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## **PRESS NEWS**

### **NATIONAL STUDY HIGHLIGHTS MAJOR OSR PROFIT IMPROVEMENT OPPORTUNITIES**

Many growers across the country could improve their unsubsidised oilseed rape margins more than five-fold through greater management care and attention, suggests a national performance study conducted by ProCam Agronomy with its powerful 4cast crop management service.

The study, using 4cast's detailed farm-by-farm data from over a million acres of UK crop production, reveals top 25% oilseed rape growers generating per hectare gross margins of £372 without Area Aid last season from yields of 4.2 tonnes and variable costs of £212.

This compares with an average margin without subsidy of £227/ha across all recorded growers from a yield of 3.3 tonnes with £239 of variable costs; and just £68/ha achieved by the bottom 25% growers from yields of 2.4 tonnes and £267 of direct inputs (Table 1).

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**Table 1: ProCam 4cast OSR Performance Comparisons 2004**

	<b>Top 25% Growers</b>	<b>Average</b>	<b>Bottom 25% Growers</b>
Yield	4.17 t/ha	3.33 t/ha	2.39 t/ha
Price *	£140/t	£140/t	£140/t
Output (including Area Aid)	£819/ha	£701/ha	£570/ha
Variable Costs	£212/ha	£239/ha	£267/ha
Total Gross Margin	£607/ha	£462/ha	£303/ha
<b>Gross Margin (excluding Area Aid)</b>	<b>£372/ha</b>	<b>£227/ha</b>	<b>£68/ha</b>

\* Average price assumed across all growers to eliminate differences due to marketing

“This performance gap clearly underlines the substantial opportunities the majority of UK growers have to improve OSR productivity,” stressed ProCam technical agronomist, Nick Myers who co-ordinated the study. “It also highlights the absolute necessity for many to do so if their rape crops are to make a meaningful contribution to farm overheads.”

Yield was clearly the critical factor in the 4cast performance differences – the top 25% growers producing around 1.75t/ha more from their crops than the bottom 25% and 0.84 t/ha more than the average. Even so, their 4.2 t/ha (1.7 t/acre) average would certainly not be considered excessive by most.

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The fact that this yield was produced with markedly lower per hectare variable costs further underlines its achievability.

“All told, our better growers are producing a tonne of rape at less than half the input cost of their worse-performing colleagues,” Nick Myers explained. “Which gives them a far greater ability to tolerate adverse price movements.”

Closer analysis of the 4cast figures shows nearly half the better-performing ProCam growers’ £61/tonne input advantage coming from spray cost economies, with fertiliser accounting for most of the remainder and seed making-up only a minor share (Table 2).

**Table 2: ProCam 4cast OSR Input Comparisons 2004**

	<b>Top 25% Growers</b>	<b>Bottom 25% Growers</b>	<b>Top 25% Advantage</b>
Spray Costs	£26/t	£53/t	£27/t
Fertiliser Costs	£19/t	£43/t	£24/t
Seed Costs	£6/t	£16/t	£10/t
<b>Total Variable Costs</b>	<b>£51/t</b>	<b>£112/t</b>	<b>£61/t</b>

On a per hectare basis too, the figures show the top 25% growers spending less than the average and very much less than the bottom 25% on all three variable cost components.

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The same applies to almost every element of their spray programmes with one notable exception. While their cost/tonne was lower – understandably so, given the yield advantage – the better-performing growers spent some 16% more per hectare on fungicides than the average and nearly 40% more than the worst-performers.

“This higher fungicide spend is particularly revealing,” commented Nick Myers. “It highlights what, I have no doubt, is the real secret of improved OSR performance; namely treating it more like the valuable main crop it is today rather than merely the cereal break it has traditionally been in the past.

“Putting more care and attention into the management of the crop, giving it the inputs it needs when and where it needs them, is clearly paying dividends for many of our growers. In most respects too, getting the crop right actually means they spend less on it per hectare – only they focus their spending in the right place and at the right time.”

Getting more out of oilseed rape is, in Nick Myers opinion, about selecting varieties that are as easy and economic as possible to manage and harvest; sowing high quality seed at rates matched to the required plant populations; providing the most suitable seedbeds; optimising agrochemical inputs for disease and pest control; managing the canopy for the greatest light interception through well-timed fertilisation and growth regulation; and minimising harvesting losses.

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“The removal of Area Aid is certainly concentrating minds in oilseed rape as much as cereal growing,” he concluded. “Without the subsidy, only those who do their crops as well as possible will be able to make sufficient margins to cover their fixed costs.

“For many this will mean viewing their oilseed rape very differently from the way they’ve seen it in the past. And managing it altogether more seriously as crop!”

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