

FEDERATION NEWS

THE NEWSLETTER FOR SCOTLAND'S CRAFT BUTCHERS



SCOTTISH FEDERATION OF MEAT TRADERS

Prices Number One Concern

APRIL 2008

At the recent Regional Meetings and SFMTA Executive meetings the price of beef and concern over the suppliers of beef, lamb, pork and chicken have been the main talking points.

Butchers are always reluctant to put up prices since they get immediate feedback from their customers but faced with food inflation at a record high, there is no alternative but to pass on the increases.

SFMTA Livestock Convenor Alan Kennedy reported to the March Executive meeting that prices this month have continued to rise as the ban on South American beef bites, live steers showing a rise of 1.6% to 147.7ppk, and heifers showing an astonishing 7.4% increase to 150ppk on the month (based on averages from the Forfar mart). This may be partially due to the quality of heifers being very high, however prices seem set to rise further again, this despite quite good numbers at market. More on market situation and pricing is included in this Newsletter.

Also enclosed are entry forms for the **Sliced Sausage and Potted Meat Evaluation** to be held at Perth College on 11th April. Entries close Monday 7th April.

The award winners will be presented with their certificates at the Regional Meetings during the second half of May. Overall winners will be mystery shopped, evaluated at a final and presented at the same Regional Meetings.

Also at the May Regional meetings we will judge **Beef Sausages and Black Pudding**. Entry forms are also enclosed. Winners will be announced on the night and again mystery shoppers purchase Regional winners for a grand final. The overall winners to be announced at the Scottish Meat Challenge in September, possibly 17th and hopefully in Stirling. This has still to be arranged.

SFMTA members wishing to attend the **Lanarkshire Retired Butchers Dinner** at the Best Western Popinjay Hotel, Rosebank on Tuesday 13th May should contact the local association President John Hamilton (Tel: 01899 220013). Guest Speaker is Jim Leishman, cost is £25 pp.

This Month

Record confuses readers on Mince

Features on Newton Stewart and Aviemore Members

Post Office Closures

SVQ Candidate of the Year 2007

Scottish Food Grant Scheme

Run in on Chickens

Supplies Update

Scottish Market Prices



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Making it **work together**

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Tel: 01738 637472
e: sfmta@sfmta.co.uk

Hail a hunk of Scotch Beef

One of Scotland's finest exports has been sent south to tempt Londoners to take a hunk home as 'Glen' the manly mascot of Scotch Beef is launched on cabs throughout the city.

It's part of an ongoing campaign to get more London consumers to trade-up their food this Easter and take home the tasty qualities of Scotch Beef.



New research for IGD has shown that people are increasingly looking for quality when it comes to family occasions. Spend on identified "Premium" Scotch Beef over the 12 weeks covering the festive period increased by 15%.

England is the single biggest market for Scotch Beef, accounting for more than £100 million of all sales annually, and Londoners alone eat nearly 20% of all beef consumed in Great Britain. The new campaign is targeting the premium end of the market and highlighting the taste and quality of Scotch Beef.

The main feature shoppers are willing to pay extra money for is quality, with 42% of shoppers saying they are ready to spend more on better quality food and drink

Head of Marketing for red meat promotion body Quality Meat Scotland, Laurent Vernet, said, 'Easter is a great opportunity to sit down with your family and enjoy a great meal together.

'With people's increasingly busy lives these chances become so rare, so why risk using inferior quality beef at the centre of your meal. Scotch Beef is a revered product throughout the world, with global recognition of its guarantees on traceability and high welfare standards.'

Offering consumers an insight into the healthy outdoors lifestyle that goes into rearing Scotch Beef, our Scottish hunk 'Glen' is set to be a familiar sight around London as he graces 250 cabs throughout the capital.

Laurent added, 'Consumers are showing a greater than ever interest in food and its origin, with many believing that the use of high quality ingredients in premium foods can contribute to a healthier lifestyle.'

'Cooking for your whole family can be stressful enough without having to worry about the quality of the meat you are serving, so look for the Scotch Beef logo and you can be assured that you are bringing home a world renowned product featured on the menus of some of the best restaurants in the world'

Get Your Prices Right

It is hard to get customers to accept price increases, but you're making a mistake if you don't adjust prices on a regular basis.

Otherwise you'll be letting your profit margins erode and undermining the value of your business. If you're not careful, you could wake up one day and discover you're in serious trouble. At that point you may have no choice but to take the kind of action that will drive your customers crazy. It's never easy to raise them in an environment where customers are price conscious. Most people think prices shouldn't go up at all. As for big increases, you make them at your peril. There's simply no way to do it without antagonising customers and thereby putting your most important relationships at risk.

Faced with such resistance, a lot of business people are tempted to forego price increases altogether, or at least put them off for as long as possible. If you do either, however, you're making a big mistake. Granted, you may not feel the pain for a while. If your sales are going up, you'll probably be able to take home the same amount of money from one year to the next. As a result, you may not see the risks you're taking. In the short term, you'll think you're doing fine.

But, in fact, two things will be happening. First, your profit margins will be shrinking. Why? Because your costs will be going up. Certain costs always rise. It's called "creeping expenses."

In most small businesses, for example, you can count on payroll increases every year. You can expect regular hikes in insurance rates, rent and rates as well. The costs of utilities and supplies also have a tendency to rise over time. Some things are cheaper these days --- basic phone service for example. Nevertheless, your average costs per pound of sales are going to rise from year to year. They may rise only 2% annually, but compound the increases over 5 or 10 years and eventually you won't be making a profit anymore -- unless, of course, you adjust prices.

Even if you don't let the problem go that far, however, you're damaging your business in other ways by not adjusting prices on a regular basis. For one thing, you're gradually undermining the perceived value of your services or products. Like it or not, there's a natural tendency to link quality and price. You don't always have to charge as much as the most expensive suppliers, but if the gap between your prices and theirs gets too large, customers will start to regard you as the cheap alternative in the market.

