

been dazzling. Alan Kennedy said perhaps we could discuss it later and maybe have a Federation promotion at Christmas.

BUTCHER SHOP OF THE YEAR: The awards lunch was held on 16th November at The Landmark in London and the results were intimated by the President at the AGM. Davidsons of Inverurie won both the Scottish and the UK title with Stewart Collins, Muirhead and Fergusons of Airdrie being finalists. In the Young Butcher of the Year finalists were Billy Holding, Hendersons of Hamilton and John Day of Tom Courts Quality Foods but neither won. It is the first time someone from outside Scotland has won that title.

WORLD SCOTCH PIE CHAMPIONSHIP: The presentations were held on Thursday 5th January. Douglas stated Bruce and himself had been very much involved with the judging.

MARY PORTAS REPORT: The report has been published on how the state of the High Street can be improved.

Stuart Christie said that when he got his order in from Copas he got 5 free for one shop and three for the other shop.

Beaton Lindsay said that he received an award for the steak pie but he felt the wording should read for a hand held pie. Douglas said the results on the website said hand held so he would take it up with Alan Stuart.

TRAINING & DEVELOPMENT REPORT: Sandra Giddy submitted a written report.

During 2011 Scottish Meat Training certificated a total of 138 Modern Apprenticeships, which is testament to the hard work that employees have put in to completing qualifications which reflect their job roles.

You will see from the attached report that we have 354 trainees presently registered with us. 202 of these trainees are working towards Modern Apprenticeships which include the Craftsman Certificate and are funded entirely through Skills Development Scotland. There are a further 152 trainees who are working towards their Craftsman Certificates having previously completed SVQ level 2 or 3 and these are funded through our ESF projects. We have 3 trainees registered through our involvement with Falkirk Employment Training Unit and we still have 38 registered in Northern Ireland.

SDS CONTRACT: We are already straight into the business of securing a training contract for 2012 - 2014 with Skills Development Scotland. The contract tendering process is well under way, we are already through the initial stages and I expect the final tender documents to have to be submitted before the end of January.

As I expected, SDS are looking for evidence of confirmed employer demand in the tender documents and we will also be measured on our past performance rates. We are able to tender for all age groups and our performance rate stands us in good stead but until the contract is awarded I would hesitate to predict what might be available for the coming years.

Under our current contract, we have still to fill the places for both the age groups. Our Assessors will be working hard to ensure that as much progress as is possible is made with the existing trainees in order that we are able to draw down as much as possible of the remaining monies available in the current contract which expires on 31st March 2012.

This will mean that Assessors will be asking for access to trainees during what we know is still a busy time in terms of staff taking time back from the festive season and I ask that you bear with us wherever possible.

EMPLOYER RECRUITMENT INCENTIVE: Training budgets are often the first to go in a recession, but investing in training not only saves money but will ensure that our businesses will be well-positioned when the economy starts to recover. Now is the time to keep investing in the skills and talents of our people.

Skills Development Scotland, who provide the funding for our Modern Apprenticeships have pledged to support 25,000 Modern Apprentices across the whole of Scotland and in all sectors for 2011/2012 and to this end they are working with all training providers to support the skills needs of employers and young people by encouraging more employers to take advantage of the employer recruitment incentives which they have made available.

The incentive provides up to £2000 which is paid to the employer when they offer new start opportunities for 16 – 19yr olds or progression to Modern Apprenticeships from 21st December 2011. People aged 20 yrs plus who have been unemployed for 3 months or more, starting on an MA within 3 months of employment are eligible for £1000 incentive payment.

There are of course criteria to be met before the Employer Recruitment Incentive payment is authorised, but Scottish Meat Training can and will assist any employer who would like to know more.

In addition, SDS are promoting their Flexible Training Opportunities offer, where SDS will make a 50% contribution towards the costs of training for up to 10 episodes per company (up to a maximum of £500 per employee) which is available for companies with up to 150 employees. Again, more information and guidance can be obtained from our office.

The incentive payments are processed through Scottish Meat Training office and accounts and a 10% administration fee will be charged at the point of clearing our accounts.

