MINUTE OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD WITHIN 8/10 NEEDLESS ROAD PERTH, ON WEDNESDAY 24th JUNE 2015

PRESENT: Beaton Lindsay, President
Douglas Scott, Chief Executive

President Elect: Paul Boyle
Honorary President: Arthur Matthew
Past Presidents: Ian Faulds, Hamish Deans, Jamie Chapman, Adam McLay, Stuart Christie
Executive Members: Alex Mitchell, Jock Gibson, Stewart Dempsie, George Lees

APOLOGIES FOR ABSENCE: John Chapman, James Pender, Hugh Pender, Jim Preston, Scott Jarron, George Jarron, Alan Kennedy.

WELCOME JOCK GIBSON: Today it gives me the greatest pleasure to welcome a QMS Board member to our meeting. All the better because Jock Gibson is also a Federation member who is a regular attendee at our regional meetings in the north.

Jock runs his family butchers, Macbeth's in Forres concentrating on marketing and promotion, particularly for the mail order business. He is customer facing and passionate about the butchery sector and is also involved in the family beef hill farm where they breed Highland, Shorthorn and Aberdeen Angus cross cattle.

We acknowledge that because of public appointment rules he does not 'represent' any organisation on the QMS Board but we hope that through attending here as often as he can that he will understand the views of his fellow craft butchers. In turn we at the Federation will give you as much support as we can in assisting you during your time on the QMS Board.

His appointment is for four years and will run from April 1, 2015 to March 31, 2019.

Jock please feel free to contribute or ask a question at any stage of the meeting.

APPROVAL OF MINUTES OF EXECUTIVE MEETING 13th May 2015: The minutes were approved by Hamish Deans and seconded by Ian Faulds.

MATTERS ARISING: Hamish Deans asked if there was any word about the numbers in training. Douglas said no just as reported, currently there are 177 funded. We have started to market to get a few people in with some success but with those achieving we are getting them as fast as we are completing. We will put a plug in the newsletter and the assessors are also knocking on doors. We do need them.

Ian Faulds said page 6 fifth paragraph it should read "it is only Dunblane and Lockerbie are not members of QMS". Ian Faulds asked if we got an answer why QMS wanted the customer count data. Douglas said we did not have an answer but we will get one.

PRESIDENTS REPORT:

In June Beaton attended the NFMFT AGM in London and it was far more than AGM. Roger Kelsey (NFNFT Chief Executive) took Beaton and his wife Louise round Smithfield Market. They then visited to butcher shops in London. First stop was Lidgates where they had maturing beef at 6 weeks, Wagyu beef steaks at £106 kilo. £45 for an 8oz steak. They were ageing pork as well. They visited Selfridges with beef with the faces still on. Next was Jamie Oliver's butcher shop called Barbecoa. It is more of a theatre for his restaurant upstairs. The last butcher was in the centre of London. 60% of the sales are of cooked meat. Next they met Jim Spearing who was president elect. They were then taken to Ironmongers Hall for lunch and dinner with John Mettrick, William Lloyd Williams and Jim Spearings. The next day was the meeting with the new President sworn in.

60 to 70 people attended, the main speakers were mainly EHO's talking about the primary authority with one setting the standard for everyone else. Beaton handed out information about this to the meeting. After lunch was a butcher forum but Beaton had to return travel to Scotland.

CHIEF EXECUTIVE REPORT: Douglas Scott reported.

Since the last Executive Meeting was only six weeks ago there is possibly not as much as usual to report. The period started off with a day on the road visiting Willie Crawford at McNaughtons in Bannockburn. Those of you who have been on the Executive long enough will possibly remember Willie as an enthusiastic member and hopefully enjoyed reading the feature on his business in the June newsletter.

The same day I attended the photocall with sponsors Grampian Oat Products at the newly crowned Scottish Haggis Champion in Wemyss Bay. Nigel reminded me that I have a habit of visiting him on nice days and that afternoon was no different and very good photos were used in The Herald and in the trade press. I also combined that with a visit to a Renfrewshire member who is getting unwarranted heat from his EHO. We are trying hard to resolve over the top and unfair piece of regulating.

