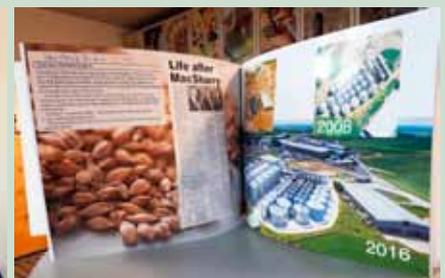
The lab and store are also, for the first time, finding it difficult to recruit sufficient harvest staff. I would therefore ask all members to be patient and thoughtful in their expectations of what may or may not be possible, during these turbulent and difficult times.

With many crops looking better than most of us dared hoped only a few months ago, I hope we all have a successful and straight forward harvest.

*Tom Marsden*

## Congratulations to Michael on his retirement after 38 years service to Woldgrain!

Seen here being presented with a book about his time at Woldgrain by Fred Myers.





# Store Expansion



Since our last expansion in 2016/17 our membership has continued to grow, albeit at a modest pace. The total space owned by members is now just shy of 89,000 tonnes, which just about equates to the theoretical maximum storage available. You will also appreciate that it is simply not possible to fit one into the other. To help explain this a bit more: the 89kt is based on wheat at 76 bushel, whereas the 89Kt of members' storage is a mixture of all crop bushel weights, from beans to oats, which gives a stowage weight for the store. Generally this will be 10-15% less than the 76 bushel for wheat. In addition, not all crops fit neatly in to the available silo space we have. Some bins might only be half or two thirds full. This further reduces the space available by about another 5%. So the theoretical space available is quickly reduced to between 70 and 80kt of actual space.

In addition, there have been a number of significant changes in how the store is being used by our merchants. Principally the need to carry stock through the harvest period so that end users can be supplied in the period between old and new crop coming available. Tying up bin or delaying bin space availability. All good news in one respect as we get paid for this by the merchants.

So as a result of these pressures we have, over the last 3 years, had to rely more and more on remote storage being available over the harvest period. This is not only a very costly option but also time consuming for the store operations. We had also reached a point where our current site was full and therefore nowhere to put more silos.

Fortunately the opportunity arose for a land swap with our neighbours' Highfield transport. Their land was on our Southern boundary, whereas our land sat remotely from the store. This land has now got planning consent for 60kt of silo storage and as such effectively future proofs the expansion requirements of the store, for the next 20 years or more.

Having been awarded planning consent in February of this year, the race was on to get two 5,500 tonne silos built for this harvest.

Two little events, (corona virus pandemic and Brexit), have contrived to complicate the job. Trying to get the correct materials and labour onsite at the same time has proved something of a challenge. However, with a late harvest and a fair wind the silos should be ready for the end of July.

*John Burnett*



## Lincolnshire grain storage company sows seeds of growth with **seven-figure facility**



HSBC Bank Manager, Lindsay Rubie and John Burnett on top of one of the new silos.

*Story from Business Linc (on-line)*

### **Lincolnshire-based Woldgrain Storage has secured a seven-figure facility from HSBC UK to support the development of two new grain storage silos.**

Woldgrain Storage is a farmer's cooperative, currently supporting 85 members. The company can currently store up to 90,000 tonnes of grain for its members over the course of a year. The two new 5,500 tonne silos will see that figure rise to over 100,000 tonnes once they are completed in time for this year's harvest in July, enabling the Woldgrain's members to meet increasing customer demand.

John Burnett, Managing Director of Woldgrain Storage, said: "Ten years ago, we embarked on a big expansion scheme with the support of HSBC UK and EU grant funding. The additional silos we are building today are very much part of these expansion plans and it's been fantastic to have the continued support and backing from HSBC UK and our Relationship Manager, Lindsay Rubie."

"It's a really important time for our sector with lots of challenges in the wake of Brexit but equally lots of opportunities. Our current expansion plan forms part of a wider business growth strategy, with an

additional site nearby expected to afford us even more development opportunities in the future."

Jason Baker, Midlands Area Director for Agriculture at HSBC UK, said: "Whilst it has been a challenging time for the sector in many ways, it's great to see continued growth and development by the team and we look forward to working with the company to help realise its future growth ambitions."

