



PASTURE-FED LIVESTOCK ASSOCIATION

ANNUAL REPORT TO MEMBERS

This report covers progress during the period 1 September 2018 to 31 August 2019

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1. CHAIRMAN'S INTRODUCTION

It has been an outstanding year for the PFLA. I am so proud to report all the progress we have been making.

We have seen our accounts moving almost out of the red as we gather more members and spend our generous donations wisely.

We have seen the start of the improvements to our website and of course the wonderful film which stars some of our key supporters and puts across our message with tremendous visual elegance.

We are seeing the consumer awaken to the benefits of pasture fed meat; while in Government, at DEFRA, we keep appearing favourably in speeches and quotes from Ministers which will be in our favour too.

This coming year we welcome some outstanding new directors and gratefully thank those who are standing down, having taken us so far.

We hope we shall soon see our certification mark appearing in more retail outlets which for the board was a key performance indicator.

At the forthcoming AGM we will see the first ever Pasture Fed show and sale, and I hope this will be the first of many in years to come as we raise our profile and grow the market for both fat and breeding stock.

We have seen ourselves in print as farming editors awaken to our movement and we will continue to grow our consumer facing profile with money we have been given to deploy new personnel.

I would like to thank all our members for their loyal support as well as their wise guidance given freely and generously through our online members forum. This is critically important for encouraging others to adopt our successful approach to farming. It also marks us out as a positive friendly and helpful association to become a part of.

I cannot possibly thank you all enough but picking out our staff and our board of directors as well as our President who never fails to promote the PFLA while raising funds for us too and for whom I found this quote from another Boris, this time Pasternak!

I come here to speak poetry. It will always be in the grass. It will also be necessary to bend down to hear it. It will always be too simple to be discussed in assemblies.

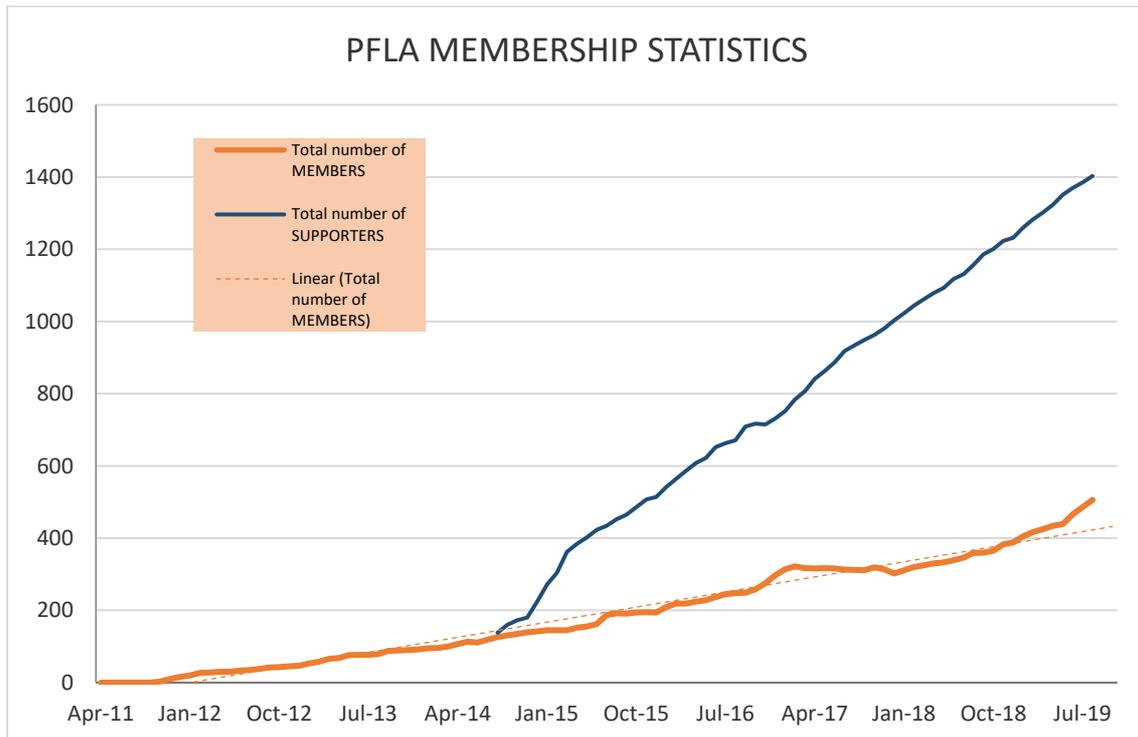
Boris Pasternak

Now is the time to let everybody know about the Pasture Fed Livestock Association and enormous benefits that surround all that we believe in!

