

The Faces Behind Our Food

Interview with Steph Stephenson, Stepsons Dairy

Interviewer: Anna Clayton

Ginny Koppenhol and Johnny Bean also present

Duration: 22 minutes.5 seconds

Date and time: 21st September 2016 11:00am

Location: 1 Freightway, White Lund Industrial Estate, Morecambe, LA3 3PB

Time (minutes.seconds)	Interview transcript
00.00	<p>Interviewer in bold, Steph in normal type Interjections in [square brackets], other sounds and notes in (these brackets)</p> <p>Ok. Right, can you just introduce yourself (inhale of breath) and tell us about Stephenson's dairy, a little bit of background...</p>
0.06	<p>Yep. Hello, I am Steph from Stepsons Dairy. Erm, Stepsons Dairy began many years ago with my husband really as an independent, erm, milkman, and he has always been involved in the milk industry. And then more recently erm, he decided erm that really independent milkmen weren't getting the support from the, from the major players. And he decided that erm, he could support them by bringing them together and erm trying to get a good price for them as a, as a group together. So that's how we began really. And, erm, in 2011 we registered the company Stepsons Dairy and I began to work with him. And er, it soon became apparent the service we were offering, the service the milkmen were offering erm, people did want that and valued it, and they liked to know where the goods came from. And we had a change of time where we were buying milk from Dairy Crest, a big national company, and we were buying them from bigger farmers, at bigger producer processors. But our aim was always to support local er farmers. And we worked with erm Eddy Newsham, erm who has a farm at Galgate – and he is a grassland farmer. And he did process some of his milk originally. And we talked about how wonderful it would be if we could get his milk, we could get a processor, and really support the local community.</p>
1.31	<p>And, it took us three years really to bring, that's how we came about with free range milk. It took us three years really to find a processor who would erm look at what we were doing, they would fully segregate the milk, it was it was more complicated than we sort of first talked about, and erm. It took us a long...the hardest part was finding a processor that would segregate the milk from the farm. So when it was collected, they would keep it separate and process it completely separate from the other milk erm that they collected. So that was, that was a major breakthrough and...</p>
2.07	<p>Then we had to make it cost effective. So if you are getting a small tanker of milk, erm, it didn't become cost effective. It was just, it was just silly. And so we did eventually manage to get things together and er we launched free range milk in 2015, May 2015. And we also pay a premium to farmers to support er their grassland farming techniques and styles. [Ok so...]</p>
2.33	<p>For people that don't really understand the milk supply chain, can you just</p>



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	briefly describe it – you mentioned the processor [yeah] - what do they do? [yeah]
2.42	<p>So if I explain, erm, obviously they farm, farmers milk the cows and it doesn't matter whether they are intensively farmed or whether the cows go out to graze, the milk's collected and when it goes back to the processor it's all mixed together, which is fine, but as a consumer you don't have a choice where that milk comes from. So if you want to, if you've made a choice that you want to support grassland farmers, and you value what they are doing- they tend to be in smaller herds. You can't, you couldn't at that point do it because all of the milk was mixed together. And that cuts down on costs, so obviously, a tanker can go around, collect from the farms. It brings it back to the processor, and the processor, erm, he, he, he pasteurizes it basically and then he puts it into the whole milk, the semi skimmed and the skimmed milk – whether that be glass or plastic ravel up. That's what the processor does and then he distributes it. Whether... So some of the major processors are Muller Wiseman, Dairy Crest at that time, Arla Foods – the big national companies that supply the major supermarkets. So it's, it's almost mass produced in that– not necessarily in the farms- but if you are a small farmer, your milk is mixed with somebody's that's mass produced. Erm, and so, and then it is sent to the distributor. But we wanted to add value to the smaller farmers, that were grassland farmers, that were being squeezed really because they didn't have the big herds. And to give consumers a choice because we really, and still today we are finding that more and more people just presume all cows go out to graze and that isn't the case.</p>
4.14	Can you tell us a little bit more about that? So what does it mean to have free range milk?
4.20	<p>So to have free range milk; obviously cows have to be housed in winter because of the climate and the grass obviously doesn't grow and it's, it's not as nutritional. Erm, and so, erm, grassland farms. So our pasture promise farmers, they have a standard to meet. So they promise, and they have to meet the standards that the cows go out to graze for at least six months of the year – that's day and night. So for example, say he brings them in for milking, even in milking; oh I can't be bothered to turn them back out into the fields because whatever, it's a commitment to care for his cows and actually yes, I've made this promise and I am going to send them out to graze. Erm, it's about looking after his land to ensure that, obviously as a grassland farmer you have got to have enough fields for your cows, for that volume of cows to graze on- to give them enough nutrition. Erm, it's a predominantly grass-based diet, there's all sorts of standards that they have to meet, the farmers. So it's the six months of year, it's a predominantly grass-based diet and, erm, obviously they are housed in the winter, so the farmers will inform us when the cows come in for winter. So at the moment we know that they are still out. Erm (phone ringing). Sorry [that's fine]- it will go to answer machine. Erm, I'll just wait until it finishes and work out where I'm up to. [So they come in in winter, they meet the standards, erm so I need to mention that we pay a premium for them]. Ok sorry [that's fine].</p>
5.43	So we do pay a premium to the farmers to to farm in this way and we work with