Allan Wilkinson, HSBC UK Head of Agrifoods, added: "Food producers have been some of the unsung heroes of the pandemic, adapting their operations at pace to make sure the population had food security throughout a truly challenging year."

***"It's encouraging to see businesses now pushing forward with expansion plans as they look to life beyond Covid-19 and focus on taking opportunities to find growth."***

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# Harvest 2021

Harvest is almost upon us once again, after a challenging year of unpredictable outloading. The usual patterns of grain movement were disrupted by Covid and the associated lockdowns. For example, all the breweries and maltings being on reduced production meant that much of our malting barley stayed in store for longer than usual.

**As we enter the first week of July, the store is now 80% empty and in a good position for planning the storage of**

**the new crop.** Outloading is continuing at pace and empty silos have been cleaned and sprayed ready for the new crop.

For the 2021 harvest we are storing 2 Spring barleys (Planet & Laureate) which will be split high and low nitrogen. We will again segregate the hard and soft group 4 wheats to capture any additional premium over feed. Our lab staff are only able to grade wheat as hard or soft where the grower has written a named variety on the passport.

Nigel Simpson returns to take the haulage reins and is looking forward to working with his dedicated team of local hauliers. During the organised chaos of harvest, it is a much more efficient use of Nigel's time if members contact him by text, rather than by phonecall on **07860 027834.**

Early indications are that we should be expecting good yields, which will be a very welcome relief after the size of last year's harvest.

*Dan Murphy*



**Passports please -**  
*Amanda Brook at your service!*

Harvest passports can now be downloaded from the Woldgrain website's homepage, as either a pdf or word document.

[www.woldgrainstorage.co.uk](http://www.woldgrainstorage.co.uk)

Standardised moisture samples are available in the lab, for members to check their moisture meters against. Please 'phone **01427 668741** for more details.

**Please contact Nigel Simpson for harvest haulage on 07415 797 505.**

During peak periods of intake, communication by text is a much more efficient use of Nigel's time and allows him to respond to members quicker.

**Members delivering to the store by Tractor & Trailer MUST have their farm assurance code clearly displayed on the trailer.**

To avoid delays on the weighbridge, please can members filling merchant's space use the unique CL/BK/FX numbers provided by their merchant.

## Retiring Members

Following business restructurings, 2021 has seen the retirement of **Robert Borrill** and **Bruno Everatt** as members of Woldgrain. We would like to take this opportunity to thank them for their support over the years. Their owned tonnage has been sold to other members.

Please contact Dan if you would like to purchase second-hand storage at Woldgrain

## Store Charges for 2021

The store charges have been increased slightly for 2021, to take account of inflation. The alternative to this annual rise is a much more significant increase every 5 years or so. The drying rates have not increased since 2020 and the capped drying for cereals and oilseed is still in place.

A small charge has been added to cover cereal loads testing between 15% and 15.5%. Store losses and ergot charges are unchanged.



# Store & Drying Charges 2021

Charges		Charge Basis	Charge Period
Total	<b>£12.20</b>		
Charge 1	<b>£4.20</b>	Owned space	May
Charge 2	£7.00	Month end of Intake	Monthly
Charge 3	<b>£1.00</b>	Balancing charge	Jan/Feb

Members are reminded that the store's Marketing Partners are **Openfield, Frontier, United Oilseeds & Humber Grain**  
 Crop marketed with other merchants will incur a surcharge of minimum £5/mt

% Moisture	Oilseed
9.0	£0.00
9.1	£2.67
9.2	£2.78
9.3	£2.91
9.4	£3.04
9.5	£3.16
9.6	£3.29
9.7	£3.41
9.8	£3.54
9.9	£3.67
10.0	£3.78
10.1	£3.91
10.2	£4.03
10.3	£4.15
10.4	£4.27
10.5	£4.40