Bill Wiggin MP
Chairman

2. MEMBERSHIP

- The number of paid-up members has increased from 358 to 506, across the UK and Ireland.
- Retention rate for members is very good at 93% - a positive indicator of the value of membership.
- There are now 1403 (increasing from 1158) supporters (who sign up on the website but pay no subscription) and who receive the Pasture for Life News e-newsletter and any other targeted marketing emails.

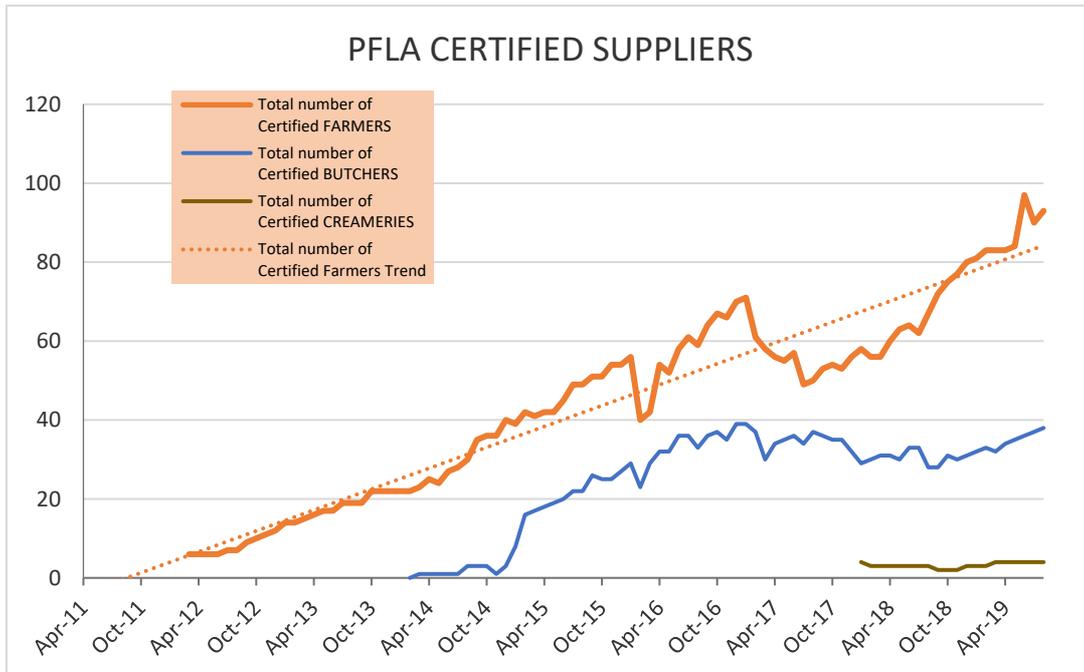


- The members' forum remains very active and discussions have included a wide range of topics in addition to the regular sharing of technical knowledge. There are more than 2,200 historic threads now available.
- A number of PFLA members were involved in delivering sessions at Groundswell, increasing the profile of the PFLA and garnering 20 new members over two days. Members were also very involved at the Oxford Real Farming Conference.
- The 2019 study tour was based in Kent and was attended by 30 members. There were visits to three member farms – the Cornforth family at Lomas Farm, Sam Newington at Burgham Farm and Fidelity Weston at Romshed Farm.
- The bi-monthly member's e-newsletter has continued to be well received and provides a useful means of updating members on key issues and events of interest. The open rate is 41% and click rate is 14%, both high for the agriculture sector.

