

**MINUTE OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD WITHIN 8/10  
NEEDLESS ROAD PERTH, ON WEDNESDAY 22<sup>nd</sup> OCTOBER 2003**

**PRESENT:** Mark Barnett                      President (Chair)  
                  Duncan MacKenzie            President Elect  
                  Douglas Scott                    Chief Executive  
                  Moira Brady                     Company Secretary  
                  Bruce McCall                   Minute Secretary

Plus 11 Executive and Ordinary members as detailed below:

Stuart Dempsie, Stephen Sherriff, Alan Kennedy, Arthur Matthew, Jamie Chapman, John Chapman, David Lindsay, Roy Baird, Jim Hastie, Neil Cameron, Hamish Deans, Beaton Lindsay, David Jarron.

**APOLOGIES:** Apologies were received from Stuart Christie, Dennis Meney, Jack Meade, Adam McLay, George Lees, Wilson Ferguson, Bob Baillie, Murray Lauchlan and George Jarron.

**MINUTE OF PREVIOUS EXECUTIVE MEETING:** David Jarron approved the Minute of the previous meeting held in September; seconded by Duncan Mackenzie.

**MATTERS ARISING:** Jamie Chapman asked what progress had been made on the individual meetings with SMILG members. Douglas Scott reported he had a meeting with David Leggat on 1<sup>st</sup> October. Douglas was not able to make contact with Jack Clark. Brian Pack has given us a copy of the ANM group objection to the PGI and our has been forwarded to him. Douglas stated that Scotbeef's Robin Galloway would be keen to make progress on the subject due to holidays.

John Chapman asked that a meeting with each of the parties be arranged to discuss the PGI and Quality Meat Scotland issues. Douglas agreed to arrange and reminded the meeting that the PGI objections would close on 25<sup>th</sup> October.

Mark Barnett had provided some comment to the Meat Trades Journal prior to printing an article on the subject but this had not been used. The meeting felt that the MTJ had missed the thread of the whole PGI debate and Douglas was charged taking this up with the MTJ.

**CHIEF EXECUTIVE REPORT:**

Douglas attended the Falkirk farmers market and took photographs that he presented to the local member who objected to the market. Our Federation member was surprised how quiet the market was. Douglas suggested ideas to exploit the demand that the market created for local produce. If the member could adopt these ideas the consumer would have access to them 6 days a week four weeks of the month at the Federation members shop.

The visit by the Northern Ireland butchers had progressed well, they had been invited over by the Guild of Q to visit various shops.

The Q Guild meeting was held on 22 September in our offices, Cottage Delight attended and they have subsequently attended our regional meetings.

On 25<sup>th</sup> September Douglas visited both J B Houston of Dumfries and Blackwoods of Kilmacolm to make up the recipe sheets for their Diamond award wining products. These will be issued along with the posters.

Douglas presented the Federation view on the PGI to the recent Association of Farmers Markets at a meeting in Perth. Their chairman John Scott MSP concluded that they too should oppose the PGI. Anything that restricted the number of abattoirs available to their producers is detrimental to their organisation and therefore they would be submitting an objection.

The Scottish Crofting Foundation contacted Douglas to say they too will be objecting.

Douglas attended a SQMS (Scottish Quality Management Systems) seminar on the COSHH (Control Of Substances Hazardous to Health) regulations. Douglas will be handing out a risk assessment carried out on an ink cartridge and blank sheets so members could be shown exactly how to go about carrying out a risk assessment. This can be accompanied by a video for free hire on the subject.

David Leggat of the Institute of Auctioneers agreed to give consideration to the views of the butchers and his other customers when considering an objection to the PGI. Douglas will follow up to see how he is progressing with an objection to the PGI.

The Scottish Food Advisory Committee was held in Bridge of Allan. There was very little meat content. They have addressed how they are going to introduce HACCP in the catering sector. They have been helpful in producing manuals and forms. Douglas felt that they were not as helpful when butcher licensing was introduced.

Craig Whitehouse of DMV Consultants was assigned to investigate butcher practices prior to 1996, trying to establish if the spinal column had possibly got into the food chain. He felt that his visit to Scotland concluded his thoughts that the evidence he was looking for was not in Scotland. He was also looking at the possibility of sheep and goats having BSE. Douglas gave him a number of contacts to visit on the subject including Stuart Ashworth of QMS.

The REHIS seminar held in Dundee was interesting to note the points they were pressing upon us as a training provider. They are introducing a nutrition course, which may be of interest to butchers. Douglas met a number of EHO's at the seminar.

The Borders regional meeting was held on Monday night 11 people attended with 7 businesses represented. James Campbell of Baro and Andy Egan of Cottage delight were also in attendance. Douglas said the meeting went very well but said it was a shade under represented by butchers.

The Trade Fair exhibitors' meeting was held the previous day at Steps. A sheet was distributed with the main points discussed at the meeting.

Douglas gave a resume of the trade fair. The exhibitors were complimentary of the efforts of the Federation to put on a professional show. Douglas said to the exhibitors we had tried as hard as possible to get the publicity as far and wide as possible. They knew as well as ourselves that the biggest problem was to get butchers to attend. They also observed that nowadays within the trade, impulse buys are a thing of the past.

Douglas said that all the meeting attendees were very positive. They were willing to discuss ways that the show could become more attractive. All exhibitors agreed that Perth was the best location, with only one who felt that the West of Scotland should be tried. The discussion moved on to how the whole family could be attracted to the event and therefore retain the butchers' interest. Possible alternative venues were suggested such as Hampden, Ibrox and Braehead.

