

REPORT of MEETING with the Steering
Committee of the SCOTTISH SEED POTATO
PROMOTION ASSOCIATION held at Chesser
House, Edinburgh at 10.30a.m. on
FRIDAY, 21st JANUARY, 1977.

PRESENT:

D.A.F.S. Messrs. V. McEwan, D. C. Todd, E. Macdonald, Dr. Hardie and Mr. McKenzie.

S.S.P.P.A. Messrs. J.R. Robertson (Chairman), W. Arbuckle, J. Henderson, A. Mackay (Secretary) and I. Stirling.

P.M.B. Messrs. J. MacFarlane and C. Davie.

N.F.U.S. Mr. G. Tait.

S.P.T.A. Mr. D. Blackmore.

APOLOGY:

Mr. I. Fraser S.S.P.P.A. had been unable to attend.

Mr. V. McEwan occupied the Chair and welcomed those present at the meeting sought by the S.S.P.P.A. In reply, Mr. Robertson thanked the Department for their hospitality and accommodation to provide his Steering committee this opportunity to explain its proposals and to seek the views of other interested organisations. He asked Mr. Mackay to outline the history and proposals of his Committee.

Mr. Mackay explained that, in response to views held by potato growers and grower/merchants in Angus, an open meeting had been held in November 1976 at which the Steering Committee had been elected to define objectives and formulate a programme of activities. Explanatory documentation (copies handed to those present) had been circulated to all Scottish Seed Potato growers with prepaid reply postcards, seeking support. Replies received to date (more arriving daily) revealed some 57% of seed acreage favoured the Committee and 5% (of which one reply represented 3%) declined to do so. Today's meeting was arranged to provide more detail and to solicit support of the Organisations represented, preparatory to formulating a Constitution and setting up a Board of Management.

Mr. MacFarlane pointed out that the P.M.B. Export Development Officer (Mr. A. Sinclair) already energetically promoted exports although on a U.K., not exclusively Scottish, basis. The Steering committee's view was that the links with Scottish exporters were weak and Mr. MacFarlane regretted that a representative of the two Scottish exporter co-operatives was not present at today's meeting. He also explained that, so far as/

as new varieties were concerned, a running battle is taking place between S.P.T.A. and the N.S.D.O. regarding licencing and export aspects. Nonetheless he declared himself enthusiastic for the objectives of the Committee-though similar talks some years ago had been unfruitful, times had since changed and may now be more fertile.

For the Department Mr. Todd viewed the problem in two parts - Scottish seed potato exports overseas (now approx. 40,000 tons per annum - all inspected) was less of an immediate worry - the nub of the matter lying in the very much larger trade (250,000 tons per annum) to England. In the face of current aphid problems and with Dutch competition in two years time, first attention should be directed to these aspects.

Mr. Robertson stated the Dutch threat is extensive and includes ware. He believed that, despite the ten-year decline in Scottish potato acreage, it could be quickly increased to 100,000 acres. The investment involved would be hindered unless a system of a guaranteed price for seed, envisaged in the Committee's objectives, is achieved. The Committee first seeks support and agreement to set up a Board and thereafter to form a democratic Association.

Mr. Todd stated the Department welcomed the commercial initiative and he was enthusiastic in his support of it. He pointed out that the English market is dis-satisfied with current Scottish health standards. Cessation of trade in uncertified seed will create a "gap" in supplies which must be filled, either by Scots or Dutch seed. Mr. Davie exhibited a graph to show the decline in Scots seed supplied to England (350,000 tons to 220,000 tons) while exports overseas had increased during the same period and now formed a relatively larger proportion of the total seed trade. He agreed the first priority should be to tackle the "gap" problem.

Mr. MacParlane referred to the recent conference at Stoneleigh and evidence that the growing pattern would change from a seed and ware crop to a seed or ware crop and Dr. Hardie voiced his concern at the lack of grower interest to combat health problems and the fact that virtually no impact had been made on the purely ware grower. He pointed out that we were already in competition with Dutch in overseas markets but/

but the Seed trade into England is exclusively Scots. He felt therefore that plant health must be the first priority before competition with the Dutch.

Mr. Todd agreed that health problem remedies depended very heavily on "grower education". He explained that from correspondence in 1975 and his own visit in May 1976 two separate, but closely confirmatory, sets of Dutch costing information had been obtained. Basing on a yield of 10 tons per acre in 1976, he calculated a total production cost of £800 per acre in Holland, of which £132 per acre was in respect of various fees. (comparable U.K. figure, including royalty and inspections, was £18 per acre). Fees to S.T.O.P.A., (part seed-based, part acreage-based), were some £35 per acre and effectively guaranteed 75% of the crop, leaving 25% at risk. He felt the far higher Dutch fees and shipping costs would impede Dutch penetration of the English market and this cost advantage could be exploited by the Scottish trade.

Mr. Robertson raised the questions of discipline and financing and whether the Department wanted a promotion association. Dr. Hardie supported any and every means of educating growers but warned that printed material, already fairly extensive, has a "Saturation Barrier". Meetings were by far the most effective way of securing effective action. The questions of roguing and tolerances, burning off etc. were also discussed, Mr. McKenzie explaining that a high proportion of 1976 crops failing certification had not been rogued to the permitted tolerances (and most of these could have achieved certification with further roguing) and Dr. Hardie explaining why Dutch pattern burning off would be quite impracticable in Scotland.

