



## McDonald's Europe Flagship Farms

# Beef – Finca El Campete, Spain

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### Introduction

This case study demonstrates how the production of beef can be undertaken in an area of high conservation value, maintaining and improving the natural habitat and producing quality beef in a low input system. This case study also highlights good practices in preventative health care and sustainable feed.

The key initiatives undertaken by Alfonso Cobaleda can be summarised as follows:

- Grass silage is made on the farm and fed to the cows in the fields during the winter. Silage production is uncommon in the region but of great importance as providing feed reduces the effects of over-grazing on the pastures. The silage is mixed with a small quantity of hay and fed on the floor in the fields by a tractor and feeder wagon, which has drastically reduced the time staff spend feeding the cows over winter.
- 100 hectares of cereals and 100 hectares of grassland are used to grow feed for the cattle. This practice decreases the quantity of purchased feeds and allow the farm to become more self-sufficient, helping to protect the business from volatile and rising feed prices.
- A strict health and vaccination programme is practiced which is key to maintaining and improving the overall health of the herd. Vaccination and parasite treatment of the whole herd commences in February when risk is high. Replacement heifers are also vaccinated for Infectious Bovine Rhinotracheitis (IBR) and Bovine Viral Diarrhoea (BVD).
- The suckler cows are cross-bred between a robust, local breed called “Morucha” (dam line), and a Limousin or Charolais bull. The aim is to produce hardy cows that are calm and easy to handle, calve easily and show good mothering ability. This cross breed is better able to cope with the hot summer climate and the limited resource available.
- Through careful management the unique landscape of the ‘Dehesa’ is maintained and protected. Another advantage of this system is that it allows the cows and calves to be grazed outside all year round, which contributes to sustainable beef production.
- The farm is home to several hundred trees – both the Cork Oak (*Quercus suber*) and the Holm Oak (*Quercus ilex*). A regime of planting saplings has been implemented to help with the natural regeneration of trees. The farm’s older mature trees are also pruned and cut back to ensure they remain healthy and productive. This policy helps to ensure that the natural habitat of the ‘Dehesa’ is maintained over the long-term.
- The farm contains and manages several ‘high conservation areas’, which provide important habitats for several species of birds and mammals. There is also a small island in a nearby lake that provides sanctuary for over 6,000 cranes which visit the area every year.

“This region of Spain has an incredible and unique environment in which to produce beef. The Dehesa system provides a variety of benefits and challenges to farming in this region, and Alfonso is enthusiastic in his approach to maintaining and protecting this valuable habitat. Herd management is focused on areas such as health, genetics and feeding which can make a real difference to the economics of the enterprise. Alfonso is also keen to introduce new innovations to improve the efficiency and sustainability of the beef enterprise and has even developed his own beef brand. ”

Karl Willams, Flagship Farms Programme Manager, FAI

## Summary of actions and benefits

The table below summarises the key areas of good practice displayed by Finca El Campete, and the benefits (EN environmental / EC economic / ET ethical) that arise from taking these actions.

