

The decision by Mitchells of Letham to cease supplying butchers required a fair amount of time spent on it by both Bruce and myself. We eventually, but not until the intervention of NFU Scotland, tracked down Grampian Country Chickens who were interested in taking over the supply to the independent sector. This was not going to be easy since they did not have the smaller vans required to do smaller drops. Mark Aikman, their Sales Manager came to the office and we helped him form a list of potential distributors. I had numerous media calls – Daily Express, Press and Journal, Courier and Grampian Television.

Bryan McAusland called into the office to discuss the potential project with Innovation Portal in Dundee. McAusland Crawford has offered to supply seasonings and recipes that would take beef sausages into the amber category for salt and fat. Enquires are now being made to see whether there is funding available for a project like this. It seems to tick the correct boxes of innovation and collaboration).

We think it fits the brief of the SEEKIT programme. The SEEKIT programme is designed to support projects that promote co-operation in R&D and knowledge transfer between small to medium sized enterprises (SMEs) and the Scottish public sector science base.

A consultation response was made to the Scottish Government regards TSE Cost Sharing proposals. The feeling was that the whole BSE/TSE saga was created jointly by farming/feeding and government and the controls were imposed by government, so government should carry the burden of applying these controls.

The meat industry is the innocent party, and should not be financially burdened. TSE controls are in place as a public health issue, and should therefore be financed by the public purse.

A second draft has been compiled on the National Food Policy and this is tabled. More about this under Legislation.

On Monday 7th April with the aid of cheap return flights from Edinburgh to Birmingham, Bruce and I attended Meatex at the NEC. The event did not seem overly busy but we did meet a fair number of members around the show that day. We returned with our own opinions of trade fair layout and a great many contacts for things that members are continually phoning up to ask about. Bruce has just about recovered from the emergency landing that we had to do after leaving Birmingham that night and then having to return because of fault registering on the aircraft's instrumentation. The upside of the extended flight was that in total I must have spent four hours sitting beside Uel Morton, Chief Executive of QMS, with whom I had a fairly full and open discussion.

I assisted collect the samples for the Sliced Sausage Competition and Potted Meat Evaluation last Thursday and the next day performed the cooking of the sausage for the judges. We had 87 entries in the Sliced Sausage competition. The five Regional winners have been selected and these will now be purchased over the counter by a mystery shopper and a final to take place before naming all the winners at the Regional meetings in May.

In the first ever Potted Meat evaluation there were 59 entries. Awards were 8 gold, 17 silver and again the five Regional winners will now be purchased over the counter by a mystery shopper and a final to take place before naming all the winners at the Regional meetings in May.

Both the ESF final claims for the 2007 projects were submitted in the first week in April. These take hours to complete because of all the information that has to be given but thankfully that is all finished.

There is always ESF compliance to deal with and we have a further compliance check this time by the Scottish Government tomorrow. Preparation for this takes a lot of time up I'm afraid.

There has also been communication with the Programme Managers on the 2008 project applications and with the Scottish Government and MEPs on food sector eligibility. Joe Watson ran an article about this lack of support in the Press and Journal.

We learned last week that our Lowlands and Uplands Scotland ESF project for 2008 has been unsuccessful. We received this reply from the Programme Manager.

“Unfortunately the project score was below the threshold therefore it did not go to the Standing Advisory Group for discussion. However I have looked through the virtual advisory group papers and the general consensus of opinion on the project is as follows:

- 1) Evidence of demand is weak could provide more up-to-date evidence*
- 2) Need for Grant - limited evidence on other source of finance being investigated*
- 3) Confusion over timescale of the project, the application is for 12 months but the qualifications will take 18 months to complete. Stages of delivery could be clearer and it is unclear if aftercare has been built into the project. It was felt that participants would get to finish their qualification.*
- 4) The project has a wide partnership however it is unclear of on going role of partners*

At the recent PMC meeting, it was agreed that the Food processing industry should be included for the provision of eligible vocational training activities within the ESF Operational Programme. This amendment to the Programme will now be put forward to the European Commission for formal approval.

The PMC also agreed a timetable for the 2nd round and the deadline for stage one applications will be 15th August '08.”

The Scottish Master Bakers Association have also been unsuccessful with their application.

Both the Bakers and ourselves are deeply upset by this and the manner in which both our projects were rubbished. This is especially galling when the Highlands and Islands Partnership gave us this feedback from on our 2008 project submitted to them.

