



WEST COUNTRY

GRAIN

MARKETING

GUIDE 2023-24

Members of these farmer-owned storage businesses -
Cannington Grain Store, Devon Grain Store and Kernow Grain -
can opt to market their grain through **WEST COUNTRY GRAIN.**

Devon Grain
Store Manager
Duncan Lyon 01884 32827

With a storage capacity of 25,000t, most of the members' grain is sold on a long pool, helping maximise market potential.

Situated adjacent to J28 of the M5 motorway, Devon Grain has excellent links to the many local feed mills.

Kernow Grain
Store Manager
John Collins 01278 652196

Kernow Grain handles over 18,000t of grain and is based at Lanivet, Bodmin.

Cannington Grain
Store Manager
John Collins 01278 652196

With a 40,000t capacity, Cannington Grain, near Bridgwater, markets around 36,500t of grain.

It has strong relationships with all the national and independent feed mills throughout the South West and being within close proximity to the deep water export facility at Portbury, capitalises on the export ships through the partnership with Openfield.

HISTORY

WEST COUNTRY GRAIN was established in 1985, bringing four separate marketing groups together under one umbrella:- Cornish Grain Ltd, Cannington Grain Ltd, Devon Grain Ltd and Tamar Grain Ltd.

In 2001 it contracted Scats Grain Ltd – which became Grainfarmers and now Openfield – to be their marketing agent. It is based at Cannington, Somerset.

As a farmer owned co-operative, West Country Grain members can be assured that their interest are of paramount importance to those running the business.

MEMBERS AND MEMBERSHIP

With over 350 farmer members across a region stretching from just south of Bristol, to Hayle in Cornwall, WCG handles around 50,000t direct from farms and 50,000t from its associated stores; a total of 100,000t per annum.

Most of this is feed grown for local feed mills, but the business also handles all other combinable crop commodities, including milling wheat, malting barley, oilseed rape and pulses.

Each year, all members are sent a form prior to harvest on which they indicate the tonnage and commodity they wish to market through the co- operative. This tonnage includes that grain stored at any associated store – Cannington Grain, Devon Grain or Kernow Grain.

All grain needs to be kept in a marketable condition and clearly identified and segregated from other grain and be of ACCS, FABBL or equivalent assured standard.

Movement is tailored to suit the member's needs and storage options and can include a direct link into one of our three partner central stores in the region.

Members select from a range of flexible marketing contracts – including a Harvest Pool, Autumn Pool, Long Pool or a Members Spot pricing scheme – in order to suit individual farm business management and cash-flow requirements. WCG also runs an advance payment scheme from a crop fund. A key benefit of membership is the receipt of payment at a guaranteed time – helping meet cash-flow requirements – safe in the knowledge that their grain is backed by bad debt insurance.

THIS IS A STEP-BY-STEP GUIDE TO MARKETING YOUR GRAIN THROUGH WEST COUNTRY GRAIN.

All farm businesses are susceptible to market volatility, but it is those with a clear understanding of risk that tend to demonstrate the greatest resilience.

There are many ways to manage grain market risk and what suits one business may not be right for another. This is why we have developed a comprehensive suite of risk management products that help you to achieve impressive results without exposing your business to an unnecessary level of risk.

OUTLINING A STRATEGY:

The first step is to accurately calculate your cost of production. Then list the relevant risks and cash-flow priorities. From here you will be able to determine your level of exposure. This is the amount of risk you simply cannot afford to avoid. From here it is largely a case of identifying which of the available tools will protect you from the downsides while giving you exposure to the upsides. Executing such a strategy can be complicated, but we have a number of skilled and talented people to help you identify the products that best suit your needs.

These span pools of varying lengths Members' Spot contracts. These can be combined as needed according to your cash-flow pressures, attitude to risk and the extent to which you like to retain control over your selling decisions. In short, we have built a range of products that allow you to have as much control and protection as you desire.

OUR PERFORMANCE:

Pools are the most efficient means available of managing marketing risk and through skilled marketing by experienced traders they can produce excellent returns.