% Moisture	Feed Barley & All Wheats	Malting Barley	Beans
14.5	£0.00	£0.00	£0.00
14.6	£0.00	£2.90	£0.00
14.8	£0.00	£3.15	£0.00
15.0	£0.00	£3.40	£0.00
15.2	£1.43	£3.65	£2.30
15.4	£2.29	£3.91	£2.90
15.6	£3.14	£4.16	£3.78
15.8	£3.39	£4.36	£4.20
16.0	£3.64	£4.64	£4.66
16.2	£3.88	£4.91	£5.12
16.4	£4.14	£5.15	£5.66
16.6	£4.38	£5.39	£6.09
16.8	£4.63	£5.64	£6.45
17.0	£4.88	£5.89	£6.70
17.2	£5.13	£6.14	£6.95
17.4	£5.38	£6.42	£7.50
17.6	£5.63	£6.67	£8.04
17.8	£5.88	£6.93	£8.63
18.0	£6.12	£7.18	£9.26
18.2	£6.12	£7.18	£9.89

Oilseed drying charges are applicable from 9.1% moisture.  
 Feed Barley and wheat drying charges are applicable from 15.1% moisture.  
 Malting Barley drying charges are applicable from 14.6% moisture.

*Full drying tables are available on request.*



# Store & Drying Charges 2021

**Charge 1** £4.20/mt will be raised in May on the member's owned space. If an additional tonnage is delivered to make up the member's entitled nett weight, then £3.50 will be levied on this additional amount when known.

**Charge 2** £7.00/mt will be raised at the month end of intake together with any drying charges.

**Charge 3** £1.00/mt This amount is variable depending on total store costs and will be invoiced when known in January on the member's nett delivered weight.

## Haulage

Haulage is included within the annual charge, based on collections from **within 70 miles of the store**. **Grain will be collected from beyond this radius only by prior agreement of terms and charges.** Those members that still elect to use their own tractors and trailers will be given a £1/t rebate.

**Drying Charges will be charged on actual delivered tonnage  
in increments of 0.1% moisture content.**

**Grain with a moisture content in excess of 20% and oilseed in excess of 16.0% will be accepted by  
PRIOR AGREEMENT ONLY**

### *The following items are covered by these charges:*

- Sampling & Laboratory Analysis
- Weighbridge Charges
- Harvest Haulage within 70miles of DN21 5TJ
- Pre-Cleaning
- Handling in and out of store
- Stock Administration
- Insurance
- Crop Assurance (TASCC)

**Storage as required up to 31st May 2022**





# Store & Drying Charges 2021

Members are reminded to instruct the store to complete the appropriate stock transfers to Woldgrain's Marketing Partners  
**BEFORE 31st MAY 2022**

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Total	<b>£12.20</b>		
Charge 1	<b>£4.20</b>	Owned space	May
Charge 2	£7.00	Month end of Intake	Monthly
Charge 3	<b>£1.00</b>	Balancing charge	Jan/Feb

## Standard AHDB Weight Losses for Drying

Drying on Cereals / Pulses / Oats over 15.0%	1.25% per 1% moisture reduction
Drying on Malting Barley over 14.5%	1.25% per 1% moisture reduction
Drying on Oilseeds over 9% and up to 16%	1.25% per 1% moisture reduction
16.1% - 20.0%	1.50% per 1% moisture reduction
over 20.0%	2.00% per 1% moisture reduction

**Screenings** As per merchant's contract

**Admixture** Admix will be deducted on all grains  
Oilseed and beans are credited with 2% Admix

**Handling loss** 1.25% on dried and cleaned weight  
(across all crops)

**Ergot** Loads affected with ergot will be colour sorted:  
**£3/mt** for feed wheat/barley/oats, soft wheat & Gp2  
**£5/mt** for Gp1 wheat milling oats and malting barley

# Overhaul for Hauliers?

**NIGEL TEXT ONLY 07860 027834**

**Greetings from the haulage desk.**

**I am pleased to hear from members that crops are looking a lot better than 2020 and potentially we are looking at an above average crop this harvest.**

Having spoken to our regular hauliers I am pleased to report that they have managed to come through, what has been a very testing year, relatively unscathed and are now looking forward to an improved harvest in 2021. Hauliers, like other sections of the food industry, are experiencing acute labour shortages mainly drivers. Our regular hauliers assure me they have at least one driver per vehicle available to them but support drivers which they need to cover holidays, sickness and some Saturdays, when the regular drivers run out of time, are not readily available. The larger tipping fleets are finding it very difficult to put a driver to every vehicle mainly because the European drivers have returned to their country of origin during lockdown and at the moment do not appear to be returning in any great numbers.