“HIPP Appraisal Points that were circulated to the Advisory Group:

- 1 year application with 44.9% intervention rate.*
- Similar application submitted under LUPS.*
- Confirmation of eligibility with SRDP required.*
- Continuation project from previous Programme.*
- Application targets all employees in the industry.*
- Application targets businesses throughout the Highlands & Islands.*

As you are aware HIPP were informed that all applications which could possibly duplicate with SRDP should still be processed until this issue was resolved.

The minute from the Advisory Group was as follows:

Well written continuation project which fits well with the Priority has reasonable costs and is innovative. It targets a specific sector and identifies skills gaps and shows need for grant. Eligibility with SRDP to be resolved.

The project had one of the highest scores by the Advisory Group.”

To have the same project application scoring in the Highlands and Islands area one of the highest scored. There is something far wrong here and we need to appeal to the Scottish Government.

Both SAMB and ourselves think that there is discrimination here against the food sector and bad practice at ESEP.

What this does mean is that we have one almighty hole in our income projections. In the Scottish Enterprise area we have been given 44 new starts at Level 2 and seven MAs for 2008-09. In H & I we have been given 11 new starts. These do not give much scope for increased income.

The English LSC have also been dragging their heels on getting us started with training in the North East but I think this will eventually come good, and possibly very good.

The major hope for making up the shortfall is in Northern Ireland. There we get £250 per new start plus £300 per milestone. If we generate more new starts and milestones this would be the fastest and possibly safest way to generate income.

Currently you will see from the Exec Papers, we have 66 skillseekers in SE and 25 in HIE. 91 is not enough to run the organisation.

We another have 98 on ESF alone and they will need to be “parked” and picked off as and when assessors are passing. A larger proportion of these are on Craft Certificates with just the practical to be verified and this can be done when the employers tells us the candidate is ready.

We have 57 trainees in Ireland and no restriction on starts.

I know that all this might seem like a jigsaw but with focus strictly on business I think the income can come in.

You may look at all the figures and view the lack of income from September to December as a major contributor to the situation and perhaps in hindsight we should not have bet on ESF coming good in Lowlands and Uplands Scotland. I hope you take my view that we should continue to try and turn the poor financial situation around.

Other possibly significant matter is that we decided that trainee assessor Darrell Keith who started with us in November is not going to make the grade as an assessor and since we cannot afford to carry him have given him his notice. His salary along with others costs that will not incur has been removed from the projections.

These projections still show SMT making a loss of £32K on the year.

TRAINING AND DEVELOPMENT: Sandra Lennox reported.

TRAINEE NUMBERS: As you will see from the trainee numbers paper in front of you, in training numbers have fallen in both Scottish Enterprise and Highlands and Island Enterprise areas this month. 6 of this number have completed their qualification, giving us a total of 24 trainee certificates awarded. Worryingly though, the other nine in Scottish Enterprise area alone have either been sacked or handed in their notice and left our industry altogether.

You will also see from the paper that we now have 57 trainees in Northern Ireland. I will refer again to trainee numbers further on in this report.

SE CONTRACT: Our Contract for Scottish Enterprise area was received in the office on 2nd April and we have been allocated 44 level 2 starts in the 16-19 year old age group and 7 Modern Apprenticeship starts, again in the 16-19 year old age group.

This year we have successfully tendered for, and been allocated places in, 11 of the 12 SE regions. The exception is Edinburgh and Lothians and no further explanation has been offered as to why this has happened, despite having requested this on my return to the office. Our contract manager will however continue to request places from Edinburgh and Lothians in response to demand from employers.

HIE CONTRACT: Our Highlands and Islands contract has also been received in the office and we have been allocated 11 new starts in the same areas in which we currently operate. This is a shortfall of 5 places from our original tender. I have been assured by our HIE contract manager that there will be a budget for additional starts just as there has been in previous years.

In total then, we have the potential to start 55 young persons (16-19 year olds) onto our level 2 training programmes throughout Scotland and 7 onto our Modern Apprenticeship training programme. It will be vitally important that SMT fulfils the contracts offered, in terms of starts and achievements in order to secure funding for future years for the development of your staff.

ESF: As Douglas has already reported to you, our Lowlands and Uplands Scotland (LUPS) ESF project for 2008 has been unsuccessful. While we can and will appeal this decision, it leaves us with 89 people in lowlands and uplands region who we cannot now afford to service unless there is a skillseeker or modern apprentice either in the same business or very close by.