3. CERTIFICATION IN NUMBERS

- The number of certified producers increased from 67 to 93.
 - The increase is representative of a streamlined process and lower fees
 - Of these 93, 26 are pending audit before they can trade as Pasture for Life certified.

- The total land area now under Pasture for Life certification is approximately 12,322 hectares (up from 9,256), with approximately 8542 cattle (up from 6,240) and 17,186 (up from 10,035) sheep grazing thereon. Approximately 60% of the certified pasture-fed livestock and pasture are also certified organic, although 50% of farms in number are organic (indicating that organic farms tend to be larger).
- Dairy certification is still in its infancy. We have five certified dairy producers producing in excess of 4.2 million litres per annum.



NB – the dip in certification in 2017 was due to the transition to paid audits with OF&G

4. CERTIFICATION STANDARDS AND AUDIT

- The Pasture for Life Standards are due for revision and earlier in the year a consultation with members was held – to which a good proportion of the membership responded, as well as some external organisations (for which the organisation is very grateful).
- The PFLA’s certification committee have met to digest all of the consultation feedback and are now in the process of developing the detailed revisions to the standards – which will need to be approved by the PFLA board before coming into force.
- Working closely with the PFLA’s certification body (Organic Farmers & Growers), improvements have been made to the certification process making it easier for farmers, butchers and creameries to apply for certification.
- Following a number of enquiries from farmers and the subsequent training of auditors, Pasture for Life certification is now available in the Republic of Ireland.

5. MARKET DEVELOPMENT

Google trends show that the interest in “grass-fed” continues to increase both in the UK and globally. Linking this growing interest with a meaningful certification mark is however no small task. Notwithstanding the current misleading definition of “grass-fed”, the work required to convert the average consumer, who may have a vague recollection that the term means that a product is better in some way, into a purchaser of certified Pasture for Life, is considerable.

Nonetheless, and despite limited resource, both the PFLA team and PFLA membership have made solid progress in the last year, including:

- Launched a consumer-focused promotional film at Countryfile Live which encourages people to ask for Pasture for Life when they buy – this being the PFLA's first real foray into consumer marketing.
- Begun to understand the target consumer for whom Pasture for Life has a major appeal and for whom certified produce is now a regular part of their diet.
- Taken learnings from the member-led Routes to Market initiative in how the PFLA might best support its certified members and embrace the challenge of engaging with more consumers.
- At every opportunity gained coverage in the media (as reported below) with the key aim of reaching out to consumers to inform them about Pasture for Life and where it can be purchased.
- Maintained regular activity on social media, including on Twitter, Facebook, Instagram and LinkedIn. In each case the intention being to target particular audiences, be that farmers, industry, health conscious consumers, foodies, etc.
- A number of tasting events have taken place across the country – some led by members, and some by the PFLA team, all with the intention of promoting the unique qualities of Pasture for Life produce to target audiences, most especially food journalists and high-end retailers, as well as consumers.
- The PFLA has continued to foster links with key organisations like AHDB and Eating Better who have the means and contacts to echo the Pasture for Life message and assist with the development of opportunities to reach more consumers.
- Support has continued via the PFLA office and the PFLA's marketing guidelines to help certified members ensure that the Pasture for Life logo and their products are promoted in the very best way possible.
- The PFLA office has assisted a number of certified butcher members with labelling of produce, both with pre-printed labels and help in setting up their own equipment to print the logo and traceability codes on packs of meat. The ability to trace produce back to the farm and animal continues to provide a unique selling point for many and adds an element of trust to the Pasture for Life mark.
- Pasture for Life produce is now available from 38 certified outlets, 33 of whom are 'certified farm butchers' selling direct to the public via a farm shop, delivered meat boxes, etc. There are also five certified independent butchers, sourcing from one or more certified farms and selling either through physical premises or online or acting as a wholesaler. There are four certified dairy outlets and other independent retailers now interested to stock certified produce of all kinds.

