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#### INTERVIEW TRANSCRIPT

Farmer's Name: Martin Lovegrove

Age: 64

Location: Henden Manor, Sevenoaks

Size: 500 acres Type: Dairy

Interviewed by: Anna Durdant-Hollamby

Filmed by: Joe Spence Date: 22 July 2015

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M. Lovegrove: I find that they [farmers] think they're special, we're all special, but every business, its no different than any other type of business, in all candour, they would disagree with that. But every business has its own characteristics, it's got its own risks and its own challenges, and the real problem of farming relates to 1. The conflicting views of the public and consumer. So on a dairy farm, for example, the public want black and white fluffy things to prance around out in the fields 'cause it looks cuddle and nice. But when they go to the supermarket or the local store, they are only prepared to pay for at best, factory food. So first of all, the public and the consumer have got to get together. That basically means that the left lobe and the right lobe have got to start talking to each other as to what they really need.

M. Lovegrove: The second problem for farming is lack of investment. I mean I have been bleating on about this...and this is one of the reasons I've prepared this website of ours, which is really quite open and transparent. Because my view is, if you're gonna whinge about anything, you'd better tell people why you're whinging. You know, don't hide it, and don't also whinge if it's your own inefficiency. You've got to actually be good at what you do and if you're not gonna be good at what you do, maybe I'm perhaps a little too Darwinian, but you don't deserve to stick around, sorry, it's very simple. Now people say "Ooh he's a rich farmer, oh he can afford it," and all that sort of rubbish. Actually I started with nothing in my life, I haven't got a degree, my first job was as a file clerk in a bank and North Sea oil was being discovered in 1970, I noticed the sign on the back of your car, and I got into the oil and gas business. And that is how, basically, I made the money that I'm now ploughing into this farm. So you know, it's my own money, it's not my parents' money or anything like that. So I feel like I have a right to say this to a degree.





An Archive of Interviews with Kent Farmers

M. Lovegrove: But when I was complaining to Steve Roe, who was actually sitting where you were sitting, and he was the brand new executive director for food at Marks and Spencers, he still is in charge of food but I think there's now talk of him becoming the CEO, when Mark Bowler leaves. And he didn't really know much about farming, and I was complaining about the fact that we needed a price for milk which covered not just our operating costs but depreciation, which is the recovery of capital that you invest. And also return on capital, because our cattle has, I can put it in other places so where I am going to get the best return. And so I was complaining about this depreciation point, and he said "Oh that's really interesting," and he got his people to do an analysis of, I can't remember whether it was 23 or 24 farms, not all by the way, in fact I think the great majority were not M&S farms, I don't know, but we're an M&S farm. And he did the analysis and we had by far the highest deprecation charge, which is around 6.4 p. We had spent, I don't know, £2.5-3mil on this farm. And if you write buildings off over 25 years or whatever, and then you assume a flat production profile and then you divide that, you get to around 6.4p a litre or whatever it is for our farm. The average for 22 or 23 farms was not even 3/4 of a penny.

Anna: Gosh!

M. Lovegrove: Now they're even writing it off over 500 years - I don't think so! Or they just haven't invested, rather like the picture I just showed you of a farm which is close to here. And that again is a real problem - it's actually a problem you can argue for a lot of this country, like the railways, roads etcetera, etcetera, water. We have really not invested in infrastructure. And farming is absolutely typical of that. Now, I run other businesses and I have to say I really break all the rules at Henden. Because why am I investing if I'm not making money? But you know actually, I have a passion for the farm. I believe one day it will turn around - we love this estate, we're very proud of it, we're very proud of the people. And also by the way, I'm a great believer in having good equipment and safety and tidiness. Because at the end of the day, safety is paramount.

Anna: Yep, absolutely.

M. Lovegrove: I mean one of the questions which I know I've been asked many times, what keeps me awake at night for/on the farm? And there are really three things. I mean there are lots of issues, but there are three things which will genuinely keep me awake at night. The first thing is the safety of the people and that is the first. Farming is an appalling industry in this country when it comes to safety. Now we have safety briefings for all the people, when interns come, they don't even get to go onto the farm until they've had a safety briefing. And then we give permanent staff courses and all the rest. And it costs us quite a bit of money actually, about five or six thousand quid a year which I think a lot of other farms don't do.





*An Archive of Interviews with Kent Farmers* 

Anna: Yeah I was gonna say!

M. Lovegrove: But I come from an industry, whether you like it or hate it, the oil and gas business, which funnily enough is one of the safest in the world. Now, when something goes wrong in oil and gas, it tends to be spectacular because of the commodities, temperatures etcetera, etcetera. But you know, it is really interesting, that is really a safe business and farming is *so* bad. And I think it's because, well, people don't invest in it and also, even after our briefing to be honest, a lot of our staff don't do that well at safety. They tear around those buildings in things and I wince occasionally at what they do, and I try and stop them. And I will call a stop-work policy, so in other words if somebody sees somebody else doing something dangerous, they can actually stop the work, doesn't matter how senior they are. If it's the manager's doing something dangerous, someone junior can stop it, it's very important.

M. Lovegrove: So that's the first thing that keeps me awake. The second thing is pollution, now one of the great things about farming, not one of the great things, that's the wrong expression probably. But one of the features of dairy farming is that it really is a poo management business, with milk as a byproduct. I've always been saying this but it's very true, because you produce roughly four times more of the other stuff than you do of milk. And of course if you mix it with water, it can get to five or six times and we have great facilities here. But actually our advisors who helped us put them in for a huge cost actually got some of their sums fundamentally wrong, which annoys me, so this year we have to spend £75,000-£90,000 to actually correct those mistakes.

Anna: Oh, wow! Okay!

M. Lovegrove: But the problem is, it's again almost a bit like oil, this stuff is a natural substance, but in concentration is highly toxic and if it starts running into the streams, you can kill fish. And so when we had huge rainfall over the last three years, although this last year wasn't so bad, but the year before was diabolical. And the year before was diabolical. Interestingly those two years were roughly the same, the year goes to 31st March but last year it was really bad in the first quarter of the calendar year whereas the previous year, it was really bad in the last quarter of the previous calendar year, if I can get my maths right. And I mean like three times the usual rates of rainfall. Well that all combines and that really worries me, because we've got to get rid of the stuff!