So what is the likely impact of this to Woldgrain members? I am confident that Monday to Friday normal service will apply but it could impact Saturday deliveries to a degree. Drivers

can only work 6 days one week and 5 days the following week due to drivers working hours regulations. Assuming the haulier can persuade his drivers to work alternate weekends, as more and more drivers do not like working weekends, this would mean we would only be able to work 50% of the vehicles each Saturday as no extra drivers are available. The chance of using extra hauliers on an ad hoc basis to cover Saturdays is very slim due to them having the same issue with drivers hours and labour. Why not take more loads in Monday to Friday? We have to work on a varying tonnage capacity per day IE. When the intake bins are full that's it until the night shift dries, cleans and moves the stock to the main storage silos. During the peak in harvest the intake bins are full every day leaving no room for extra loads to compensate for possible loss on Saturdays.

I will be working very closely with our hauliers before and during harvest to try and keep on top of this labour problem.

As usual during harvest I expect my phone to be extremely busy so we will be using the direct text service again which I find very useful as it appears directly on my computer screen.

***I wish you all a very successful and profitable harvest.***

Nigel Simpson.





## New Opportunity for ALL Members

**As a Woldgrain Member, you have an opportunity to supply of the UK's premier bread brand, Warburtons for harvest 2022 onwards.**

Please contact me for an email version of our brochure - email: [Andrew.Hill@frontierag.co.uk](mailto:Andrew.Hill@frontierag.co.uk) where we can elaborate further.

### Key Features of the contract:

- 3 year contract
- Guarantee Min £20/t max £40/t over the feed wheat price if specification is met
- Varieties for year 1; Skyfall, Crusoe, Illustrious
- Warburtons Grower Protocol to be met (*see brochure*)

### Grain Specifications:

- Minimum 120.5% Protein (Industry standard 13%)
- Minimum Hagberg FN 225 (industry standard 250)
- Minimum Specific Weight kg/hl 76 (same as industry standard)

- All other specifications are as per Group 1 milling wheat standard

### Additional Benefits to Woldgrain Members;

- All wheat will be moved into store at harvest, giving you the opportunity to choose one of 4 pool periods, or price your wheat at your choosing
- Minimum tonnage of 116t
- Members visit to Whitworths new milling wheat mill at Whitley Bridge

If you are interested in hearing more about the contract please speak to your Frontier contact or myself - **Andrew Hill**  
National Origination Manager, Frontier Agriculture Ltd, Tel **01522 860240 / mobile: 07795 475689.**

### Be among the first to join us...

From harvest 2022 Warburtons is partnering with Frontier Agriculture to source all of the UK wheat for all its bakery products and to increase opportunities for milling wheat growers.

The new Warburtons Growers Group will facilitate the supply of 150,000 tonnes of wheat to five UK flour mills: Whitley Bridge, Wellingborough, Peterborough and Harlow in England, and Kirkcaldy in Scotland.

Warburtons and Frontier are excited to work with the best milling wheat growers who are within a 50 mile radius of these mills and who are committed to developing sustainable farming practices that will meet the requirements of the changing UK agricultural landscape.

[www.frontierag.co.uk](http://www.frontierag.co.uk)

[www.warburtons.co.uk](http://www.warburtons.co.uk)



[www.woldgrainstorage.co.uk](http://www.woldgrainstorage.co.uk)

## A Roundup from Openfield on your Options for Harvest

Openfield™



As we enter July our attentions turn to the up and coming harvest which is only a few weeks away for some crops. We have now had ample rain in Lincolnshire to see most crops through to harvest although it didn't always come at the right time, sunshine and warmth will aid grain fill on cereal crops and there are encouraging sign for yield and quality.

Our excellent relationship between Openfield and Woldgrain continues giving strong demand for Group 3 & 4 soft wheats in Woldgrain to fulfil the Cereform contract at Paddock Maltings in Gainsborough. 2020 crop has been another successful year delivering a regular supply to our local mill. It is always worth considering when completing your intention form for the forth coming harvest please bear in mind Group 3 & 4 softs for your space at Woldgrain.

Woldgrain will continue to store high and low nitrogen barley this season, the main two varieties being Planet and Laureate. Load by load testing continues to give clear visibility on exact tonnage and quality, which as before will help with marketing options.