6. SUPPLY CHAIN DEVELOPMENT

Experience from a number of PFLA-led and member-led initiatives has shown how challenging and time consuming the establishment of viable supply chains can be. Whilst the PFLA does not exist to set up supply chains, it is keen to support certified members achieving the same, and to encourage consumers to ask for and buy certified produce such that it is pulled into the market place through existing supply chain infrastructure where possible. To that end the PFLA have supported a number of initiatives and undertaken a number of activities in the past 12 months, including:

- Met with four of the UK's major retailers to discuss how Pasture for Life produce might become part of their offering to customers, and to gauge their interest in

doing so. Although the concept of Pasture for Life proved popular with all, there were evident reservations about the time and cost it would take their existing suppliers to transition to certification, and for them to scale up product availability. That said, Waitrose have expressed greatest interest in working with the PFLA to learn more and potentially conduct research together to better understand the nutritional benefits of certified produce.

- Spoken with two large scale meat processors who play key roles in servicing supermarket requirements.
- Supported a group of members getting together to explore the possibility of forming a producer cooperative, which latterly led to the Routes to Market project being commissioned by members to see how and by what means more certified produce could reach retailers and end customers. The subsequent project report identified a number of key opportunities for the PFLA and other member-led projects to capitalise on. In the meantime, the initiative also boosted awareness of Pasture for Life in many relevant supply chains and built a stronger network of people and businesses who could play a vital role in the next stages of development.
- Supported other member-led projects building brands and businesses around certified Pasture for Life produce, including 'Farm Wilder', 'The Ethical Butcher', development of routes to market for pasture-fed veal from certified dairy farms, and the export of the world's first cheddar cheese made from certified milk.

Activities in the past year have achieved two things: encouraged more supply chain activity within the membership and wider industry, and secondly generated learnings that the PFLA can now use to inform its next steps, most notably how to create more of a pull from consumers for pasture-fed farming.

7. PRODUCTION, MANAGEMENT AND ECONOMICS

- Having secured funding, work is now underway on version 2 of 'Pasture for Life: It can be done' booklet (first released in 2016 following an analysis of farm economics on 13 certified Pasture for Life farms). Data has been collected from 60 farms as part of the SEEGSLIP project, and additional data being sought where needed using AHDB's Farmbench facility. Launch of the new publication is planned for early in 2020.
- The economic landscape is still looking uncertain for livestock farmers as Brexit and other global changes continue to unfold. Through its lobbying activities the PFLA continues to make a robust case for continued support for pasture-fed farming via environmental land management schemes or other assurance-based schemes that may be developed. An understanding of the economics and other on-farm metrics have been vital to demonstrate the importance of this.
- Work continues quietly in the background on a project to gather and categorise the 2200+ forum threads to develop a valuable resource for members on 'How it is done'.
- The PFLA's Uplands project funded by the Princes Countryside Fund, and supported by many others, is now part way through and yielding many learnings for the PFLA and those farmers involved. Four groups are operational, each led by local coordinators, in Cumbria, Exmoor, the Brecon Beacons and the Scottish Borders, and each are involving around 50 farmers.

- Other regional groups are beginning to form, most notably in the Cotswolds whereby a group of PFLA members have come together to learn about marketing, discuss supply chains, socialise and exchange knowledge. The PFLA office have supported such group activities where possible and feel that the model could be replicated elsewhere in the UK and Ireland.

8. SCIENCE AND RESEARCH

- There have been ongoing reviews of published papers relating to farming/livestock which have been shared via the member's forum when of interest/relevance.
- A significant amount of work was put in to the research and evaluation of papers and sources for the science that evaluate impacts of livestock. From this the PFLA produced and published the short paper "Why pasture-fed cattle and sheep should be seen as part of the solution to global warming in the UK, not the problem."
- We presented to the All Party Parliamentary Group on Agricolgy on declining efficiency of food production, fossil fuel use, and the benefit of low input grazing.
- The SEEGSLIP project continues. SEEGSLIP is a three-year CEH led research project "To evaluate the agronomic and social impacts of the Pasture for Life certified approach to grazing management and its potential as the basis of a sustainable GB wide system." Early findings reveal that Pasture for Life farms tend to feature grassland which is better classified as 'semi-improved' than 'improved' and differ in some soil and vegetation characteristics. However, these farms vary, with a fairly broad spectrum of 'intensiveness' as measured by both the soil and vegetation results as well as recorded field management practices.