Anna: Yeah exactly!

M. Lovegrove: And you can't stop milking, I mean the only way you can stop milking is shut the farm down, which means getting rid of the cows!





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Anna: Yeah and you've got quite a few!

M. Lovegrove: Yes, but this is where I actually think, I really worry about the super-farms because I just don't know how long-term they're gonna cope with things like waste disposal.

Anna: Yeah with things like waste management, yep exactly.

M. Lovegrove: I think it's really really worrying, now we're not an organic farm and I don't want to get onto the subject of organic, because I'm afraid I'm not a fan, I think it's a PR con. But we are actually reasonably organic, we put all the waste we have back onto our land.

Anna: Yeah well it's about the sustainability factor isn't it, really?

M. Lovegrove: It is, but I will emphasise though that sustainability is yes about the environment and the animals and staff, but it's also about finance. So the final thing that worries me on this farm, is having put so much money in, I have now had to draw a line. So basically I've put a lot more money in for this year, we're actually putting in a whole bunch of new fans and lights, which apparently will really help the cows, get rid of humidity and so on and so forth. And that's costing me about £130,000, and then we've got to redo some of the stuff as I said, with regards to waste management. So we had to spend about I don't know £200,000 this year on this farm. And hopefully the animals will be better off and we'll have better waste management and so on, but I have said that from next year on, which is 1st April 2016, this farm has to be financially self sustainable so in other words, if it needs to replace a tractor, it's got to find it out of its own finance.

M. Lovegrove: Now if we suddenly come up with a brand new capital scheme, I can't think of one. Oh I suppose, for example, we have a lovely old quadrangle there, if, and I don't think we would, we converted that into offices, that's a different matter okay? But actually, as a dairy farm, we wouldn't do that. So I don't know, I sure have started off in full tilt and I don't know if that's exactly what you wanted.

Anna: No, it was excellent, as I say, we want people to share what's important to them now or what has been important, so it's great. That's excellent.

M. Lovegrove: I said I don't have a degree, the only degree I do have is MBS which is Master of bullshit.

Anna: [laughing] that goes for us too I think

M. Lovegrove: I'm very open about it, so what other things can I talk about?





An Archive of Interviews with Kent Farmers

Anna: When did your passion in farming start? Like where did that come from?

M. Lovegrove: Well I was brought up at Winchelsea on the South Coast, so I was always brought up in this area, went to school in Seaford and then Cranbrook. Winchelsea's a little town, well they call it a town, I call it a village and it's sort of reasonably rural. And I've always liked the rural and also in my working day, I have to get on with a lot of people and I have to be nice to them all the time. So frankly, on the weekend I'm actually reasonably antisocial. And when I sold one of my businesses, I had some capital and we decided to buy a place. And my wife and I decided that it would be rather nice to have this farm. It was a bit of a gamble, we had to borrow a lot of money to buy it, as we now say to our girls, it's a classic case of gearing, that was a success in this case. Gearing can go the other way, [chuckles] But we took a view that here you have roughly a 500 acre mass of land, our house is right in the middle of it. Yes the place is crisscrossed with footpaths and it has a couple of bridleways, but by and large it's really quite private. And so it was really that reason, it was the privacy and the fact that I do love the country and I do take the dogs for a walk and all the rest. And I like to watch nature at work and all that sort of stuff, and get away from the hustle and bustle of everything else. So that was actually the reason we bought this place.

M. Lovegrove: Now it was a dairy farm when we came here. Originally back in history, it was more of an orchard and pigs but that's a hundred years back plus. But this was a dairy farm and we had to take a decision as to whether we should keep it as a dairy farm or whether we should make it arable or whether we should just contract it out, in other words own the land and have somebody else farm it. And, I'm a cashflow nut, so in other words I like to get money in every month, and dairy does at least give you money every month. So I decided on that basis alone, which shows my complete ignorance of farming, that we should actually stick with dairy. My advisor at the time, I had an advisor who said I wouldn't stick with it. Well actually, was he right? Was he wrong? I don't know.

M. Lovegrove: Well first of all, in the first of years, we actually made some money. It was a very much smaller farm, they were older buildings, there were wooden stalls, they were thirty years of age when we arrived and had actually passed it's sell by date to a degree and we couldn't afford to do any more. We had a farm manager who had been here seven years, nice guy and he had his other half, who was just terrific. And we had a go at it, but it became very clear to me that it was never going to work unless we increased the size. So we increased the size of the herd, we all but doubled it.

Anna: From what number roughly? Just out of curiosity, I know how big it is now.

M. Lovegrove: I'm gonna say, sorry we're interrupting the flow.

Anna: Sorry, that was my fault.





An Archive of Interviews with Kent Farmers

M. Lovegrove: No, no it's not at all, let's get this out of the way [working on his computer to find the facts]. I'll come back to that later. So, we doubled the herd size, and to be honest our manager was pretty uncomfortable about that, I think he really wanted an easier life. Also if I might say so, this is true in a lot of businesses and I think it's true with politicians, Prime Ministers and Presidents and I think one of the good rules in the US is that the president can only be there for eight years. Actually you know if you're a chief executive, you're a president, you're a Prime Minister for longer than eight years, plus or minus, really you start losing the plot.

M. Lovegrove: And this guy, he started to own this farm, well we were the owners, we didn't know much about farming, we were learning and so we decided we had to part company. And we did, it was very sad because he was a lovely man, but it was the right decision, whether it was the right decision for him, I don't know. For us, and for the farm, it was the right decision, although we then went through two managers who were for one reason or another, appalling. The first and if I ever get to my biggest mistake. If I go to here [pointing to the spreadsheet on the projector] - this is a really, really interesting chart, I don't know if I can give it to you, but if you want the history of the whole farm, this is the history of the whole farm. So, we were running cows in the herd in '97 at around, we came in June, so at around 162, we were milking 150. And then I said "No we have to go up" and we went up to about 200, 220, 30, whatever.