Our project for Highlands and Islands (HIPPS) is still being considered and feedback so far is positive – as previously reported, we have been told that the project is scoring highly. If we are successful with this project bid, then we will have secured sufficient finances to service the existing HIE ESF trainees and will be able to offer funded training to others in the same region.

Our 2007 project was nominated as a finalist for an award in the Category of 'Best practice in publicising ESF funds'. Duncan and I attended the celebration dinner event which was held in Glasgow. Although Duncan and I had a really enjoyable evening, the food was superb; we came away with a 'highly commended' certificate.

NORTHERN IRELAND: We now have 57 registered trainees in Northern Ireland and Malachi has at least another 12 to register as soon as he can.

I'm pleased to report that we have received the first start payment of £5250 for 21 trainees from the Food and Drink Training Council, with the remaining payments expected to be received by FDTC by the end of this month and paid out to us at the beginning of May.

Now that we have received payment for the first of the trainees, Malachi will be able to progress with the assessments and so generate further income.

I know that Malachi has not yet exhausted his initial list of businesses to contact and that potentially there are many more trainees that we could register onto the training programme. It therefore would be sensible to concentrate effort into finding and securing these trainees and that is what I and the training team are doing. I have also arranged to meet with our contact in the Food and drink Training Council with a view to streamlining the financial payment process. I travel to his office on 22nd April.

NE ENGLAND: Disappointingly by contrast, NE England is slower to get started. I have experienced delays in the brokerage system which means that as yet we are still to begin work with employers in the region. We have the capacity and the capability, we have the contract with England in Place, but we are still dependent on the actions of a third body. There is however still potential for the region and once we actually get started I would expect to be able to show you results in fairly quick time.

SCOTTISH TRAINING FEDERATION: Following the news release issued by Scottish Government on Monday 31st March which announced that as of 1st April 2008 there is no further funding for any

20+ age group Modern Apprenticeship frameworks other than in Construction or Engineering, The Scottish Training Federation is gathering information from training providers in order to lobby government and in particular the new Skills Development Scotland Co. Ltd, the agency which has now superseded Scottish Enterprise and Highlands and Islands Enterprise Skills agencies.

As you are already aware, Scottish Meat Training (SMT) is already feeling the effects of the lack of funding for over 19s.

In my absence, Douglas responded to the STF request for information with this statement:

“The restriction of funding for 16-19 year olds has resulted in a reduction of those starting training in the Scottish meat industry over the last two years and this has already had an impact on the revenue coming into our business.

The emphasis on Engineering and Construction is concerning given that food (production and processing) is a major player in the Scottish economy. Indeed the Scottish Government is currently spending a lot of time and money developing a National Food Policy, demonstrating this importance yet at the other end of the spectrum there would appear to be a lack of commitment to the food industry.

SMT is a specialist trainer in Meat and Poultry Processing and Food and Drink Manufacture. We cannot switch our attentions to the Engineering and Construction sectors. The only way that SMT can replace lost income is by focusing on other areas of the UK. SMT is currently exploring the potential of the market in Northern Ireland and Northern England.

The consequences of reduction in training numbers in Scotland without the ability to replace them with trainees elsewhere would result in a downsizing of our operation and seriously jeopardise our ongoing financial viability.”

There are serious concerns being voiced by other training providers regarding the new stated ‘priority sectors’ of Scotland. Until 1st April, the priority sectors included Food and Drink, Hospitality and Tourism and the Oil Industry. Now we are being told that the focus is on Construction workers and Engineering – interestingly this includes Motor Vehicle engineering. It would appear that the Scottish Government is focusing on the skills gaps of builders, plumbers and car builders. Is it possible that I have missed something significant happening in Scotland whilst I was off for a week? Do we suddenly need car builders?

To date there has been no response to this government announcement from our Sector Skills Council Improve. Hopefully this will change before my next report to you.

MEAT TRAINING COUNCIL EV VISIT: I would just like to point out that our External Verifier from MTC is in our office today verifying. She accompanied our Assessor John Farquhar on an assessment visit yesterday and today she is accompanied by a trainee EV. Feedback from this visit is that we have no action points.

