

Centenary Thurles
Co-operative Society Ltd

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NEWSLETTER 2012



Thurles Fresh Milk Q-Mark Nomination

Thurles Fresh Milk Limited has been shortlisted for the National Q Mark Awards which are one of the most prestigious business awards in Ireland.

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The purpose of the awards is to recognise companies and organisations who have demonstrated outstanding quality and excellent practices and processes within their industry sector.

Companies are short-listed as finalists based on the result achieved in their Q Mark for

Quality Assessment, completed during the period 1st April 2011 – 31st of March 2012.

An Independent Judging Panel will now carry out an assessment and the awards ceremony will take place in the Burlington Hotel on Friday 28th September next.

All staff are to be congratulated on their efforts to maintain and improve all our business processes.



Thurles Fresh Milk Tipperary Cup

The highlight of the year at Thurles Greyhound track is always the Thurles Fresh Milk Tipperary Cup. The final will be held on Sunday 5th August next and the Guest of Honour will be the Minister with responsibility for Greyhound Racing, Shane McEntee.

Discounted tickets are available to all suppliers and customers for each round and a good night's entertainment is guaranteed during the course of this prestigious stake.

Milk Price 2011

Each year we publish a detailed breakdown of the milk price paid for the previous year. The following is the breakdown for 2011 and the corresponding figures for 2010.

This table shows the continued improvement in milk price as it recovered from the lows of 2009. Gross price increased by 4.26c per litre and Nett price by 4.35c.

	2011	2010
Basic Price	31.366	27.295
Quality Bonus/Penalty (Nett)	1.433	1.439
Winter Milk	0.134	0.159
Loyalty Bonus	0.403	0.382
Early Calving Bonus	0.068	0.050
Dairy Nut Bonus	0.028	0.024
VAT	1.646	1.466
GROSS PRICE	35.078	30.815
Collection	0.000	0.000
Penalties	0.003	0.094
Levies	0.406	0.406
Total Deductions	0.409	0.500
NETT PRICE	34.669	30.315





Pictured before the race are back row (L to R) Tom Power (Stockproof) Tom Ryan (Thurles Mealstore) Ultan Nesbitt (Roscrea) Johnny Morrissey (Cashel) and front row (L to R) Pádraig Crone (Thurles Home & Garden) James Byrne (Roscrea) and Niall Heffernan (Littleton).

7th Annual Golden Mile (Handicap)

On 7th July last at Moyne Sportsfield (by kind permission), the 7th Annual Golden Mile race was run for the benefit of North Tipperary Hospice.

A feature of the previous renewals of the race was the fact that no participant had won the event twice.

Once again, the handicapper stayed ahead of the former winners and victory for 2012 went to Ultan Nesbitt. Following him home on this occasion was Pádraig Crone and 3rd place went to Tom Ryan.

Milk Quality (TBC)

Historically, we have tested milk twice per month and applied quality bonuses and penalties based on these results. The processors are now testing all loads into the factories. This has led to the existing milk policy being amended to reflect the new testing regime.

It is obviously important that top quality milk is available on a daily basis to the processors to enable top quality product to be

manufactured. In these times of difficult markets for milk, it is even more essential. We are confident that suppliers can embrace the changes and follow on with improved TBC levels similar to the recent improvements in Lactose and SCC.

In the coming weeks workshops will be organised for all suppliers to assist with the effort to improve quality.

Glanbia Plans Post 2015

Glanbia has recently announced plans to seek planning permission at Belview in Waterford Port for a new milk processing plant.

From a supplier point of view it appears that a contribution of 2c per litre on all new milk committed will be required. This contribution will be repayable in some form to suppliers in future years. It appears that initially at least, there will be no restriction on the volumes of milk that can be supplied.

This announcement is welcome in that it clarifies in a timely manner Glanbia's plans for future milk expansion. It also clarifies what appears to be a non-prohibitive cost of expansion to suppliers.

The announcement goes on to confirm that Glanbia plc and Glanbia Co-Op are in discussion with a view to forming a joint venture to run the existing Dairy Ingredients business in Ireland and the new milk processing plant.

Glanbia Co-Op would appear to be required to purchase 60% of the existing business and fund 60% of future expansion costs which also involves a significant working capital requirement. Unfortunately it appears that these negotiations will not be completed until September at least.

We await with interest the funding mechanism that will be put in place and the effect this will have on us as a Corporate Supplier/Shareholder and on milk price for suppliers.

New Brand Launch

Our new brand launch took place on Thursday 31st May at our Thurles premises with fun and entertainment for all the family. Our new brands were very evident throughout all areas of the Home & Garden Shop, the Farm Store and the Dairy.

Activities on the day included tours of the Dairy, train rides,

rodeo bull, music and other family entertainment.

We had refreshments, supplier trade stands and product demonstrations. Boulabane Farm Ice Cream supplied ice-cream cones at the Dairy throughout the evening. There were many special offers on the day which were availed of by a large number of customers.



