

## THE JOURNAL PROFILE

### MR FRED MYERS – LEVERTON FARMS LTD



It was with some trepidation that the Journal editorial team approached the offices of a multi-million pound company based in the village to

interview the “Chief Executive”. Would we be faced with a hardbitten business man sitting behind a mahogany desk, surrounded by telephones and display screens showing the latest commodity prices across the world? Would there be a flurry of activity when the Brazilian stock exchange opens and the world price of grain and sugar rises or falls a few cents and instructions barked to stressed assistants to buy or sell on the futures market?.....Well not quite!

We were welcomed at the door of the offices by Moyra, the farm secretary, and ushered into the small parlour of the cottage where Fred Myers, the Managing Director of Leverton Farms Ltd, sat cheerfully behind a small desk piled high with the day’s post. Invoices, seed and fertiliser catalogues and copies of the “Farmers Guardian” were all buried under the latest directives and instructions for the farming industry from the ever helpful, DEFRA the Department for Environment, Food and Rural Affairs. The image was far removed from the stressed MD controlling a multi-million pound business with a turnover well in excess of £1,000,000 a year. Fred was relaxed and his easy going and self depreciating manner belied the intelligence, graft and determination needed to understand an industry that has more rules, regulations and complexities than any other – and that is before you introduce the weather factor!

Born in 1954 in Spalding and the eldest of 3 children, Fred Myers was educated at the Glebe House School in Hunstanton, Uppingham School in Rutland, followed by a 2-year farm management course at the Agricultural College, Cirencester. In 1983, Fred took over the management of the family farming interests from his father, who had the foresight to buy land in the Spalding and Lincoln areas as an investment in the 1950s and 60s. At that time land was cheap, as many of the large, traditional estates were broken up under the pressure of crippling death duties. Land in Burton was also purchased from John Evens who lived at the Manor house in the village, but then emigrated to New Zealand.

The trading name of Leverton Farms Ltd. comes from the days of his grandfather who was in a partnership with Mr. Herbert Leverton selling cars in Spalding. Grandfather soon bought Mr. Leverton out but the name remained.

The nature of farming has changed greatly in recent years, and it is a far harder and more competitive market than when he moved to Birch Holt Farm in 1983. At that time it was a mixed farm with a 200 cow dairy herd. Soon after, a large pig rearing unit with 1000 breeding sows and a flock of 600 sheep were added. The farm employed over 20 people to manage the livestock and farm the arable crops. However, the livestock side of the business became increasingly unprofitable with rising labour costs, so he decided to concentrate solely on the arable farming. The pig unit was the first to close followed by the sheep, and in 2001, the dairy herd. The farm now employs a workforce of just 5 men who are directly involved in the farming operations - a farm manager and 4 highly skilled farm workers; a ratio of 1 man per thousand acres.

Currently Leverton Farms is responsible for farming about 4,000 acres. This includes a farm business tenancy to the Bradshaw family on Tillbridge Lane and a contract farming venture with the University of Lincoln at Riseholme. It is difficult to visualise the size of the land holding but the parishes of Burton and South Carlton together cover a similar acreage. Although by no means the largest farming unit in the county, the scale of the enterprise is quiet staggering. Each year 1500 acres of land is planted for wheat which produces in a good season over 5000 tons of grain. Most is marketed through a farming cooperative and sold for animal feed, but some malting barley is also grown for brewing and milling wheat for flour. Fred explained that milling wheat can be a very profitable crop provided the British weather stays fair. “It has to be carefully grown and harvested at just the right moment to meet the specifications of the milling industry” he said. Unfortunately, the wet summer of 2004 was a disaster and several hundred tons of grain which would normally fetch over £100 a ton had to be sold for animal feed. With higher input costs and lower yields for milling wheat, this represented a substantial loss to the farm.

In addition to wheat, the farm produces a massive 8000 tons of sugar beet from 400 acres which is refined at the beet factory in Newark. Other crops include oil seed rape, beans for animal feed and marrowfat peas which are sold to Dunn’s of Long Sutton and eventually find their way to the local chippy as mushy peas!