CROSS PARTY FOOD GROUP: I will be attending the Cross Party Food Group at Holyrood this evening. This is the second meeting, covering themes requested by CPG members. Skills and Sustainability is on the agenda.

Alan Kennedy asked how the External Verifier’s assessment in his shop the previous day had gone. Sandra Lennox replied that the EV was pleased with progress that had been made. She was completely satisfied in the way that John Farquhar conducts his assessments.

Hamish Deans said he was pleased to see some money was coming in from Ireland although his figures he was given were six weeks out of date. Sandra said there has been a deliberate holding back of assessments in Ireland until we had seen payments coming through. Once we know

payments are coming in we can claim for achievements. The next payments would be made on the milestones achieved at £300 per milestone.

Hamish Deans said it was a huge disappointment not getting the ESF. Sandra agreed that it was a huge disappointment. The original budget only accounted for 30 trainees in Northern Ireland and we are already at 57 with more to come. Hamish Deans said that Douglas had said the 89 ESF would be serviced ADHOC depending on when in that area. Douglas Scott said we have focused in on the ones we can get money in from first in the Scottish Enterprise and Highlands and Islands area first and the Irish ones. Sandra Lennox said that we have 3 assessors working in Scotland with one assisting with the 57 in Ireland, an assessor in the North of Scotland as far down as Dundee and there is a cross over in Dundee. The other assessor covers the central belt up to Dundee. The other assessor works the lower part of Scotland and is poised to go to England. The agreement in NE England requires a third party to confirm the demand with the employer but this has slowed down registration.

The present situation was discussed at length. Hamish Deans was looking for up to date financial figures from the end of the month before the meeting to have a clearer picture of where we are. He said we need to bench mark what we are expected to do. A separate meeting was suggested to be held before the next Executive meeting but diaries have made this impossible to achieve.

MEMBERSHIP AND DEVELOPMENT REPORT: Beaton Lindsay reported.

348 members have paid to date.

Information packs have been sent to:

W J Hutton, Hawick which is being taken over in May and we would hope to join then.
Robert Pringle, Hawick
Mull Abattoir
Meat at Muirs, Elderslie

1 New member
Resignations - 3

Meat at Muirs, Elderslie

Ancrum butcher – Lease is up
G A Low & Son, Glasgow – no reason given
Alistair Macaskill, Lochinver – business for sale

A further 4 business have not paid. They have been sent four letters and had a phone call. We have written advising services are withdrawn until the membership fee has been paid.

The businesses are

Charles F Stanley, Edinburgh
D & H Brunton & Sons, Wishaw
P Brannan, Shotts
Ness Foods, Inverness

CORPORATE MEMBERS:

15 corporate members have paid.

GMC Corsehill Ltd to have been sent a letter inviting them to join SFMTA as a corporate member.

REGIONAL MEETINGS:

The last two meetings were held at Inverness with 14 people and Oldmeldrum with 12 people. Feedback from the meetings was yet again very good. A number of action points with individual members arose from these meetings and these have been dealt with.

HANDBOOK

The new handbook was sent out with the April newsletter. I would welcome your comments on this.

GOLF

The Federation golf outing this year will be held at the Ladybank Golf Course, Ladybank on the 4th June. The cost is £65 to include a buffet breakfast, round of golf and high tea. Dalziel have once again sponsored the event. Entry forms were sent out with the April newsletter.

TRADE FAIR

The Trade Fair will be held on Sunday 10th May 2009 in the Dewars Centre, Perth.

Hamish Deans said that the Honest Food Company reported previously as resigned the business is up for sale and if it is retained as a butchers shop he would be straight in.

Douglas Scott said that we also have the members' only website which has a username and password which was sent out with receipts of payment. It covers the documents we have in the office we added today a HACCP guide for deliveries of products today following a request today. The newsletter is on there as well with pictures in colour. Food Processing Marketing Co-ordination grant scheme which has access to grants for processors which was added in last Friday. We have had a fair amount of feedback on the website from Regional meetings etc.

FINANCE REPORT: Douglas Scott reported.

A meeting was not held earlier today.

MEMBERS SERVICES: The spreadsheet was drawn up before the changes were made to the Scottish Meat Training spreadsheet. Income is projected at £117K and expenditure of £92K. If we do not have the ESF some of the costs will have to be absorbed by this side of the accounts.