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	<p>them closely, we liaise with them and we discuss with them. Erm, it gives consumers a choice erm and our milk bears the pasture promise logo. The plastic bottles has a label on that shows the pasture promise label which we are hoping is a little bit like the red tractor, so people know that that's British farming, and we are hoping that this standard, people will recognise and say "oh that, that's from cows that go out to graze".</p>
6.11	<p>So what's the alternative? Like... The alternative is, is erm, yeah, mass produced supermarket milk. Erm, you don't know where it comes from. I don't want to criticise the intensive farming, I'm not saying they are being cruel to cows, but it's a personal choice that people want to make. And where we are in, in Lancashire and the North West, we have got an abundance of lovely green pasture and lots of farmers farming this way, and we support them, erm, the best we can, erm to get a good price for them. Erm, we also offer a range of other goods. Erm we try and source them locally where possible, and we do offer an organic range as well but we, we just buy that in from er, a supplier. [OK]</p>
6.54	<p>So how many farms do you currently work with? At the moment we currently have er three farms that we are getting their milk from. We have a fourth farm, we've probably about another three farmers that we are talking with and negotiating with, erm, one of them is very close by in Lancashire, erm to us in Galgate erm, that, erm, we have worked with since day one. And obviously we haven't been able to take his milk because he didn't produce enough milk for us, erm for it to be cost effective. But working with him we are hoping to have some free range cheese out at Christmas, from him, so, from his milk, so that's, that's really good. And we've got other farmers coming on board because...</p>
7.38	<p>Our processor who processes our, processes our milk is actually in Skipton- just outside erm- in Grassington. And they are launching their free range milk to go into Yorkshire. So that means we will be using more farms which is really good. Erm, the other thing I would like to mention as well, where we are in Lancaster and Morecambe, there are other farms, there are other local producer processors that, erm, well there is one other. No, sorry, there are two other farmers that farm and process their own milk and that's, that's very unusual now, there are becoming fewer and fewer er farmers that farm, process the milk and er sell wholesale as well. So, but there are two others, erm, but they don't meet our erm [free range] free range standards, unfortunately.</p>
8.28	<p>[OK, so historically there would have been a lot more farmers milking and?] Absolutely, historically there were a lot more farmers in this area, and there were, there were more producer processors in this area. And as the squeeze came on price, a lot of them obviously went out of business.</p>
8.45	<p>Just, not, not to record this but... (Steph talking)</p>
10.37	<p>Ok, and so you personally, how have you entered this business and this area?</p>

