



VALUE ADDED	
Name:	Rhys Lougher
Herd size:	110 milkers
Adding value:	on-farm milk
	processing and
	doorstep deliveries

Rhys Lougher: “We identified a gap in the market that we could fill”

Mitigating market volatility

text Rachael Porter

Low farm-gate prices and market volatility were the catalysts that drove John and Rhys Lougher to look at a myriad of processing options to add value to their herd’s milk back in 2006. “I’d just come back to the family farm, after studying at Aberystwyth University,” explains Rhys.

“We had 70 cows and the milk price was down to just 17ppl. That wasn’t sustainable, particularly if I wanted to join the family business. So we looked at many different options, including ice-cream and cheese production.”

Ty Tanglwyst Dairy, in Pyle, is close to Bridgend and the M4 corridor and after two years of research the Loughers decided to bottle their own milk and start a local milk delivery round.

“We identified a gap in the market and we were in the perfect position to fill it,” says Rhys, adding that they still did plenty of homework before taking the plunge and have slowly built up their

rounds and the range of dairy produce that they offer.

Initially they processed and delivered between 5% and 10% of their one-million-litre annual milk production. Now all the milk produced by their 110-cow pedigree Holstein herd is processed on farm – into liquid milk as well as cream and butter – and delivered to more than 2,000 customers across South Wales. “We deliver to customers in the region between the urban fringes of Cardiff and Swansea,” says Rhys.

Business growth has been organic. “We started small and grew slowly. That said, three years after we started, Dairy Farmers of Britain collapsed and we took on its local rounds in Porthcawl. That helped our business to expand.”

Investing in milk pasteurising and bottling equipment is a huge step: “And that’s why market research is important. Initially we spent around £70,000 on a small plant. We’ve since added to that as the business – and the range of products that we offer – has expanded.”

Today the family processes and sells whole, semi and skimmed milk (in poly bottles), as well as cream and butter. “Our butter recently won the Royal Welsh Show and Great Taste awards and we supply the Vale Resort – home of the Welsh rugby team during the Six Nations.”

Half of the milk is sold via doorstep deliveries. The remainder is sold direct to restaurants, hotels, pubs, campsites and, for the first time in 2017, the business won its first public sector contract to supply milk to 58 local schools.

“Home delivery has been ‘normalised’ again – helped by the huge growth in on-line shopping. And there’s plenty of support and loyalty. It all helps to ensure that the business remains viable and sustainable. And we’re doing exactly what we set out to do – mitigating the milk price volatility that threatened the future of our herd and dairy business.”