SCOTTISH MEAT TRAINING: The spreadsheet has been drawn up without ESF being available at all in this financial year. ESF workshops and courses have been stripped out as well. We still have the SE contract figure of £143K as income and this needs to be watched very carefully. H & I is ticking along nicely and should achieve its budget of £37K. We are hopeful we would get ESF in the H & I area with £15k in the budget with what he read out in his earlier report he suggested we should be optimistic about it. The N Ireland income is now raised to £60k with £30k down to the extra trainees that we have got with the potential for this to grow even higher. Hamish Deans asked about the £20k at the top in April under ESF grant. Douglas said it had not been paid to us yet but it is due to us and was claimed on the second of April.

On the expense side Darrell's salary has been taken out and some of the ESF workshop costs have been wiped out. The Meat Skills competition costs at least £600 to do the assessments. The biggest part of the expense would come at the Scottish Meat Challenge in September where we pay for the meat and the eight cabinet's cost around about £3k which we cannot afford. His recommendation was that we do not run the skills competition this year.

He had misbudgeted H & I staffing costs because this time last year John Farquhar was not a full member of staff so that figure has gone up by £12K on the budgeted forecast. We have a total expenditure of £235k of indirect expense with a total expenditure of just short of £320K. Our income is projected at £287K that leaves us £32K short with the best means of making it up in Northern Ireland. The loss was made up in September through to January showing up with losses with the projections in March onwards showing surpluses. If we were to stop all together we will lose a lot more than that.

Douglas Scott said the Member Services side could not stand on its own two feet without the training side taking up some of the costs. It is important for not just the training side but the Members side that the training side stays on its feet.

Hamish Deans said he would like bench marking to be done. He said he wanted it drawn up what it would take to service Ireland, England and Scotland and keep them separate as much as you can. We should not take on any more staff in Ireland but service it with the existing and work out the cost to do it. Douglas Scott said we can do it on the basis of the figures that we have. He said

that the costs of Member Services would be brought back as they were previously. For a long time training supported the Federation. Douglas said to operate Member Services we would need to absorb more costs and in particular salaries. Hamish Deans made the point that the Member Services could function without the training. The way things are going now is that the Member Services are supporting the training. He said if it was bench marked then you would find that out. He suggested cost each department to find out where we are. John Chapman said when the small abattoirs were set up the costs were looked at and what to charge. Alan Kennedy said he had a certain amount of sympathy for the position that we were in as decision of funding bodies are not down to our organisation and we can only deal with the cards we are dealt with. He thought that it is a damage limitation exercise while still coming out with something of use to the trade. He did note that the amount paid for the services received from the Federation is peanuts. John Chapman said the fees never went up enough because it was subsidised by the training arm. Hamish Deans said that if you look at where we were four years ago and where we are now that it is all attributed to the training arm. Douglas said there are one or two reasons why. Hamish Deans reasons or not it is all attributed to the training arm. We have gone full circle from 10 to 12 years ago when the training supported the Federation side and subsidised the membership fees. We were making so much money from the training side we did not need to worry. For a period of time there was very minute increases. He warned we need to watch the situation and be on top of it. He asked for up to date figures to be in to be discussed, it is all part and parcel to avoid a disaster. The warnings are there with the trend over a period of time, the membership can function very well. He did worry on us relying on Ireland. Jamie Chapman said we need to look at a budget to look after the members independently. Hamish Deans said we have been very well funded by government over a long period of time, the trend seems to be away from the food industry. We should be very careful about it and know what we are doing. He did not mind spending an extra two or three hours before the Executive going through the figures and putting his thoughts on paper to the people concerned. John Chapman said we have a very good service at the moment. Hamish Deans said we have lost a few members because they cannot afford it. Alan Kennedy said the amount of advice and knowledge available to what the members pay is peanuts. Hamish Deans said the strength of the Federation is its membership so we need to have as many members as we can.

Douglas asked what Hamish Deans meant by the term bench marking. Hamish Deans said it was allocating what you need. If you do not reach your target then there is a retraction. Douglas asked for a template. Hamish Deans said it was a formula widely used in commerce. Alan Kennedy said there might be something in the Sage package. Hamish Deans asked for copies of the up to date bank statements. Hamish Deans asked for a longer meeting in the third week of June with the month of May figures as we will be in a stronger position to benchmark. Jamie Chapman agreed as there were no meetings in July and August.

LABOUR CONDITIONS REPORT:

There was nothing to report.