I have had discussions with two companies who claim to be able to solve members' auto enrolment requirements. They will come back to us but we will need a fair bit of persuasion that they are offering anything better than most member's accountants of payroll providers.

I attended the Scottish Training Federation Reception and Awards presentation at Holyrood on the evening of Tuesday 19th May. Our nominations did not make the final this time but it was very interesting to hear the content of the nominations that did make the final. It does appear that overcoming adversity helps the case.

I attended the Scottish Government Animal Health and Welfare Committee and the importance of such a body was emphasised that morning since while driving to Edinburgh Radio Scotland's phone in with Kaye Adams was discussing the subject in the wake of the Danish DJs slaughter of a rabbit on air. Evelyn the wife of the aforementioned Willie Crawford did a magnificent job talking about the provenance of meat ought from your local butcher.

The Scottish Region of the Q Guild met in this room on Monday 18th May. It was a pretty well attended meeting with a presentation from Scobie and Junor on their range of Japanese sauces.

On Wednesday I accompanied Alan Kennedy to Scotland's Beef Event that was organised at Mains of Mawse Farm near Bridge of Caley. The organisers, the Scottish Beef Association had made no attempt to market this to butchers but obvious got the message over to farmers since over 3000 turned out on a pretty cool and subsequently very wet Wednesday. Alan and I had very worthwhile discussions with NFUS and the Institute of Auctioneers. There is a great desire to have farmers address our regional meetings in September to explain about beef production.

On Sunday 31st May and Monday 1st June we ran the Q Guild's annual Barbecue Championship and Business Conference at the Windmill Village Hotel, Coventry. The event was a great success and from our point of view the smoothness of the whole affair demonstrated to the Q Guild members just why their Management Committee appoint SFMTA to handle the admin. It was a fair tough couple of days before the events ensuring that everything was in place while juggling the production of our larger than normal, monthly newsletter at the same time.

The long awaited meeting with Lawrie and Symington took place at Forfar Mart on the first Wednesday in June and that day I also attended the SFMTA annual golf event at Drumpellier not to shoot par but photographs. Bruce will report on the competition.

Next day it was along to Dundee for the Scottish Food Enforcement Liaison Committee and the following week I travelled to Dumfries to attend a photocall with Judith Johnston from Lucas and Gordon Little at Mogerleys, the 2015 Scottish Pork Sausage Champion.

I was then missing for seven working days as I squeezed in a holiday to Marseille and in the process missing altogether this year's Royal Highland Show. This was not deliberate, just an oversight in remembering that the dates of that event had been brought forward to better accommodate school visits. It was reassuring that QMS required two people to replace me but my substitutes from Scottish Meat Training, Gordon King and Stewart McClymont seemed to go down very well. John Lawson, Lisa Finnigan and John Davidson did cutting demonstrations and Ali Paul from A&I Quality Butchers in Culloden beat off the challenge of Nigel Ovens in the attempt to become World Sausage linking champion and gain entry into the Guinness Book of Records.

Yesterday on my return it was straight into an External Verifiers audit from Ian Percival from SQA and to be prepared for today.

This is the time of year where we hope to catch up on all the things that have been put on hold and maybe not completed. Consumer recipes have been placed on the Members Only website for members to download and personalise before handing out to customers. We think this facility is a great benefit to members and would encourage you all to take a look at them.

Next week I will be attending MeatUp and the Meat Management Awards in Birmingham. Next day I will also be attending a Q Guild Executive meeting in Birmingham.

Our thoughts now focus on the Steak Pie and Speciality Pie evaluation and the Sausage for Scotland competition that will be judged at Perth College at the beginning of August. The venues are booked for the regional meetings in August and September where winners will be announced.

The Federation also has to pull together the entry form and organise the 2015 Smithfield Awards for Q Guild. This will be judged on 14th and 15th October at City of Glasgow College.

During July and August we will also be encouraging and assisting Scottish butchers to enter the Meat Trades Journal's Butchers Shop of the Year Awards, the presentation of which will take place at Aspire in Leeds on Thursday 12th November.

Ian Faulds wondering if the linking record could we incorporate this at a future trade fair. Jock Gibson said because of the Guinness adjudication QMS went down the line of three independent adjudicators whom are not Guinness people.