ESF FUNDING: Funding for our project which is in place in the Highlands region will continue this year and we will be able to support the continuation of the Craftsman Certificate and provide access to related short courses in the region.

However, with the cessation of the funding in the Lowlands area from 31st March, we expect that unless an alternative funding avenue can be found after this date, that we will be unable to provide short courses or complete Craftsman Certificates.

Our Assessors are working with employers and employees to complete Craftsman Certificates wherever possible prior to 31st March 2012.

FALKIRK EMPLOYMENT TRAINING UNIT PROJECT: We have 3 trainees continuing to make good progress under this initiative. Following this project, there is an opportunity for Scottish Meat Training to be involved with an ongoing programme of work placement with a large food business based in Falkirk.

Initially 12 young persons were recruited and inducted onto a similar programme and where trainees on this are progressed into full time employment, Scottish Meat Training will deliver the Level 2 Modern Apprenticeship as a private contract.

NORTHERN IRELAND: There is no news on progress with the Northern Irish trainees who are still registered with us.

I am currently following up a lead offered by the Scottish Bakers, which may offer an opportunity to become involved in providing ApprenticeshipNI within a large plant and we await the results of the award of contract for A4e with whom we have agreed to work in Northern Ireland.

INTERMEDIATE HACCP AND INTERMEDIATE HYGIENE COURSES: There are no immediate plans to hold these courses this year, but do continue to contact our office and register interest. We will endeavour to arrange courses in locations where interest is confirmed.

Hamish Deans asked about the SDS contract and he wondered when we would hear the results? Sandra said it normally goes to the wire and it is the last week of March before any results are published and then we will know the size of it. Ian Faulds asked if there were any candidates whom would not make the cut off date of the 31st March for the Craftsmen certificate. Sandra confirmed there would be some, the assessors have contacted. The reason they are unlikely to complete is the trainees do not currently enjoy the opportunity to take up the tasks in their workplace. We are asking employers to give more time to practice the skills involved. We will be able to issue certificates for the skills had.

Ian Faulds asked if it was a busy time for our assessors. Sandra confirmed it was a very busy time for assessors as well as the craftsmen certificates they are addressing the cashflow we need for the Modern apprenticeships. Hamish Deans said the figures in November were considerable down on the previous months, he asked if this was a trend. Sandra said this was completions and the numbers would come of the SDS total and what we really need to do is to find replacements for these people. Sandra said that in the office we follow up any leads and she certainly has been marketing to several other locations and businesses.

Alan Kennedy mention about the cutting element and someone comes along for a job interview and they have a level 2 and the clearly cannot do the cutting element. He asked about it being more practical. Sandra said that the whole point of the Craftsmen certificate was to address this and provide training for what is needed. Alan felt that the practical element needs to come first. Sandra said that the Modern Apprenticeship goes hand in hand with the Craftsmen certificate as per the job role. Sandra asked if the person had completed the craftsmen part. Alan Kennedy said no. Sandra felt this may have happened when we did not have funding for it. Sandra said that this funding has been available but ends at the end of March. There will not be the money to support the visits to carry this forward. We need to find an alternative way to fund this or a funded trainee in the same premises. She agreed that the craftsmen certificate is where they need to be heading.

FINANCE COMMITTEE: Douglas Scott reported.

The committee considered the budgets he had drawn up for both sides of the business. At the AGM it was agreed not to increase the subscriptions.

MEMBER SERVICES: The results for the first three months do not look particularly good as all the subscriptions come in from now on. We are projecting a surplus on member services and it is very much dependent on the renewals. We have bills out to people this month for around £86,000. If come April this is not achieved then we would have to look back on expenditure. If we had to cut back, the obvious area would Advertising and Promotions. The budget for regional meetings has been moved from under ESF to the Member Services budget. The income is £16k less than last year as there is no trade fair in this financial year.

SCOTTISH MEAT TRAINING: Douglas said at least one member of the Finance Committee described this budget as optimistic and Douglas agreed particularly with that view of the income from Skills Development Scotland which will account for £287k. If that slips at all there is not much leeway in the budget with only a surplus of £2k budgeted overall. ESF money we expect £46k from Lowlands area with it coming to an end after March 2012. In the Highlands and Islands area £34k is budgeted for the project up to the end of August but there is an application submitted that is likely to be approved beyond August. We have private funded income from Falkirk. SVQ registrations were much higher than anticipated. When someone is registered it is done for SQA, Improve and Core Skills as well, this costs around £130 to register but the positive thing is if you are registering then you are going to have future income.

