

The following articles will hopefully be of some help to those who are wavering on whether to go into producer processing or not within the dairy industry. There is so much more to milk than just putting it on your cereal or in your tea and coffee. It is a product that can be used for so much more and there is money to be made from adding value to your raw product.

Here at Kiln farm we produce pasteurised milk and cream, butter, ice cream, whole milk yogurts, fat free bio yogurt, soured cream and buttermilk. I will try to go through each process individually, with some pictures, to explain the mistakes we made and critical control points we have identified to get the same product each and every time. It may be easy to get your new product on to the shelves but making sure it is exactly the same next time is crucial. If someone comes back for a repeat purchase it is because they liked it the first time and they expect the same, sounds obvious but a variable product will kill your new venture faster than E.coli!

Finding your market. Before spending any money you need to decide which market you are going to supply; Fresh milk, ice cream, yogurts, cheese etc or all of them? How will you get your produce to the consumer? There are many choices from Farmer's markets, farm shops, local delivery to post. What is the geographical location of your farm? Are you close to busy roads, villages or towns? Do the premises lend themselves to visits by consumers keen to see the cows, the process or the people behind it all? The questions can go on and on but for us living on a rock in the middle of the Channel we are in no position to comment. But these are all important questions to ask yourselves before you begin.

Our tenancy was granted with the instructions to get fresh local milk back on the shop shelves, we have limited but a captive consumer base. Our advantage is having a ready market on the door step but disadvantage being the market is limited to Alderney. It is therefore virtually impossible to build any economies of scale and we have to compete with often far cheaper imported products along side ours on the same fridge shelf. For this very reason we do not specialise in one product and we try to spread our costs over as many different products as possible.

Before we started processing we made the decision not to go door step delivering as this is very time consuming, which is time we could not afford. We decided to put all our goods through the grocery stores. A disadvantage to this having to allow the stores a margin for profit but the greater advantage being speed of delivering and having 5 stores all open 8 hours a day gives 40 hours access each day to our products.

Processing. Once the decision has been made to go into processing, ensure you budget accurately. Not trying to teach my Grandmother to suck eggs but what ever your best estimate DOUBLE IT. For example you could very easily set up all the equipment for pasteurising milk similar to ours with the ability process 900 litres per hour for approx £25-£30,000. What you need to remember is the premises, conversion or new build, electrical contractors, demands of the Environmental Health Officer etc. They all cost BIG money that can easily spiral upwards.

Marketing of your products. The most time efficient way of getting your raw milk to the market is probably just pasteurising and bottling. However matching supply to demand can be awkward. The day of the Housewife having 2 pints daily is long gone, along with most milk delivery men, so now we have to constantly juggle with the supply to match the fluctuations of the consumer and often the calves get very well fed with milk that is unsold. Beware the biggest crime is to create the demand and then not be able to fill it. Having too much milk is never a big problem but if the consumer wants it they mean now! If you miss that order and they try an alternative then you may lose them forever.

Packaging. The only advice is get on the internet or phone around and price up. Small batches of anything is always more

expensive. Don't be put off in the early days you will make savings as demand grows. For example our 150ml plain small pots for yogurt and soured cream cost around 6p each at the start but now we get our own preprinted pots for 5.5p. This is because now we buy 25000 at a time!

Getting started.

For our own circumstances getting fresh milk on the shelves was the first priority, once we had mastered that we went on to regulating the cream into the differing fat contents of double, whipping and single cream. This took a long time and often in the early days the double would be so thick you could spread it like butter. We have no way on the Island of testing the fat content and it is all done by eye and experience. For example when the separated cream leaves the spout it is warm and very runny, a small adjustment of the processing valve can take it from double to single. Only when the cream is cold can you really tell by looks and viscosity. Changing fields and diet from one day to the next can also alter the settings on separator.

Once we mastered the cream we asked ourselves What do we do with the excess? The lowest value product is butter and as a last resort that is where our excess goes. Butter is very fickle and our own butter making process will follow in another article soon.

After mastering the butter we had to find a higher value product to put the cream into and so ice cream followed. Peaking at about 10 different flavours, 80% of our sales is vanilla and so we have cut back to 5 flavours plus specialities on request i.e. Christmas pudding or Baileys. Again our own ice cream process will follow shortly.

We took on full time staff and they have become fixed costs. We need them for certain times of peak production and to have somebody who can manage the pasteuriser/ separator. So to spread this extra cost we started the whole milk yogurts. Our own market averages around 350-400 pots per week, whether we do 10 flavours or just the 6 popular for the mainland the opportunities are endless; just look at what Muller have done to the once dominant Ski yogurt market. Frozen yogurts are now more popular in America than ice cream.

Three years into the job we were still looking for other products to get milk into and have since progressed to fat free bio yogurts, soured cream and butter milk. Each process to follow.

We are by no means experts and have made numerous mistakes and hope this article, along with the articles to follow, will give you a small insight into how to get going.