FINANCE REPORT: Douglas Scott reported.

The committee considered the figures for April although we have knowledge for May.

MEMBER SERVICES: We are predicting an income of £182k instead of a budget of £171k, £3k up on subscriptions and £1k on corporate members. Trade fair receipts are up by £5k but our costs are up correspondingly. Investment income is up slightly at this stage. Sponsorship and competition entry fees are slightly up. Direct expenses, regional meetings are down slightly as we only have one more date in this financial year. Regional meeting costs used to be covered by ESF but ESF has now come to an end. We will be restricted with the number and location of regional meetings to keep a handle on costs. Consultancy fees are up by £7k and this is mainly due to the indemnified employment law advice. Everything is much to budget. Servicing Q Guild is slightly up. We are making around £18k on Q Guild, but this is not guaranteed income going forward.

SCOTTISH MEAT TRAINING: We had an incredibly good March and a not so good April. Income from SDS is much as last year. The ESF grant will be £3k lower as we have not spent the money. Income is £373k. Expenditure to get that is £345k. We need it as we have had disastrous losses at times. The expenditure side is slightly below. The assessor who retired created quite a saving

as his travelling expenses were quite high. We are still looking at a good net profit but our trainee numbers are down. Bank balances currently total £145k.

MEMBERSHIP AND DEVELOPMENT REPORT: Bruce McCall reported.

316 members have joined with 96 additional branches.
Tom Courts shops at Cowdenbeath & Lochgelly have been taken over by Hugh Black & Sons, Bathgate he now has 11 shops. John Brown, Dobbies Milngavie has retired. Someone is looking to take it over.

CORPORATE MEMBERS: 33 Corporate Members have paid.
1 new member Lawrie & Symington.

Regional Meetings will take places on
Mon 31 August at Carfraemill
Tuesday 1 September at Stepps
Wednesday 2 September at Laichmoray Hotel, Elgin
Thursday 3 September at Lovat Hotel, Perth

These will feature Dalesman, and the steak pie and speciality steak pie awards will be presented. Members will taste and vote on 5 or 6 shortlisted sausages from the Sausage for Scotland competition. The winning recipe and posters will be distributed for use in Sausage week.

GOLF: The golf outing was attended by 16 people at Drumpelier Golf Club. Including corporate members Dalziel, Scobie & Junor, Walkers Shortbread and Colin Hewitson. The event was won by Hugh Pender with 41pts.

There is a member's visit to the ROI from Tuesday 22nd September to 24th September.

TRAINING & DEVELOPMENT REPORT: Claire Simpson submitted a written report:-

Scottish Meat Training currently has a total of 180 trainees funded through Skills Development Scotland and one through Falkirk ETU. 112 trainees have achieved their Modern Apprenticeship since 1 April 2014.

SKILLS DEVELOPMENT SCOTLAND CONTRACT: We have been issued 90 places on the new SDS contract and can return to ask for more places on the condition that our achievement rates are within industry standard which has been raised to 75%. More focus than ever has been placed on achievement rates and SMT have had to change its procedures to ensure maximum candidates are likely to achieve certification prior to leaving the programme.

Assessors will now delay induction paperwork until the third visit to ensure that the candidate is keen and has the ability to achieve the qualification. Employers and potential trainees will be told of the importance placed on achievement.

Changes in SDS rules will also ensure that candidates will now be certificated for their SVQ within four weeks of completing. MA certification is normally two weeks after this.

Skills Development Scotland – Meeting: Douglas and myself attended the SDS meeting at Dunblane Hydro on the 18th March 2015. The day was split into two with the morning session for training providers "Driving Change" which was general discussion on the way forward for SDS and training providers. There has been an increase in number of MA places available rising from 20,000 to 25,000. SDS were asking the question on how to fill these places.
Afternoon was focused on "Delivering the Ambition" and I attended two workshops.

Delivering Results through Employability Fund
Modern Apprenticeship Programme – Expansions to 2020

Scottish Qualifications Authority – Food Manufacture Support Network - Meeting at Glasgow Hilton on the 19th March 2015: Douglas, Helen, Stewart and myself all attended the SQA meeting in Glasgow. Overall the event was not well attended.