At the same time, you'll be undermining the real value of your business as a whole. That's a point most small-business owners miss. They look at the business only as a source of income. They forget that it's also a major asset, probably their most valuable one, and - like any asset -- it needs to be maintained.

That means, among other things, making sure the business has strong profit margins -- as good as or better than the rest of the industry's margins. If you let your margins erode, you're going to have trouble when you try to get a bank loan to develop your business or to sell the business. Indeed, you may not be able to sell it at all.

It's sort of like selling a house. If the place needs a new roof, buyers will discount the price accordingly, or they'll look for a house that doesn't need one. By the same token, business buyers are going to shy away from a business with weak margins, especially if they're weak because prices are too low. Who wants to buy a business and immediately start raising prices? Even under the best of circumstances, it's tricky to maintain a customer base through a change of ownership. It's almost impossible when you have to begin by doing something that will antagonise every customer you have.

With sharply rising raw material costs it is time to sit down and review your present pricing strategies with a view to the future of your business.



GOLF COMPETITION

**Organised by the
Scottish Federation of Meat Traders' Associations Inc
(Kindly sponsored by Dalziel Ltd)**



**WEDNESDAY 4 JUNE 2008
LADYBANK GOLF COURSE, LADYBANK, FIFE**

The Dalziel Trophy is played over 18 holes as a full stableford.

- ◆ Tee off times commence at 10.15am.
- ◆ Three people per tee off time
- ◆ A full self serve buffet breakfast including tea and coffee.
- ◆ High Tea
- ◆ First 36 entries only accepted.
- ◆ Entry Fee £65.00 payable in advance.
- ◆ In the event of a tie, the better inward half will count then the last 6 holes, then the last 3 holes.
- ◆ Competitors will be notified of tee-off times in advance.
- ◆ Presentation of prizes will take place after the High Tea.

An entry form accompanies this Newsletter. Please complete and return to
to: Bruce McCall, SFMTA, 8 Needless, Perth PH2 0JW
by 21 May 2008

SALE OF BUSINESS AND LET OF PREMISES AT

61 HIGH STREET, FORTROSE IV10 8SU

Fortrose is an attractive Royal Burgh within easy commuting distance of Inverness.

PRICE: Offers for the business including goodwill and all fixtures and fittings to continue trading are invited in the region of £30,000. The premises will be let to the purchasers with a rental to be agreed in the region of £5,500 per annum. It is anticipated that the lease will extend to 10 years with a 5 year break though offers with varying terms may be considered.

VIEWING: Strictly by appointment with Burns Property Consultants 01349 867967

Mince – the Facts

EU regulations do not include mince produced in butchers' shops to be sold over the counter to the final consumer

The front page headlines of the Easter Monday [Daily Record](#) "Get Your Hands Off Our Mince" provokes great anger and concern deep in the bellies of their readership. But fear not, mince as we know it will live on and although the Eurocrats can be called tatties for introducing rules that have no scientific basis, Scotland's butchers will be able to produce mince no matter what they or the [Daily Record](#) say.

The legislation at [Section V, Chapter III, point 2 \(B \) to Regulation \(EC\) No 853/2004](#) states:-

- (b) When prepared from chilled meat, minced meat must be prepared:
 - (i) in the case of poultry, within no more than three days of their slaughter;
 - (ii) in the case of animal other than poultry, within no more than six days of their slaughter or
 - (iii) within no more than 15 days from the slaughter of the animals in the case of boned, vacuum-packed beef and veal.

But the [Daily Record](#) failed to read Chapter 1, Article 1, point 3 of Regulation (EC) No. 853/2004:-

This Regulation shall **not** apply in relation to:

- (a) primary production for private domestic use;
- (b) the domestic preparation, handling or storage of food for private domestic consumption;
- (c) the direct supply, by the producer, of small quantities of primary products to the final consumer or to local retail establishments directly supplying the final consumer.

The regulation also excludes mince going into meat products like pies, sausages and burgers. The publicity generated by the [Daily Record](#) will however remind the Food Standards Agency and the Eurocrats of the stupidity of this legislation. There are SFMTA members who have problems with this rule, in particular those not supplying the final consumer and SFMTA supports any move that would remove the unnecessary regulation.

As everyone should know, craft butchers mature their beef to guarantee their customers a first class eating experience. While maturing beef makes little difference to minced beef, the maturation process is carried out on the bone. The nearer the hoof and the nearer the horn you get, the tougher the meat. Hindquarters are hung from the houghs usually for between 14 and 21 days and this meat is normally minced but only after the beef hanging below it - popeseye, rump and sirloin - are matured. There will always be traditionally matured beef destined for the mincer that will be in excess of EU limit of six days. What the EU fail to understand is that there is absolutely nothing wrong with this procedure since the clever people this side of the English Channel have discovered a process called cooking. Bon Appetit!

Age of Mincing Meat (this only applies in licensed cutting plants)

An update on National measures and the number of days between slaughter and the mincing of chilled meat as given at the Meat Hygiene Policy Forum in London in February was printed in last month's SFMTA Newsletter. Since this was understood by members, the office received only a handful of enquiries about the Record's mainly misleading article.

Defra blamed for foot and mouth outbreak

A catalogue of bureaucratic failures and Government confusion led to a foot and mouth outbreak that could have devastated the British farming industry, an official inquiry has found. The investigation into leaks from the Institute for Animal Health (IAH) at Pirbright in Surrey found that "muddled and ineffective" management from Whitehall departments left the vital facility at risk of potentially disastrous accidents.

Animals on eight farms in the Surrey area were infected with foot-and-mouth in August and September last year, probably due to foot and mouth virus samples being used at Pirbright leaking from faulty pipework.

Iain Anderson, who reviewed the incident for the Government, today passed a damning verdict on the management of the site. "This virus should never have got out. Everything was wrong around Pirbright, the regulatory system was poor, the risk management was poor," he said. Dr Anderson said the complex nature of Pirbright site and the way ministers had overseen it had contributed to the risks arising from its work.