The Autumn Pool, for example, is one of the more popular pool products because it moves grain off farm from October through to December and payment is made on 21st January.

We are proud of our performance in managing market risk while securing respectable prices. But assessing pool performance is not simply a case of comparison with other pools or 'against the market'. Achievement of premiums, contract execution, payment protection, equitable treatment and delivery of the most appropriate markets are all factors for consideration.

If you feel it is time to take another look at your grain marketing arrangements, call me on 07436 810 539 or email me at edward.hastiesmith@openfield.co.uk to arrange a review.

Ed Hastie-Smith, Regional Business Manager

1. OUR PRODUCT TYPES

Product Name	Pool (PC)	Members Spots (MS)
Function	WCG market grain on your behalf. This product offers access to a range of different risk management tools and strategies.	A contract that gives you the freedom to discuss and define with West Country Grain the best strategy to market your produce. It covers all commodities for a given month for an agreed price.
Commodities	Wheat, Barley, Beans, Oilseed Rape, Oats and Organic.	All commodities.
Shareholder	Yes – you will hold a £1 share in Openfield Group Ltd. This is a one off cost.	
Benefits	<ul style="list-style-type: none"> • A dedicated team working on your behalf to ensure the correct marketing decision is made • Advance payments are available (conditions apply) • Credit Insurance included • Access to specialist contracts • Access to Insight (our online customer portal) and Openfield App. 	
Deadlines and Terms	Simply return your completed Commitment Form by the date specified on the form <ul style="list-style-type: none"> • Read the Openfield Terms and Conditions (which can be found on the reverse of the Commitment Form). 	
Risk	Low	Medium

We recommend a spread of risk management products to maximise your marketing potential.

MEMBER SPOTS (MS)

A one-to-one marketing partnership designed to provide customised advice and expertise whilst allowing the farmer to retain the control about when to sell.

A Members Spots (MS) contract can be priced or un-priced.

A priced contract gives you the benefits of being a committed member and access to the Crop Fund, whilst it enables you to fix the price you are looking for.

An un-priced contract also has the benefits of being a committed member but as the contract is un-priced your Regional Business Manager is always aware it is there to be priced and therefore you can be assured that the best possible advice is being given.

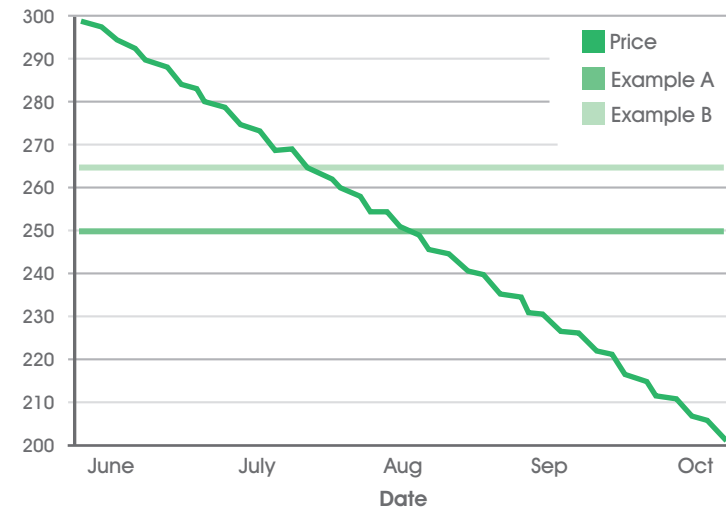
TRACKER – WHEAT AND OILSEED RAPE ONLY

The tracker allows the farmer to price a commitment equally every day, using the futures market as a transparent method of pricing during the period of the commitment.

Provides a regular and consistent sale structure that will produce the actual average price over the life of the tracked period.

- Provides risk management in volatile market circumstances
- Protection of value from rapid price erosion
- The tracker can start at any date chosen by you
- Each tracker is exclusive to you so you could elect to 'close out' at any time.