Iain Percival gave a presentation focusing on the points on why five centres were on hold last year (no qualifications could be certificated). Round the table discussions felt that the EV should also be giving positive feedback on the good practice that centres do and not only the bad practice.

SFDSA gave a presentation and a report from Improve – the attendees all agreed that Improve should have attended and have asked for a meeting to be arranged with them. Angie Foreman of SFDSA reported on the membership of SFDSA and we have enquired re joining.
Overall the event needs to be re-structured for next year with discussion groups on unit support material re-introduced as part of the event.

WAGE INCENTIVES: Most local authorities are offering wage incentives for the recruitment of young people. Employers need to contact either their own local authority or job centre to find out what is available. SMT now has a contact list for the local authorities to fast-track queries. This incentive has proven very popular and over eighty businesses have taken on employees through this incentive.

FOOD AND DRINK OPERATIONS: FOOD MANUFACTURING EXCELLENCE: SMT staff are currently undertaking a 12 day course with Scottish Manufacturing Advisory Service to enable our assessors to deliver the level 2 and level 3 qualification Food Manufacturing Excellence. The qualification is aimed at making organisations of all sizes work more profitably and efficiently by ensuring that procedures are carried out as effectively as possible. Scottish Government is keen to roll out these qualifications to all businesses and we will start to deliver this programme in 2015.

COURSES: A waiting list is being held for Meat Managers Hygiene and HACCP please contact Claire if you are interested. Dates provisionally booked are the 17th and 18th June – one to be held in Perth and the other where there is further demand.

CRAFT CERTIFICATE: All funding from ESF projects has now ended and the Craft Certificate is no longer financially supported. SMT has sourced alternative funding from Flexible Training Opportunities. SMT will assist employers to apply for the funding.

END OF CONTRACT YEAR: We have ended the 2014/2015 contract year on a positive note. Our income was on target throughout the year and we exceeded our contract value by £11,000. We also inducted more trainees than we were contracted to.
A big thank you to all staff, trainees and employers. We now need to keep it up for the new contract.

LIVESTOCK REPORT: Douglas stated there was nothing to report.

SCOTTISH GOVERNMENT ANIMAL WELFARE COMMITTEE: mentioned already in the Chief Executives report not that relevant on this occasion. The written report is on page 5 of the agenda. We did have this discussion about splitting of carcasses and ageing animals by their teeth. The Scot DID could not be used as EU legislation specifically states that the ageing has to be done by animals teeth.

The LANTRA presentation sounded impressive but when Douglas asked how many achievements they had it became apparent it was not as successful as made out in terms of MAs. It is a big sector with a huge potential for training. The last report was from Nigel Millar, he is now leading this organization to maintain livestock health.

SCOTLAND BEEF EVENT: it was held at Mains of Mawse Farm near Bridge of Caley. The Scottish Beef Association made no attempt to market this to butchers. They got the message over to farmers as there were over 3,000 there. Alan and Douglas had a very good discussion with

NFUS and IAAS on two different occasions. There was a great desire for farmers to address butchers at our regional meetings in September to explain beef production and how maybe we could work closer together to supply local butchers. Douglas has forward the dates and venues to NFUS. We would also like butchers to talk to farmers meetings. Alan Kennedy was on a panel that afternoon and he did well in the question and answer session. Jock Gibson said the Scottish Beef Association has been through a lot of changes recently but now would be a good time to build relations with the new people involved.

PROMOTIONS REPORT: Douglas Scott reported.

Product evaluations will take place on Thursday 13th August at Perth College. This time the evaluations will be for Traditional Steak Pies, Speciality Ashette Pies and the Sausage for Scotland Competition.

QMS and William Sword have sponsored the pie evaluations and the Dalesman Group is again sponsoring our Sausage For Scotland competition. This will be a re run of the contest two years ago. The best six sausages will be selected at the evaluation in August and then presented to the September regional meetings for selection of the best by the members attending. The winning recipe will attract a £500 prize and it will be available to all SFMTA members along with a supporting poster in time for promotion during Scottish Sausage Week at the end of October.

Ideas are currently being worked up to provide point of sale materials to promote a Steak Festival in shops during August and September. This can obviously be used for steaks of any kind.