M. Lovegrove: And then we had a really, really big mistake, a huge mistake. We got a new farm manager in and he told me he wanted to go to increase the herd again and I said to him "I'm not sure if it's the right decision" because you've got to understand this land, this land is clay. Which means in the summer, it's like concrete, but in the winter, you're up to your armpits in it. So this is when we bought the farm [again reviewing spreadsheet], this was about 200 livestock, then we went up to about 280 or so and then 300 and then the total herd was about 500, and that's quite a lot. And then we bought this whole bunch in and it was a complete disaster. Buying herds is really very dangerous. It makes buying used cars look easy because for every ten cows we were buying, I'd say three to four, we'd have to just get rid of over time. And then the rest weren't that efficient and then you got rid of them later on. So, actually out of ten, maybe four or five were any good. And they bring with them, and actually quite interesting news at the moment, which is quite current, they can bring with them disease and they also bring in social issues.

M. Lovegrove: Because cows are very social, there's a social hierarchy with cows, so the queen bee comes from one herd and there's a queen bee here already, you can create problems, so that in itself can lead to issue. But bringing in the disease is the most important and to give you an idea of that, just recently it was announced in West Sussex, that they've now got Bovine TB, that was bought in because they bought in cows from the West Country.





*An Archive of Interviews with Kent Farmers* 

Anna: Oh wow, I hadn't heard that.

M. Lovegrove: Okay, so we always had a buy-in policy here. So we got through this ghastly guy and it was actually you know, it was a disgrace. What was happening to our animals was a disgrace, you have to realize I was the owner, but I was never here. I was travelling 85% of my time and so it was an investment but actually I really didn't pay enough attention to it. And so I was really really teed off. I almost had to call the RSPCA on myself - we didn't and it was fine, but it was really diabolical. Because at the end of the day you do have to look after your staff and you have to look after your animals, very, very big tenet of mine. And then we had another guy come in, who was recommended to us by a neighbour. And wow, he made the Archers look really boring, and that's all I will say.

M. Lovegrove: So we parted company after two years, and we were fortunate enough to bring up Diana, who at that time was 26, and at that time was an assistant farm manager at the Lord Raleigh estate up in Essex. She's now 30 or so, and she's from Latvia and she's just a dynamo. So I had three traditional English farm managers before and we now have this lady and she is a dynamo. Now she doesn't understand business so well and I keep on forgetting how young she is, she has advisors. When you came in, she was with a guy who looks after the nutrition, but we have other advisors too, who help her. And one of the first policies she brought in, which was entirely right, which was we created a closed herd policy. Which means we do not buy, we grow our own. So you don't have social issues or not big ones, and of course you reduce the issue of disease. We got rid, fortunately thanks to the council, we were fortunate enough to move the footpath, which went right through the farm back here, because people were coming through and out of curiosity, were going to see the calves which they're not allowed to do. And that can also bring in disease. This is really a biosecurity area, from our perspective.

M. Lovegrove: To jog back again, also, Diana joined in 2010, but in 2009, we had to make a decision, a really big decision. The wooden barns were now falling to pieces and also, this was a fact I hadn't fully appreciated, but these bought barns as I said, with stalls, were built some 30 odd years ago, but probably now nearly 40 years ago. Well over that time, cows have grown by about 30% in size, so they were too big for the stalls and there was a lot of injuries to the cows and all the rest. So, it was clear the stalls weren't fit for purpose, one because they weren't big enough, two because they're falling down. So we had to make a decision, are we going to stay in dairy or not? So we decided, not sure if it was the right decision, to stay in dairy. I think it was the right decision actually, I like a challenge and this is a challenge. So we decided to invest in all these new barns and we'll see them later. And with the poo management system, now we've got a whole bunch of stuff down here that's old, which is old, but not that old relative to a lot of other farms. So all that was new and





An Archive of Interviews with Kent Farmers

that that really improved the lot for the cows, and with Diana on board, we had really started to improve our milk yields, dramatically so.

M. Lovegrove: [looking at the computer] This is the average yield per cow. So when Diana came in, our cows were producing below the national average at around 6700/6800 per year and now we're at over 10,000, okay. And that's come about through a variety of ways. One is if you treat the cows right and you look after them, you produce more, they behave better, they're more relaxed. If you feed them right, and I'm going to come back to feed later on, that can help to. And actually, what I would categorise the period from about 2010 to..., even up to this year, has been a period of exploration to find out what is the comfortable size for this farm. You know any business is a living business really, and it's all got to be comfortable with itself. Have we got the right facilities for the animals? We have facilities, we actually under law have to have 5% spare capacity in the stalls, I think we're at about 8%. So we could actually increase more and that will increase more milk. But that in itself means you've got to feed more etcetera, etcetera. And therefore you have to say "well can I buy in the land? Have I got to buy in the food? Have I got enough land?" And we do buy in a little, but you know I think we're about comfortable now. We're milking around 240 a year, at the moment I think it's about 233/235 but on average, our level's around 240. We could realistically go to about 270 from an infrastructure perspective, but we've decided no it's better actually to have less. And funnily enough, if you give the cows more breathing room, again their yields improve.

M. Lovegrove: So we're in much better shape now than we have been and our finances are beginning to turn around. So when I was whinging to Steve Rose who I was referring to earlier, in 2010 or 2011, or maybe 2012. And we've got work to do on our farm and we want you to help us, with the milk price and all the rest. And actually we've got to help ourselves too and find ways of improving yields. Now the real problem with yields is well we are well above the national average as you can see there [pointing at powerpoint] and unfortunately the data for 2015 for the national isn't there; we're at around 11,000 now I think.

Anna: Incredible!

M. Lovegrove: Yeah, but universities and all the rest can get it to 12,000 and others can get it to 15000, but I actually disapprove of that. It's a bit like a car engine, you can get a car to really race around if you floor the accelerator all the time and you might have some fun and you might get some good performance. But it'll be short-lived.

Anna: But it's a short-term thing isn't it?





An Archive of Interviews with Kent Farmers

M. Lovegrove: And it's the same with cows, okay? I think we're really again, we're, give or take, we're roughly where we want to be on yield. The other thing about yield is, you feed cows a mixture of food from bulk food which is basically your grass silage or your maize or your whole crop, which is wheat or whatever it happens to be. And then you can feed them minerals, and the other big one which is concentrates, well concentrates which is very expensive and minerals are even more expensive. It's concentrate 'cause there's huge tonnage in concentrates, I call it rocket fuel, others call it rocket fuel because that actually helps promote some yield. The problem with that though is that it's very expensive, what you have to watch out for is that you're not investing too much in concentrates and yes getting the yield but not actually getting the economic return back. Here again, we're playing with our own numbers and so on, and we're still feeling our way.

