

UNITED KINGDOM

Restructuring and  
developing physical  
potential and  
promoting innovation

**Location**

Mouswald, Dumfries,  
Dumfriesshire

**Programming period**

2007 - 2013

**Axis / Priority**

Axis 1 – Improving the  
competitiveness of the  
agricultural and forestry  
sector

**Measure**

M121 - Modernisation of  
agricultural holdings

**Funding (EUR)**

Total budget 1.62 mil  
EAFRD 412 k

**Project duration**

2013 - 2014

**Project promoter**

Farmer

**Contact**

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EAFRD support helped a traditional dairy producer in Scotland to differentiate his production from liquid milk into an organic certified mozzarella type of cheese.

**Summary**

TE Lochhead and sons were a traditional dairy producer who saw their herd of cattle wiped out with the outbreak of foot and mouth disease in southern Scotland in 2001. Rather than simply replace the herd, Gavin Lochhead and his family looked into opportunities to differentiate from other farmers.



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The farmer decided to move into cheese production, aiming to get a higher value product than milk. The family realised that investment in a new cheese making facility was not going to be the only requirement. To be able to devote enough time and energy to cheese production, they needed to increase the efficiency and capacity of their milking processes. They needed a larger volume of milk and to be able to spend less time milking. The answer was to install modern robotic milking equipment on the farm. EAFRD support was used to construct a new dairy parlour and install the robotic milking machines. The investment provided a new complex for 150 cows with a cubicle house format of dairy parlour that incorporates three robotic milking machines, a new calf-rearing shed and a new slurry store. With the time saved and extra volume delivered, the family was able to carry out a second investment in the farm's cheese production facility, including the processing and packing equipment.

**Results**

As well as adding value to their milk production, the overall business model also took account of the benefits of having a niche product. The Lochheads decided to buy 150 Brown Swiss cows and to become the only producers of cheese from this breed of cows in the UK. They also fulfilled a plan to ensure their production was organic, providing additional differentiation in a highly competitive market.

The business started producing and selling their first cheese in 2014, a mozzarella cheese which will be followed by other 'mountain brand' (Swiss style) cheeses.

The new business idea required substantial investment in modernising the farm's production facilities. However, with effective support from farm advisors in Scotland, the Lochheads have found good ways of adding value to their production and taking effective advantage of this through short-chain sales via farmers' markets and local retail outlets including farm shops.

**Lessons & Recommendations**

- ❑ Market research has helped the business to identify an unfulfilled niche within the cheese market. Not only will the project exploit this niche, it will also create a number of rural jobs to the area, with the potential for more in the future