Some butchers had said that the show had lost its gloss and there was nothing new for them to see. The exhibitors agreed that they were possibly correct. They agreed that there were insufficient new product lines within the trade for a brand new show each year. The exhibitors suggested that the show could take place every second year. The intervening year the Meat Skills Final and Product competitions could take place without exhibitors being involved. This could take place at an attractive venue as previously mentioned. Dalziel requested that name badges be produced and Douglas said it would be considered.

Exhibitors believed the right type of contacts were attending the show and did not wish to see us shipping in students etc just to boost numbers. 134 business had attended this year's show, which included our Irish visitors and this was markedly down on previous years.

The Executive discussed the points raised about the show at length. David Jarron said that the exhibitors' comments mirror our comments over the previous years. He also said it might be a consideration to hold the full show every year with a competition type thing in the intervening year. Duncan Mackenzie stated that all the exhibitors had said they will support the show as long as we ran it regardless of how many people came.

Mark Barnett said he had discussed the show with D & R Stevenson who said they never got much new business. Mark asked them how much business would they have got if they did not attend and another bacon company attended instead. They then accepted they should still be there and that their meat cabinet should be less wholesale orientated.

Mark Barnett went on to say the yearly show had been under discussion for some time and was it time to consider making some changes. David Lindsay said that he had been involved with the show since it had started and felt that it was time for every two years. The feedback he had received said the show was a pure public relations job. It was certainly not an event to make money and it was already costing exhibitors' £2,000 when all costs were considered. David Lindsay then went on to suggest that the product competitions should be held every second year. His opinion was it might give it more of a buzz as butchers were not even staying to hear the results. Duncan Mackenzie asked if David Lindsay would then have the Meat Skills Competition every year and David Lindsay said he would have to think about it. Duncan MacKenzie said that we could not consider the Meat Skills competition every two years.

Hamish Deans said that if we went to two years we may lack continuity and membership may really drop off. Hamish was concerned that cutting back and back we could end up with no trade fair. He said that we should do something if it was possible to retain the continuity.

David Jarron said an example of this was Smithfield show. It is now held every two years and in his opinion the past year's show was very disappointing. Mark Barnett was then concerned that if we cut back to every two years it was then a service we were not providing to members. David Lindsay said that if the show was left to every second year that the butcher might say to himself, the show may be the last and not bother to go.

Alan Kennedy said that the Federation was not doing enough to push all those who supply the meat trade in Scotland to take a stand. He went on to say that there could not have been more than 5% of potential suppliers at the show. He saw a very good opportunity for those who are not involved to be written to. The letter should say that as a company supplying forty-five of our members we would like to invite you to take a stand at the show and give it an experimental bash. He asked that it should be voiced in such a way as a veiled threat giving it some weight that the supplier should take a stand. Alan Kennedy went on to say that with butchers diversifying into different things we should bring in catering exhibitions, bakers, fishmongers and so forth. By combining activities to make it more interesting to a

wider audience we would attract new exhibitors. Alan Kennedy felt the strongest message coming through was that not enough pressure was being put on suppliers to take a stand.

Mark Barnett asked Bruce McCall how many exhibitors were contacted to take a stand. Bruce McCall stated that he contacted everyone that the Federation knew as suppliers and also anyone who attended other meat related shows throughout the UK was contacted. Bruce McCall suggested more pressure should come from the butchers themselves because these are the people suppliers are seeing on a day to day basis.

Bruce said that suppliers are less interested in what the Federation says as it has more impact when they think it is going to hit them in the pocket. Bruce then said he was happy to write to more suppliers if he is given contact details. The Federation had appealed in its newsletter for butchers to come forward with potential names and very few were given and the ones that were given showed no interest. Alan Kennedy again questioned the way this was done and questioned why there was too many doubts and said that the Federation should push it more forcefully.

Hamish Deans said that the wholesalers should be invited. Mark Barnett said that they had been invited every year. Hamish Deans suggested a different approach was required with the wholesalers. Mark Barnett decided that we should summarise on this and asked if it was agreed that the meeting concluded that we should build year on year with the show.

David Jarron asked that we put in the newsletter to get the butchers to push to get suppliers interested in the show. Duncan Mackenzie said that the exhibitors had expressed that the show had improved dramatically over the last 2 or 3 years and they were also quite happy with the number of people who attended. Mark Barnett suggested that we push members to turn up regularly to ensure the show had a future.

Steven Sherriff asked if it had been considered changing the date or month of the show as September is still classed as a possible holiday time. He suggested that March would be quite a good month as the show would benefit from the feel good factor after the Christmas period past and the looking forward to the summer period. Roy Baird said that Alan Kennedy's idea to bring in the other food trades was a good one. Mark Barnett said we tried to involve the bakers and on the face of it the problem did not appear to be from lack of invitations to these other groups. Alan Kennedy felt that invitations could then be sent out to SAMB members if there was something there for them to see. Mark Barnett said that there was a lot done in the background with the wholesaler's etc and we do have the same problem we have with our own members. They are all invited but it is the limited amount of the ones that take it up that is the problem.

David Lindsay said that the last demonstration from Dalziel never had anyone to watch it. Mark Barnett was told that D & R Stevenson thought the Federation was holding back the results of the product competitions to the end of the day. Mark Barnett said the product competition results were only available at 4.00pm. Mark suggested that we should communicate to all involved how time-consuming these competitions are.