"This virus should never have got out. Everything was wrong around Pirbright, the regulatory system was poor, the risk management was poor," he said. The Pirbright site which is shared by the Institute of Animal Health, a government-funded facility and Merial, a private company. Dr Anderson set out the patchwork of Government departments and agencies that oversaw the site.

The Department for Environment, Food and Rural Affairs acted as its regulator. The Department for Innovation, Universities and Skills (DIUS) and formerly the DTI, are responsible for the site and its funding. The Biotechnology and Biological Sciences Research Council (BBSRC) also provides funds. The Governing Body and the management at the Institute of Animal Health (IAH) ran the site day-to-day.

"The IAH is critical to the nation's capacity to prepare for, and respond to, the evolving animal disease and zoonotic risk. However, the facilities of IAH fall well short of internationally recognised standards. And the governance and funding arrangements are muddled and ineffective," Dr Anderson said.

Dr Anderson also considered a string of earlier reviews of Pirbright's management, and concluded that no single authority had ever taken responsibility for the site.

"These earlier reviews identified contributory factors extending from poor containment conditions that fell well short of internationally acknowledged standards, to risky working practices and poor communications between landlord and tenant," he found.

"Defra's regulatory regime was insufficiently robust given the level of risks on the site, and that the governance mechanisms put in place were not effective to mitigate the risks themselves. No-one took a 'whole picture' approach to join the dots on the multitude of risks which were being taken at Pirbright."

Dr Anderson said the communications between Defra, IAH and Merial had been poor, and a secondary leak in November - which was contained - showed they were still inadequate.

And while his remit was to look at foot and mouth, which is only kept at Pirbright in the UK, he said he would not be surprised if problems existed at other high containment facilities.

**Foodex Meatex,
6th to 9th April 2008
NEC Birmingham**

 **foodex
meatex**
Where the Food Industry is Going
6-9 April 2008 **NEC BIRMINGHAM**

Shoppers asked for views on food

Supermarkets across Scotland are to ask shoppers for their views on food, as part of the national food discussion. Tesco, Asda, Sainsbury's and Waitrose have all agreed to distribute the food discussion leaflets over the month of April.

The leaflets, which highlight the various ways people can contribute to the first-ever food policy for Scotland, will be available in supermarkets across the country.



Launching the leaflet, Cabinet Secretary for Rural Affairs and the Environment, Richard Lochhead said: "We want the freshest, finest future for Scotland's food - supporting Scottish food is in our national interest. We are forging positive and fruitful working relationships with supermarkets in Scotland, and as the main source of food for the vast majority of Scots it is vitally important they participate in our national discussion. We are looking for views from people across the country to contribute to a future food policy for Scotland.

"We want to know what is important to the Scottish consumer when buying food? What are the barriers to accessing healthy, affordable, Scottish food? Whatever peoples' views, we want them to visit the National Food Discussion web pages (<http://www.scotland.gov.uk/Topics/Business-Industry/Food-Industry/Discussion>) and have their say on food."

The leaflet, printed on recycled paper, is also available in libraries and doctors surgeries. The food policy discussion runs until April 25, 2008 and SFMTA will be submitting a response on behalf of Scotland's craft butchers.

Run in on Chicken

The British Poultry Council, representing British chicken farmers and processors, has challenged the RSPCA's claims that there had been a huge change in shoppers' buying preferences for chicken.

"The RSPCA's conclusion from its own survey is misleading and is not being reflected in the marketplace. The RSPCA is misrepresenting the good standards already in place on British chicken farms to promote its own "Freedom Food" brand and is ignoring the fact that the major retailers are already selling British chickens reared to standards that exceed the "Freedom Food" requirements," said BPC Chief Executive, Peter Bradnock.

According to the BPC, British chickens sold in supermarkets are reared to rigorous Red Tractor Chicken Assurance standards, which cover both indoor and free-range chickens. These Standards are owned and managed independently from the chicken industry, and every farm is inspected at least once every year by independent auditors. The Red Tractor Assured Chicken Standards are more comprehensive than the RSPCA "Freedom Food" brand requirements ensuring high levels of farm hygiene and food safety for consumers, as well as providing a protective environment for the chickens to be able to express their natural behaviours, says the BPC.

Bradnock added: "The RSPCA's claims about a sudden amazing change in shoppers' behaviour based on its own survey are not borne out by consumers' actual buying decisions in supermarkets. Free range chicken sales under Red Tractor standards had been increasing consistently throughout last year, long before the Channel 4 celebrity chefs' entertainment programmes screened in January this year.

"January 2008 sales for free range have shown a 35% increase on January 2007 but only an 11% increase on November 2007, showing there was already a significant growth trend. However, free range chicken sales, at just 6% of total UK chicken sales are still only a small, albeit growing, part of the national shoppers' buying preferences, concludes the BPC.

Post Office closure plans

New website gives communities a chance to fight back

A group of communities fighting plans to close their post office branches has launched a national organisation - CAPOC - Communities Against Post Office Closures. The group hopes that their experiences of dealing with the nationwide plan to shut 2500 branches will help other communities who may not yet know they're being targeted.

The CAPOC website - www.postofficeclosures.org.uk - contains a wealth of hard-learned lessons, advice on how to fight PO Ltd proposals, contacts in the worlds of media, politics, community affairs and other protest groups, briefings, copies of reports, documents and links to other useful websites, a forum in which to share views and opinions and much more.

John Warman, from the Rippingale group in Lincolnshire, who set up the website, said "We were all in the first wave of closures and quickly realised we were on our own, with very little time given for us to prepare a case against PO Ltd plans. The PO plan is less than half way through and hundreds more communities round the UK still won't realise they're on the closure list and the impact it will have on their lives."

"We realise there are some places where the closure case is justified or there will be no appetite to fight the plans - CAPOC's designed to help those who want to keep their branch and are ready for a fight."

"The ultimate aim of the campaign must be to put enough pressure on PO Ltd and the Government to stop the closure of well used viable Post Offices."