9. POLICY AND STRATEGIC RELATIONSHIPS

- The PFLA team have continued to foster key relationships with other organisations who can help achieve better recognition for regenerative farming and Pasture for Life produce in society and in policy. Organisations such as 'Sustain' and 'Eating Better' have been key to opportunities for engaging on labelling issues and dietary advice at a policy level. We are grateful to all those organisations who are helping us and who recognise the vital role of grazing livestock and their ability to deliver climate change mitigation.
- We also held talks with the American charity a Greener World who promote animal welfare and grass fed in the USA and are looking to promote their certification scheme around the world. We are hoping that working with them will see a combined effort to assist our members with the promotion of pasture fed produce both locally and abroad.
- One of the organisation's key aims has been to see a change in the legal definition of "grass-fed", and an amendment to the Agricultural Bill has been successfully tabled to this effect. As and when the Bill is discussed in parliament (at the moment pending Brexit), PFLA members will be encouraged to write to their MPs to support this change.
- Recognising the vital role that payments to farmers for delivery of public services could play in the future, the PFLA have actively engaged in conversations regarding the new Environmental Land Management scheme and have furthermore proposed a Tests and Trials project to Defra for establishing how farmers and land managers could be incentivised to adopt a regenerative approach for grassland management.

10. MEDIA AND EXTERNAL RELATIONS

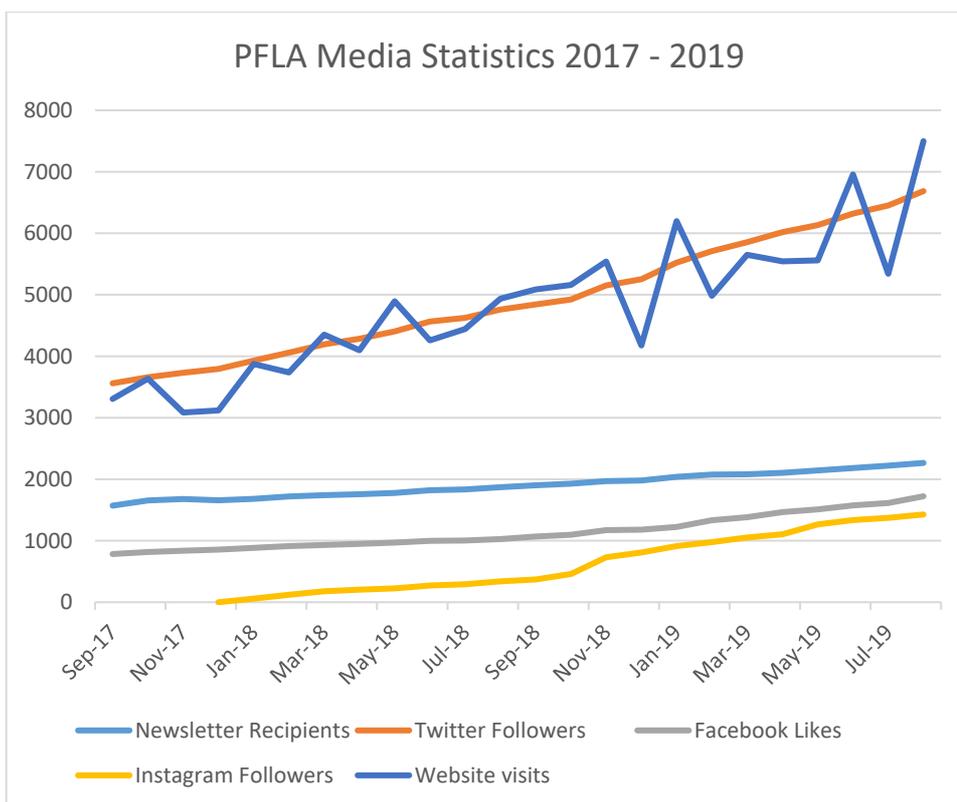
- The media campaign in the farming press has continued smoothly with coverage of many PFLA press releases and certified members in publications including Three Counties Farmer, Farmers Guardian, Farmers Weekly, Beef Farmer, Sheep Breeder, Forage Matters, Midland Farmer, East Anglian Farmers Guide and The Farmer. There have also been articles by the farming editors of the Western Daily Press and Eastern Daily Press.
- There have also been consumer articles where PFLA has been quoted positively including in the Independent, The Guardian, the Metro and by the Press Association. Food investigative journalist Joanna Blythman wrote an entire page on grass-fed beef in Delicious magazine (circulation 1.3million) and Country Life featured the work being carried out on Exmoor by poet Adam Horovitz. Articles written by directors including Dr Angela Wright have appeared on the websites of likeminded organisations such as Eating Better.
- Certified member Anna Blumfield has represented Pasture for Life on two top BBC programmes recently – featuring on Saturday Kitchen Live during Great British Beef Week and on Newsnight after the publication of the IPCC Climate Change Report. These appearances created significant new traffic to the website.