Another idea on the drawing board is a social media campaign to promote 22nd July as Pie Day. Those of you who can possibly remember their geometry will recall that Pi equalled 22/7 where working out circle formulas. 22/7 is 22nd July so that's what we will try to push.

Experience from other marketing activities tells us that a good picture on Social Media can make a big impact and it tends to target individual business' customers better than other media types. This is a low cost exercise and we will be encouraging all those with social media activity to take part.

We continue to supply members with CDs of images for their scales and screens and these images are also downloadable from Dropbox on a link from the Members Only website. Also available there are the new Craft Butcher logos.

Members will soon receive window stickers like the one above the front door here at the office that you entered through today. Also available free of charge are stickers for vans or even cars. These are in two forms, one blue on a white background, the other white on a clear background.

Projecting Scottish Craft Butcher exterior signs will be available from the end of this month and advanced interest has been good. Generally the members and corporate members have reacted well to the refreshed logo and we look forward to seeing it being widely used.

QUALITY MEAT SCOTLAND: Douglas said that Jock Gibson had attended at least one board meeting. He was invited to give his observations at this stage.

Jock Gibson said once or twice a year there would be a butchers think tank meeting. They would go through some of the promotions that QMS does. At the moment there are six campaigns a year for butcher club members. QMS is very good at promoting what farmers think need promoted but it does not always feed through to what can be sold at the end of the day. There is also issues with carcase utilisation. In terms of promotions he was not aware of who round the table are members and who are not of the Scotch Butchers Club. You do get a lot of information but it is not targeted for everyone. It should not be in competition with what the Federation produces.

Douglas said when we had a meeting with Uel Morton and Jim McLaren, in the past we always felt that QMS wanted to promote the brand and that was the be all and end all. Uel made the

comment it was total wasteful spending the money in Scotland because the percentage recognition was high. That is maybe not how we would describe it. Jock said the research QMS has done suggests brand awareness runs around 90% and in the London market it runs at 40%. They are looking at this in conjunction with other certification schemes such as Red Tractor. Jock said from his point of view and as a Scotch Butchers member, he uses it as a certification process for customers to say this is the standard we have met. QMS is hoping to keep a market price at the farm gate. To do that they will diverge into different markets if they can, that means they will go into England and European markets if they can. This does not always gel with what we are trying to do as butchers. The brand can still be used for different things. Because there is 90% brand recognition it can be used to help promote your product. Douglas said SFMTA get asked a lot by members if they should use the brand or not as it is heavily used by discounters. Do they want the same logo up as the discounters, most of them admit they would rather promote there own brand. Jock said that that is what he would do first and foremost. It has come up with the Butchers think tank and a slightly different brand has been produced for butchers suggesting it may be a slightly different product. He said you need to use the brand with open eyes as it is used in supermarkets. Equally being that there is certification schemes and processor schemes.

Hamish Deans said that the quality of inspection on what is being sold is not very stringent. Jock Gibson agreed and there is a new standards the assessors are auditing to. Ian Faulds said he had his visit and they were looking at a lot more documentation it was not a problem for him. He said it was mentioned maintaining the farmgate price and he could not see it happening when Lidl were selling Scotch steak mince at £2.40 a kilo a month a go, this just blows this argument out the air. He went round the wholesalers to see what Scotch Beef he could get at that price to sell without losing too much and there was nothing available at all. We are looking at it the traditional way Scotch is the best not the dearest but the very best and it devalues it to sell it at a discounted price. Jock wondered if part of this problem was carcase utilisation, a lot of these cuts were being shipped abroad and they are not. So they are having to come into the UK. The farmgate price is not very good at the moment if you are a farmer and you are not seeing this at the other end at the processors. Because the export market is not there at the moment prices are dropping because of the surplus of meat kicking about. Jamie Chapman suggested part of the problem is what the processors pay the farmer. They phone up the farmer and tell them when to take it, the weight it is going to be, the grade and the price it is going to be. It is all in the hands of the processor. There is nothing competitive about. It has killed the livestock markets. Jock Gibson said processors did not want the numbers in any great quantities at present.