CAPOC believes local announcements will come as a shock to many communities and their new website will become the first stop for those looking for help and advice.

Examples of the material available are: a detailed DIY guide on how to fight back against the PO Ltd plan, access to crucial documents such as the original DTI closure criteria, the recent report from the BERR Select Committee on PO closures and the newly introduced Sustainable Communities Act which contradicts many of the PO closure criteria.

Communities facing the same problems are invited to join CAPOC, as are those who also have been down the same road and would like to help the campaign - you can register via the website.

Ross Montague of the Scottish Countryside Alliance welcomed the new group:- "The SCA hopes that rural communities in Scotland, where Post Offices are under threat, will also join CAPOC and plug into this useful source of advice and guidance.

Post Office Ltd have been announcing their proposals for each round of closures and changes to their network and in each case have only given local people six weeks to understand what the proposals will mean to them, to put together their response and to fight back. A six week consultation is not acceptable and we fear that it has not given many communities a fighting chance. Having the CAPOC website as a resource could give many communities a chance to fight back more quickly."

www.postofficeclosures.org.uk

FOR SALE: Newly fitted butcher and deli in Aviemore, leasehold.

View at www.frasersbutchers.co.uk Tel: Fraser 01479 810155

Also new refrigerated trailer, 4 metres long, never been used. (Cost £11,000 new). Eurocryor Vela s-shaped 3 metre cabinet with new condenser. Offers

German Trade Show

Stuttgart: 5th – 7th October 2008



Food Hygiene Scheme success for Council

Perth & Kinross has become the first council area in Scotland to be completely covered by a new pilot Food Hygiene Information Scheme.

All 1,300 catering and food retailing premises in Perth and Kinross eligible for inclusion in the scheme are now issued with a certificate which confirms their level of compliance with food hygiene legislation at their most recent inspection.

This certificate can be displayed in the window of the premises. Although participation in the scheme is not compulsory there is an implication of improvement required where a premises does not display a certificate, especially where a business is surrounded by businesses which do comply.

Consumers can see detailed food hygiene reports and details of certificates issued on the Council website by logging onto www.pkc.gov.uk/foodhygieneinfo. The provision of information in this format will enable customers and potential customers within Perth and Kinross to make informed choices and should potentially lead to fewer premises failing to meet their legal hygiene obligations.

The scheme was originally launched in Perth city in November 2006. Since then work has been ongoing to extend the scheme to other areas, and as of March 17 2008 the whole of Perth and Kinross Council area has now been included.

Beef Expo 2008 - Perth

Promoting sustainable systems of beef production to help beef farmers achieve long-term profitability will be the aim of this year's national beef event, Beef Expo 2008, to be held by the National Beef Association at Perth Agricultural Centre on Wednesday, May 21, 2008.

Adopting the theme "Engage with Beef", the event will provide a platform for all sectors of the beef supply chain from primary producer to retailer to focus on best practice and efficiency of production to ensure a viable future for beef production.

Beef Expo is returning to Scotland for the first time since 2004 and is being hosted at Perth Agricultural Centre by United Auctions Ltd. The event is held at a different venue each year and attracts thousands of beef farmers and industry professionals from all over the UK and Ireland, as well as inward missions from overseas.

Arrangements for the Perth event will follow the same pattern as recent years with visits to three leading beef units, a conference and pre-event dinner on the previous day (Tuesday, May 20).



The system was developed and implemented by the Food Standards Agency Scotland with the support and backing of consumer organisations and local authorities. It has also been introduced in selected areas of Fife, Renfrewshire, Aberdeen and Edinburgh City Councils.

Community Safety Convener, Councillor Willie Robertson, said: "Giving the public easy access to reports like this will allow them to make informed choices about the food outlets they use.

"These reports are also covered by the Freedom of Information Act, and so publishing them on the website should help reduce the amount of time and resources needed to respond to Freedom of Information requests.

"We also hope that publication of inspection reports will lead to fewer premises failing inspections by making sure their hygiene standards are as high as they can be."



Outstanding SVQ Candidate of the Year



Barry Parkin and his employer George Jarron Jun travelled to Butchers Hall in London at the end of last month to receive the award for the Scottish Vocational Qualifications' Candidate of the Year. Barry has worked at Scott Brothers in Dundee since leaving school. He was inducted on a SVQ Meat and Poultry Processing Level 2 in September 2005 and achieved in May 2007.

Barry worked hard throughout his SVQ, producing work of a high standard for the agreed visits. He approached all aspects of his work professionally with attention to detail.

Scott Brothers is one of the largest employer in the Scottish Retail Meat Industry with just short of 100 employees. The diversity of the work involved has meant that Barry has gained experience in all aspects of the trade and fitted into a very busy and demanding work environment.

He has gained great confidence and this is demonstrated by his approach to his every day presentation and was further demonstrated by him winning through to the final of the under 22s Meat Skills Finals 2007 at his first attempt. There he gave a very good account of himself in producing innovative products and an imaginative display. The only reason that he failed to win the main prize was that he was up against the previous winner and an extremely high standard.

Even before he achieved his Level 2 Barry was observed on several occasions offering help and guidance to junior staff members. It was no surprise that Barry wanted to progress on to a Level 3 SVQ in Meat & Poultry Processing. This was encouraged by his employer and is also looking forward to having another attempt at winning the 2008 Meat Skills Final.

Barry thoroughly deserves this award due to his keenness to learn and his willingness to help others, both points of which are a credit to him. Congratulations to Barry and Scott Brothers!

Scottish Borders Butcher of the Year Competition

This is open to all employees who have yet to achieve a level 2 SVQ in Meat and Poultry Processing. The event that involves boning and processing a Leg of Pork will take place at Scottish Borders Abattoir on Wednesday 28th May, starting at 7.00pm. To enter, please contact George Deans on 01896 754341.