Roy Baird proposed that a small committee be formed to look into the ways and means of the trade fair. Douglas asked if we were still going to go ahead with a 2004 show President Barnett replied "yes". David Lindsay asked if the date was being moved to March then would the next one would be in March 2005. Stephen Sherriff backed this option to give it a year and a few months to the next one, as it would be unlikely to clash with other leisure activities. Hamish Deans agreed that a small committee should be formed to look into these things. Mark Barnett said we would not set a date at this stage until the outcomes of all discussions were considered. David Jarron suggested that the views expressed should be printed in the newsletter to get some more feedback from members.

**STAKEHOLDER CONFERENCE CAP:** President Mark Barnett reported on the conference. He said that the biggest worry seems to be the potential of the reduction of production of the beef herd from suckler cows. This was not just because of the meat supply but more the impact on environmental issues. Cows are considered to be environmentally friendly and are of great importance to land maintenance and the upkeep of grasslands.

The reforms appear to make farmers more market orientated for their income rather than relying so heavily on production for subsidies.

National envelopes may be of interest to us. Farmers can retain up to 10% of the decoupled payments for specific types of farming either for environmental projects or for improving the quality and marketing of agricultural products. Mark wondered whose pockets would swell with this and suggested QMS. There is also a contradiction here, a term used for farmers "freedom to farm" where would that freedom be if 10% of this money was used to disadvantage non farm assured farms, or discriminate against their produce. Mark thought the bigger jigsaw was now starting to take form on this issue.

Brian Pack raised the questions "If there was a fear that the herds were going to be reduced so far why was it a potential cause for concern? Why were they supporting a new PGI, which was going to reduce the herd of Scotch Beef even further?"

It was recognised that farmers should get on with what they do best. Why did they not recognise the expertise used in finishing of cross border beef or the Scottish marketplace.

Ross Finnie poo poed this and told Brian Pack the only people who got worked up about this or had a problem with this were Brian Pack and the Italian minister for Agriculture. Mark said he felt that Ross Finnie was either badly informed or blinkered to the issue and subsequently would be in for a rude awakening.

During the lunch period President Barnett tried to speak to as many people as possible including Alistair Donaldson, Isla Roebuck, someone from Scotbeef, a farm assured farmer from Lanark who had run a pilot scheme on land management contracts for the Scottish Executive, Alistair McLennan, farmer, a member of the Cairngorm Land Trust, George Milne of the National Sheep Association, David Leggat of the Institute of Auctioneers and Jan Polley (QMS).

Jan Polley pointed out that QMS still did not have access to the levy money. Jan Polley said there was still a problem and they would have to re-apply, this had been going on since Christmas of last year. Jan Polley said it was stopping them from making certain advances and key decisions. Mark Barnett wondered if this was all being said for our benefit in advance of the sixth monthly meeting between our two organisations.

Finally Mark read a quote from John Kinnaird, National Farmers Union, Scotland, he said "that when landowners and farmers and crofters were deliberating over what was the best way forward they should remember that this industry does not stop with them. There was the wholesalers and producers and retailers who also needed a good strong agricultural policy to allow them to get a financial return for their efforts as well as the farmers"

John Chapman asked if the conference was a yearly event. Mark replied that it was a one off to discuss the reforms to the CAP. There was a response form to be filled in and hopefully this will be tied up January/February. This will decide how the payments would change to farmers John Chapman asked if the stakeholder group was what Douglas Scott was on. Douglas replied "yes" but said that the only meeting that Hamish Deans and himself had been to so far was on BSE and no other meetings had been called. Hamish Deans said his observations would be that the suckler herd would diminish as some farmers would not

survive without the subsidy and the prices over the next five to eight years prices are unlikely to go up that much. Hamish Deans concern was that the abattoirs would disappear fast and most butchers would be selling imported meat.

John Chapman said that at the SMILG meetings they were always of the opinion that subsidies should go to the breeding man on the hill where it was really needed. Hamish Deans was concerned that 10% was going to QMS when it should go to the suckler herd producers. Mark Barnett said we had a response form to submit on behalf of the Federation.

**FINANCE REPORT:** Douglas Scott said that this meeting was held later in October in order that the Federation accounts for year ending 31 August can be approved prior to being sent out 21 days in advance of the AGM.

Douglas pointed out on page 1 there would be a change to the wording in relation to auditors to read "To appoint Auditors ". The Federation had received a very competitive quote from Morris and Young and would be proposing that we should use them as our auditors.

On page 7 Douglas pointed out the surplus of 31,108 as opposed to a deficit of £637 the previous year. This was just as he had predicted the previous meeting.

Douglas then summarised the accounts by department.

**GENERAL SERVICES:** There is a deficit of £1965 as opposed to a surplus of £1062 the previous year. Corporate membership is slightly down. Subscriptions are down slightly as predicted due to natural wastage. Trade fair receipts very similar, handbook income was up and newsletter income very similar. AGM expenses and income had both gone up. Douglas said that two years ago we lost £500 on the AGM and last year £1,000. One big saving this year is that the Scotlands Hotel, Pitlochry will be providing the entertainment. There was no Trade Fair sponsor because the Royal Bank of Scotland never came up with support.