No GM crops are grown on the farm but Fred is supportive of their use, as plants bred to resist selective weed killers can be grown more economically and with less damage to the environment. Income is also derived from letting cottages on the estate which were previously used by farm workers, and he is hoping to convert the redundant farm buildings at Burton Cliff farm to provide 5 holiday cottages.

The very first misunderstanding of subsidies is that farmers get money for nothing. Over the years due to government and European policy the average amount that the average householder pays for food is only 10% of their disposable income. Years ago it used to be 50%. Therefore not only have these contributed to cheap food it also has ensured that the people in this country have not gone hungry - a prospect none of us would relish.

Fred explained the economics of arable farming to the Journal team. In very rough terms farmed efficiently it costs in the region of £200 per acre to grow a crop of wheat (without finance and rent!) If the price of wheat drops to around £50 - £60 per ton it doesn't take a genius to work out that growing the crop is not very profitable as you would need a minimum of 3 ½ tons to break even. However, the past system, IACs as the farmers know it, had a top up payment of roughly £90 - £100 per acre per acre which made the difference. This payment was directly linked to the crop grown. All this had to change as the WTO (World Trade Organisation) declared that any direct subsidy to crops in various forms was illegal and things had to change.

Low and behold along came the MTR (Mid Term Review) which long term will see a flat payment regardless of what (if anything) has been grown. This under the new scheme will equate to about £70 per acre (The Single Farm Payment)

“How will the change to the Single Farm Payment affect farming in the UK?” Fred stated that he was well placed to meet the changes, which with the removal of crop subsidies will expose farmers to world market forces for the sale of livestock and arable crops. However, he was highly critical of DEFRA who are responsible for administering the scheme. “It would have been far simpler if DEFRA had based the SFP on current farm acreage rather than including historical payments. This would have given a flat rate SFP of around £70 an acre to all farmers without the need for a complicated bureaucracy to administer the payments. The good effect of the SFP will mean that farmers will have to consider carefully whether it is economic to plant crops on poor or marginal land. There is no point in using the £70 payment to turn it into £20. The net result is likely to be that poorer land will be put into set-aside and managed for wildlife.

The SFP does come with conditions and part of the payment will be dependant upon managing the land in an environmentally friendly manner. Although Leverton Farms farm the land on an industrial scale, Fred is very conscious of environmental issues. In the past 2 years, 25000 hedging plants have been planted and over 100 acres of land has been planted with trees or managed as meadowland under the Countryside Stewardship scheme. 60 acres of land in Burton which used to be planted with cereals or sugar beet is now laid to grass with new ponds dug to encourage birds and invertebrates such as dragonflies. The land is lightly grazed by cattle and as the land matures, it will contribute greatly to the environment as a whole. Additionally a 6m strip is left uncultivated around the headlands of many fields which will encourage a range of birds such as the grey partridge and the skylark to breed.

On Common Market issues, Fred has found the officials in Brussels most helpful but he is exasperated by our own bureaucracy who can turn a simple directive into a 100 page nightmare. He is in favour of the Common Market and our entry into the Euro if the economic conditions are right. World trade for agricultural produce is conducted in dollars but payment under the Common Agriculture policy is in Euros so changes in exchange rates between the 3 currencies can make a considerable difference to a farm budget.

Fred has a very busy schedule but in his spare time he plays golf and tennis and enjoys skiing in the winter months. He has 3 children who also occupy a fair amount of his time ferrying them back and forth to various school activities and to visit friends. He is particularly thrilled with the achievements of his daughter Rachel who has gained a place at Cambridge to read engineering assuming she gets the required grades. “Will your children be following you into farming?” we asked. “That will be entirely up to them” he said. “They are free to choose their own careers and not necessarily follow in father’s footsteps.” In conclusion we asked Moyra, his Farm Secretary for 6 years, how she enjoyed working with Fred “He is a lovely person to work with but he takes a lot of organising” she said with a twinkle. “You can never get bored in this job as there is such interest and variety in the work”. Fred concurred. “There are many pressures but I am fortunate in having a good team in Moyra, Jeremy the farm manager, and Christine the housekeeper to support me”

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