Douglas said this needs close monitoring, we are hoping the new auditors can keep us right.

Before Christmas Douglas interviewed two auditors Finlaysons, Perth and Findlay & Co Dundee. Both were keen to get the business but Findlay & Co were £550 cheaper. The recommendation from the Finance Committee was to go with Findlay & Co, Dundee. The Auditors were proposed as Findlay & Co by Alan Kennedy and seconded by Duncan Mackenzie.

MEMBERSHIP AND DEVELOPMENT REPORT: Convenor Beaton Lindsay reported.

SUBSCRIPTIONS: Renewal notices have been sent out to all members at the end of last week together with an updated copy of the "Federation Uncovered" coloured booklet which details the services available to members. The first nine payments came in yesterday.

The "Federation Uncovered" is being sent out to non members with an invitation to take up membership.

ANNUAL GENERAL MEETING: As we have already heard the Annual General Meeting was held at McDiarmid Park, Perth on Tuesday 22nd November. As far as the venue and catering was concerned there has been positive feedback. The Centenary Suite was perfect for our needs and now we need to look forward to the next in Kilmarnock?

REGIONAL MEETINGS: As indicated in the agenda the regional meeting dates for January February are listed. Please book your places at the meetings in advance. The meetings start at 7.00pm sharp with a two course dinner and will conclude at 9.00pm.

CORPORATE MEMBERS: Renewal notices have been sent out. We will not start marketing advertising space in the annual handbook until these bills have been paid. Like last year we will target production of the handbook for 1st May.

Ian Faulds commented that he felt the NFU President Nigel Miller spoke very well at the SFMTA AGM.

LIVESTOCK REPORT: Convenor Alan Kennedy reported

Not a whole lot to report this month - prices have really not changed since the AGM, so I cannot report on livestock prices at Forfar. However, Douglas suggested I should alert members to the surging price of store cattle, which hit a new high at Thainstone's first sale of 2012.

Bullocks **averaged** 212.2ppk and heifers **averaged** 202.2ppk- this for a show of 1748 cattle. To my mind, this indicates a very high level of confidence in the finishing market, and retail prices will have to rise sharply again if finished cattle sell at the prices that Thainstone buyers seem to think is attainable.

Douglas also suggested highlighting something said by Nigel Miller, president of NFU Scotland, at the AGM. He suggested that stakeholders interested in maintaining local quality supplies of good livestock, which includes the SFMTA, should throw their weight behind the NFU as several other parties' interests lie in reducing (through various channels) the availability of land on which to grow livestock. His main comment seemed to be that both our interests and those of livestock farmers would be best served by working together, a point on which I agree.

Jamie Chapman asked when we actually last met round the table with the NFU. Douglas said he had spoken to Ian Anderson SAMW and he had suggested we have a meeting of all parties but we have not heard back from Nigel Miller yet. Alan Kennedy felt that at the market the farmers know they have enjoyed good prices but they know they rely on us and keep in contact with us. Jack Meade felt that the public will not pay the prices. Beaton Lindsay commented that his local supplier bought store cattle at £800 each.

Andy McGowan commented that the government is supporting the overall tree planting target but the overall requirement is being driven by the soft wood tree planting with a minimum of 50 hectares very few farms would survive with this level taken out of it. The problem is the requirement to do it in big block planting. The reason why this is important it is appealing to the landlord and the farmer themselves not having much said in the matter. It would be helpful to put together specific examples to the sector of the effect of having 50% less livestock around, including the number of staff and also we have a great story on the amount of training being undertaken as SMT are training more people than the farming sector. Also the business is supporting the local community.

Hamish Deans said it will certainly have severe consequences for the trade. With less imports coming in and less good meat available for ourselves and it is going to end up a luxury trade without the margins. Lamb is now a luxury item with people coming in for this on a special occasion. He felt that they should be limited to 5 acre blocks. Andy McGowan said they could be encouraged to have 5 nacre blocks on land. Hamish said our prices have risen because there is less product available. Hamish Deans agreed Nigel Miller's line was encouraging as he represents all farmers including landowners who farm and we should give a lot of support.