Anna: Awesome, it's all so interesting. It's such a different approach to so many of the farmers I've been interviewing.

M. Lovegrove: Well, I run this as a business.

Anna: Well yeah exactly.

M. Lovegrove: Well my history is that it's been in oil and gas, I was the first in this country to set up what I would call an estate agency, but instead of offices or houses, I sold oil and gas fields. And then I sold them to banks and I did it four times, sold them each time to poor unsuspecting banks, which is how you make your money. And then I did a lot of charity work and I helped a special needs school round, because I had a child with special needs. I mean he's now 34, so he's not a child and he's down at Ashford, you know the rare breeds farm?

Anna: Oh no I don't actually.

M. Lovegrove: Oh it's a great farm to go to, I mean it's a different farm. It's not a farm like this

Anna: Yeah I think I've heard of it, I think one of the others might be going to it.

M. Lovegrove: Yeah, well he's down there and it's run by a charity called COT, Canterbury Oast Trust, who are really good. Anyway, I helped turn that around, and I was also the chairman of the London Chamber Orchestra which was in a complete entire mess. And yeah we played the royal wedding at the abbey and all that sort of stuff and the trouble is they all lived on that for a long time. Frankly, in my parlance, you're only as good as your last deal and if your last deal was more than six months away, forget about it, get on with life. And





An Archive of Interviews with Kent Farmers

when you're three years later still talking about the royal wedding, you know you've lost the plot.

Anna: [laughing] it's a nice fact though!

M. Lovegrove: [chuckling too] it was a great event, but even so I had to turn that around, fire the management and so on. You know, I regard charities, oil and gas, in my business oil and gas, I'm there as an advisor, sometimes you used to be called the company doctor to go in and help turn companies around and all the rest. And I was one of the people last year who predicting that the oil price would fall, well before anyone else did. And so, you know, I'm a great believer in, sort of; farming has its own characteristics without question but at the end of the day it's a business. And you've got to help yourselves and so on. But as I said, fundamentally, everyone blames the supermarkets. I think the supermarkets can help us, not think, I know they can help us, we can help them. It is the consumer who has got to work out 'where do they want this food to come from?'

Anna: And it's about that dialogue isn't it? So rather than closing your doors and saying 'I don't want to deal with the supermarkets because they're all evil' - it's about engaging with them on a business level I guess?

M. Lovegrove: Yes, I don't too much to get into a political discussion, but when it comes to business, the two big enemies of business are democracy and capitalism, because they're both short-term. If you look at Henden, how long I've taken to turn it round. Okay, to start with, I had a period up until about 2010, where I was so focussed on my oil and gas business in my advisory position, I was travelling all the time and was really relying too much on the managers. Then I realised I couldn't do that and I started to make a lot of money, I sold my last company in 2007 before the crash and that's how I really made some money. And I was very fortunate, very, very lucky, and so I've been able to since then, focus a lot more time on this farm and you know, it's been a great privilege for me to do that. So, really in a sense we're into another phase. The first phase in a sense, I was just a landlord as it were, Now I'm much more hands-on in terms of at least business decisions, not in terms of running the farm, Christ! I offer occasionally to milk at Christmas because I believe if you ask staff to do something, you should be prepared to do it yourself but typically they tell me to go away, because yields fall if I go in there [laughing]. So there you go.

M. Lovegrove: I just think that farmers - everyone blames the supermarkets, but actually the supermarkets are listed companies for good or ill. They're shareholders for good or ill, I think mostly ill by the way, who want short-term returns, and therefore it behoves these companies to increase their sales. You know you see all this press about 'Oh my God Sainsbury's has just lost 1% of its growth' or something like that. Well get over it guys! This is a long-term business with a ten/twenty/thirty year business plan, who gives a shit what





An Archive of Interviews with Kent Farmers

happens in the last quarter. I don't really give a shit about it, provided it's not a pattern that's just going to carry on as a trend. Provided you think you can turn it round, so they do have to make the best possible profit they can and the way they do it is with some of these really basic foods, such as milk and bread. They put them in the back of the store and they do them as loss-leaders, now I fundamentally disagree with the fact that they sell them as loss-leaders and we go on about water, buying still or sparkling water is more than expensive than milk. But they don't have anything like the same nutritional effect as milk does, but you know it is the way it is. And the reason that they're at the back of the store is that you go through and see something exotic here, something exotic there and you think 'oo I'll buy that' and that's a much higher price margin and so on and so forth.

M. Lovegrove: And so that is one fundamental problem - as I said the bigger one is public versus consumer, and it was my wife who actually came up with this description and it's absolutely spot on! It really is spot on! But what was really interesting, because I went round Edenbridge the other day, which is just down the road and I was at the Waitrose there and I don't know why but I suddenly decided to ask about a dozen people about milk prices. And do you know none of them, not one of them really gave a shit if the price would go up five/six pence for milk. So one of the things we've got to do is sell milk properly, people have got to understand its benefits. Now here I'm gonna say, if you really want to get me angry, we'll get onto talk about celebrities, who frankly know jack-shit about anything. Quite a lot of them are trying to avoid tax so they go on about everything, I mean there's Bono who's in bloody Ireland or whatever trying to avoid tax and all the rest, while preaching on about the rest. Get your house in order, be an orderly human being to start with, and actually know your subject before you start preaching. Because I don't know much about anything else you know, but if I can understand a subject, I will talk about it.

M. Lovegrove: So understand the health of milk and that's got to be preached, with conviction because it's real, it's not bullshit, okay. So in other words, if you say it's good for you, you've got to be sure it's good for you. Well there's a lot of evidence, in fact I've always been called the "cholesterol kid" by my family and all the rest, 'cause I eat butter and I've always done, well before this dairy farm, and I'm now really happy to hear that you should be eating lots of butter and all the rest. I mean I believed it for ages, but now it's become this fashion, where it's turning around!

Anna: Exactly, good fats again!