	Action	Benefits
<b>Assurance / certification</b>	Navalcarne Extensive Annual audit	<ul style="list-style-type: none"> <li>EC Allows the farm to market the cattle as 'assured'</li> <li>ET Ensures that food safety requirements are met</li> </ul>
	<b>Management</b>	
	Low input grazing system	<ul style="list-style-type: none"> <li>EN Makes use of land which is unsuitable for crop production</li> <li>EC Extensive grazing system reduces the requirement for purchased feeds and inputs</li> </ul>
	Grass silage production and unifeeder wagon	<ul style="list-style-type: none"> <li>EC Mechanised feeding has reduced labour requirement</li> <li>ET The high-quality silage provides better nutrition for the cows</li> </ul>
	Home grown cereal ration	<ul style="list-style-type: none"> <li>EN Reduces the need to transport animal feeds</li> <li>EC Helps to reduce purchased feed requirements and protects the enterprise from volatile feed prices</li> </ul>
	Electronic ear tags to track herd movements	<ul style="list-style-type: none"> <li>EC Optimises herd movement records and management</li> <li>ET Traceability is a key requirement for food safety and regulation</li> </ul>
	Calf feeding regime	<ul style="list-style-type: none"> <li>EC Concentrate is gradually introduced so that calves are able to maintain good growth rates</li> <li>ET The gradual introduction of feed and fibre supports the natural rumen function and helps prevent digestive problems</li> </ul>
	'Carsierra' meat brand	<ul style="list-style-type: none"> <li>EC Distinguishes the product and helps to increase marketability, consumer trust and revenue for the business</li> <li>ET Recognised brand for meat quality, traceability and animal welfare</li> </ul>
<b>Animal health &amp; welfare</b>	Herd health and vaccination programme	<ul style="list-style-type: none"> <li>EC Improved health ensures the animals remain productive throughout their lives</li> <li>ET Protects herd health and fertility which improves welfare</li> </ul>
	Crossbred herd using a locally adapted breed	<ul style="list-style-type: none"> <li>EC Produces a robust and productive herd with good quality meat characteristics. The cows are easy-to-handle and are very good mothers, which reduces labour costs for the farm and danger to animals and staff</li> <li>ET Reduced risk of birthing issues and problems with calf health</li> </ul>
	Minimal animal handling	<ul style="list-style-type: none"> <li>EC Increases efficiency and minimizes labour costs</li> <li>ET Prevents unnecessary stress to the animals</li> </ul>
<b>Environment</b>	Dehesa farming system	<ul style="list-style-type: none"> <li>EN The landscape provides an important habitat for wildlife</li> <li>EC Provides an area for livestock grazing all year and additional income through agroforestry</li> <li>ET Maintains cultural traditions for the local community</li> </ul>
	Tree-planting and maintenance	<ul style="list-style-type: none"> <li>EN The trees provide important habitats for local wildlife, increase biodiversity, help to prevent soil erosion and sequester carbon</li> <li>EC Protects and maintains an important source of revenue for the farm in the form of cork and timber production</li> <li>ET The trees provide shade and feed (acorns) for the animals</li> </ul>

	<p><b>Fire prevention practices</b></p> <ul style="list-style-type: none"> <li>EN The trees and biodiversity in the area are protected from summer fires</li> <li>ET Specific land management practices help to reduce the risk of fires</li> </ul>
<p><b>Biodiversity</b></p>	<p><b>Protection of high conservation areas</b></p> <ul style="list-style-type: none"> <li>EN The protected habitats are used by several species of mammals and birds, including 6,000 cranes that migrate to the area each year</li> </ul>

At the end of this document, in the Appendix, is the McDonald's Good Practice Matrix as it applies to Finca El Campete.

The matrix has been developed by McDonald's to help assess the sustainability of the agricultural production within the supply chain. Flagship farms have been identified that demonstrate best practice in one or more of the 17 key areas in the matrix, whilst also operating to general high agricultural standards in all other areas.



## Background

Finca El Campete farm is situated in the West of Spain in the north of the Cáceres Province. Alfonso Cobaleda took over the family farm twelve years ago, returning from Madrid where he worked as lawyer for several years before inheriting the business. Alfonso is passionate about the family farm and the local agricultural traditions, and is applying sustainable beef production principles in animal genetics, feeding and land management.

Here Alfonso describes how these practices have enabled him to build on a profitable family business and create its own high quality beef label, Carsierra.

“Our goal is to get the most from our land in a sustainable way, without exploiting it, as it is the only route to keep the farm business progressing in the many years to come.”

Alfonso Cobaleda (Farm Owner)



### What's the history of Finca El Campete?

My father bought the farm in the 1960s. He began with around 150 sucklers on 500 hectares, but the business has grown considerably since. We now keep a herd of around 900 Morucha cross continental cows on 1,800 hectares. Like a lot of this area of the Mediterranean, we run a Dehesa system and the herd is out year-round on continuous pasture.

### What is a Dehesa system?

Dehesa is a specific landscape of southern and central Spain and southern Portugal where it is known as Montado. It's an agro-silvo-pastoral system, where we mostly farm grazing livestock, alongside agroforestry to produce cork and wood. The majority of trees are oaks, usually holm and cork. Dehesa systems are both economically and culturally important to this part of the Mediterranean and they also provide valuable habitats for endangered species, like the Iberian Lynx, the Spanish Imperial Eagle, the Griffon and Black vultures and cranes.