Jamie Chapman asked what the latest was on full cost recovery. Douglas said it was with the UK government but from what he heard they don't like the proposal. Jamie Chapman asked why they did not like it. Douglas said he thought it was the principle of putting all the cost back on to the consumer so there is no movement on it. Hamish Deans said what has side tracked it a little is trying to have a Scottish identity which we are all for. He felt we should have a watching brief on it as it could happen anytime. Jamie said when the strike was on we had only the vet and not the meat inspector. The vet could do the whole job we did not work at half pace. Hamish Deans said this illustrates the huge waste in the MHS.

Ian Faulds said it would be interesting to see what happens in a year's time to the store cattle which were bought at £800 and if Lidl will be selling Scotch mince at 98p for 400g or 1.18 of ½ kilo diced Scotch steak.

PROMOTIONS REPORT: Convenor Duncan Mackenzie reported.

The promotion ideas for 2012 were outlined at the AGM and that is recorded in those minutes that you now have, albeit in draft form.

Posters for Valentine's Day, Burns Night and the usual Haggis leaflets were sent out in the first post of the New Year.

A venue for the Speciality Burger and Speciality Sausage evaluation is currently being sought. Sponsorship is also being chased for this and the Beef Sausage and Black Pudding competitions..

National Butchers Week in March 2012 has been launched and the Federation will be doing its utmost to support member's activities up to and during that period. We will encourage members to participate in the British Pie Awards to be held at Melton Mowbray on 25th April 2012 and entry forms are now available.

As Douglas already mentioned he and Bruce provided a lot of support to the Scotch Pie Club both at the judging and at the presentations. Although the Scotch Pie winner was a confirmed (and unwanted) non member, SFMTA members did very well with the top prize being picked up in the Bridies by Tom Courts in Cowdenbeath, Rory MacDonald retained his Sausage Roll Diamond Award and also won best Savoury to eat hold for his Venison, Port and Pickled Walnut Pie. The Best Savoury to eat cold was won by Crombie's of Edinburgh for a Pork, Pancetta and Leek Pie. The Best Fish Pie and the MacLean Cup for the best Savoury overall went to Boghall Butchers for their Medley of Seafood Pie.

We are having discussions with Jan Deans at Dynamic Advertising to see if they could raise sponsorship from industry suppliers for a generic promotion on the theme of "Love Your Local Butcher". This will need to be self financing but they are optimistic that their proposals, which Douglas has seen, will win the support of the industry.

Members attending the upcoming Regional Meetings will be shown our handout leaflet template and they will also hear about a loyalty card scheme that they can buy into.

QMS UPDATE: Andy McGowan reported.

Marketing: The Scotch Butchers Club will not be promoting lamb terrible hard. The Club members will receive Roasting and Grilling Promotional Kit. There will be a promotion on specialty selected bacon in March 2012.

Andy asked for views on the rugby stars campaign around the world cup. Douglas said two of the butchers whom attended at Murrayfield got a lot out of it. Andy said that using football stars was more high risk.

Scotland Food and Drink Excellence Awards: QMS have been involved in this historically. They do a PR job very well. Last year's winner was a farmer from Bute. There could be some of the membership whom could put a competitive entry in through QMS whom are a member of the Scotland Food and Drink.

The Carbon Trust looks like they have a budget under spend and ask if QMS would be interested in £50k of free consultancy. They will be very good at looking at energy use and how you can make savings. The companies which take up the offer will get a confidential report sent to them and general guidelines can be pulled together to be issued to everyone.

Andy McGowan said there was a meeting on Thursday about cow beef and are looking for a cross section of views. The purpose of the meeting is to get everyone's views and then Jim McLaren is in a position to answer questions on the argument.

Jamie said in the Scotch would you have cow beef possible no but could it be mincing beef possible yes.

Jamie Chapman asked where QMS viewed the price of Livestock and where it was going?