Export options are still uncertain at this stage due to the ongoing Brexit negotiations, but being able to store premium quality crops in Woldgrain will benefit everyone until these decisions are made and the right market comes available.

As we enter a new crop year the outlook for yield and quality is looking good for cereal crops. We have seen some high prices already for the 21-crop marketing season and weather events around the world continue to cause concern, so it is worth keeping an eye on prices going forward. If you wish to discuss any part of grain marketing, please contact **Kit Dickinson** on **01427 809800** or **07720 418989**.



# YOU should Grow OSR!

**£430.00 / Tonne for OSR for Harvest Movement**  
**£430 per tonne for your oilseed rape!** At the time of writing, this is the price growers could achieve for their harvest 2021 crop, based on the contract price and additional quality bonuses.

OSR is the most valuable break crop farmers can grow and it is also the most valuable combinable crop to grow, after first feed wheat.

The significant increase in market prices for oilseed rape is largely the result of supply and demand dynamics. Whilst the current UK OSR crop is looking good, the actual harvestable crop area is lower than in 2020, due to lower planting levels last autumn.

## OSR is in Huge Demand

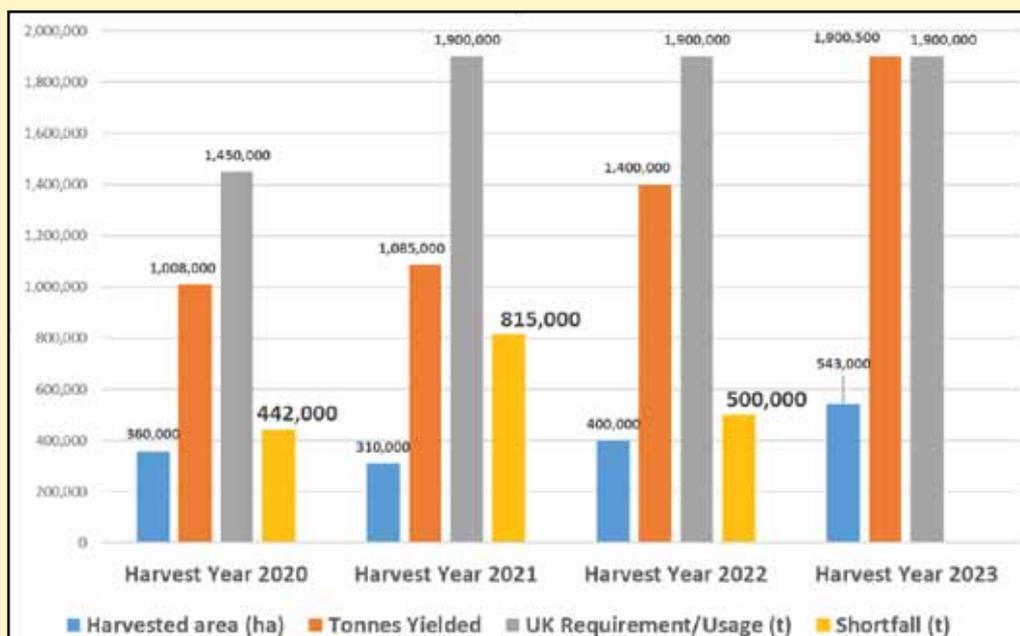
**The annual UK home market demand for OSR is approximately 1.9 million tonnes.**

In 2020, the UK harvest produced just over one million tonnes and this year's harvest will likely produce only a slightly higher tonnage. That is an enormous shortfall and one that will almost certainly continue in 2023.

This supply versus demand dynamic is bullish for the UK market and helps to explain the recent huge rise in oilseed rape market prices we have seen.