Example of Tracker performance



EXAMPLE A

- If you committed 300t and the price were to fall by £1/day over the 100 days falling from £200 to £100/tonne, then the average price would be £150/tonne, assuming you let the tracker run its full term. This futures value is then converted to an ex-farm parity appropriate to your region.

EXAMPLE B

- If you committed 300t and halfway through the marketing period and you decide to close out the tracker, because you believe the market has reached its peak, half the committed tonnage (150 tonnes) would be priced at an average of £175/tonne.
- The remaining (150 tonnes) would be sold at the market price of £150/tonne. This would give you an average price of £162.50/tonne. This futures value is then converted to an ex-farm parity appropriate to your region.

2. OUR PRODUCT RANGE

There is a variety of choices within our product range and movement, payment and risk should all be considered when deciding which option will work best for you.

Pool	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Harvest Pool (ex. Farm).				Movement			Paid 21st											
Harvest Double Use Pool (ex. Store)				Movement			Paid 21st											
Autumn Pool (ex. Farm)							Movement			Paid 21st								
Long Pool (ex. Store or Farm)										Movement							Paid 21st	
Members Spots	You can choose the month of movement																	Paid *15th of the month following the contract period

* Or the first working day, if the 15th falls on a weekend or Bank Holiday.



WEST COUNTRY
GRAIN

3. COMMITMENT FORMS

Once you have decided which product will work best for you, complete a Commitment Form (including Terms and Conditions) via Insight or in a hardcopy format and return it to us by 30th April. The Commitment Form is your contract with us and is a legal undertaking to provide the indicated tonnage you have agreed with us.

Commitment entry is always available via Insight. Hardcopy forms are distributed during December/January. Once we have received your form(s), sales may be made on behalf of the pool at any time.

Account Number _____


Member Name: _____

Address: _____

Farm Assurance No: _____

Certification Body: _____

FBM: Edward Hastie-Smith / Richard Pascal



Commitment Form 2023/2024

Please indicate tonnage for each marketing option as applicable and refer to The Grain Marketing Guide when completing this form.

West Country Grain Pool Option

Commodity/Variety	Harvest Pool (Ex-Store)	Harvest Pool (Ex-Farm)	Autumn Pool (Ex-Farm only)	Long Pool (Ex-Store)	Long Pool (Ex-Farm)	Comments

West Country Grain Members Spot Option

Commodity/Variety	Ex-Store	Ex-Farm	Comments

Storage Only

Commodity/Variety	Tonnes	Comments

I confirm that this Commitment Form has been completed with my most accurate estimate of the tonnage I have committed to be marketed by Openfield Marketing Limited on my behalf. In addition, I confirm that this Commitment Form is completed pursuant to the contract between Openfield Marketing Limited and me constituted by the Terms and Conditions of Trading, as set out overleaf and in the Grain Marketing Guide.

Signed: _____ Date: _____

Please sign and return by 28th April 2023.

4. MOVING YOUR GRAIN

When your grain is ready to move a Farm Service Co-ordinator will call you to arrange this. If you have any specific requirements, you can record these on the Commitment Form as well as requesting them at other times.

Unless you specify otherwise, we will assume the grain is available for the whole of the specified product period. And while there is no guarantee that we will be able to comply with all movement requests, we will make every effort to adhere to your instructions and give you reasonable notice of grain movement.

COLLECTION REFERENCE (FX NUMBER)

We will trace each load via an individual fixing reference number (also known as an FX number). This reference is issued to each driver. We ask that you write this number in the box provided on the grain passport. We will use this number in any written communication with you.

5. ALLOWANCES AND PREMIUMS

We will make every effort to notify you of allowances or premiums at the time of delivery, and it is possible that further collections from you will not happen until we have spoken to you. If we cannot contact you and we think it is reasonable the collections will carry on. Notifications of allowances or premiums will usually be made by telephone, fax, e-mail or post.

Allowances or premiums that affect the price of the grain will be applied at the time of final payment.