Andy replied that the real reason the lamb price is where it is down to export and the exchange rate, the euro rate has decreased against the pound so you could see the lamb price come back a bit. Pork is likely to remain underpriced in comparison to the other species. There is plenty of stuff happening for promotion there. On the beef side there is a shortage of beef and it is global supply and demand. China has become a net importer of Pork and when China starts shifting on something the world trade starts shifting in there favour. Ian Faulds said everyone round the table tries to protect the brand Scotch and support all the way.

A year ago you pay 1.85p kg or 1.86 and you did not mind going to 1.92 to 198 a beast but now its 210 and going to 2.20 is a long way to go and we are reaching that stage. This is consistent with some of the consumer research the whole push for ethical and origin which around 5 years ago. Welfare is still there but local is very much there. Butchers sit on the high street and it is evident they are very much part of the local community, as long as you have the answer to both of these then your okay. People are very unforgiving and if you are paying through the nose and it does not eat well they are far less forgiving than three or four years ago. The big debate is where the QMS board go from here as they have been doing the farm assurance since the late 80's. It's changed days and how do you take an entire industry with you. The problem is where we go from here. Hamish Deans said that the supermarkets have not helped it started off has a high class brand but supermarkets have slaughtered it and taken advantage of the brand. If you go down the line of putting the QMS mark on cow beef and bull beef you are finished as a quality brand mark. If you

are selling good beef and you put in some cow beef one week back to good beef the next you have finished your quality brand. Jamie Chapman said the last time he had a scout they had New Zealand, English and Scottish Lamb coming out the same plant. They were all processed in the same plant in Wales. Even if it was true the food miles in that would be horrendous.

LEGISLATION REPORT: no report.

ANY OTHER COMPETENT BUSINESS:

HAGGIS EXPORTS: There has been some moves to haggis exports into USA and Canada the action points from Scottish Government were distributed from 25th November. It has got a long way to go but are trying to take positive steps. Ian Faulds questioned whether they could get round the lungs. Douglas said they were going to contest this on the scientific evidence. Other haggis producers at the meeting were not putting lungs into it.

MARY PORTAS REPORT: There are three things in it that we need to pick up on and follow through. We could pick on the points what local authorities should do. We should ask local authorities how they are going to respond to Mary Portas. She has suggested they should give discretionary business rate concessions to new business start ups. They should implement free controlled parking schemes. Of all the points which came back from members the parking is the one which is most crucial. Someone said when they create new parking spaces they always seem to be taking them away. The local member could write to them or we could write as a Federation. Beaton Lindsay said the supermarkets have free parking. Hamish Deans said this is what crucifies it in Edinburgh is the parking.

TRIP TO HOLLAND: Details in the newsletter requesting registering your interest four people have already booked their places.

TRIP TO ISLAY: The date is 8th and 9th April, There would be a trip to a distillery and a visit to the nature reserve to see the geese.

PROMOTIONS BUDGET: Alan Kennedy suggested with a reduction in the promotion budget it may be better to have less product competitions and butchers are getting awards for fish pies. He suggested having less competitions concentrated. He suggested he did not enter because there were far too many of them. Beaton Lindsay said he only got a Silver and Gold in the World Scotch Pie Championships and he got a 1/3 of a page in the Perthshire Advertiser. He said when he got his award for his steak pies his sales doubled and they have stayed there. He said if he gets a picture in the paper with a product they do not just come in for that but buy other items on the visit. Ian Faulds said competitions should be revenue earning or at least wash its face, there were obviously 80 entrants in the sweet tooth competition who supported it. Alan Kennedy felt we should focus the budget on things everyone makes. Douglas said the product competitions make money for us so Alan submitted that he had no argument. Douglas Scott said there are members that have done very well out of competitions. He said that a picture of a butcher making pies helps every member as it puts butchers in the headline and keeps them out the supermarkets.

Alan Kennedy suggested some of the budget could be used for generic adverts for members to use to promote members in the run up to Christmas. Douglas said that is why we produced the butchers leaflet template. The meeting was uncertain that butchers need promoted in the weeks before Christmas.

DATE OF NEXT MEETING: Tuesday 13th March 2012.

Apologies for next meeting from Alan Kennedy
The meeting was closed with a vote of thanks to the chair.