- There has been a successful tasting event held with celebrity chef Cyrus Todiwala where seven journalists

attended including Xanthe Clay – food writer for the Telegraph and food authors Hattie Ellis and Jenny Linford. This resulted in a feature written by Xanthe for the Sunday Telegraph.

- There have been 11 news articles written and uploaded onto the Pasture for Life website and 11 articles for farmers and one new research article.
- Pasture for Life News was published in September 2018 and March 2019 and emailed to over 2,000 members and supporters.
- Our social media presence continues to grow and be an important way to carry our messages out to the wider consumer audience. 6686 Twitter followers (up 40%), 1723 Facebook followers (up 70%) and 1427 Instagram followers (up 300%).



- Using funding from Patagonia and the Roddick Foundation we produced a 90 second video specifically for consumers. Filmed at member Jonty Brunyee’s farm, this highlights very simply the reasons why consumers should eat Pasture for Life food. It was viewed by over 2,000 people within a month of publication.

11. WEBSITE DEVELOPMENT

- Funding was secured to develop the website, an important platform for the PFLA and for the Pasture for Life Certification Mark. Design work is currently underway to make a better user experience for both consumers and farmers/members. It will provide better information about Pasture for Life production methods, the produce, and suppliers as well as serving as a resource providing more detailed information for Members and Supporters.
- The website was visited on average over 5,700 times per month (an increase of 43% on the previous year) with the most visited page being ‘Where to buy’.
- Interestingly, in these days of social media, visits to the website via channels such as Facebook and Instagram have increased significantly.

WEBSITE DATA – 01/09/18 – 31/08/19	
Total website visits	68,682
Percentage of new website visitors	86%
Page views	233,492

12. STAFFING

- The staff team has remained unchanged during the past year, and with further experience the two person team of Philippa Stagg (as Membership and Office Manager) and Russ Carrington (as General Manager) has become highly effective in the day to day running of the organisation – especially given the significant growth

during the past year. Staffing capacity will however need to increase in the near future and the board of directors are reviewing how best to achieve that.

- The PFLA has continued to contract the services of Leanne Palmer as bookkeeper.
- All of the Directors continued to commit significant levels of time on a voluntary basis to the development and management of the PFLA. Directors have also borne all the travel and related expenses incurred during the delivery of their responsibilities. It is hoped that in future it will be possible to generate sufficient funds so that expenses for carrying out work on behalf of PFLA can be reimbursed.

13. GOVERNANCE

- The 2018 AGM was held at Porlock Village Hall on Exmoor, Somerset on 28th September.
- New directors appointed at this time were Bill Wiggin MP (the current chairman, who had previously been co-opted to the board) and Dave Stanley was appointed for a second term. Heather Jenkins was co-opted onto the board for a period of 12 months.
- The Board of Directors met four times – in November 2018 and April, June and August 2019. There were a number of conference calls held in between.
- With effect from the 2019 AGM, current directors, Laura Chapman and Heather Jenkins, will stand down. The Board and staff team offers thanks for their valuable contributions.
- At the time of writing, nominations for new Directors from the 2019 AGM have been received from Johnnie Balfour, David Andrews, Philip Clark, James Sag and Gareth Davies.