Beaton Lindsay said there is a lot of brands protected like Go-Pro and Apple which is never discounted. Can QMS protect the brand so that it cannot be bought then sold for less the value. As soon as a retailer does this it is devaluing the brand. Jock did not know if this could happen but will ask the question.

Jamie Chapman said he was on holiday in Wick and Thurso. The Scotch beef on sale there was killed at Portlethen, processed in Cornwall and packed and distributed nationwide. This is not inspected by QMS but by some other.

Douglas said that QMS said the brand integrity service was going to be launched later this year. Jock said it was called SPEC it will check the eligibility potential for an animal to be certified as Scotch Beef. It will link into BCMS to all the cattle's movements. The APP could be on your phone or log in at home entering the ear tag number and check to see what its status is. It is geared towards processors. At the moment they will check eligibility anyway. There is an application for butchers for them to check.

LEGISLATION REPORT:

SFELC: Douglas attended which is the head EHOs from the various regions of Scotland, Food Standards Agency Scotland, various representatives from industry and the BRC have been sending two representatives recently. 19 attended in the meeting in Dundee. FSAS talked about the various things they were doing including the new charging system they are bedding in. Beaton

Lindsay mentioned primary authority and down there the have five to six hundred authorities. In Scotland you are dealing with 32 so it is not nearly as difficult to get an answer out. SFELC are considering Scottish government primary authority. SFELC is good for getting some sort of consistency. BRC backed Douglas on the lack of advice on labelling of minced meat. Douglas has noticed that Tesco packs of mince labelled at 15% fat, this is quite high. Most butchers mince would be less than 10% probably around 5-7%. There is a requirement to do it but it is not being enforced as there is no guidance on how to make the product. There is no current survey on fat in mince the previous survey butchers came out very well in 2002.

The review of the FHIS may appear uncomfortable as we do not know what will come out of that.

The other review is age of meat at mincing. FSAS are only rehearsing the argument against the regulation. They want to know any new information that can get used. The way they handle beef in Europe and in the UK and Ireland is completely different.

FOOD STANDARDS AGENCY SCOTLAND BOARD MEETING: this was there second board meeting. They were invested on 1st April. The Chair is Ross Finnie. There was a presentation by KANTAR world panel on the changes to shopper habits. A lot of split shopping and the growth of the discounters and the use of social media on the choices of what you buy.

The second paper was about the FSAS strategy of the next few years and all the board members had comment and questions regarding its content, it has gone back to be redrafted by Elspeth MacDonald.

Campylobacter paper was discussed and 73% of chicken is infected by it. Supermarkets have been signing up with suppliers to look at ways to reduce its incidence and tables will be produced of the large retailers.

MEAT CHARGES: Sandy MacDougall and Fiona Bruce came down from FSAS to talk to Douglas and Bruce about the changes to charging. They claim it is a major success for FSAS. Non compliant businesses pay more for inspections than non compliant businesses. There are still too many businesses in the non compliant category. They have business agreement which is set out quarterly. There is a decrease in costs in giving just 8 invoices per year. They have reduced there overheads by £400k which is 67% less than FSA UK.

Members were questioning about unannounced visits which will be charged at full cost. If the business is in the improvement required they will receive an unannounced visit every three months. Three of the four urgently required are abattoirs in Scotland. Although this is only three it is 10% so they did not see this as a good statistic. At the end of July the results of the audits will be published. The plants will be named and graded and maybe this will have an effect on people in the much better and general category. It seems a very reasonable and workable arrangement has come forward. The businesses had to predict in their contract the number of hours they required. They will now agree their contract for the next quarter. Jamie Chapman said the inspectors are being utilised in other ways if they finish part of the day by inspecting other food premises in that area.

ANY OTHER COMPETENT BUSINESS:

Douglas said that Jack Meade from Thornhill had stopped trading since he is not well. It was agreed to send a card from the Executive.

Ian Faulds said we had two corporate members who only sell Irish beef or English beef so can we get Scottish wholesalers to become corporate members. Bruce McCall said our corporate members are endorsed by us as reputable and wanted to make sure we were happy taking the money in on that basis. Douglas said when beef was short every wholesalers was getting bad mouthed by members.

DATE OF NEXT MEETING: Wednesday 9th September 2015.