Promoting Scottish produce

On 17th March First Minister Alex Salmond started a week-long commitment to only 'eat Scottish' food. The First Minister only used Scottish produce - fresh, stored and frozen - for all meals during the seven days. The pledge to 'eat Scottish' was made in support of Stephen Jardine's 'Eating for Scotland' campaign for STV.

The Rowett Research Institute and professional cook Wendy Barrie provided advice to the First Minister on his meals to ensure they were nutritionally balanced. The First Minister's campaign started with a breakfast of porridge and fruit followed by toast and jam. Mr Salmond said:

"Scotland is home to some of the freshest, highest quality foods in the world. The economic, social and health benefits of supporting Scotland's food are vast. We need greater awareness of these benefits and I have agreed to 'eat Scottish' food to do just that. My Government is working hard to encourage more support for our own produce which is why we fully support Stephen Jardine's year long campaign to eat only Scottish produce.

"The Rowett Research Institute and Wendy Barrie have provided help and advice on my planned meals - showing that Scottish produce is not only widely available it is also affordable and healthy. In fact the Rowett estimate that a Scottish-sourced meal plan like mine, with three meals a day, can be produced at an average cost of well under £2 a meal.

"Of course, we need a variety of foods to ensure a balanced, healthy diet - some imports are necessary. However, we should use home-grown solutions where and when we can.

"Food can boost jobs and businesses, promote healthier lifestyles and minimise the environmental impact of its production and retail. We must look at ways of addressing supply chain issues and encouraging the industry to work together to ensure we support our food, and our food effectively supports a wealthier, healthier, and greener Scotland."

The Cabinet Secretary for Rural Affairs and the Environment Richard Lochhead recently announced a new £60 million scheme to help develop Scottish food.

Scottish Food Grant Scheme

A new £60 million scheme to help develop and promote Scottish food opens for business last month. For the first time, the scheme for food producers and processors will support greater collaboration in the supply chain, in line with a future national food policy.

Up to £10 million per year is available to help:

- construct new facilities, refurbish existing premises and purchase new equipment
- support wider marketing and business, including website development and consumer education
- provide resources to support collaboration within the food chain such as distribution and accessing markets

Cabinet Secretary for Rural Affairs and the Environment Richard Lochhead said:

"Supporting Scottish food is in our national interest and this scheme aims to help our food enterprises flourish and grow. We produce some of the finest food in the world, from our quality meat to our soft fruit and oats, yet it is not always easy for Scottish suppliers to access markets. This fund aims to develop greater collaboration and ensure that businesses can get into supply chains and meet consumer demand.

"Success stories funded by the previous grant scheme include Hogarths oat and barley processors, Abbey Fruit packagers and Scotherbs. For the first time, the scheme offers support to help food businesses access the supply chain. They must also demonstrate their environmental credentials and show they are making efforts to develop healthier food.

"This is all in line with our future national food policy, which will be taking a cross-cutting approach to the issues of food and its wider impacts on our health, our environment and our economy. I am inviting applications for innovative and creative projects, to ensure our world class produce is delivered from the producer to plate."

The National Food Processing, Marketing and Co-operation Scheme is provided under the Scotland Rural Development Programme (SRDP). For Guidance notes and application forms contact SFMTA.

Previously funded projects include **Hogarths of Kelso** an established miller and processor of oats and barley received grant aid towards the costs of refurbishing the existing building, together with the purchase of new storage bins, grinding, weighing and packing equipment. The company purchases 13,000 tonnes of oats and barley per annum from a group of 60 dedicated producers, 90 per cent of whom farm in the Borders and have long standing relationships with the business. In order to meet the growing demands for its oat based products further producers will be required. As a result of these activities, the Company plays a key role in the rural economy of the Borders, and is a major purchaser of the milling oats and barley produced on farms in the area. Following milling and grinding, the oatmeal and pearl barley are currently supplied to a range of customers. However, the company has a particularly close relationship with Nairns of Edinburgh Limited, this processor purchasing 65 per cent of the total oat production for its range of oatcakes and oat-based biscuits.

Abbey Fruit, a soft fruit and vegetable processor at Arbroath, received grant aid towards the construction of an extension to the current packhouse together with the purchase of conveying and cooling equipment. Since its formation, this business has experienced a rapid increase in demand for its products. This growth in turnover is expected to continue, particularly from the main customer, Marks and Spencer. The business currently grades and packs soft fruit and Brussels sprouts supplied by twelve producers.

Scotherbs grow and market fresh herbs at Longforgan, Dundee, and received grant aid towards the construction of a new, purpose built packhouse, together with the purchase of additional washing, packing and handling equipment. The company offer a complete range of culinary herbs, exotic leaf salads, edible flowers, herb mustards, pestos and salsas and now supply to a wide range of customers, with Tesco being a major outlet.

Connage Highland Dairy is a family partnership, formed to own and operate an organic cheese manufacturing facility at Ardersier, Inverness. Grant aid supported the construction of the processing building, including a chill store and packing area, together with the purchase of cheese vats, moulds and associated processing and packing equipment. The new partnership initially produced a traditional cloth wrapped organic Dunlop cheese and a Caerphilly cheese but are following with a range of handcrafted, organic hard and soft cheeses. The cheeses are totally new to the market, and are sold under the Connage Highland Dairy brand, with distinctive packaging to reflect the Highland image.

Market Report - Beef

From Stuart Ashworth, Quality Meat Scotland

Cattle Prices and Supplies

Deadweight cattle prices have continued to increase and the deadweight price for Scottish steers has reached 250p/kg – a 16% rise year on year and the highest price for more than a decade. Mature cow prices have also surged ahead in the past month to stand currently at just over £1 kg/lwt, 25% higher than last year. Weak sterling and tight cattle supplies are drivers for this improvement. The Euro currently valued at 76p which is 8p more than this time last year. Consequently imports from Ireland are more expensive than a year ago.

Across the UK prime cattle slaughterings during January were 6% lower than last year and 3% lower in Scotland. The increase in mature cow and bull slaughtering of 2,000 head across the UK, and higher slaughter weights, failed to offset the fall in prime cattle slaughtering and total beef production fell 1% in tonnage terms.

