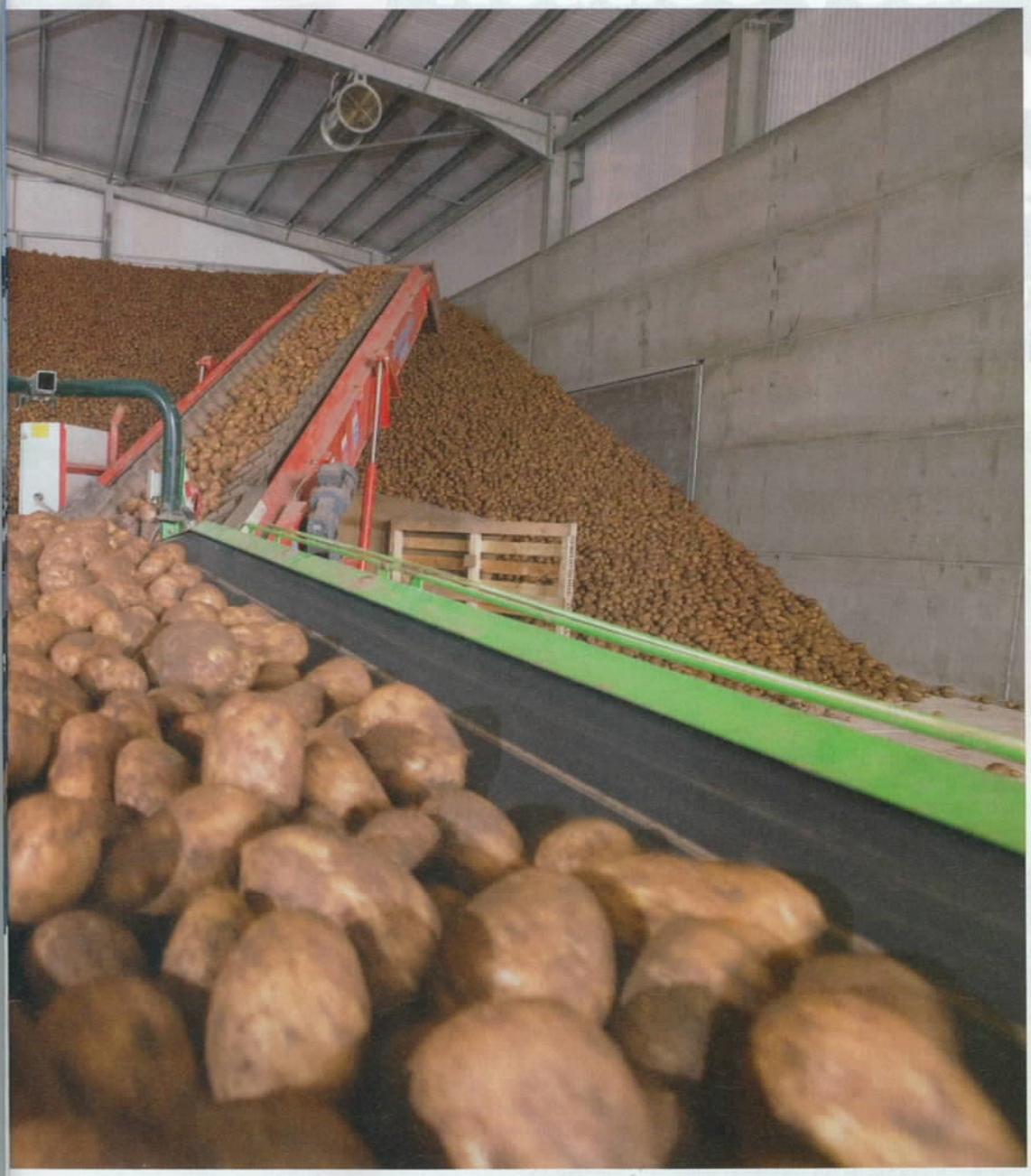

What are your costs?

Capital costs
- Building and depreciation
- Boxes and depreciation
- Finance

Running costs
- Energy
- Building repairs
- Loading and unloading
- Overheads such as insurance
- Servicing

Crop costs
- Sprout suppressant
- Fungicide/hygiene treatments
- Weight loss (dehydration)
- Quality losses
- Opportunity cost (off the field v storage price)

The AHDB storage cost calculator is an online tool that allows growers to use their own fixed and variable cost data, supplemented by average costs from benchmarking data, to track the price-cost relationship month by month. It gives an indication of overall costs, when to sell the crop or how long to store it, along with dehydration and grade-out costs. Download it for free at www.potatoes.ahdb.org.uk/storage

BOX V BULK

About two-thirds of processing potatoes are stored in bulk stores, with the remainder in boxes, while spuds destined for the fresh sector are almost exclusively stored in boxes.

If growers opt for investment in a new store, these market trends will drive the choice between box and bulk. In the current climate, processing potatoes would be better placed in a bulk store.

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Crunch costs to increase competitiveness

The cost of potato storage is a hugely misunderstood area of potato production and is something all growers should get to grips with, according to the AHDB's Adrian Cunnington.

Storage is the biggest single expenditure for potato producers who choose to hold on to their crops to add value to off-the-field prices at harvest.

AHDB research shows the running costs of current stores have variations of about 300% between the most efficient to the poorest, putting the bottom-of-the-table growers at a huge competitive disadvantage.

Measuring the various cost elements (See "What are your costs") will allow growers to use the AHDB Potatoes storage cost calculator to enter all their data and produce a cost/t figure for their store.

"If you install an electric meter, you can start to pick up information and get a baseline to work to.

"You can then compare yourself to benchmarking data to get a handle on where you are in relation to others and see if you fit into the good, the bad or the ugly. You can then address unnecessary costs to remain viable," explains Mr Cunnington.

Adrian Cunnington (below) says benchmarking can help potato growers tackle unnecessary costs so they can remain viable.

compensate, which increases shrinkage and compression damage."

He gives an example of a recent Crop Systems project where new louvres – the inlet that controls air coming into the store – for £8,000 and new fans for £3,000 were installed to an old foam-insulated store.

"It now has 25% better air output, using 35% less electricity, though airflow still needs improvement. It doesn't have to cost a fortune, it is frustrating people don't look after their storage better," says Mr Andrews.