Competition entry fees were up but this was because we had two product competitions. Beef labelling boards there was a deficit. This has arisen because we have provided Local Authorities with these boards to help educate butchers. It has turned out that they have been an effective means for us to encourage non-members to contact Federation to join and buy a board. The donations we received were really in the form of meat not charged for by James Chapman (Butchers) and Scott Brothers for the Careers shows. There appeared to be a surplus on the Careers shows but if you take into account Douglas and Moira's time then it would have been at a loss.

We have bought polo shirts, dress shirts, sweatshirts and baseball caps and sales of these are going well. Interest is almost the same as last year and so is our income from investments. Wages are up by £3,000, travelling expenses are the same and president outlays are as budgeted. Repairs and maintenance are slightly up. Stationery and postage is down as the newsletter used up a lot of paper. Regional meeting expenses are down.

Douglas said that the audit and accountancy fees were charged at £1750 per department. The previous year we had been charged extra for advice. The quote from Morris and Young was for approximately half this amount and that is why we were proposing to change auditors. We now have newer fixed assets so the depreciation has gone up. The summary of the operating expenses of the General Services Dept is that operating expenses have gone down slightly but our income has not risen enough to cover them hence the deficit of £1965.

**FOOD TRAINING SERVICES:** There is quite a big surplus which really resulted from a drop in salaries from discontinuing employment of Joan Sampson and the reduction in the working

week for Moira Brady from 5 to 4 days. On the income side the training grants are up but the Meat Plants are down. The Federation is finding it increasingly difficult to get training into meat plants. Course income and expenses are down and this just reflects less people are interested in hygiene courses and distance learning is on the increase. The Skills Foresight project which, we bid through Meat Training Council for funding by the Scottish Executive. This project was for seam cutting demonstrations throughout Scotland at football stadiums. It was expensive but certainly boosted the profile with members and non members.

On the expenses side, MTC/SQA – MTC will be taking over registration and Vocational Qualifications. This figure is down by half and it Douglas felt it was because with our new database we know exactly what we are paying them for. Ivy Learning expenses will disappear next year. Douglas said because we knew we had a surplus we had purchased 16 hygiene training videos from Highfield. These were being taken round the regional meetings and were available on free hire to members. Repairs and maintenance are up as a number of things had been done to the building. Stationery was down as we had not bought any headed note paper until the change of name had gone through. This will be covered under the Training and Development Report.

The Trade Fair expenses have gone up as we have made improvements to the show. The Four Nations competition and the Zurich visit to see the European competition was paid for by FTS. Douglas was asked about the loss and disposal of fixed assets and quite a bit of this was items that were so old the auditors doubted that these should be depreciated as they may no longer be available. A full list will be available at the AGM. The operating expenses are down which all points towards the surplus. Other creditors are down by £12,000 that also includes a figure of £30,000 put aside for provision of paybacks for butchers on completion of output related funds. That figure is very unlikely to be required and last year the Finance Committee agreed that it could be used to subsidise the delivery of the Federation Diploma to butchers whom had already gone through the system and had not had the opportunity to go for the Diploma. Also includes £1674 included from The Young Scottish Butchers funds designated for the Young Butchers competition which was not required in this particular year.

Douglas then on to comment that we had quite a sizeable level of reserves in excess of half a million pounds. The Finance committee after looking at the accounts agreed that 10% be added to merchandise and leaflets as at the moment they were just sold at cost. The credit of £30,000 we propose to make some use of that under training and development.

The Executive had no questions to ask of the resume of the accounts.

**MEMBERSHIP AND DEVELOPMENT:** Convenor David Lindsay presented his report. Paid members now stood at 357 with no resignations. Wishaw Abattoir had joined as a new member. This was thanks to the work Jamie and John Chapman had done on their behalf. Styropack resigned as a Corporate member but we still have twelve. Neil Cameron asked if we had others in the pipeline and Douglas Scott replied none confirmed.

A trade fair meeting was held with exhibitors at the Garfield House Hotel, Steps on Tuesday 22 October. Feedback was fully discussed under the Chief Executives report.

The AGM will be held in the Scotland's Hotel, Pitlochry 15<sup>th</sup> & 16<sup>th</sup> November. Dinner Dance bed & breakfast, full use of leisure facilities is available at £ 50 per person. Lunch is £ 15.00. Anyone wishing to attend should contact the hotel directly.

The first of the latest set of regional meetings was held at the Buccleuch Arms Hotel, St Boswells. Douglas Scott gave a presentation on computing the declarations required for the Meat Product Regulations that should come into force in February 2004.

Andy Egan of Cottage Delight provided tastings and examples of seasonal products.  
James Campbell of Baro lighting demonstrated the benefits of purpose designed lighting.

The next meetings will be held as follows;

Thursday 23 October - Quality Hotel, Edinburgh  
Monday 27 October - Swallow Hotel, Bellahouston  
Tuesday 28 October - Invercarse Hotel, Dundee  
Thursday 30 October - Laichmoray Hotel, Elgin.

Douglas Scott said he was concerned about the numbers for the AGM particularly the Saturday night. President Barnett hoped that all the Executive could attend and support the event.

**TRAINING AND DEVELOPMENT REPORT:** Moira Brady Training and Development Manager reported. On looking over the Annual Accounts it is noticeable that the income from Training Grants has increased substantially and the Scotbeef figures obviously had a great influence on this. However, I am concerned that despite great effort on my part I cannot get this company to move forward with their training and this may have an affect on next year's figures. I am still working hard to get them going and have pulled in Scottish Enterprise Grampian's support to help on this. Our Skillseeker Contract is carrying a substantial level of funding to cover Scotbeef's training and this is projected until April 2004. With the lack of training achievements at Scotbeef it means our targets are not being met. This does not reflect well on us and a financial penalty could be imposed because of our shortfall. The meeting with the LEC was to share our concerns regarding the company and suggest that Scottish Enterprise adjust our targets to reduce the Scotbeef element.