6. COSTS AND CHARGES

MARKETING COMMISSION

The marketing commission we charge is set by the West Country Grain Marketing Committee as agreed with Openfield Group Ltd.

The prices you are quoted are always net of marketing commission.

BENEFITS

7. THE CROP FUND

The Crop Fund is a sum of money that is available to you based on the amount of commitment you have made to us. It is only available for that crop year. It provides cash-flow forecasting for your business and Openfield in conjunction with West Country Grain is the only company to provide this service to its members.

The Crop Fund is provided to you to vary payments from those defined as standard payments. The Crop Fund is updated frequently and we will send you this information in your monthly Fund Statement. You can also view this information via Insight at any time.

The Crop Fund shows our current view of the total value of your produce. It will be calculated as follows:

Pool Tonnes x Current Price Estimate	=	Gross Value	A	Until sampled and test results are known, the current price estimate will be based upon the feed value for that commodity. In the case of priced Members Spot, the agreed price will be used. The Crop Fund will use the average price for each grade within a committed product and will not take account of regional variations in value until the final price calculation for each Pool.
Less Other Variations	=	Allowances/Adjustments	C	These variations can be either allowances or premiums (costs or credits) and VAT thereon if applicable.
Costs	=	Other Deductions	B	The other deductions are levies and weighbridge charges and VAT thereon.
Crop Fund Value	=	$A - (B+C)$		This is the net amount you will be paid based upon the above information.

COMPLETION OF POOLS AND MEMBER SPOTS

At the completion of each Pool or Members Spot contract (as defined by the Standard Payment Schedule), you will be paid for any of your produce you have marketed and your crop fund will be reduced appropriately and will be consistent with your committed tonnage remaining in any Pools, or Members Spot Contracts.

THE FUND STATEMENT

Any variation to the Crop Fund, either caused by changes in commitment advised by you or any other transactions, will be advised on the Fund Statement. This will include our latest estimate of price for each commodity committed. This statement will also include the funds available for Advance Payments (see Section 8) and your relevant cash-flow information. If you do not wish to receive the Fund Statement, please advise your Regional Business Manager.

8. ADVANCE PAYMENTS

How much of my Fund is available?	When?	Conditions
50%	1st August 2023	Receipt of Commitment Form
65%	3rd October 2023	On confirmation of final tonnage with your WCG contact
80%	Following processing of Central Store intake or collection of grain from farm	

Advance Payments are a unique payment scheme offered by us to help with your everyday cash-flow and budgeting. You can have Advance Payments or Regular Payments and they can be used in conjunction with any committed product, so you can take an Advance Payment against your fertiliser and input purchases from us.

We calculate the amount you can borrow based on your committed tonnage and how much this tonnage will generate.

You can apply for an Advance Payment via Insight, by completing an Advance Payment request when this is issued in July or contact us.

a) PAYMENT DATES

Advance Payments are credited to your account on Friday of each week.

b) REGULAR PAYMENTS

The 'Regular Payment' option will only be available for pool commitments.

We will calculate an evenly spread cash-flow that relates to your product choices and commodities, using the maximum available.

Once we have received your Commitment Form, an initial calculation will take place. This can be amended at any stage subject to available funds.

You can change from the Regular Payment to Advance Payments at any time; you simply have to let us know. Regular Payments may be amended by West Country Grain should any variation to limits, as described below, take place.

c) MAXIMUM PAYMENTS

The Fund calculation will enable us to advise you of the maximum payment available, once we have received your Commitment Form.

If you simply require the maximum amount to be paid, please contact us.

d) VARIATIONS TO LIMITS

West Country Grain (Openfield) may determine variations to the above limits and these will be given to you, in writing, as soon as possible. We may also reduce the limit or refuse the advance for an individual at our discretion and any variation to this limit will be notified to you in writing.

e) ELIGIBILITY

As the availability of Advance Payments is subject to the extent of the Company's banking facilities, all Advance Payments will be subject to funds being available and are at the absolute discretion of West Country Grain.

f) REPAYMENT OF ADVANCE PAYMENTS

Under normal circumstances, West Country Grain will offset Advance Payments made from any payments to you for the sale of your produce. However, if no such payments are due or, to be made for whatever reason, you will be liable to repay the Advance Payment to West Country Grain on demand.