LEGISLATION REPORT: Douglas Scott reported.

VERTEBRAL COLUMN REMOVAL. The timescale agreed for the scrutiny period to end on the 21st of April and should be in operation by the end of April.

NATIONAL FOOD POLICY: A second draft was circulated. He welcomed views on the draft and suggested it was digested and comments then given later. Andy McGowan suggested putting a line in about local abattoirs in terms of local marketing schemes they are operated by regional committees and QMS are taking the opportunity to get a priority list with red meat businesses at the top of it with reference to the local grant scheme. It has £30m for 6 years for everything from forestry to fish so it needs to be pushed up to the top of the agenda.

LIVESTOCK REPORT: Alan Kennedy reported.

This report was written on Monday with some things added at the end.

Beef prices both live and dead weight have continued upwards in the past month. On March 12th live steers averaged 146ppk and heifers were 143ppk at Forfar Mart. By April 2nd these figures had risen to 156ppk for steers and 155ppk for heifers, representing rises of 6.8% and 8.4% respectively. However, the last two weeks have been fairly stable, so perhaps prices have peaked at this level. He said how wrong he was.

These rises have not been reflected in wholesale bone in prices. Scotch Premier were quoting 298ppk on March 12th and this price remains the same.

It would also seem that price resistance from consumers and caterers is affecting the middle cuts. Sirloins, rib roasts and fillets have seen little further rise at a time of year when this normally happens. It would appear that the very cheapest cuts are carrying the bulk of price increases with the exception of D rumps. This may be a sign that customers are seeking a cheaper steak cut. Any input on this would be welcome.

If you refer to the enclosed price chart you will see that prices have risen by almost 3% on the month for boneless cuts, reflecting a 14.46% rise since February. This may slow down in coming weeks given current live prices.

Live hogg prices have bounced around over the past month but seem to have settled at around 140ppk (Forfar monthly average).

Dead weight wholesale prices have risen – Premier showing a rise from 309ppk to 375ppk on the month, although this may settle back in the next few weeks. It is worth noting again that the price of lamb loins has not risen in proportion to the other cuts.

Pork has remained largely unchanged over the past month. My own opinion is that this will change, and pork will start to catch up with beef and lamb.

As mentioned in the last report, I should now like to turn to the price of bacon. Since February the average price of Dutch bacon has risen by 15 and 20% and therefore falls largely in line with the rises in beef prices. Members should be very aware of this, and this rise will probably reflect in the future price of pork, as I mentioned earlier.

Hides and skins remain the same at £19 and zero, both figures from St Andrews.
Hides & Skins at Wishaw £22.50 and 75p.

Today's market prices for Forfar were:- Steers 163.3ppk, Heifers 161.9ppk
This is showing a 17 to 18p rise ppk rise in the month which translates to about 8% on top of the rises we have had previously. We are getting some resistance to price rises so we do not know where it is going to fall.

Andy McGowan said that on the pig side the Scottish Industry has lost 10% of its herd in less than six months. This has been purely on the unsustainable grounds and there are no signs of these coming back. The producer side has gone up nicely. He said that on the bacon side it had gone up by 15 to 20%. The other factor is the exchange rate the way it has gone it is working against continental imports that is where the majority of bacon pigs are coming from and this does not look like it is coming back either. The multiples after the FMD have signed up to 3,4,6 month contracts with continental partners all of which have come to an end which will probably boost British pig producer prices.

John Chapman asked where the cow beef was going. Andy McGowan said they were doing their best to make sure it did not go under the Scotch brand. They are putting some efforts in to the Scottish Governments efforts to put a saltire everywhere. He said the big loophole was Scottish as it has no requirement to have assurance and this is why we are able to keep the cheaper cows out of Scotch. Any thing that is Scottish is vulnerable to it as there is not anything illegal about it. QMS is working hard with it but it is a food policy and it would be sensible to have food policy

things and if we made our own views on what things should and should not be called put forward. We would all agree that having a specification and enforcing it is sensible, whatever we agree the specification should be. The voluntary beef labeling scheme has a ludicrous level of control on whether you call it grass fed or something, if you are going to call it Scottish which is a far more common name carry on no worries, it does not seem consistent. It is probably not illegal it is unethical. If QMS are pointed in the direction of particular plants, we do have the people going round inspecting. All the large plants supplying supermarkets are members of the processing scheme. There are already plants in the South West of the country being checked.