AVOID DAMAGING THE GROUND

Do not poach the ground. There are still four months of grazing in 2012 (July, Aug, Sept, Oct). Research has shown that one poaching damage to a paddock can reduce grass growth by 30% in the next round, while two poachings can reduce grass by 50% for the year. Consider some or all of the following:

1. On-off grazing: Give cows/cattle access to grazing for 2-3 hours after morning milking and again after evening milking. Remove to farmyard immediately grass has been eaten. As cows do most walking damage when it is raining avoid turnout when rain is forecast and house immediately it starts raining.
2. Graze from back of paddock: To prevent poaching of grazed ground, start grazing from the back of the paddock. Prevent access to yesterday's grazed area by back-fencing.
3. Several entrances: To reduce soiling of grass from roadways and gaps it would be advisable to have several access points to each paddock.
4. Cow paths: These are narrow (2m wide), temporary walkways used to give cows access to the back of long, awkward paddocks.
5. Allocation: Use square blocks where possible e.g. 70 metres x 70 metres. Cows do less walking in square areas.

DAMAGED GROUND

Fertiliser to feed the ground and cows to level the surface are generally the best solution for damaged land. Root development is required where pasture has been poached. Phosphorus is relatively immobile in the soil.

At soil index 2 or lower (where permitted under the Nitrates regulations) up to 5 units of P/ac should be applied to promote root (and hence pasture) recovery in the form of a blended N & P compound. Apply fertiliser N at the rates outlined above. Don't roll ground as it smears and compacts the topsoil, as well as bruising grass leaves resulting in less grass growing.



Dealing With Poor Grazing Conditions – July 2012

DAIRY FEEDING

Grazing conditions are extremely poor and grass dry matter is low at 12-14%, leading to poor grass intake and supplementation is needed to meet the deficit in energy requirements.

MONITOR COW PERFORMANCE

Monitor cow performance and milk yield closely over this difficult period. Indicators of the adequacy of the diet include:

1. If milk protein concentration is dropping cows are not getting enough feed.
2. Milk yields should decline by no more than 2.5% per week or 10% per month.
3. Body condition score, cows that are 4.5-5 months

calved should not be loosing condition.

4. Watch first calvers as these are the group of animals that will suffer most.
5. The first 3 weeks after breeding is the most critical for the foetus.

USING SILAGE

1. Baled silage can be opened immediately after wrapping without negative effects on the animal but it will heat quickly and needs to be used up within 24-36 hrs.
2. If indoors, use good quality surplus bales in preference to moderate quality pit silage.
3. Pit silage must be left a minimum of 3 weeks before opening. When sealing pits back up again, ensure that there is a perfect seal and the air is fully excluded. Sheer grab is

preferably. Minimise air getting in at top of pit by weighing down with sand bags, don't expose too much.

SILAGE MAKING

In some parts of the country there is still a lot of grass to be harvested as silage. It is important that this is harvested as soon as a window of dry underfoot conditions can be found, this will be 24 hrs in some parts of the country and a week or more in others.

Important to get grazing ground back in the system as well as getting slurry out. Digestibility is declining significantly. It is important to cut it clean and avoid bringing it in dirty, keep chop length long and seal the pit as quickly as possible. Grass is very stemmy now so good preservation should be easier to achieve.



Weed Control in New Leys

In the next few weeks, most of the late May, early June sown new leys will be at the correct stage for applying a herbicide.

Considering the cost so far, it normally pays handsomely to apply a herbicide, especially where there were docks and thistles in the field before you reseeded. A little bit of planning will ensure that you get the most from your investment.

In most cases, applying a herbicide six to eight weeks after reseeded is the cheapest and most effective spray you can apply to a grass field.

If you had docks in the field before reseeding, there can be up to 100,000 dock seeds/ac ready to germinate and reduce your grass yield in future years.

Control these weeds when they are seedlings and they will not cause you problems in future years.

Annual weeds such as fumitory, fat hen, and dead nettle only live for one year. These weeds should not affect the establishment of the new sward, unless present in big numbers.

They are normally removed by grazing, cutting or leaving them die naturally over winter.

Where high numbers of annual weeds are present, the herbicides in the table (below) will remove them. If left uncontrolled, these weeds will cause gaps, which are an ideal place for docks, etc, to germinate and grow over the winter months.

Soil drainage, fertility and grazing management will influence whether a problem occurs in the future. For example, poaching brings on dandelions and buttercups, while high levels of potassium favour the establishment of docks.

Clover-safe herbicides do not control the same range of mature perennial weeds so take them out at the seedling stage when you get an opportunity to do so.

HELP THE SPRAY WORK

The first point of weed control in new leys is to have an even, vigorously growing sward. Seedbed preparation, soil fertility and seeding rate are

key points to get right.

A competitive sward will enhance the effect of any herbicide applied and fill in the gaps when the weeds die back. Apply the herbicide according to the label instructions. Rates of water are normally 220-350L/ha (20-30gallons/ac). Remember, all herbicides require records to be kept under cross-compliance rules.

APPLYING HERBICIDES IN A NEW LEY

Weeds in new leys are best controlled when they are small (six to eight weeks after reseeding) and actively growing. You can expect very good results from applying any of the herbicides in the table when they are sprayed onto small, growing weeds.