Cattle supplies across Europe are also tight. In Ireland, the cattle kill during January was 10% lower than a year ago while in France the cattle kill fell 6% during January. European prices reflect this situation with price in Ireland and France 13% and 1% higher than last year while the all EU average for prime cattle is 2.5% higher than a year ago. Cull cow prices have also benefited being 8% higher on average across Europe and 16% and 10% higher in Ireland and France respectively.

The use of non Scottish cattle in Scottish abattoirs continues to decline with almost 2000 fewer killed in January 2008 than January 2007. This is a decline from around 13% of the prime kill in 2007 to 9% in January 2008.

The weakness of sterling combined with removal of FMD trade restrictions contributed to a strong improvement in export sales during December. December imports remained little changed from November and show a small decline on last year's levels. Argentina and Brazil continue to deliver less than last year with Uruguay taking up some of the slack. Australia increased shipments during December after several months of low deliveries.

News Round Up

Notwithstanding the restrictions placed on imports from Brazil by the EU during 2007, Brazil placed 1.285m tonnes of fresh and frozen beef on the global market during 2007 an increase of 5% on 2006, and accounting for 27% of domestic production. Within this total, the EU took 40% less than a year ago while deliveries to Russia increased by 40%. More beef was also supplied by Brazil to Iran, Algeria and Venezuela. However, the importance of the EU market to Brazil should not be underestimated, as it is the main market for high value product. For example, during January 2008 Brazilian sources suggest that prices for product delivered to the EU during January 2008 were in excess of US\$5,000 per tonne while deliveries to Russia and Venezuela average around US\$3,000 per tonne.

Consequently Brazil is eager to reach agreement with the EU over re-commencing deliveries which have been prevented since the start of February. In this regard relaxation of restrictions on Brazilian imports to the EU have begun with the EC approving over 100 farms to supply the EU. However, in the short term this is unlikely to have any material effect, as the number of farms is too small to justify a processor committing to the dedicated slaughter process required.

Strong global demand is impacting on prices in both Brazil and Argentina. Quoted in US\$, Brazilian prices are currently around 60% higher than a year ago. Despite efforts to control domestic prices, Argentinean producers are receiving 20% more for cattle than last year. Restrictions on beef exports have seen Argentinean beef consumption increase to 67.7 kg per head per year, its highest level for 21 years and more than three times the UK consumption levels.

Market Report - Pork

From Stuart Ashworth, Quality Meat Scotland

Pigs Prices and Supplies

The DAPP has increased by 1.5%, to over 112p/kg, since the start of the year and is over 8% higher than year earlier levels and the best price since 1996. This improvement in producer price has reversed the downward trend seen at this time of year over the last two years.

However, in terms of Euros the UK pig price remains 5.8% lower than year earlier levels due to the effects of the exchange rate weakness. This has resulted in the UK becoming more competitive in the EU than it has been in recent years.

European producers, with the exception of Denmark, have received higher prices than year earlier levels. Danish pig prices are 5% lower than a year earlier whereas Germany, France, the Netherlands and Poland have all seen year on year increases of between 4% and 8% with the European average increase being just below 3%. Higher prices in Europe are a result of a reduced availability of live pigs coupled with a strong demand. With this current market situation prices are expected to continue to rise.

Weaner prices have improved to only 6.5% below year earlier levels after spending the first part of the year more than 20% off last year's price level. Scottish abattoir throughput of prime pigs during January was 1% higher than in only 6.5% below year earlier levels after spending the first part of the year more than 20% off last year's price level.

Scottish abattoir throughput of prime pigs during January was 1% higher than in 2007. UK throughput increased by 6% in January, to reach 884,000 head, for the month as herd liquidations continue. Sow and adult boar slaughterings show a marked rise in recent months. Data for the last six months up to January, which includes the months where FMD restrictions were in place, show an increase of over 7% in slaughterings when compared to the same period a year earlier.

This suggests that there will have been an element of herd liquidation as producers leave the industry. Recently released census data shows that the Scottish sow herd has reduced by over 12% to less than 39,000 head in December 2007.

The volume of exports increased in the final quarter of 2007 by 21% year on year in response to the lifting of restrictions of trade within the EU. Imports to the UK reduced by a similar 21% although in volume terms the balance of trade in pigmeat means that there was 30,000 tonnes less pigmeat in the UK during the final quarter of 2007.

Pork News Round up

Feed costs are still adding pressure to the industry. Ex-farm feed wheat and barley prices continue to rise with spot prices reaching £182/t and £160/t respectively. At these price levels, wheat is more than double the price of twelve months ago while barley prices are now 77% higher than at this time last year. The International Grains Council has forecast that worldwide wheat production in 2008-09 will climb to a record 646 million tonnes, up 7% on current year estimates. As of the 18 February 2008 the OIE declared the UK FMD-free. This opens up the opportunity for exports to third countries, dependent on individual country's lifting restrictions. This will result in the opportunity for producers to market fifth quarter products outside Europe, namely Asia.

The Danish weaner exports could be affected by The Netherlands expectation of achieving a return to Aujeszky-free status in the near future. The Netherlands will regain access to the German weaner pig market increasing competition in the important Rhine-Westphalia region where Denmark exported over half a million pigs in 2007. Denmark have reported a 1% reduction in

pigmeat exports during 2007, supplies to the UK fell 6% but the UK remains Denmark's second most important market after Germany. Other significant declines were in volumes shipped to Russia and Japan. Growth markets, from a low base, were Poland and China.

In Canada, the government and the Canadian Pork Council have announced a C\$50m sow cull programme to reduce their sow population by 10% in response to the economic pressures their industry is under.

Market Report - Sheep

From Stuart Ashworth, Quality Meat Scotland

Sheep Prices and Supplies

Prime Lamb prices continue to strengthen and, at the start of March, prices were 16% higher than year earlier levels and at their highest level at this time of year since 2004. When quoted in Euro the UK price is currently almost 3% higher than last year. Prices are also higher in all major EU sheep producing Member States, up 2% in France, 7% in Ireland and 7.5% in Spain.