John Chapman asked how St Andrews Abattoir was working. Alan Kennedy said it seems to have settled down it seems to be better than it was.

Jamie Chapman said that at Forfar today the scary thing was the price of bad cattle. The cattle you did not like making 164ppk but the cattle you did like were making 170ppk to 175ppk. There was not a huge gap between what you did and did not like. He said they had better numbers made up by poorer cattle. Black and White cattle at Lanark on Monday were making 135ppk. Alan Kennedy said if prime cattle had gone up by say 40ppk. Very poor production cattle have gone up from 90ppk to 150ppk. The commercial cattle have seen a 50% rise where the top cattle have seen a 35% rise. He suggested that this pointed towards a shortage of imported beef. Ordinary beef is being put to use in Birdseye, Fray Bentos because they cannot source it from abroad. and they are just using anything they can lay there hands on.

John Chapman asked when New Season Lamb would be available. Jamie Chapman said the first week of May, they have all got some but they do not have continuation. Hamish Deans said they killed their first one yesterday. John Chapman said it would help if the sun would shine and the grass would grow. Jamie Chapman said Hoggs are over £80 and the lambs are making £95 to £100.

Hamish Deans complimented Alan Kennedy on his very full report

PROMOTIONS REPORT: Douglas Scott reported.

He had an approach from a company called Clear Channel that has Adshels in bus shelters. They have not come back to us with any firm proposals the idea was to put adverts on bus shelters pointed consumers to the butcher. It would be up to individual butchers to sign up to it.

We are looking a new posters reaffirming the values of shopping at independent butchers. Hampton Associates are coming back to us as we did not like the first draft of their ideas/

QMS UPDATE: Andy McGowan reported.

The new board met two weeks ago and the key player from the Federation's point of view is Jim Royan. He will have some discussion with Douglas on how we get the best use from Jim on getting our views across to the board and representation both ways on this.

There is a tender on our website on the governments Foot & Mouth recovery fund supporting abattoirs. We are consulting organisations some of them specialists, it may be something the Federation may want to look at. The project is for two years with a contract value of £212K.

The pig sector is having a chronic time but an idea which was suggested last summer was to have a two way event. A farmer near Glamis Castle is keen to have an event. The farmer in the morning he would explain the in and outs of the farming. Then the butchers in the afternoon show the farmers what they are looking for. There is quite a bit of interest. It would be a way of getting links with farmers. Alan Kennedy said a chef that QMS uses could get involved. Andy McGowan said the event should focus the minds a little bit as there is no doubt the imports are going to be more expensive so it might be a good time to do it.

Beaton Lindsay said that the new advert on the radio you can only buy pork from supermarkets. Andy McGowan will take back this point to his offices. A discussion took place on the merits of the use of the saltire and the products displayed on supermarket shelves and labelling. Andy McGowan said that there is no specification on the use of the Scottish flag. If QMS have information on misuse they will follow up on it no matter big or small the company.

John Chapman suggested that we ask for QMS support for bringing MHS to Scotland the same as collecting the levies as it was costing a fortune. Hamish Deans suggested that MHS is 40% on bureaucracy including traveling expenses. John Chapman said we should take this forward as a serious thing to be looked at. Andy McGowan said chances of bringing it to Scotland's would be pretty slim as it is a UK organization but part of FSA which has a Scottish and Northern Ireland off shoot. The MHS is a national organization. It was suggested we liaise with SAMW to add support to the cause.

ANY OTHER COMPETENT BUSINESS:

Douglas said we receive a letter back from the minister in response to our comments on the composition of the QMS board, it did not say much other than the procedure they use.

Jim Royan will be attending the next meeting in May. Uel Morton is keen to attend from time to time as well so between Jim Royan, Uel Morton and Andy McGowan will attend so we will be covered well.

Jim Royan will ask us to produce a wish list of what we would like and what we would expect from QMS. Douglas has asked June Lomax for a list of what we currently get and the budget figures against these. Alan Kennedy received a circular today from QMS asking him to itemise and grade the services received through the Scotch Beef Club. Douglas said that this is different from what Jim Royan requested which is to draw up a manifesto.

A new photocopier was raised as something which we are looking into at present. The current machine is reaching the end of its life.

DATE OF NEXT MEETING: Wednesday 14th May 2008.

There was no further business and the meeting closed with a vote of thanks to the chair.