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	<p>(laughs) me personally, Chris has always been involved erm, with the milk, er, as a family we sort of... Chris started off as a milkman and then we have always been involved, we have always been interested, we like the customer service. Erm and just as the business grew, erm, Chris needed some, sort of help on the administration side. Erm, and I took a, a career pause and came to help him a couple of days a week and quite enjoyed it. And then after 12 months I had to make a decision whether erm, I gave up my career in education or I came to work with Chris. And at that time it was new and it was exciting. And we were looking into free range milk and I decided, yeah, I'd quite like to do this. So it's been a career change for me. But, from my side in education, the sort of liaising with other people and discussing things- I like that sort of social, erm, customer service type skills. So it was my sort of customer service skills as well as the administration.</p>
<p>11.36</p>	<p>I wasn't planning on asking this but, through doing these interviews, it appears that the women, or the wives, tend to pick up this admin side of farming. Would you say that was the case? What's the role of women in the farming industry in the [ooo] UK today? [Aaaa]</p> <p>I, I wouldn't like to say (laughs). I really wouldn't like to say. Erm, I'm sure that there are many that are hands on. I mean I have been hands on initially, in the initial days. Certainly going out on deliveries. Erm, I have always helped with that. I probably have met most of the customers that we supply to wholesale. Erm, there is a point now physically, I do struggle with deliveries and we have just got, got too big. But I wouldn't like to say, erm, I would say it is probably very mixed. It depends what your qualities are within, within that business. Erm, I'm sure there are lots of men that are good with admin as well and computers. [yes]. Erm, it's just, I guess it's how couples complement each other, or how within the business structure you work together. [yes].</p>
<p>12.38</p>	<p>Alright, so, can you talk us through your average day?</p> <p>My average day... Erm, I like to get in about eight o'clock. Erm, me personally [yes? Why not?] So I like to get in about eight o'clock and pick up phone calls, check that deliveries have gone OK, listen to the answering machine. And just day-to-day I deal with phone calls, collect orders in, erm, collate information. Erm, I do social media. I do Facebook and Twitter, so I like to indulge with that with the business. Erm yeah, I'm just hand on. I deal with customers as they come in to pick orders. Erm, I support the van drivers when they come back – any order that might need picking. Erm yeah it's just, never a dull moment! (laughs)</p>
<p>13.27</p>	<p>And what about the milkmen that you work with- what would their day involve?</p> <p>The milkmen, erm , typically, obviously, a very early start. They come in, erm, pick their, collect their order and go out and deliver. Some of them deliver six days a week, some of them deliver three days a week. Erm, and they come back here, probably between erm, some of them get back at five, some of them get back up to nine o'clock [in the evening?]. It depends on what day.. No in the morning. So they are out early morning and they come back... so I meet some of them when they come back erm, we chat about the weather of course (laughs),</p>

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	<p>erm, we pass on any information if any customers are moving from one area that-that milkmen doesn't cover – we pass on information. And for them, I think, some of them go back to bed- and catch up on some sleep, and then they obviously have collecting to do so many days a week as well. [OK] So yeah...</p>
14.21	<p>So if a farmer is, erm, raising conventional milk, and they want to start offering free range milk. Is there a process for doing that and how long does that typic, typically take?</p> <p>Yes, there is a process. If, if they got in touch with us we would pass them to the free range dairy network. And they, they have the set of standards. And they would have to register with them and then discussions would begin, erm, about the standards- whether they meet the standards. Erm, and then they would have to have a farm inspection to make sure they have got the relevant paperwork to prove erm, that they do meet the standards. Erm, and we are in discussions with quite a few farmers that ring us and say "I'm a grassland farmer, er would you be interested?" And we are like yeah, please, you need to register and get in touch and we'll, we'll work with you. [OK, erm]. It doesn't take very long. If they are already grassland farmers they just need to register. For a lot of the farmers that we work with, they actually don't have to change their farming style or technique because they do work in that way. They keep their cows out, what they perhaps don't keep is a record of when the cows went out and when they go back in, but we have to have that standard [OK].</p>
15.29	<p>Erm, and do you, as Stephenson's, offer a better deal for farmers than supermarkets? And can you explain...</p> <p>For the farmers that we work with we, we hopefully, we offer a better deal. Erm, it's all about the price that they are getting and we, we pay erm a levy. We pay a premium slightly more than what they would be getting. So we hope that we, we can do. I can't, I can't discuss, or I don't know what each individual farmer would be getting for their milk because that's between them and the, the processor. Erm, but, yes, we do, we work with them, we don't, you know we talk to them about it. And the farms, the farmers that we work with, they are happy with the price that they are getting. Obviously they would like more, erm, but we are working towards that as sales increase [yes, OK].</p>
16.16	<p>So, you use a fleet of milkmen (laughs)...erm, it seems that milkmen are becoming increasingly rare? So I haven't seen one for a very long time. Is that the case?</p> <p>I think we are very lucky where we are in Lancaster and Morecambe, with, and the rural areas around us, with how many milkmen we have. We are very, very privileged. And, and in this area we have seen a increase, an increase in doorstep sales. Now whether that is to do with, erm, the issues about farmers being paid a poor price on television that was highlighted a few months ago, or whether it's to do with free range milk that people are supporting and making that informed choice? But where we are within Lancaster and Morecambe and the surrounding areas, I think we are very, very privileged with the amount of milkmen that we have. I know there are other areas where there aren't milkmen, erm so, there isn't actually a milkman in Galgate. Erm I had somebody contact me the other day that was trying to get milk deliveries in Galgate and there isn't</p>