Also follow the product label instructions when applying all plant protection products.

The stage of growth of the clover and grasses also has to be considered. The aim should be to

time the spray so that the clover has at least one trifoliate leaf and the grasses have at least two to three leaves.

A list of the main herbicides is shown in the table. The main choice will be made by whether or not you have clover in your sward.

Having clover should not hinder the level of weed control expected as a well-timed clover-safe spray should be very effective.

If clover is not in the sward, then the options available are more comprehensive, especially if you have a heavy weed burden.

If you have weeds emerging from old roots (eg, creeping thistle, docks, etc), it will be difficult to achieve good control with a clover-safe spray and you may have to switch to other options.

There is one major change to the product list this year, the old favourite CMPP is no longer cleared for use on agricultural grassland. Consult our technical advisors for more information.



Agricultural Scholarships

Agricultural Scholarships are awarded each year to sons/daughters of shareholders attending the Agricultural Colleges. Closing Date for

applications is Friday 14th September 2012. Please contact Tom Nyland at Ballyduff (0504 34038) for further details.

Super-Levy 2012/2013

At the end of June, the Society is 2.5m litres or 6% over-quota. The corresponding figures for last June were 4.2m litres or 10.5% over. Last June we commenced deductions as a super-levy was inevitable. The position is extremely tight this year and if the weather improves super-levy could still be incurred.

On the basis of the uncertainty, we have deferred on account

deductions and will review again for July milk.

Unfortunately the Department has revised upwards its estimate of the over-quota position for 2011/2012.

We have not yet received our National flexi-milk allocation and final adjustments to super-levy bills are likely to be made with July milk.

Milk Price June 2012

Milk price remains at 28.5c per litre including VAT for June. The downward pressure on milk price in 2012 has led the Committee to defer the collection of the 2009 milk price support which was due to be refunded in 2012. This deferral will be reviewed on a monthly basis taking into account the milk price pertaining. Also deferred for

the present is a long overdue increase in feed prices. This policy is reviewed weekly and takes into account the prevailing weather conditions and the requirement for compound feed. These actions will make some small contribution to help alleviate the difficulties currently facing farmers.

New Transport Scheduler

Fuel prices and transport costs continue to rise and are currently at an all-time high. It is critical that deliveries and collections are carried out in the most efficient manner, whilst still maintaining a good and reliable service for our customers.

With this in mind we are currently in the process of implementing an integrated transport scheduling system. This may alter the way the service is delivered in the future. For instance in the past you may

have become accustomed to a delivery on a particular day of the week. The new system will endeavour to ensure delivery within two working days of order. We look forward to your continued co-operation with the changes made and trust that you will continue to receive the quality and service from your local Centenary Thurles branch that you have become used to. Please contact your local manager if you require any further clarification.

Milk Supplier Survey

Towards the end of last year, we carried out a survey of suppliers on behalf of Glanbia. This was necessary in order to link in to the plans Glanbia have for expansion.

Disappointingly only 2/3 of suppliers participated in the survey which can leave a greater than acceptable margin for error. Responses received suggest the following summary data:

- Cow numbers will increase by 33% post 2015
- 73% of suppliers expect to expand milk production post 2015
- These suppliers expect to produce 67% more milk
- Prior to 2015 13% of suppliers expect to exceed quota by more than 20%
- Those milking over 100 cows will double from 30 to 61 post 2015

Annual General Meeting

Our Annual General Meeting was held in the Templemore Arms Hotel on the 12th of June last.

The Chairman in his introduction pointed to the solid financial performance reported for 2011. He stated that the profits reported will facilitate re-investment and thanked the shareholders for their ongoing loyalty and support for the Society's businesses. He welcomed the growth in Grain Intake of 50% and also the increased milk price paid for 2011. Disappointment was expressed at the level of super-levy incurred for 2011/2012 and he warned of the dangers of repeating the situation in the current quota year.

Auditor David Gleeson from Russell Brennan Keane

explained the Financial Statements in detail. Approval was given to issue 150,454 Bonus Shares to those shareholders who supplied milk and/or grain and those who traded with the Society during 2011.

The following Committee Members were re-elected:

Ballyduff: Patrick Daly, Seán Dunne, Robert Hayes

Ballyduag: Jim Russell

Cashel: Roger Kennedy

Littleton: Philip Kinane

Loran: Michael Maher

Montore: Patrick White

Castleiney: Tim Maher

Killea: Michael Egan

Thurles: John Cahill, Bill Flanagan

Legumex DB or DB Plus	Docks, Thistles	7L/ha (5pt/ac)	Safe on clover
MCPA 50%	Thistles, Buttercups	1.5L/ha	Checks clover
Alistell	Docks, Chickweed, Fat hen	3.5L/ha	Safe on clover
Doxstar	Docks, Chickweed	1.5L/ha	Kills Clover
Hurler	Docks, Chickweed	0.75L/ha	Kills Clover
Legumex DB Or DB Plus + Triad	Docks, Chickweed	5.0L/ha (3.5pt/ac) + 1Tab/2acres	Safe on Clover

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