14. GRANT FUNDING

For its core activities and services to members the PFLA aims to become financially self-sufficient by the end of the financial year 2019/20. In the meantime, it is dependent upon grant support to supplement income from membership fees and levies. During the financial year to **31 March 2019**:

- A further £23,000 of the grant from the Esmée Fairbairn Foundation (£120,000 for using over three years (16/17 – 19/20) *to enable the Association to progress its work towards a more sustainable food system, supporting farmers and consumers to recognise and respond to the benefits of rearing livestock entirely on pasture*) was drawn down in the year ending 31 March 2019.
- The Princes Countryside Trust provided a further £13,500, as part of a grant of £40,500 for the development of Farmer-led Pasture Farming Hubs in the Uplands over three years.

Furthermore, since the end of the financial year and up until the end of the reporting period for this report, the PFLA has also achieved:

- Commitment in principle for £60,000 to be made available from the Esmée Fairbairn Foundation over two years for bringing in new skills to help the PFLA achieve growth of Pasture for Life sales.
- Commitment in principle for £5,000 from Compassion in World Farming towards research into the health benefits of produce from animals reared on Pasture for Life certified farms.

- A grant of £3,600 from Patagonia for the production of the short film promoting produce from regenerative farming.
- A grant of £20,000 from the Roddick Foundation to support improvement of PFLA communications, including support for the consumer film, new website and media campaigns.
- A commitment from the Tudor Trust to support costs of website redevelopment and publication of the second edition of the It Can Be Done booklet.
- A small grant to support the promotion of the PFLA in Orkney.
- Further donations of time and resources have been offered through the PFLA's Uplands project to further enhance the success of that initiative.

The PFLA team continues to seek further funding, in particular to support market and consumer focused activities.

We are very grateful to all who have contributed to the financing of the PFLA's activities.

15. FINANCIAL REPORT

During the financial year 2018/2019:

- Total income was £108,387, £43,369 of which was from grants– some of which were apportioned from the previous year.
- 60% (£65,018) of income was earned from fees (membership, certification, levies, events, project management fees and sales of goods (labels, aprons, etc.), up from 50% in the previous year.
- Total expenditure was £111,970, of which:

EXPENDITURE, £	2017/18	2018/19
Employment Costs	68,218	67,266
Project Expenditure	11,542	18,728
Office Costs	10,708	8,911
Marketing and Promotional Materials	7,690	9,550
Legal and Professional Fees	3,892	3,914
Meeting, Event & Certification Expenses	4,157	2,254
Bank Charges	604	681
Depreciation	1,524	666
TOTAL	108,335	111,970

- Furthermore, the PFLA benefitted from the Government's National Insurance Employment Allowance Scheme, to the sum of £3,000.
- Adjusted for capital allowances and interest payable on PFLA bonds, the loss for the financial year was £673, with nil tax due for the year ending 31st March 2019.
- The PFLA continues to be a low-cost operation. Total expenditure in the eight years since incorporation is £508,516 – an average annual expenditure of only £63,564.50. This is made up as follows:

Financial Year	£
2011/12	6,058
2012/13	20,859
2013/14	37,272
2014/15	58,692
2015/16	69,577
2016/17	95,753
2017/18	108,335
2018/19	111,970
TOTAL	508,516

16. PRIORITIES FOR 2019/20

1. We will continue to build on the success we are having to date, and strengthen our animal welfare position.
2. With the funds raised we will hire new staff with experience of retail, wholesale and consumer communications.
3. We will do more to ensure the public is able to buy more certified meat and milk from our farmers, which we believe to be the best produce people can eat.
4. We will be looking to consolidate our media profile for the organisation and our certification mark, while growing our membership and certified member base.
5. We will look to confirm in law that grass-fed or pasture-fed must mean 100% pasture or grass fed and grain free and will be looking to do as much as possible to help our members.



Signed: Date:28 September 2019.....
(Chairman, Pasture-Fed Livestock Association)