*(see shortfall graph)*

### Comparison of Predicted UK OSR Production, Consumption Requirements & Consequent Shortfalls for 2020-23



*Continued...*

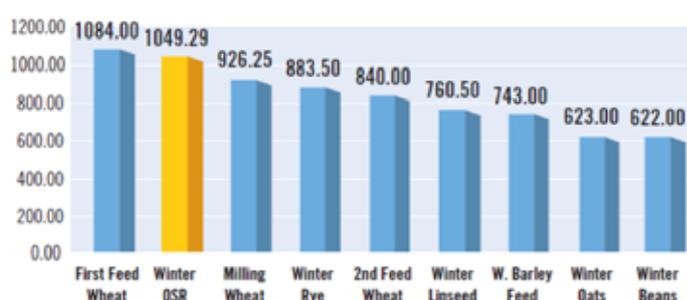
# High Gross Margins

Whilst the market price is high, so are the gross margins that growers can achieve with oilseed rape. Growers can attain a gross margin of **over £1,049 per hectare** with winter oilseed rape for harvest 2022, November movement, which makes it by far the most profitable break crop for UK farmers.

## OSR – £1,049.29 Gross Margin per Hectare & £429.50 per Tonne with Quality Bonuses

OSR growers can make an estimated gross margin of £1,049.29 per hectare with their “00” winter OSR for Harvest 2022. This is more than any other break crop and more than every other combinable crop aside from first feed wheat.

Estimated Gross Margins/Ha (£s) 2022 (November)



Estimated Gross Margins Harvest 2022 (November)

Output	First Feed Wheat	Winter OSR	Milling Wheat	Winter Rye	Second Feed Wheat	Winter Linseed	Winter Barley Feed	Winter Oats	Winter Beans
Value/tonne £s	170	429.50	175	149	170	405	155	150	210
Yield/Ha	9.2	3.5	8.35	8.5	8.1	2.5	7.4	6.3	4.3
Gross Income £s	1564	1503.29	1461.25	1266.50	1377	1012.50	1147	945	903
<b>Less Variable Costs</b>									
Seed £s	63	65	69	106	110	95	77	67	100
Fertiliser £s	167	155	202	140	155	77	132	118	49
Sprays £s	250	234	264	137	272	80	195	137	132
Total Variables £s	480	454	535	383	537	252	404	322	281
<b>Gross Margin/Ha £s</b>	<b>1084</b>	<b>1049.29</b>	<b>926.25</b>	<b>883.50</b>	<b>840</b>	<b>760.50</b>	<b>743</b>	<b>623</b>	<b>622</b>

### An Excellent Opportunity and Improved Varieties

There is a superb opportunity for growers to drill OSR and take advantage of the buoyant home market demand and higher prices to maximise returns on their crop. There are excellent OSR varieties available to help growers, which feature “stacked traits” such as rapid development, pod shatter resistance, RLM7 Phoma resistance and resistance to Light Leaf Spot and Turnip Yellow Virus (TuYV).

### Establishment Assurance Schemes

There are also varieties available that come with Risk Share Assurance, helping provide peace of mind with a potential rebate on your seed cost, if your crop fails to establish.

### Guaranteed Premiums

It is worth noting that you can obtain guaranteed premiums with buyback contracts from United Oilseeds on specialist OSR varieties for the HEAR and HOLL markets.

### Pools Marketing

If you don’t want to rely on fixed price marketing, United Oilseeds has three crop marketing pools which will help combat volatility in the market, Carte Blanche, Harvest and Long.

The potential financial rewards from growing oilseed rape are clear. And with improved varieties, specialist markets and the proven pool marketing and fixed price solutions available from United Oilseeds, growers have a real opportunity to benefit from including OSR in their rotations again.

# Congratulations!



To **Josh Speck** for completing his Apprenticeship. He was presented with his City and Guilds Diploma Level 3 Electrical Installations Certificate by **Bill Bassett** our store Electrician. Bill was instrumental in training Josh over the past 3 years with the work-based apprenticeship. Prior to coming to work for Woldgrain in 2018, he had been at Lincoln College for 2 years.

Josh is the newest full-time employee joined as an apprentice electrician / storekeeper during harvest he worked nights with Paul in 2018.

**Very well done to Josh!**



**Woldgrain name went across France Switzerland Italy Monaco and travelled 1800 miles**

Also congratulations to **Andrew Lyle** had a go at spreading the Woldgrain name across France Switzerland Italy Monaco and travelled 1800 miles in the process!

**Well done Andrew!**



# News from the Archives.....

This is what the office at Hemswell looked like in 1987, with the present day version below!



*If you have any of your own archive materials please forward them onto us for the next edition of the Woldgrain Conveyor!*

