

“Cashflow is king in our business.”

Building relationships that last.

Better buying, better selling

Whichever way farmers choose to sell their crops, knowing their grain is marketed with their best interests at heart provides confidence and peace of mind. *CPM* takes a closer look at several farmers and the individuals aiding and informing their grain marketing decisions.

By Melanie Jenkins

What's the most important aspect between a farmer and their accountant, land agent, agronomist, business manager or any advisor, for that matter? Rather than being something tangible or denoted on a CV, it's the relationship they offer – something the team at Openfield says is central to its operation.

Furthermore, with each farm being entirely unique, having access to a tailored grain marketing service is integral to how the farmer-owned cooperative operates. For Olly Harrison, this means receiving daily updates which allow him to make his own decisions for when to sell grain.

Olly, who runs Water Lane Farm in Prescot, explains the relationship started more than 20 years ago with Centaur Grain. “We've since seen it

amalgamate with Grainfarmers to form Openfield but what I really like is the firm is farmer-owned so doesn't exist to make money for its shareholders.”

Fulfilling exercise

Marketing almost all of his crops through Openfield, he's discovered enjoyment from playing the market daily and deciding when to sell himself. “My dad traditionally placed crops in pools but sometimes I speak to our Openfield farm business manager, Jo Eborall, on a daily basis about whether it's a good day to sell or not. She'll also give me a heads up if the markets hit a price I'd want to sell at.”

Because Olly's crops are committed

to Openfield, he can be part of the firm's Crop Fund scheme which allows him to borrow against his commitment before they're sold, even up to one month pre harvest. “This allows us to maintain monthly cashflow and if we wanted, we could divide it to help with other payments such as hire purchases, mortgages or even take from our balance with Openfield in exchange for seed or fertiliser. Cashflow is king in our business and because of this, I don't have to sell my grain just to raise capital.”

While checking the markets daily isn't for everyone, Olly has found he can make an assessment in around 30 seconds to determine if the price is attractive to sell at or not. “If I hear something is



Playing the market is all part of the enjoyment of marketing grain but being part of Openfield's Crop Fund helps to manage cashflow, says Olly Harrison.

Meet the team

Jo Eborall, one of Openfield's farm business managers, is a key point of contact between the firm and a number of its farmer members. Her role involves working closely with growers to understand their businesses and requirements, what Openfield can provide, how to optimise cashflow and create growth, while recommending which crop varieties to grow to maximise profits.

As a farmer's daughter, Jo is especially passionate that Openfield is farmer-owned. "I love this ethos and how farmer-friendly the firm is – it's a really significant part of the role for me."

Part of building a relationship with her farmer clients involves regular face-to-face contact and being available at the end of the phone. "We provide a lot of market information on a daily basis which I'm in frequent contact with the trading team about, and subsequently provide fair advice. We almost work like an extension to the farm office – helping when farmers require cashflow, movements or



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advice about how to best market their grain.

"We're always of a mindset that farmers shouldn't ever have to sell grain for cashflow purposes, and this is where our Crop Fund facility allows commitment of a crop to Openfield, either directly or through pools. Some will take this as a big chunk and others will spread it out – it's all down to each farmer's requirements."

And while some members want regular updates, others prefer less contact meaning Jo tailors her service to suit each farmer. "I have close relationships because every single grower is an individual and very different, and all have unique goals they're looking to achieve."

Team approach

Although Openfield's farmer members are most likely to only speak to their farm business manager on a regular basis, a whole host of colleagues are at work behind the scenes to keep track of global and domestic grain and oilseed markets as well as selling crops.

Glenn Mason, Openfield's head of grain marketing, says he spends a lot of his time hedging farm purchases and sales to domestic consumers such as flour and animal feed millers on the derivative markets, all while monitoring live markets.

His career began in the London Stock Exchange assisting the traders. "This is where I was first exposed to the dynamics of what makes markets work."

From here, Glenn moved to a role as a purchase ledger administrator at multinational agribusiness Bunge & Co where he stayed for 21 years, working his way through the ranks up to the role of trading manager. He joined Dalgety Agriculture in 1996 before joining Centaur Grain in 2003, remaining with the firm as it evolved into Openfield.

"An important part of my role is managing farmers' pool commitments to Openfield and marketing this on their behalf. There's a lot of trust required in this process, but we find farmers commit year in and year out".

Glenn's role requires timely and accurate



An important part of Glenn Mason's role is managing farmers' pool commitments to Openfield and marketing this on their behalf.

communication, as well as being at the forefront of changing markets and evolving geopolitical situations. "Geopolitics is far more influential than it used to be and we're seeing increased activity in agricultural derivative markets by 'managed funds' which can influence market direction."

As a result, markets are becoming more challenging, but through experience it's possible to see recurring factors and patterns, explains Glenn. "It's important to understand the fundamental supply and demand of the global grain market. This is something I impress on our traders so we can continue to provide a service our farmer members can trust."