M. Lovegrove: It's great, you know, I'm happy as a sandboy frankly, because now no one can have a go at me, they always used to have a go, 'cause to me the purpose of bread is to be a vehicle for butter.

Anna: I definitely agree with that! [chuckles]





*An Archive of Interviews with Kent Farmers* 

M. Lovegrove: [laughs]

Anna: I mean cooking isn't the same without real butter

M. Lovegrove: No, so you have all of that and if the public, the medical or the health profession, the supermarkets can all work together, then we can start to drive up the demand for milk and other good products, and to reduce the food that isn't not so good for us. There's a lot of talk about obesity and all the rest, well I mean milk isn't going to give you obesity. So we're having the right part of the discussion, but we're not necessarily focussing too much on the good part, we're looking at the negatives. We're saying "you must not do that," so what should you do more of, okay? And then you need to get farmers producing more, the price needs to go up and there needs to be investment. Marks and Spencer offer us, offer farmers the best price in the UK for non-organic food/milk. But in return, they expect extremely strict conditions for animal welfare and the farm, and how it operates and so on and so forth. And I actually love that. It costs a lot more, so our costs are a lot higher than someone who sells to Freshways or wherever it happens to be. But you know, I'm proud of that, it makes you sleep easier at night, if you're looking after the animals, because when I said the three things that might keep me awake. Well I don't really worry about our animals. I mean I don't want to lose any, we do lose some, but I know we're doing everything right for the animals. I know we're doing everything right for the staff, the trouble is occasionally I have to make sure the staff save themselves from themselves and that's really the thing that worries me.

M. Lovegrove: So I don't know, I'm waffling a bit now, and I apologise. But I think that we have to get the message of milk out and we have to create the right farm and then you will have a sustainable business.

Anna: That's very well put, indeed.

M. Lovegrove: Oh I'm afraid I was waffling actually.

Anna: No no, no not at all, it's all so interesting and as I say, so different from the other farm approaches, so it's good to hear about it.

M. Lovegrove: Well, you know what I'm nervous about is a lot of people say 'well you know he can afford it' but you know, firstly I'm not necessarily as wealthy as some people have speculated, and secondly, it's my own money that I grew from scratch. But you know, when you enter things, you've got to have a passion about it, but you've also got to be objective about it.





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Anna: And the desire and capacity to take responsibility for that, which I think is unusual.

M. Lovegrove: Yes, yes that's very, very important. So what other things do you want to know?

...

Joe: so you did an interview with the Independent with James Hall

M. Lovegrove: Yes, no Sunday Telegraph

Joe: Sunday Telegraph, sorry! ... So you said in the article that 'farmers cannot be absolved of blame in any shape or form, they've not really pushed across their storyline to the consumer and to the middlemen including the supermarkets at all well. They've not worked collectively, partly because they're not businessmen and they don't rate this as a business.' So I think there's two parts to that.

M. Lovegrove: Well I've covered some of that, but I would stand by those statements. But I would broaden it, it's a complex equation as I've just said, but I'll repeat it to a degree. And it is that we need the consumer and the public to understand what they want and to understand the consequences of what they want. So if they really want the black and white fluffy things, they're gonna have to pay a lot more. If they really want it to be cheap, fine! But then realise what is going to happen on the farms, so they're going to have to understand the consequences of their decisions. The supermarkets, they're a vehicle and they've got a role, an important role, but ultimately their job is to make a return to their investors. And therefore, their job is to, in a sense, sell food and get the best possible margin. So what we've got to do is with the supermarkets is to try and get them understand the importance of some of these basic foods. Actually, yes they're basic foods, but they are so much more important for the body and health than some of these exotic foods. That you should actually be allowing farmers a greater price for that, to allow them to create a sustainable farming enterprise, in the framework that you want, with regards to animal welfare, staff welfare etcetera, etcetera. I never know in this country whether you should say animal welfare and staff welfare, or staff welfare and animal welfare, anyway. I think it's staff welfare first but anyway.

M. Lovegrove: We need the medical profession to buy into this. We need the farmers to start promoting their products. Saying again, with the medical profession, with the supermarkets saying why their product is really good. And why it's good for you etcetera etcetera. And then what they've got to do, what the farmers have got to do, is to rise to the occasion. So you cannot continue, like this farm that my wife saw the other day, which was, well I think she summed up in an email to me, was shocking. But it's a reasonably local farm which supplies community shops with milk. I mean, wow, you shouldn't buy milk from that place!





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It's just diabolical! And you've got to change it. I mean maybe they can't afford it, I understand that and in one sense I feel sorry for them, but if they own the land, that's quite a lot of capital value there so it's not as if they're poor or whatever, they may be cash poor but they're asset rich. But that in a sense, it has got to change, but again it requires the public, it requires regulators and all the rest to come in and try and change it.

M. Lovegrove: This is not something that can change overnight, but it's a team. What you need is a team of all those various stakeholders to come together to drive it forward and if you don't have that, what we will end up with, eventually and I have absolutely no doubt about this, we will end up importing more and more food from abroad, where you will have absolutely no idea where it came from, what the circumstances and the regulations it was grown under or produced under or whatever. And that's going to happen. As I said right at the beginning, one of the most interesting statistics, which I've really heard throughout this whole thing, this history at Henden, after we'd invested here, we're over six point four pence a litre for depreciation and the average of those other 22/23 farms was less than three quarters of a pence. That to me summed up the problem of farming. Now there's a gazillion, there are thousands of farms, so it's a very small snapshot. It's a bit like a YouGov poll for the elections, so it could be well very wrong, but I don't think so somehow. It was very interesting, one time I flew from here up to Silverstone by helicopter, a friend took me up by helicopter and we went over a whole bunch of farms. And I have to say, the livestock farms we went over, by and large, didn't look great. The ones that looked the prettiest by the way, were horse farms or stud farms, they always look nice. So, I stand by what I said to James Hall.

*Anna: Did you have another question Joe?* 

Joe: Lovely, for me it was just quite interesting because it resonated with the aims of this project we're doing, that farmers aren't putting their narrative across.