## Best Practices

### How do you manage this valuable habitat?

The regional government closely regulates farming in the area so permission must be sought before we do anything with the local environment. Our main aim is to preserve the landscape and maintain the balance between grazing and agroforestry systems. We've been increasing the number of trees on the land by planting young trees and fencing them against the cattle and wild animals with protective caging. The extra trees support the agroforestry business and help to protect grazing land from soil erosion. In wintertime, we manually trim the adult trees to keep them healthy and protect them from weather damage.

“Our main aim is to maintain the balance between grazing and agroforestry systems.”

### What benefits does the habitat bring to local biodiversity?

A well-preserved Dehesa provides food and shelter for a diversity of local species. It's also an important protected area for migratory birds. For example, the farm is next to Lake Borbollón, where more than 6,000 cranes migrate each winter from northern Europe to nest and feed. They usually arrive in October and November then fly back in February, March. Over the years, we've noticed that this period has become a little bit longer each year, something that these designated bird protection areas allow.



Trees provide income in the form of timber and cork production and help to keep the fields clear of dry matter, which reduces the risk of fires.



### What are the benefits of farming in this region?

This Mediterranean forest provides feed and shelter for our cattle, as well as for wild animals. Despite the dry appearance of the Dehesa in summertime, when properly managed this landscape is extraordinarily rich in resources.

The trees provide additional income in the form of timber and cork production and help to keep the fields clear of dry matter, which reduces the risk of fires. Carefully managing these “fincas” is not just necessary from an economic point of view, but our fields require responsible planning in order to keep the system sustainable. Some plants and trees would grow wild without our intervention and our cattle would not be as comfortable and healthy as they are today.

“Our fields require responsible planning in order to keep the system sustainable.”

### Rainfall in the Cáceres Province can be variable, how does the farm meet this challenge?

Extremadura means land of extreme conditions. However, in our case this is softened by the presence of the lake and the “Sierra de Gata” mountain range. As a result, the summer is fresher and the winters milder than on other farms in the region. The landscape also affords us very good hydrographic conditions and the animals drink directly from the lake and many pools around the farm. Finally, several wells were built in the past and I carry out a regular analysis on them – I can say that our water is worth a taste!

### What are some of the key challenges to farming in this area and how do you manage these?

Due to region’s dry climate, fire prevention is a must. The local authorities require that we set fire protocols and build firewalls that help to protect the area. Again, proper management of the plant matter is essential. There must be a balance between the herd size, wildlife and natural vegetation to avoid any risk of fire, especially during dry summers. Additionally, we have purchased a vehicle which can carry water to all the areas in the farm.

### How do you farm the Dehesa system to produce beef?

Good beef needs good feed, and this is our main focus. At present, every cow has more than two hectares. We keep some parts of the farm unoccupied during autumn and winter, clearing them of weeds and debris. This ensures the pastures are intact for the spring and summer times and helps to avoid soil compaction. When the animals come into these renewed areas they naturally fertilize the soil with seeds from the best areas of the farm. Nutrients are recycled and the soil is improved year on year.

“ Good feed is our main focus. ”

“ Each cow has over two hectares for grazing. ”





Payback period for the Unifeed truck is only 18 months

What we call the “supermarket” of the farm lays in 100 hectares of cereals and 100 hectares of pastures. These fields are cultivated, and cropped to make our own feedstuff for use during the poorest yielding months of the year. This has allowed us to become less dependent on external resources. Similarly, in former years we were only able to produce a small amount of hay from our own fields. Now we’re producing our own silage and hay for our herd.

With these new resources, we have introduced a big change in our feeding system. Both are used to produce a daily feeding batch, which is spread using a Unifeed truck directly on the fields. We expect the payback period on the Unifeed truck to be 18 months, which seems pretty advantageous.

### What benefits does this type of production system create for the business?

In former times, we were 70% reliant on external sources of feed, now that is only 30%. But our plan is to reach self-sufficiency within two years. This obviously gives us a huge savings advantage, as well better control of the herd’s feedstuff. I am also preserving a lot in concentrate during the hardest parts of the year and the animals benefit from our using raw materials as, being the natural feed for ruminants, they are more easily digested than concentrate. Our goal is to get the most from our land in a sustainable way, without exploiting it, as it is the only route to keep the farm business progressing in the many years to come.