Please note that an Advance Payment is a loan which must be repaid by you to West Country Grain on demand. While under normal conditions we will arrange

repayment by deduction from amounts payable to you, your repayment obligation is freestanding and is not linked to the sale of your committed product or payment in respect of it.

g) INTEREST CHARGES

The interest rate for Advance Payments will be confirmed in July.

h) FUND STATEMENTS

Your fund statement will include details of Advance Payments made and also any scheduled for the future. Interest accrued to date and your updated cash-flow information will also be included.

FREQUENTLY ASKED QUESTIONS

1. WHAT HAPPENS IF A SHORTFALL OF TONNAGE OCCURS?

If a commitment shortfall is likely, you should immediately tell us in writing, as any costs incurred as a result of the shortage will be your responsibility.

In addition, you are liable to pay the commission that would have been paid had your committed tonnage been delivered. (These payments are subject to our discretion.)

2. WHAT HAPPENS IF I CANNOT MAKE THE COLLECTION REQUIREMENTS?

If you are unable to make available produce of a marketable standard or cannot meet the collection requirements received by West Country Grain from our customers, you may have your produce moved to a later pool period or month. In addition, any costs or consequences relating to such matters may be passed to you.

In the event of collections NOT being made during the designated month for any marketing choice – and where this has NOT been caused by the member concerned – West Country Grain will either make a payment to you as if the collection had been made in the correct month or, if such payment is delayed, an additional compensatory payment will be made to you as has been agreed with the buyer who has failed to accept delivery during the correct month.

IMPORTANT: THE LEGAL STUFF

This document is the “Grain Marketing Guide” as defined in the Terms and Conditions of Trading of Openfield Marketing Limited (the “Company”) which accompany this document. Any person who elects to trade with West Country Grain Marketing Ltd on the basis of the Pool, or Members Spots as described in this document will be a “Producer” for the purposes of the Terms and Conditions and will be in a contractual relationship with the Company governed by the Terms and Conditions as supplemented by the specific terms of this document. By signing a Commitment Form, a Producer agrees to be bound by such Terms and Conditions and the terms of this Grain Marketing Guide. In addition, pursuant to the power conferred on the Company by the Terms and Conditions, the Producer agrees to become a shareholder in Openfield Group Limited.

Openfield's self-service farmer portal, Insight is a tool designed to make your life easier, login in at www.insight.openfield.co.uk

- Through a single login you can view your Grain Sales, Fertiliser Purchases and Seed Purchases in one place
- Enquire about deliveries scheduled for the next week or review movements that have already taken place to check tipped weights and weighbridge tickets etc.
- Set email or text alerts for collections
- View the real-time location of any Openfield lorry assigned to you
- If you want a copy of an invoice or a contract confirmation, these can be accessed and downloaded easily
- View your samples or request a sample, you can even view samples from previous crop years if you are looking for comparisons
- View you current available fund value and request advances
- Visit the site using your computer, mobile or tablet.



If you are not already signed up to Insight please visit our website at www.openfield.co.uk or contact your Regional Business Manager.

If you have any suggestions for new features or enhancements that you would like to see added to Insight then please contact us at itsupport@openfield.co.uk.

Have you tried the **Openfield App**, or listened to their **Podcast**?

Free download from the App Store or Google Play.
Just search for "Openfield Insight".

How does it work

- Access three years' worth of **account details**, including movement periods, contract prices and tonnage
- View **loading schedule's** planned collections, variety, tonnage, timing and haulage contacts
- Anticipate **collections** are on their way to farm and set email or text alerts*
- Follow the **London wheat** futures
- Send **chat messages** with your questions
- Use our **seed selector** to help identify varieties that meet your specific needs.