M. Lovegrove: Well a lot of farmers, for example, I've seen recently, when milk prices have been falling. One of the biggest whinges was 'well but my family's owned this land for 500 years, or 200 years or 100 years or whatever it is. And all I can say is 'so?' You know, if people can't get a job they have to move. This is mobility of labour type of stuff and all the rest. And so, if you can't find a job, or at least if you own the land, maybe you do, maybe you don't, maybe they're contractors, in case, that is a bit of a problem. People can sit on me on really, really badly for what I'm saying here because 'well it's easy for him to say'. But actually no I say this with a passion, but I mean it with an honesty, which is 'if it ain't working, get out of it!' I really, absolutely believe that with a passion. I've all but gone bankrupt in my life and I've just picked myself up and started again.





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M. Lovegrove: One thing I talked about earlier on though was diversity of businesses. And in fact this building we're in here, was the old dairy and I can't remember when it was now, but let's say it was around 2005, well you can find out the year, 'cause it was the year foot and mouth was. We converted this into an office complex and we were actually going to rent it out. But then foot and mouth came along, now we didn't get directly affected by foot and mouth, God bless, thank the Lord! But we did obviously indirectly get affected, because we had a lot of restrictions imposed on us. And my wife and I said, why would we want anyone here anyway? So we decided to just keep this and we do have the odd business come down and you know, have an away day here, or whatever, and I'm happy to do that. And we tend not to charge for that, we just recover our costs and we don't do it commercially, it's more to friends. But, I'm a great believer in focus, and if you start having a whole bunch of other businesses, your focus gets dissipated. Again, we have a lovely quadrangle there, and really it's ripe for development.

M. Lovegrove: My problem is it would be diluting the focus. And the one thing as I said earlier is that we're really tough about on this farm is bio-security, and so having a whole bunch of other, foreign people coming in from outside the farm, I don't really want that. And then also, rural crime is on the growth, so when you have lots of people coming in, you increase the chances of people being able to drift down, to have a peek and look. We used to have that, but we've put a bollard up, which means you can't come up that way, which means it's a no through road, and that puts people off, which is very satisfactory. But we've had the odd ne'er-do-well come down and sort of suss this place out and we've had a few things, but that was a while back and I hope it stays like that. In fact, we had some the other weekend, frankly, but that's another story. So, again I'm waffling and I've lost my train, but that's about it, sorry. I'm not a great believer in diversity.

M. Lovegrove: Oh the other thing we've talked about, well we haven't talked about it, but my wife, farm manager and I have talked about is, do we go what I call downstream? You know, again I come from the oil and gas business, upstream is finding and producing the oil and downstream is refining and shipping and marketing it. So do we actually refine our milk? Because we actually only sell raw milk and it goes through to Marks and Spencer's through Dairy Crest, and the answer to that is and we certainly haven't made the decision yet, we've got the space to create a pasteurisation unit, a packaging unit, we've got all that space. But there's a huge risk in trying to then sell it. Do you go to these artisan cheeses, but the trouble is those are really small farms, this is actually quite a big farm.

M. Lovegrove: This is roughly twice the national average, just a bit over, in terms of production and number of cows. In fact it's roughly twice the average when it comes to cows being milked, because that's about 120, we're at 240, but our yield is at 11,000 when the national yield is at about 7,500, so we're more double in production. And that's quite a lot of milk, 7,500 litres or 8000, is quite a lot to get rid of. There are days when I look at





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Tunbridge Wells and Sevenoaks, Tonbridge and Westerham and a lot of these towns round here, and if we can't sell that amount of milk in a day, then surely we're not worth it. But actually the farm team are totally occupied on what I'll call the upstream side, so I'd have to bring in new people and that creates new risks, one of costs, two of chemistry, etcetera, etcetera. You know one of the interesting things here is that the farm team is very much the farm team and when we have people who look after the estate and do the coppicing for the woods etcetera etcetera, there seems to be a little bit of friction, 'well they're there and I know what they're doing, but these guys don't know what they're doing' and I just don't want that friction. What's really important is to have a good team which gets on together.

Anna: Definitely, definitely, there's something I wanted to say following on from that and I'm trying to remember what it was now but it's gone right out of my head. So that's what you're thinking about in terms of future at the moment.

M. Lovegrove: Our goal is to create a sustainable farm. Will it recover the depreciation? Now, if and when we sell it, this place, we have no intention of selling, if and when we do, then obviously we will get some value in the land as land prices are going up, so that's good, it's been a good investment from that perspective. But I've really mentally had to write off most of the capital investment we've made. I mean I have not taken one penny out of the farm since I've been here, and I have put in a lot of dollars, a lot of pounds into this farm. Again, I'm very fortunate to have done so and I recognise that totally, and I don't want people to keep on knocking me because I can afford it, because that's whatever it is. But I want a place which continues to perform well, does increase in value, is self-sustaining and actually with luck, does start to repay some of the debt I've given it over the years. Because that would be quite nice, what happens long-term I don't know.

M. Lovegrove: Now what's really interesting is that I was offered the Montreal estate next door which is a huge estate, and I was offered it exclusively by the then owner who's a guy called Geoffrey Jakes. He was a single son and his father had put together the estate, which was 2500/2400 acres, of which roughly half was woodland, half was arable or grazing land. And actually I could have made a fortune if I had bought it, because I could have sold it later. I didn't buy it, I actually came to the conclusion it was an ego issue if I had bought it. I mean I couldn't afford it, I'd have had to borrow a huge sum of money, almost all of it, land prices go up, so you know if it goes wrong, you can sell it and probably get your money back if it goes wrong. It was just the management of it, but I've lost my train of thought here, what was I going to talk about?

*Anna: To do with future goals here?* 

M. Lovegrove: Oh what was I going to say, oh bugger, bugger! No I've lost it, I'll try and remember it. I know it's an interesting point at the back of my brain. Sorry I fluffed that one





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up a hundred percent, but there you oh well you've got to have a screw-up every so often [chuckles].

Anna: [laughing too] Exactly, you've got to have a blooper reel!

Joe: The out-takes.

M. Lovegrove: These days, I'm losing the plot quite a lot, my kids would say anyway!

Anna: I'm interested in the raw milk thing, so when it goes to Dairy Crest, do they have to pasteurise it then?