The Skills Foresight Project also contributed well to the income and this will not be repeated for the coming year. Hopefully we will be successful with the ESF project to give a major boost to our income.

The figures circulated with the Agenda show a slight downturn in trainee numbers. However on the positive side there have been some new registrations over the past two weeks, so hopefully the down situation will be temporary.

Over the past month I have attended various training events.

On 24<sup>th</sup> and 25 September, The Scottish Training Federation held their Annual Conference in Dunblane. This was a very good event with keynote speakers from Scottish Executive as well as Scottish Enterprise. It was an opportunity to receive advance notice of changes, which will take place in training over the next year and also a chance to influence some of the current thinking. A lot of emphasis is to be placed on the take up of Modern Apprenticeship Training and improved funding is likely to be attributed to it.

Scottish Enterprise is tightening up on complying with their Operating Rules and we have seen evidence of this within the office. Audits are conducted more rigorously with the threat of substantial financial clawbacks if procedures and systems are not fully adhered to. This demands more attention to detail from our Training Administrators and Assessors.

On 30<sup>th</sup> September I attended a meeting at The Sector Skills Alliance Scotland office in Edinburgh. This was an opportunity of meeting with the former Scottish Office Director of Education and Learning, Alistair Aitken, who took us skilfully through the government network and systems. Again this will be valuable when looking for specific opportunities for industry development funding.

Friday 10 October I attended a workshop at Ibrox Stadium and this was to view and see the benefits of a website set up to give schools, pupils, parents and employers information on education and training availability. It was a very well designed website and was linked to various other good sites. At the moment it is in its pilot stage and the information is focused on the West of Scotland, but the plan is to broaden it out across the country as a whole. It could be a good marketing tool for our industry and if set up properly could take the right information into schools and colleges, with regard to a career in the meat industry. This would be a more effective way of communication, than Douglas and I attending Careers Scotland Events throughout the country. We have been invited to participate in the Make it in Scotland Events again this year. However, we both feel this is not our job but should be undertaken by QMS. (I believe Douglas has asked QMS to take this on, but there has been little response).

On 14 October I was selected to attend a Scottish Enterprise workshop at Stirling University Management Centre. Only three other industry representatives were present, with one LEC representative, and the workshop was chaired by one of Scottish Enterprise's Skills Learning directors.

We looked at the Skillseeker Contractual Process, which follows on from the recent Public Review of Skillseeker funding. It was a superb occasion to influence thinking and to build in what is clearly missing from contractual arrangements and more important get rid of a lot of negative things which are time consuming and lead to nothing. One move, which is coming on board very shortly, is a 3 Year Contract as opposed to renewing year after year. A Pilot scheme involving about 12 Training Providers is to commence this year and we are likely to be invited as one of the 12. As yet this is not decided, but I was asked if we would be willing.

Changes are also taking part in the SQMS auditing, which we must go through every year. This has always been at a fairly substantial cost to us, but this year miraculously the cost was suddenly dropped. Discussion on various changes and our thoughts of these took place at the meeting. Again a good chance to influence government thinking.

Meat Training Council Consultative Board held a meeting on the day I returned from holiday so I was unable to attend. The Minute has come in and my observations are that the development of the Food Sector Skills Council is still progressing, but it is obvious, as I have forecasted, that the Food and Drink people are going to dominate this Council. However, Alan Stevenson continues to challenge them regarding the lack of communication and making decisions without consulting all parties.

There was also a reference to the MTC Scotland group and to the meeting Douglas and I attended on 21<sup>st</sup> August. A further meeting of this group was to take place at the end of September or beginning of October. To date neither Douglas nor I have heard. No doubt, as in the past, things are happening and not being communicated to SFMTA, but the wholesalers will be in there!

Recently young people, who achieved the Federation's Diploma under the old arrangement, and were enquiring about further training, approached us. Where can they go? One good opportunity for them would be to take the Management Course drawn up by MTC for the meat industry, but the course was set up more for delivery inside meat plants, where a group of learners could be drawn together. It also asks for the learner to complete Projects, which are difficult, but again are geared more to meat plant operations.

In discussion with Douglas I was looking at taking the best parts of this programme, there are some good learning topics, and delivering these to people who have the old Diploma but want to continue their learning and improve their current position with some knowledge about management. At the moment we probably have sufficient enquiries to get a Course going

here in Perth, but I would be looking at taking this to other parts of the country too. What I want from the Executive today is your agreement that such a Course could be funded in a similar way to the current arrangement for the Fed. Diploma, i.e. from the collective fund which was accrued for paybacks on completion of SVQ training, but because of the volume of dropouts was not paid over.

To put a value on the Course it is likely that it will not be offered completely free but a cost, within most young people's means, will be applied. Agreed.

The proposed change of name to Scottish Meat Training. The Registrar of Companies has now approved the change of name and we can operate under the banner of Scottish Meat Training as from 1 September 2003.

We now require to identify a logo and Douglas has some sample ideas for the Executive to agree. The suggestion was the logo with the heather on it but tidied up this was agreed.