"And whether growers are allowing us to market grain on their behalf or turning to us for advice on when's the best time to sell, there's a lot of trust involved in this process. I could have retired but I still enjoy what I do, every day is different and presents fresh challenges and opportunities."

happening that could affect the markets, I'll check the price and make a decision."

Another aspect of the relationship Olly finds useful is he can make a single phone call to Jo to check in on the markets or to order seed and fertiliser. "I can either call Jo and she'll have access to all of this information or log in to Openfield's online portal, Insight. But my relationship with Jo is important because she lives and breathes

the industry and businesses she manages. It's a relationship that I hope will continue because it's certainly made farming easier."

Another grower who's built a strong relationship with Openfield is fifth generation farmer, Henry Barnes, who oversees 324ha in partnership with his father and mother in the Cotswolds. The family relocated to Whalley Farm, near Cheltenham, from Staffordshire in

2018 when their farm was compulsory purchased to make way for HS2. "The family had been at the farm for 100 years and we'd diversified into weddings and a farm shop, but we've now set up our new business which we've again diversified."

Throughout the entire move the family remained with Openfield, but how grain is sold has changed somewhat, he says. Henry's father originally sold through



Henry Barnes prefers to sell some of his grain himself while opting to put the rest in pools to help manage risk and workload.



Openfield members have the option to draw down on crops committed to Openfield from 1 July onwards to help with cashflow.

▶ Centaur Grain, largely using pools, finding he was too busy with the diversifications to study the markets – and was quite happy to let the experienced traders at Openfield decide when was best to sell. “My dad’s ethos has always been that you’ll never win this way, but you certainly won’t lose either.”

However, when Henry returned to the family business in 2006 after attending university, he gradually took more interest in how the crops were sold. “I wanted to sell more myself and put less into pools but the first year I did this was 2021, just prior to Russia invading Ukraine. I tried to sell it the best I could myself, but this is when it would have paid to have sold everything at harvest.”

Since taking on the farm in the Cotswolds, Henry’s workload has gradually increased with him undertaking all of the farm work himself except during harvest when he employs seasonal labour. “We’ve diversified into large holiday rentals and industrial lets during the past seven years which has meant things have become increasingly busy. After a number of years selling grain and beating myself up when I didn’t feel I’d sold at the right time, I decided to pool at 30% of everything.

“However this year, we’ve pooled around half of our grain because I just don’t feel I have the time or knowledge to do a better job than the traders, and in theory it feels better to let the professionals sell for us. I also believe a balance between selling some myself and pooling the rest helps to derisk the business and means I’m not going to be hard on myself when

I don’t sell at exactly the right time.”

Cashflow management

Just like Olly, Henry also sees value in Openfield’s Crop Fund scheme. “Once we’ve committed to Openfield we can then draw down on the value meaning we don’t have to send our grain off farm and wait on payments for cashflow. It means if we’re ever in a sticky situation we could borrow against this committed tonnage – and yes, it would cost us a bit in interest but it’s worth it because it means we can have cash as and when we require.”

This year for example, Henry purchased seed from Openfield without having to invest any money, because the value of the seed was deducted from his account balance. “It was offset against our grain in store – it was so simple, so I plan to do the same with fertiliser in future.”

Equally, Henry finds the accessibility

of online interfaces and digital portals a valuable part of his interactions with Openfield. “These give me a clear picture of how my account stands and makes it easy to keep on top of.”

Jo is also Henry’s Openfield farm business manager, and this relationship provides him with precious insights and information on-demand, he says. “We’ve worked together for quite some time and she’s customer focused and helpful, always attentive and we can chat via WhatsApp which makes things easy and quick.”

He’s also found merit in Openfield’s podcast, which makes it simple to stay on top of grain markets because he can listen to episodes while undertaking other jobs. “Overall, the accessibility, ease of use, relationship with Jo and the ability to have more control over our cashflow is what makes being part of Openfield so valuable.” ■

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To remain at the forefront of arable farming and to maximise the value from every hectare of crop grown requires a keen understanding of the grain market, the seed to supply it, and the fertiliser to feed the crop.

Through this series of articles, *CPM* is working with Openfield to provide a market insight and help farmers to focus on these major business decisions to ensure better buying of inputs, and better selling of the produce.

Openfield is Britain’s only national farming grain-marketing and arable inputs co-operative and is owned by over 4000 arable farmers. Openfield’s team works with a

total of 6000 farmers to supply some of the biggest and best-known names in the British food and drink manufacturing industry.

But there’s more than just grain to Openfield, supplying seed and fertiliser, providing grain storage and offering expert advice on grain marketing and risk management. This delivers innovative supply chain solutions to its farmer members and consumer customers.