M. Lovegrove: Yes, they do all that. We have a tanker here, what we've done is put in a brand new tank, which you will see later on, which allows us for every other day pick up, which reduces and it's all to do with carbon footprints and all the rest. So actually we get a premium for our milk because it's every other day pick-up, but you know you're buying on average, milk from the store that's seven days old. I mean I love it, I love this raw milk, occasionally I say to my wife, we should sell it raw, which you can do but it's very dangerous to do so. A. It's highly regulated which I understand, but of course if it goes wrong, you can have a lawsuit all over the place. But what was really interesting was that our two daughters, when they were at Walthamstow Junior School in Sevenoaks, they had according to the teachers the lowest incidence of illness of any of the kids. And I said 'you know, it pays to eat shit!' You know if you're eating raw milk, it builds your antibodies. And again if you want to get me on a high horse is that one of the real problems in our country, in the world has been the invention of the antiseptic wipes, because you lose your immunity to a whole bunch of things.

Anna: Yeah, promoting all the superbugs in hospitals!

M. Lovegrove: Yeah exactly that!

Anna: Yeah because with raw milk, as you say it's really tightly regulated and at Plaw Hatch, a small biodynamic community owned farm etcetera, they sell raw milk but they can only sell it on their premises, it can't travel at all I don't think.

M. Lovegrove: Again, you've got to be very careful and a lot of these farms as you will see are not as tidy as ours, and I am a real believer in tidy farms. And the reason I'm a believer in tidy farms is one, it looks good but that's not actually the priority. The priority is probably safety, because if you have a tidy farm, you're not going to trip up over things or less likely to. But also, my wife and I debate about this, because I'm quite tidy at home, is you then know where things are [laughing], whereas if you're untidy, you think 'where did I last see





*An Archive of Interviews with Kent Farmers* 

it?' you know and I typically can find my car-keys, whereas others in the family lose their keys. I'm not entirely out of the woods but I am a little bit better.

Anna: That makes sense, what do they say? Tidy house, tidy mind or something like that.

M. Lovegrove: Yeah something like that, it is good, it is good!

Anna: And the aesthetic for anyone coming in, it makes such a difference, first impressions and all that.

M. Lovegrove: Yeah, we're now very popular with interns, we have a lot of interns.

Anna: That's amazing you do that scheme, I wanted to ask about that.

M. Lovegrove: Well I'm a great believer in that, I think a lot of farms have them, because they use them as free labour or whatever. There is a question mark for a week's intern, I think that's just a waste of time and a waste of our money because you can't do anything with someone in a week. You really need to have them for a month or something like that, but they're mostly vet people, we really enjoy it because what I'm really trying to do is to encourage young people. Which is why when you wrote through to Jennie or whatever it was and everyone here said 'while you've got to go for it' because I'm a great believer in education and trying to bring in the young people into farming. It is a great business, it's a hard business, it's not necessarily harder than any other.

M. Lovegrove: One of my daughters now is working in London and she gets up at six in the morning and she gets back at nine at night, she has to commute to London, quite often standing on the train up and on the way back. So a farm person gets up at four in the morning or whatever it is, but they are typically finished by five thirty, six o'clock at night. They're using their muscles more than necessarily is the average, and they're using their brains quite a bit, but they're not necessarily under the same stress and strain my daughter is or whatever it is. And you would know this yourselves. So again, everything's different and I just sometimes object to the fact that farmers believe they are slightly different, special, and so on and so forth. I mean they are the custodians of the land and again there are certain types of land which you just can't use so you go to Wales or wherever, and actually as a whole, I am absolutely against subsidies for any business. Because to me subsidies are a cocaine, they distort your economics, they distort your decision making etcetera. But there is certain land where, if you want to keep it trim, I was going to say tidy but that's the wrong word, lets say trim, but if you can't grow sheep on it or graze enough sheep on it or cows or you can't grow crops on it, then you again have to make a decision. Do they want the land to go to thistles and Brambles and all the rest or do they want to have





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someone look after it, in which case, in a sense they've got to be paid somehow, I don't know. So they're those sorts of things.

M. Lovegrove: The other subject we haven't covered, which probably you should cover is renewable energy.

Anna: Yeah, I was wondering about that and how it's related to your waste management system.

M. Lovegrove: Well I'm an energy person, of course, and so I know a bit about energy.

Anna: Yeah I'm sure! Just a bit!

M. Lovegrove: But and by the way I'm one of those people who's absolutely steeped in the oil and gas business, but knows that whilst the world absolutely needs oil and gas, it's time is close to decline. It's probably 20-30 years away, but we'll start to see decline. And I'm happy to do this off-camera but I'm regarded by many as being a real pessimist in the oil and gas industry, and actually you know what happens, there are price-shocks and people get weaned off it. And it's not really to do with, there's an element of climate change and all the rest. It's more to do with the pound in your pocket, etcetera, so when we were putting these buildings up, a lot of people came to us and said 'you've got to put solar up'. I said 'nah,' and the reason for that was several-fold. But one of the key reasons was that they were totally dependent on government subsidy and that creates huge political risk and the one thing you do not do in business is go into political risk. And actually I was then proved right because almost as soon as I made the decision and it is today as well but this decision was in 2009 or 2010, 2010 I think it was and almost as soon as I said this, about two months later, the government cut one of the subsidies. That's one reason!

M. Lovegrove: The second is that technology for solar panels is really, really meteoric, and therefore if you're going to go into it, you should probably wait a bit to get better kit. The third problem is which no one has yet worked out how to handle is that solar panels need to be cleaned on a very, very regular basis. And on a farm they need to be cleaned because you have birds pooping everywhere. Now the contractor says they'll do it, but that'll cost us and therefore reduce our economics, but they reduce efficiencies. Solar panels are not that efficient anyway, they're much more efficient now, but even less efficient when a bloody crow's pooped on them.

Anna: I hadn't even thought of that, that's such a good point.

M. Lovegrove: And worse still actually, because that's pretty solid, is actually dust, particularly in the summer, because it's dry here, you've got tractors going round and this





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whole place is full of dust in a way. And you're cutting up straw for the cows and all of that. And you've got a complete overlay over everything so you'd have to clean them at least once every other day, probably every day. The thing too about energy is that where you will really make money, the people should really invest in and people are doing so by the way and the person who really gets into the winning position will make Bill Gates look like a poor man, is the person who can work out the technology for storage, of batteries. Because I'm a great believer in actually National Grids are going to become less and less relevant and it's going to become much more local type power. But to do that, you need storage and at the moment, we use car batteries or whatever it happens to be. Well they're very expensive, not good for the environment when you have to get rid of them etcetera, etcetera and someone's got to work that out. I mean it'll happen, of that I have no doubt, it'll happen.