Douglas reported that the Careers posters, which were sent out to members, were slightly tweaked and sent to Careers offices and schools throughout the country

**MEAT TRAINING COUNCIL MEETING IN LONDON 1 OCTOBER.** Duncan MacKenzie reported. They are proposing to start a virtual centre on the web as a centre of excellence with colleges getting grants for it. It is very much in the early stages with more to report in the New Year.

The International Butchers Federation is being asked for a British team to be entered into the competition instead of an English team as it was recognised the strength of the Scottish representative. A good solid argument was put forward by Duncan and also from Fred Mallion. The money of this was mentioned and probably split pro rata but very little more was discussed on this aspect other than Duncan saying we may be interested.

The City and Guilds want to become the main awarding body but MTC were resisting as they were already regarded as this. City and Guilds want to organise a Master Butchers qualification. The requirements for this would be a level 3 plus 5 years of experience. Meat Training Council was very keen on this. Duncan Mackenzie was surprised that no one had picked up that even with these two criteria met that did not mean they could bone out. Duncan pointed this out and also our Diploma and David Grailey and Fred Mallion knew about this already. Meat Training Council was desperate to get something going quickly. Moira Brady was concerned that we should hold on to the Federation Diploma as it was extremely important to our organisation.

**LIVESTOCK REPORT:** Convenor Jamie Chapman reported. In the last month cattle prices have risen quite sharply and numbers at the auction markets have fallen. This is due to the dry weather with grass being scarce in some areas and cattle being outside having to be fed to fatten them.

Lambs are holding their price with farmers disappointed that they are not fattening quicker due in part to cattle still being out (lambs having to share the graze).

Hides for cattle are around £25 and sheep skins £5.00. Predictions that he heard are that turkeys will be scarce this Christmas and prices will be firm (£2.80 - £3.00/ kg).

Beef consumption in Britain is around 16.6kg per person, Brazil is 36kg per person and has a third of the population as non-meat eaters due to the fact that they cannot afford red meat. Argentina has a consumption of 67kg per person. It is estimated that Brazil kills around 36 million steers per year for beef, Argentina around 12 million cattle and the Scottish industry is

said to handle around 500,000 cattle. In Brazil the emphasis is on large numbers and feedlots. Argentina by contrast has the emphasis on quality and grass fed cattle. There are also other large cattle producers out there with Paraguay, Uruguay, Australia and a number of African countries starting to produce large quantities of beef for the world market. So what does all this mean for Scotland? Scotland will not be able to compete on a cost basis with higher labour costs and high land values. Many farmers view the mid-term review of the Common Agricultural Policy as an opportunity to do less and still receive a reasonable income through a single payment. It has been suggested that a reduced level of production will lead to higher prices, based on the laws of supply and demand. With all the beef now available on the world market will the large chains and caterers remain loyal to the Scotch Beef label? Will cheaper beef from the likes of Argentina tempt any of our members to give this alternative source of meat a chance? Possibly cheap boneless beef will be seen as a triple saving, on labour, bone disposal and a cheaper cost price.

If Scotch beef does not make an impact on the world stage as QMS hope will they realise that the biggest most loyal supporters of the Scottish beef industry are the independent butchers. Come next year if a sizeable tonnage of cow beef comes on the market what affect will that have on the price of prime beef?

I attended the Beef & Lamb Forum organised by QMS on 2<sup>nd</sup> October in Edinburgh. The day started with an informal and fun lamb tasting. We tried 3 cooked legs of lamb and were asked to score them on taste, texture and appearance. Scotch was judged to be better than Welsh but came second behind New Zealand, not scientific but just fun. Jan Polley gave a long speech at the start telling us how wonderful QMS are and how much they have done for us in such a short time. 80% of consumers are now aware of the Scotch label. (How many was it 24 months ago). 90% of cattle are now assured, 75% of the dairy herd is assured as major supermarkets have revealed that they are more likely to use OTMS beef if it is assured, 70% of breeding sheep and 90% of lambs are also assured.

34% of QMS income is raised from assurance scheme fees. Polley stated that market development was going well with the Scotch Beef club strong and over 500 members of the butchers club. I do not feel this is market development but just extracting money out of an existing market. On the subject of advertising she stated that this would be 3 fold, PGI beef, beef not born in Scotland and beef that is non-assured. She said The Highland Show was a great success and everyone loved the stand. She finished her speech by saying their priorities for 2004 were to increase branded distribution within multiple retailers and to increase the butcher club membership. There then followed a question and answer session where every question started with what a wonderful job you are doing and led into a reply heaping more praise upon QMS.

We then split into three groups to discuss different issues affecting the industry. OTMS beef, Sheep health and Adding value to Scotch lamb, the group I was assigned to.

In the lamb group conclusions, identify new markets, develop new products, identify ways of taking costs out of the system, try tasting road shows to encourage people to try lamb (especially younger consumers) and to target the restaurant sector. On the sheep health issue Ian Gill from the British Veterinary Society summed up that particular meeting. Sheep health schemes are targeted at breeders and finishers, finishers and processors, and processors back to the farmers on health issues. It was suggested that it would help to separate stock at the auction markets according to their health status and for buyers to ask about health status of potential purchases. I think this is really for store sales.