Higher prices have attracted a particularly high level of prime sheep onto the market during January. In Scotland the prime sheep kill was 19% higher than January 2007. The pattern is repeated across the UK as a whole where the prime sheep kill was 24% higher in January than the same month in 2007. As a result the cumulative kill in the UK since the beginning of May 2007 is 0.5% higher than last year. Set against the revised estimate of the UK lamb in 2007 being 1.2% lower than in 2006, and the loss of lambs to the welfare scheme, the likelihood is that lamb supplies will tighten over the remainder of the season.

Ewe and ram slaughterings were also high in January, up 6% on last year across the UK. Since May 2007 the cumulative ewe and ram kill has been 2% lower than last year. This decline in ewe kill is not as great as the 3.4% decline in breeding ewe numbers reported in the June census. Consequently, there is likely to be a further decline in breeding ewe numbers for the 2008 lamb crop. Indeed provisional December census data from Scotland records a 3% decline in the size of the Scottish ewe flock.

Sheepmeat imports remained low in December due to New Zealand having already delivered the majority of their quota in the earlier part of the year. Over the whole of 2007 total imports were unchanged on the year although New Zealand sent 1.25% more product. Exports continued to recover quickly from the challenges of FMD trade restrictions and deliveries during November and December were higher than last year.

Sheep News Round up

The recent decline in sheep numbers in New Zealand, and the expectation that numbers are unlikely to recover over the longer term, has led to Alliance Group, one of the major NZ processors, to initiate discussions on processing capacity rationalisation. Their proposal is to create a "single entity" to manage 80% of supply from farm to market. By better managing flows and closing some processing facilities Alliance estimates the sheep industry could benefit by NZ\$400m per year.

While the concept is being welcomed by industry leaders, the New Zealand government is less sure particularly as public funding is being called for. This leads the NZ government to be concerned that the funding would be seen as an agricultural subsidy and lead to conflicts with the World Trade Organisation and weaken NZ's position in the current round of talks.

Stuart Ashworth and James Park

Livestock Prices

Data collection co-ordinated by MLC Economic Services
on behalf of QMS, price updates available at www.qmscotland.co.uk

BEEF PRICES		W/E 15/03/08	Previous week	Previous year
Scottish Abattoirs				
Steers dwt		251.0 p/kg	249.9 p/kg	210.1 p/kg
Heifers dwt		250.1 p/kg	249.7 p/kg	211.7 p/kg
Young Bulls dwt		229.8 p/kg	225.7 p/kg	184.4 p/kg
Numbers	Steers	3561	4381	4042
	Heifers	2919	2938	2625
	Young Bulls	270	308	551
BEEF PRICES		W/E 19/03/08	Previous week	Previous year
Scottish Auctions				
Steers lwt		145.03 p/kg	140.99 p/kg	120.45 p/kg
Heifers lwt		144.51 p/kg	142.72 p/kg	123.47p/kg
Young bulls lwt		129.25 p/kg	128.86 p/kg	96.74 p/kg
Numbers				
	Steers	474	538	326
	Heifers	535	617	360
	Young bulls	79	59	38

Deadweight cattle week ending 15th March 2008								
	All steers p/kg			All heifers p/kg			All Young bulls p/kg	
	3	4L	4H	3	4L	4H	3	4L
-U	253.3	254.9	254.5	255.0	257.0	256.9	238.5	240.0
R	251.0	252.4	252.2	250.3	251.3	251.9	233.5	238.4
O+	246.3	251.2	251.8	243.9	247.8	246.9	220.9	232.2
-O	226.6	232.9	-	-	230.0	233.3	218.7	-

New Member:-

Welcome to the Scottish Federation of Meat Traders to:-
Annabel Forbes, Bel's Butchers, 25a High Street, Edzell, Angus DD9 7TE
Tel: 01356 648409

New Members Only Website:-

<http://www.sfmta.co.uk/members/>

Please feedback your views on this addition to the service available to you as a member. Username and passwords were enclosed with your receipt for payment of subscription. If you need this re-sent please contact Bruce on 01738 637472.

SHEEP PRICES	W/E 19/03/08	Previous week	Previous year
Scottish Auctions			
Old Season SQQ lwt	141.36 p/kg	135.39 p/kg	117.60 p/kg
Ewes lwt	£41.94/head	£39.52/head	£30.70 /head
Sheep numbers			
Scottish Auctions			
Old Season SQQ	26676	29639	21188
Ewes	4301	3675	3273

SHEEP PRICES	W/E 22/03/08	Previous week	Previous year
GB Abattoirs			
Old season SQQ dwt	321.9 p/kg	303.2 p/kg	261.1 p/kg

Deadweight sheep week ending 22nd March 2008 p/kg				
		2	3L	3H
	U	330.3	330.5	321.7
	R	325.8	325.5	323.1
	O	318.5	320.0	318.8

PIG PRICES	W/E 22/03/08	Previous week	Previous year
GB Abattoirs			
All pigs DAPP	114.29 p/kg	113.59 p/kg	105.28 p/kg

GB deadweight pigs ending 22nd March 2008 – p/kg					
	Method 1 and 2	Change		Method 1 and 2	Change
	p/kg dwt			p/kg dwt	
Up to 59.9 kg	103.08	-1.97	80.0 – 89.9 kg	114.27	+0.68
60.0 – 69.9 kg	114.85	+0.48	90 kg and over	105.39	+1.40
70-0 – 79.9 kg	115.35	+0.64			

For Sale -

Bakbar Commercial Turbo Fan Assisted Oven with Stand and Trays 6.66kw 240v.
Good Condition. No reasonable offer refused. Contact John Morrison Tel: 01250 872477

For Sale -

Two serve over counters in very good condition.