M. Lovegrove: Wind power, I've never been a believer in wind power, I can't get it. Wind power, I mean when you want it... oh by the way with sun; we really need our power between four and six in the morning or seven and around three to five at night. Now in the winter, there's no sun, even if there's no cloud, there's no sun. So you have to have storage or you have to buy in and I know you can export and then you require the government subsidy. Wind power, again when it's really, really cold, typically it's really, really cold because there's no wind, etc etc. Again there's always a use for these renewables but I don't necessarily believe that they're not the panacea for the problem. You need a base load. I always regard life as like a chocolate cake, you need your solid bottom, which goes on forever and ever and ever and then you have elements of cappuccino right to the top and I would argue that solar power's better than wind. Wind is probably the element of cappuccino and what I mean is it's there and it's not, it's there and it's not. But you do need this base load and you have to have this debate into whether it's coal, gas, or whether it's oil, or it's nuclear or it's whatever. You could have tides but the trouble with tides are that nature has a marvellous way of telling the human being that you're really a piece of trash and anything you put in the sea I'll rip up and throw it away, etc etc.

M. Lovegrove: I mean when they started North Sea oil, they built these platforms designed for a hundred year's storm and then they realised a hundred year storm occurred every week the first winter that they were there. So you know [chuckles] nature has a completely wonderful thing about putting mankind in its place. Then there's the other one, which is biomass. Well the problem with that is, we are a great believer in all of our, at least on the poo side, in putting it back onto the land. It came from the land to a degree, so it should go back onto the land. So we don't have actually spare space really and if we're going to grow crops to put in the biomass plant, then we've got to make our herd smaller, because we don't have enough land to feed the thing. So it's a bit of a circle/cycle. So we are, I'm afraid rather boring on that.





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Anna: Ah no, I think that's a very interesting viewpoint, a good one to have and a really excellent added dimension...

M. Lovegrove: Well I mean a lot of people are talking about it these days and I'm just a bit of a cynic.

Anna: Yeah, yeah, well exactly. It was quite interesting actually, I was talking to Mr Andrew Brealy over in Herne Bay, the other side of Canterbury and he was on the verge of retirement and he had sold off, or rather contracted all his land to solar panels just before the subsidy thing stopped and obviously he'd got rather cash rich from that particular investment. But it's just yeah, it's interesting, the different perspective.

M. Lovegrove: Again, we're way off on a tangent but I think the lesson people have to learn is the country who has actually beaten off all the Kyoto principles was never a member of Kyoto, and that was America. And why was that? Because of gas. Who is one of the worst performing countries in the OECD? It's Germany. And why is that? Because they went for all these renewable things, which means they have no base load, so they have to then import dirty coal from America, ironically, to create the base load, and it's dirty coal, it's not clean coal. And so they're actually creating more pollution in their country, and yet they have all this renewable stuff. So these are interesting debates, but we're way out in the water here.

Anna: No, it's all fascinating.

M. Lovegrove: So now what do you want to do? You want to go round the farm?

*Anna: It would be lovely to look round wouldn't it? Have you got time?* 

M. Lovegrove: Yeah course I have, I'm fine. There's nothing off-limits.

Anna: And there's nothing you'd like to add before I wrap up the recorder.

M. Lovegrove: I don't know, you tell me.

Anna: You've given us a brilliant picture.

M. Lovegrove: I don't know, I've waffled quite a bit. Let me just see if I have anything down here.

Joe: Could we just get a quick shot of you operating, your fingers touching the laptop screen? I'm just thinking for post-production.





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M. Lovegrove: Whatever, hold on, let me just go to that. Yeah so one of the things we looked at was actually, we're pretty good on the milk hygiene at the moment, we're very good on mobility scores, which is you know, lameness and all the rest. We're really way up in the top 5%. What else? The calving index is really good now, we were appalling, it's very important, calving index, how long it goes from giving birth to one calf to having another. Other than that.

Anna: And disease and all that stuff?

M. Lovegrove: Well we are at the moment, touch wood, [knocks on table], we are disease free. There are certain killer, or certainly very nasty diseases like Johne's disease and all the rest and we're hoping actually we might get categorised as disease free next year. And one of the other things that is really interesting of course, for us, is that we're not pedigree, I mean we're pedigree but not sort of you know \$100,000 cows or whatever. But because we're a closed herd, as people realise that and again it takes time, it's five-ten years, people place much more value on your cows when you sell them. Because they know the environment it's come from, whereas if I'd bought in some cows, they would know from the passport where it came from, but they wouldn't really know what sort of happened before and so on and so forth, they'd just know their locations. So it's really important, that.

Anna: Yeah that's amazing, it's a really good ethos, to have a closed herd.

M. Lovegrove: Well actually this lady here, unfortunately we're having a really bad time at the moment, we just lost two members of staff, well we lost one and we're losing a second, because their other halves want to go home. So one is an English fella who's going back to Yorkshire, he came down yesterday with his wife, he wants to come back but she's very anti, not that she didn't like the farm, but she wants to be near her family. Then we have a Polish guy, who's been here for seven years and he's a great guy, they had kids here but I rather like this, having the kids here and you have a family. The kids now are at an age, I guess, the elder's now six, she's at an age where she's got to go to a proper school and I think the wife wants them to go to proper school in Poland. Not sure what's wrong with our system but there you go and they want to go home. And I was listening to their kids out in the garden and playing and having just great fun and I was thinking, now they're going home they're going to an apartment in, well not Warsaw, but it's somewhere like that. I mean God bless them, maybe they'll love it, I mean some people love that sort of thing.

Anna: Ah but after here, I can't imagine, as a child as a well, being used to countryside living!

M. Lovegrove: Well I think so, but you know actually there's a lot of happy people who prefer towns to the country.





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Anna: Each to their own!

M. Lovegrove: Anyway that's it.

Anna: Fantastic, thank you so, so very, very much for that.





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