Previously we had to purchase 70% of our feed, now that is 30% with the aim to be self sufficient

Providing our own silage and hay has several benefits:

- less feed is wasted so feed costs are lower;
- the animal’s digestion and health are improved;
- working conditions are more comfortable for our staff,
- it takes less time to feed the animals.

### What cattle breeds are you using on the farm?

Our suckler cows are a crossbreed between the robust, local breed “Morucha” (the dam) and the typical beef breed “Limousin” or “Charolais” (the sire).





Our crossbreed makes for an easy to manage, mild tempered herd, that is well known for its quality of meat.



### What was the reason behind selecting these breeds?

The Morucha is a local breed widely known for its robust condition and adaptation to warmer climates. They are also very good mothers, calve easily and are able to bear long milking periods before weaning with limited use of resources. The male breeds deliver better body shape, more muscle and a faster growth rate. We are always looking for the best crossbreeds to suit our customers' needs and the result of this crossbreed is an easy to manage, mild tempered herd, that is well known for its quality of meat.

### How do you manage the health of 900 suckler cows?

We have a vaccination program in place for all heifers until their first pregnancy, including immunisations against Infectious Bovine Rhinotracheitis (IBR) and Bovine Viral Diarrhoea (BVD). The obvious financial and health benefits of vaccinating against these diseases are crucial to the economics of the business, as protecting the health and wellbeing of the cows not only generates increased profits through improved fertility and calf health, but avoids external costs in veterinary care too.

We also vaccinate against Clostridium which are highly infectious and occasionally fatal bacterial infections that can also infect people. All animals are vaccinated in February when the risk of Clostridium infection is high. Vaccination is also given against Bluetongue virus in the summer, which is important as midges that thrive in this climate transmit the virus. At the same time as vaccination, wherever possible, animals are parasite-treated via injection, which is less stressful than bolus application and more effective than pour-on systems.

Vaccinating and deworming treatment is given to the calves at weaning, which helps to boost the animals' immune systems during this stressful period and helps protect them from endo- and ecto-parasites while they're housed indoors.



The obvious financial and health benefits of vaccinating against these diseases are crucial to the economics of the business.



Disease management is the key between success and failure.

### What benefits does a good health strategy bring to the business?

We're farming a herd of 900 cows. With Dehesa animals, which are used to being in low-input, semi wild conditions, it's not beneficial to frequently disturb them as the contact elevates stress. Catching sick animals out in the fields can be difficult for the staff and vet and labour costs can be substantial with a herd this size.

With an appropriate health plan, we've improved the farm figures without unnecessary handling of the cows. A small improvement in calf mortality, for example, is translated directly into a sizeable increase in revenue.



The health plan improves the farm figures without unnecessary handling of the cows. A small improvement in calf mortality, for example, is translated directly into a sizeable increase in revenue



### How do you manage to effectively treat and handle such a large number of cattle?

Generally we handle the animals once per season but we may adapt this depending on the weather conditions. Calves are weaned all year round and cow and calf treatments timed to coincide with this.



Handling is reduced as much as possible

For the handling of big groups of animals, we herd the animals from wide areas into the handling areas by first driving the cows and calves to a big plaza, where they can be divided into groups. From here they are moved to the “chiqueros” or penning areas and finally guided through a single raceway, the “manga”, where you can treat animals individually.



### What future developments are you considering and why?

We are looking for a systematic way to control groups of animals (the smallest group is 92 cows and largest is 293 cows) so we’ve purchased eartags with internal microchips that can be detected when the cow passes through set gates. We’re now developing the computer software to track the movements of the herds as they move into new fenced areas. The tracking could even follow the finished animals as they leave the farm to go to slaughter, creating a complete map of each animal’s life. We’d like to use this data, along with other information about each animal, to allow customers to track their beef from birth to beef. We hope to have the system up and running in 2–3 years.

“ We’re now developing computer software that will provide a complete map of each animal’s life, and allow customers to track their beef from birth to beef. ”

### You are producing over 700 calves per year, how are these animals managed?

During milking, once the calf is able to eat concentrate, some specific feeders are made available exclusively for the calf. The concentrate ration remains constant throughout the growing stages and is combined with straw to stimulate natural rumination and provide an adequate quantity of fibre. This year we plan to trial a mix ration of pasture, silage, and small amounts of concentrate during the early stages of feeding. Keeping the feedstuff as natural as possible should help to further improve calf rumen health as well as reduce feed costs.