On the OTMS cattle Robin Anderson from the Auctioneers Association summed up the meeting by saying they had raised lots of questions and answered none. Information was sought on lots of issues. The farmers were concerned with feeding strategies, assurance

standards, timing of government decisions, comparative prices, cost of testing, a consumer attitude survey, feed efficiencies and cost of production, how casualty animals will be dealt with, disposal scheme purchase for destruction and progress on export status. The processors were concerned with timing of government decisions, testing protocols, how casualty animals will be dealt with, progress on the export market and comparative prices. Retail and caterers (no one was there for retail) were concerned about export markets, timing of government decisions, assurance standards, ethnic markets, traceability in restaurants and labelling. It was noted that there was a considerable amount of interest from farmers in the processing issues and from the processors in the farming issues.

SRM charges are still quoted in the Meat Trades Journal at £36 per tonne in England. Forrest are charging between £ 65 and £ 75 per tonne in Scotland. There were no questions on Jamie Chapmans report.

Douglas Scott said that the objection to the PGI had now been submitted. Dan Buglass had been in contact and what Douglas discussed appeared prominently in the Press & Journal, The Courier and to a lesser extent in The Scotsman and the Herald. The Meat Trades Journal article on the "Select" label missed the point that it was not the "Select" label but the "Scotch" label that is under threat.

**PROMOTIONS REPORT:** Douglas reported that he was looking for approval to print Burns night posters and leaflets and this was granted. Glen from the QMS advertising was sent on a whistle stop tour of the three Diamond award winners in the Make it with Meat Awards. June Lomax of QMS informed Stuart Houston the day before the visit. Douglas said this was a poorly organised by QMS as it did not give Stuart Houston a chance to promote the visit to customers.

There will be a product evaluation event in February for Chicken, Burgers and Speciality Sausages. We would not be able to produce winning product posters and recipes as we will not have QMS sponsoring it but the retailers will benefit from the awards.

The Daily Mail was in contact the day after the last executive to do a full page feature for four Thursdays. We provided them with the names and addresses of our members. They sold the advertising space by geographical areas and the Federation had no part in selecting members they approached. Since this took place one or two members have requested that they would like to participate in the future. Douglas Scott wrote the copy for the articles. The butchers paid £18 per insertion per week. The Daily Mail suggested that they could run a similar exercise in January/February. Roy Baird suggested it could be tied in with Burns night. Stewart Dempsie expressed that all members should get the same opportunity to participate. Douglas Scott said the next newsletter that the members get should let our offices know if they would be interested in participating in a similar promotion in the future.

Convenor Duncan Mackenzie took over the remainder of the Promotions Report. He attended a cookery demonstration in Strathclyde University on 7<sup>th</sup> October, organised by Quality Meat Scotland. He was surprised how good it was. The majority of people who were there were from SFMTA. They were shown cooking methods of brisket, fillet steak, rump steak, oxtails, topsides, medallions, meatballs, pork chops, lamb chops and lamb shanks. No one went hungry as everything was eaten. All ideas, which were used, were simple. QMS will be doing something in the future with Dick Van Leuwan on cutting techniques. QMS gave away freebie pack which included T shirts and hats which had on them the Speciality Select logo Duncan Mackenzie gave these to Jamie Chapman.

Duncan went on to report that at 12.00 today a meeting was held with Dynamic Advertising. This company were invited by the Federation to come up with some new ideas to promote

our members. They had produced a 20 page report covering their findings which was extremely interesting reading. He picked out that the time spent in food preparation was decreasing. In the USA it was down to 30 minutes and in the UK it was as low as 13 minutes.

Dynamic have recommended that we set up Best Scottish Butchers website so that consumers could find their nearest butcher. They also gave us an outline of possible advertising campaign using posters, calendars and radio advertising. The first poster was giving the impression that the butcher was a good friend in your community. The second poster portrayed the image that a visit to the supermarket was drab, each customer is treated like a number and the butcher had a more personalised approach. The butcher calendar would feature picture a well built young butcher stripped to the waist with choice statements and reasons to visit your local butcher.

It was suggested that the calendar would retail at £5. £1 would cover the cost of the calendar £2 would go into a promotion budget and the other £2 would go to a chosen charity. If a charity was chosen with a high profile celebrity fronting it, we might get publicity in the newspapers. Ewan McGregor was used as an example. Duncan Mackenzie gave a rendition of the advert, which was to the music of Big Spender. The caption, which will run through the advert, would be you do not have to be a big spender to visit a local independent butcher for friendly local service and fresh tasty produce at the right price compliments from your local butcher.

The Executive felt that the calendar idea could not be progressed until next year. Douglas Scott suggested that we get Dynamic Advertising to come to the AGM and he would try and get potential sponsors along to view the ideas. David Jarron asked how many calendars would have to be produced to make it economical. The reply given by Duncan was 10,000. Jamie Chapman asked if the member would be charged £5 up front and what would happen with the ones not sold. President Barnett said that the whole process was fraught with difficulties but would have to get over it to succeed in advertising. Mark Barnett said that each of the ideas could be introduced over a period of time but we need to start some time and realise that we must act now to safeguard the trades future. Alan Kennedy asked if the calendar could have individual names on it. Mark Barnett said it would add to costs but an area could be left free to put individual businesses stamp on to it. Hamish suggested the calendar could be more practical with holiday dates on it and Alan Kennedy said each month should have a recipe on it.