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	an actual milkman in that village, which is very unusual in this area. But I think Preston has got quite a good coverage as well erm, and Kendall has a few independent milkmen, but I think generally as a country it is in the decline. [OK]
17.25	And what do you enjoy most about your job? And least? Erm, I'll have to think about that. (pause) I think the most rewarding thing is, is when somebody rings up and says they have made the decision that they would like free range milk and that's, you know, whether they are a doorstep customer buying one pint a week or whether they are a café that has decided that they want to offer their customers free range milk, there's, you know that's really great that you've, somebody else is sort of joined our, we say they are joining our growing herd. And that is. It doesn't matter how great or small they are, it's really nice to have that support.
18.07	I think probably the, the downside for me, is not being able to support as many farmers as we'd like too. Erm, and not having, I think the hardest thing is, erm, not having the, the structure as a small business to sort of get your message out there and compete with the supermarkets as, as...erm, as, or to be able to financially spend as much as they do.
18.36	When we first launched free range milk, we were only a small company and we had to look at how we did it very carefully and erm obviously we were on a very tight budget. And at a similar time I read an article about Arla, erm, who had spent £1.2 million on their advertising campaign for, I think it was the pure filter, and it was just like: how do you, that's the downside of it, how do you compete with that? [hmmm]
19.01	So, final, are there any other opportunities or challenges that we haven't covered that you'd like to talk about? I, I just think it's, its, its education. I think a lot of people still presume that all cows go out to graze and don't realise the detail that goes into the milk, from farm to fridge. There is a lot that goes in there and people have a romantic idea that all cows go out to graze, that the milk is collected and it's somehow gets in a bottle and it's sent to the supermarket. It's a lot more complicated than that. And er, and the supermarkets again are very good at, erm, giving consumers, or misleading consumers I feel. And erm and I think, for the last 18 months I feel like we've been, I don't want to say educating as people are educated, but, sort of pointing them in the right direction to give consumers a choice. Erm, and that is probably one of the rewarding things, that when you say to people that there is a choice out there, you need to start asking for it. And that is when we will begin to make an impact. [OK].
20.08	One more, so with the Brexit vote, what, what do you, do you see that having an impact on the milk industry and on free range milk? My, my personal opinion is, that it possibly will have an effect on the dairy industry because the wider picture is that, that lots of farms erm supply milk and, some of it does go out to Europe, some of its dried. But also, erm Arla- one of the big companies, Muller Wiseman, are European countries* (<i>*meant to say companies</i>) so, when you look at the codes on yoghurts it might have 'EC', and

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the milk in that yoghurt comes from Europe. Now, to me, that, we should be supporting farms in the UK before we support farms in the EC, personally. But as far as the grants go, who knows what will happen with farmers with some of the grants, you know, it's not, it's not cut and dried is it with Brexit? It's not clear, it's very worrying. Erm, I don't know how it will affect is. I mean we are very local and we support our local farmers, but if they are getting grants from European funds I don't know how [yeah] it will affect them. **[What would you like to happen?]** What would I like to happen? I'd like to, to support erm, the farmers in our area and, I'd like people to have, to be aware, and to be able to make more informed choices about the food they are buying. Not just milk, but yoghurts, throughout the dairy... erm, because obviously milk's in lots of other products as well as, as well as our free range milk. How, how do we do that? Who knows? It's, it's a massive uphill er battle isn't it? We have to make consumers more aware of what they are buying. Clearer labelling? I don't know.