1 Trimco 1.8 metre serve over counter 4-5 years old excellent condition,
£500 (buyer collects)

1 Volero 2.5 metre serve over counter 1 year old, £500 (buyer collects)

1 pine display dresser, (antique bottom chest with solid shelf additions, looks
really good with wines/deli goods etc) very large 2.75 metres wide, £500

Telephone Louise Stewart: 01573450272 (Kelso, Scottish Borders)

Retail Prices for w/e 22/03/08

	SFMTA AVERAGE MARCH	SFMTA AVERAGE FEBRUARY	QMS AVERAGE MARCH	QMS AVERAGE FEBRUARY
SCOTCH BEEF				
Fillet Steak	2922	2827	2820	2701
Sirloin Steak	2006	1948	1872	1807
Popeseye Steak	1336	1322	1198	1152
Topside	1030	1018	961	862
Round / Rump Steak	1084	1057		
Diced Stewing Steak	857	840	788	754
Rolled Brisket	834	819		
Steak Mince	724	709	657	637
Boiling Beef Bone In	515	506		
DOMESTIC LAMB				
Whole Leg of Lamb	925	918	852	793
Centre Cut Leg Bone In	1094	1111		
Gigot Lamb Chops	1200	1207		
Lamb Leg Steaks	1326	1327	1496	1349
Chump Lamb Chops	1260	1255		
Double Loin Lamb Chops	1239	1224	1385	1226
Single Loin Lamb Chops	1133	1116	1319	1225
Rolled Shoulder Lamb	851	816	878	849
Lamb Shanks	519	595		
Diced Lamb	998	982	977	927
Minced Lamb	871	865	952	901
PORK				
Pork Tenderloin (Fillet)	1117	1114	912	893
Pork Leg Steaks	787	835		
Double Loin Pork Chops	708	706		
Single Loin Pork Chops	683	678	662	624
Rolled Shoulder of Pork	520	517	594	544
Belly Pork	484	468		
Pork Loin Steaks	844	843	805	783
Diced Pork	627	622	621	637
PRODUCTS				
Beef Link Sausages	560	550		
Pork Link Sausages	563	554	523	492
Speciality Pork Sausages	612	613		
Sliced Beef Sausage	501	481		
Sliced Black Pudding	457	445		
Ball Haggis	552	553		

Corporate Members

Corporate membership is by invitation and the following companies have supported the Federation by accepting our offer. Members should be aware that the following are supporting them: -

<p>AES Supplier of Dishwashers Crossbush, Riccarton, Kilmarnock KA1 5LN Tel: 01563 551122, Mobile: 07788 926925</p>	<p><u>AVERY WEIGH TRONIX LTD</u> Foundry Lane, Smethwick, West Midlands B66 2LP Contact: Gerry Doran Tel: 0774 077 2154</p>
<p><u>ACE REFRIGERATION LTD.</u> 96 Milnbank Street Glasgow G31 3AL Contact: Fiona McKenzie Tel: 0141 556 7691 E-mail: fimckenzie@acerefrigeration.co.uk</p>	<p><u>BELL BAKERS</u> Hawthorn Bakery, Shotts, Lanarkshire ML7 5BD Tel: 01501 820222</p>
<p><u>BIZERBA (UK) LTD</u> Eastman Way, Hemel Hempstead, HP2 7DU Tel: 01442 240751</p>	<p><u>CHESTER OF ST ANDREWS</u> Unit 6 Buko Business Centre Southfield, Fife KY6 2SE Tel: 0845 618 30601 Mobile: 0787 551 4334</p>
<p>DALZIEL Bellshill North Industrial Estate, Bellshill <u>ML4 3JA</u> Tel: 01698 749595 Fax: 01698 740503</p>	<p><u>EAST OF SCOTLAND CONTRACTS</u> Ferryhills Road, Inverkeithing, Fife KY11 1HD. Tel: 01383 418610</p>
<p>WILLIAM FORREST & SON (Paisley) LTD Omoa Works, Motherwell ML1 5LY Tel: 01698 860149</p>	<p><u>KRH LTD</u> 1 Macgowan House, Nobel Business Park, Stevenson, Ayrshire KA20 3LJ Tel: 01294 472755</p>
<p><u>LUCAS INGREDIENTS</u> Portbury Way, Bristol BS20 7XN Tel: 0800 138 5837</p>	<p><u>McAUSLAND CRAWFORD</u> 79-81 Abercorn Street , Paisley PA3 4AS Tel: 0141 849 7033</p>
<p><u>MACNAUGHTON & WATSON</u> Suppliers and Engineers to the Food Industry 423 Gallowgate, Glasgow Tel: 0141 554 2757 Fax: 0141 551 9809</p>	<p><u>PARAGON PRODUCTS</u> Hygiene Specialists Newhailes Ind Estate, Newhailes Road, Musselburgh EH21 6SY Tel: 0131 653 2222 Fax: 0131 653 2272</p>
<p><u>SCOTWEIGH</u> Suppliers of the TEC SL-9000 and Portable scales. Unit 2/4 Granary Square, Bankside, Falkirk FK2 7XJ Tel: 01324 611311</p>	<p><u>STOCKLINE PLASTICS</u> Grovepark Mills, Hopehill Road, Glasgow, G20 7NF Tel: 0800 262015</p>
<p><u>WILLIAM SWORD LTD</u> Blairlinn Ind Est, Cumbernauld, G67 2TX Tel: 01236 725094</p>	<p>TRUNET PACKAGING (SCOTLAND) LTD 36 Gullane Drive , Coatbridge, ML5 5GF Contact: George Murphy Tel:01236 443401 8am - 8pm, 0784 107 1634</p>
<p>TURNER VEHICLE BODIES Carseview Rd, Suttieside Ind Estate Forfar, DD8 3BT Tel: 01307 462142</p>	<p><u>JAMES WHANNEL (WHOLESALE) LTD.</u> c/o Wishaw Abattoir, Caledonian Road, Wishaw ML2 0HU Contact: Robert Kirkhope, Tel: 01698 355022</p>

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