**LEGISLATION REPORT:** Douglas Scott reported. The EU Animal Bi-Product Regulations kicked in on 1<sup>st</sup> October to date we have varying reports of Local Authorities who are implementing this. Borders are no longer collecting East Lothian will follow soon, North Ayrshire this week. Fife has said they are not going to collect it but have not said when. Perth & Kinross are having a meeting with all those affected the following night. Douglas said the pressure to stop bones going to landfill would come from SEPA as they will be carrying out inspections of the landfill sights. When SEPA tell the LA's they cannot do it they will have to stop taking the bones at landfill. Local Authorities are being so slow to do anything about it and the Scottish Executive have been very haphazard and appear powerless to tell Local Authorities they must do it.

The bottom line is that the expense to some butchers has increased by 10 fold. Butchers in the Borders have suggested that their costs have gone up from £2,500 to £7,500 extra. Douglas went to see Wm Forrest on 25 September and this was the first time they said they would run a service, this was one week before implementation. They were waiting to see what areas they were going to cover, it looked like these would be areas not covered by Key Waste Management, Borders. This looked likely to be through the Central belt and on to Ayrshire. Forrest has sent out letters with a contact number to phone about costs for collection service. They will attend the next regional meeting in Glasgow on Monday night.

Douglas has written to Scottish Executive and MSP's are raising questions in the Scottish Parliament about the extra costs butchers are going to incur. It is quite clear to us that butchers are being singled out with higher costs, as these regulations are not going to affect bakers, caterer's etc till 2 years time. The Scottish Executive recognises this but cannot see a way round it. Members are not going to be happy with this additional cost and we will need to make further representations.

Stephen Sherriff asked how Forrest costs was broken down. Forrest incur a cost of £ 30 per tonne they have worked out with McGregor's that it probably costs £100 per tonne including collecting and delivery to Forrest site. Firms are now looking how they can recover the £ 100 per tonne in their costs. Douglas is concerned that these firms should not be making too much money out of it. Stephen quoted that a Lanarkshire member had been quoted £40 per lift. David Lindsay quoting that a normal wheelie bin in Perth & Kinross would probably cost £20 per uplift

David Lindsay asked about why the Aberdeen situation could not be duplicated as Dundee had an incinerator. He also felt that producers would have an unfair selling advantage, as they were only being charged £2.50 per uplift by the local authority. He agreed to investigate this at the Perth & Kinross meeting the following evening. John Chapman suggested we should just cook the bones to get round it and Douglas suggested printing notices with Free dog bones on it. John Chapman suggested that the bones could go to the dirty end of the abattoir and the abattoir could look to run a service along these lines, Douglas agreed to investigate.

The new Quid regulation guidelines are being issued at the regional meetings. These regulations come into force in February 2004. The new declarations of meat content are going to be less than at present so it is unlikely anyone would want to rush to change their tickets. Douglas commented that QMS should be helping us with this but they are not. Jamie Chapman said a firm is issuing a spreadsheet to calculate them, similar to law labs. Douglas said he has a spreadsheet and the Food Standards Agency will have something on their website for us to use.

**LABOUR CONDITIONS REPORT:** Convenor David Jarron reported as follows.

On 23 September the Federation took up the offer of a free seminar on Employment Law and Health and Safety at Work from a company called Citation. The course held within this room was well attended with mainly representatives from larger businesses – about 18 people attended. Those attending found the information given extremely interesting.

Citation work through numerous trade associations and they would offer a discounted service to Federation members who wish greater service to that provided by Kerr Smith Associates. A letter of introduction to Citation will be issued to selected members – i.e. larger businesses - in the November newsletter envelope.

Citation systems are tailored to the exact requirements of individual businesses. Members will need to make up their own minds if Citation's services are suitable to them.

A renewal is due on the contract with Kerr Smith Associates. The Finance Committee recommends that the new price of £450 per month is acceptable and that the contract should be continued. Hamish Deans was concerned that members needed to know at what point further costs would be incurred. David Jarron suggested that this information should be printed in the handbook.

Following David Lindsay's request at the last Executive Meeting the possibility of attracting skilled butchers from Europe has been investigated. Tabled today is a letter from Alison Carmichael, European Employment Service in Edinburgh. Alison is one of 600 specialist

advisers based throughout the European Economic Area in the Public Employment Services linked by a computerised vacancy circulation system and via the internet.

This service works in the same way as the job centre. All potential job candidates are vetted to ensure good customer services skills, flexible attitude and a good command of the English Language. There is no charge for this service all they ask is that you provide them with regular feedback.

Butchers with vacancies should initially phone the call centre in Clydebank 0845 6012001—ask for the job vacancy to be advertised in Europe as well locally. I propose that more information is given to the membership in the next Newsletter. Douglas agreed to action this

Douglas Scott said during the discussions with Citation that the JIC agreement was raised. All members need to adhere to that and there was some doubt that this was the case. He went on to say that the NFMFT were not in this agreement. Douglas was charged with investigating how we get out of this agreement.

**AOCB** : Duncan Mackenzie had very little to add to the Glasgow and the Clyde Valley Structure Plan report other than to thank Sheila Ferguson for her report.

Duncan Mackenzie said QMS had four pork adverts for its 'Select club' he felt they were quite good. Hamish Deans said he did not like adverts, which criticised the way some people do some things as in the foil in these adverts. David Jarron said that they had received the letter to say that the radio adverts were going on and the posters would appear outside supermarkets.

John Chapman, Adam McLay and Andrew Murray had visited Alex Fraser after his recent stroke and he was doing quite well now.

**DATE OF NEXT MEETING:** President Barnett stated that the next meeting would be held on Wednesday 14 January 2004 at 2.30pm.

There being no further business the meeting closed with a Vote of Thanks to the Chair.