Calves are usually weaned at 6 months, when the animals are divided into small groups to minimise stress, and driven to the feeding barns for finishing. We finish the animals to the weights requested by our customers. Males reach a carcass weight of 320 Kg 6–9 months post weaning. For females, a further 2 to 5 months are required to reach 220 kg carcass. Our new purpose-built feeding barn will allow us to feed the animals using the Unifeed van, and this will help us standardise the feeding of silage, hay and ground concentrate in the field (cows and calves) and in the feeding barn (young bulls).



Uniformity of feedstuff throughout the animal's growth helps avoid rumination problems

### How are you marketing your beef?

We have created our “Carsierra” brand in order to certify the quality of our beef, with the help of some external companies. Additionally, we are starting to market our new Wagyu Ibérico brand from our Wagyu x Morucha crossbreed, which we will market directly to consumers.



“ Our two brands, Carsierra and Wagyu Iberico, provide quality brand differentiation for marketing purposes. ”

### How did you go about creating the “Carsierra” brand?

Back in 2007 it was clear to us that differentiation was needed in order for us to create a market for our products. Standard quality brands are largely meat industry initiatives (abattoirs, processors) organised around young bulls going through processing. We are the first breeders in this region to create our own quality brand involving not only young finished bulls, but calves, heifers, cows and breeding bulls also. Our brand ensures that a minimum of 50% of the feed is based on cereals and is free of urea and animal fats. Calves are weaned out on the fields at an average age of six months so they also feed from pasture in a completely natural environment.



External audits on the entire process ensure traceability throughout, from farm to fork.

### What are the consumer benefits of the brand?

The public are becoming more and more engaged in the quality and provenance of their food. The Carsierra brand helps to promote consumer confidence and trust in the farming practices we promote: our animals have been reared following a semi-wild, low-input system; animal welfare is preserved throughout the animal's life up to slaughter: for example we use only approved slaughterhouses that are a maximum of four hours away from the farm; and inputs and product quality are assured, e.g. through regular feed sampling.

### What are the business benefits of the brand?

We take pride in the high quality products we supply to our consumers. This is a great investment for the future, because a satisfied consumer will purchase from us again and again.



“The Carsierra brand provides consumer confidence.”

## Appendix – Good Practice Matrix for Finca El Campete

The following matrix has been developed by McDonald's to help assess the sustainability of the agricultural production within the supply chain. Flagship farms have been identified that demonstrate best practice in one or more of the 17 key areas in the matrix, whilst also operating to general high agricultural standards in all other areas.

A ✓ in the matrix below indicates good practices demonstrated in this case study.

### Ethical (Acceptable Practices) ET

**Human health & welfare** ✓  
 i Employee health & welfare  
 ii Food safety ✓

**Animal health & welfare** ✓  
 i Nutrition ✓  
 ii Medication & growth promoters  
 iii Genetic selection ✓  
 iv Animal cloning  
 v Husbandry ✓  
 vi Transport ✓  
 vii Slaughter

**Business ethics & supplier relationships**  
**Rural landscape preservation** ✓

### Environment (protecting the planet) EN

**Climate change**  
 i Greenhouse gas emissions  
 ii Energy efficiency & renewables

**Natural resources – soil** ✓  
 i Soil fertility & health  
 ii Soil erosion, desertification & salinisation ✓  
 iii Soil contamination

**Natural resources – water**  
 i Water pollution  
 ii Water usage efficiency

**Natural resources – air**  
 i Air emissions

**Agrotechnology**  
 i Agrochemical usage  
 ii Bioconcentration & persistent organic pollutants  
 iii Genetically modified organisms

**Ecosystem protection** ✓  
 i High Conservation Value Land (HCVL) ✓  
 ii Habitat & species preservation ✓

**Waste**  
 i Production waste  
 ii Hazardous waste  
 iii Waste to landfill

### Economics (long-term economic viability) EC

**Sufficient high quality production** ✓  
 i Producer income security & access to market ✓  
 ii Agricultural input costs ✓  
 iii Crop & livestock disease ✓

**Community investment** ✓  
 i Local employment & sourcing ✓  
 ii Support for community programmes