The Openfield Partnership: More than just grain

Our weekly grain market report has just gone digital and is now available as a podcast.

Why not listen to our latest views* on the Wheat, Malting Barley, OSR and Pulses markets and get the latest prices too?

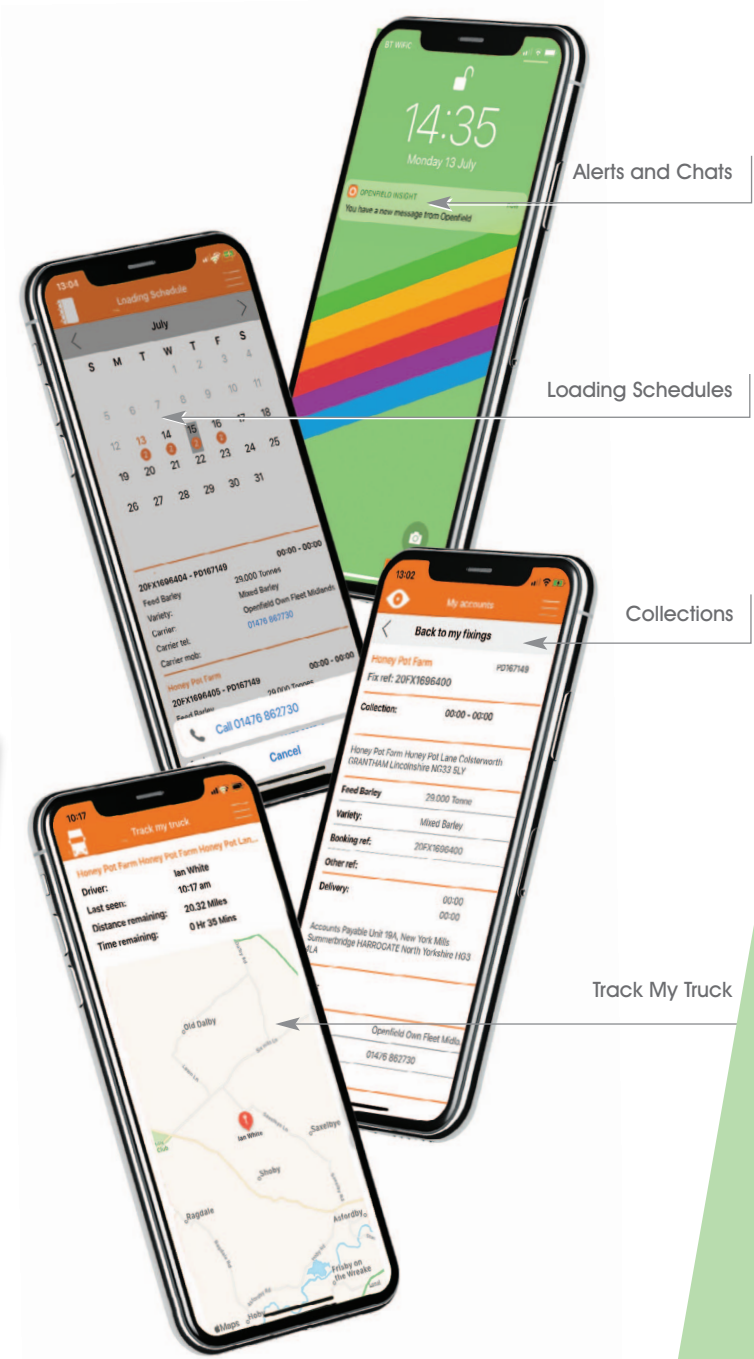
Simply search for "Openfield – OpenView" on Spotify, ACAST, iTunes and Amazon Music.

*Content is updated every Thursday evening to ensure you're always in the know.




OPENVIEW
PODCAST

Seed, fertiliser, grain, storage.



*available when a lorry is using our tracking tool software.



WEST COUNTRY
GRAIN

USEFUL CONTACTS

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