Mr. MacFarlane next referred to reported curtailment of Mr. Sinclair's activities (as P.M.B. Export Development Officer) which we explained arose from internal individual staff manoeuvres and was not due to any change in P.M.B. policy. He also pointed out that, of necessity, P.M.B. leaflets were U.K. and not Scottish oriented. He stressed that costs were inevitable and counselled the Committee not to try to go too far too fast, adding how glad he is that the initiative is erupting from the "grass roots" rather than coming "from the top, down".

Mr. Henderson/

Mr. Henderson stated the Committee's view that Plant Health was the Department's job and the promotion association would provide back-up reinforcement, while primarily fulfilling a promotional role to establish a distinct Scottish identity with product marking and persuade the English market of the superiority of Scottish seed. Mr. Tait agreed with a need for publicity, while Dr. Hardie felt that product marking before health improvement would be premature and counter-productive. Mr. Henderson clarified the committee's proposals regarding marketing, explaining that the Dutch do not have a better product but they do have better marketing capability.

Mr. Todd pointed out it is not possible to legislate discipline and that voluntary discipline is invariably more effective. Mr. Robertson envisaged that growers would contribute towards the cost of a 100% inspection scheme but Mr. Todd explained that current financial restrictions precluded expansion of the Department's present inspection scheme. Mr. MacFarlane suggested Mr. Ricky Richards (P.M.B. Marketing Officer) could conduct a cost-survey at no cost to the Steering Committee and that application could be made to the Highlands and Islands Development Board for assistance (on similar lines to the "squabblers" Scheme).

Mr. Todd asked whether the promotion association might represent the High Grade Seed Region (including Cumbria and Northern Ireland) but Mr. Robertson felt this would engender political difficulties, especially in view of the current Devolution proposals for Scotland. He returned to the question of obtaining agreement and support for the proposals from the organisations present and asked for replies by 4th February to include specific points regarding the setting up of a "Board" and formally constituting a promotion Association. He explained a Mr. Morgan Milne is already 100% in favour of the proposals and Mr. Robertson suggested he could be invited to become Chairman of the "Board".

Mr. McEwan requested a breakdown of the postcard replies (given earlier) into grower and grower/merchant categories. Mr. Mackay stated in reply that acceptances had come from 24 separate merchants. A further 6 indicated acceptance conditional upon all merchants joining.

Acceptances/

Acceptances had also been received from 265 individual growers. Mr. Todd added that approximately 35% of registered producers in Scotland are grower/merchants and enquired whether the committee had considered how to tie up the the P.M.B. complaints service. Mr. David stated this is a chargeable service provided by the P.M.B. and it would not be feasible for the promotion association to overlap.

Dr. Hardie pointed out that the documentation provided by the Committee omitted to state that growers were to accept a voluntary code of conduct. He thought this omission should be rectified and inclusion of this point be given the widest possible publicity in the south.

Mr. Davie, noting that 300 post-card replies had been received, enquired how many had been sent out. Mr. McKay felt it would be misleading to provide this figure since some 200 cards had come back from parties no longer growing potatoes.

Mr. McEwan returned to the request for replies by 4th February and pointed out that while the Department want to be associated with the setting up of a "Board" and defining a code of conduct, it should not have representation on what would be a commercially oriented "Board". Mr. Mackay suggested such representation would be on a "consultant" basis (for example, Dr. Hardie on plant matters) and Mr. Robertson emphasised that the promotion association would be a non-trading organisation.

Mr. Blackmore next explained that he foresaw difficulty in the S.P.T.A. meeting the 4th February deadline. We could not speak for the S.P.T.A. but would do his best to ensure that a decision of its 20 Council members whether to support the proposed association was intimated by that date. Formulation of specific points by 20 people would not be possible by telephone, however, and a meeting of Council could not be convened in time. There was an added difficulty in that many Council Members are to take part in the Association's visit to Denmark from 7th-12th February inclusive. He stressed regret for appearing obstructive but emphasised these difficulties would be overcome if possible. He further expressed a personal reservation that providing six S.P.T.A. representatives for a "Board" might prove difficult. Both Mr. Tait

(N.F.U.S.)/

(N.F.U.S.) and Mr. MacFarlane (P.M.B.) shared the "deadline" difficulty. Mr. Robertson asked Dr. Hardie for his views on the prospects for the 1977 and 1978 crops, having regard to climatic effect on aphid infection. In reply, Dr. Hardie thought the 1977 crop would be similar in infection content to 1976 and that, hopefully, current weather, counter measures and good husbandry in 1977 would reduce infection in the 1978 crop. Mr. Henderson referred to E.E.C. eel worm regulations and asked whether application of Scottish regulations to Holland would reduce Dutch potato production capacity. Mr. Todd explained common regulations are already being observed and he personally felt little fear of the Dutch, since they are fast running out of land.

Mr. Robertson referred to Dr. Hardie's last remarks in support of his view that time to set up a promotional association is very limited. He was disappointed that "bigness means delay" and minor early delays soon compound themselves. He suggested replies re support remain at a 4th February deadline and that specific points and proposals from each supporting organisation be tabled at a further meeting to form a Scottish "Board" (and localised founders diminish) and formally constitute a Promotion Association. After some discussion it was arranged that this next meeting take place at 10.30am. on Wednesday, 16th February, 1977 and, in deference to D.A.F.S. views, would be held in the offices of the N.F.U.S., 19, Grosvenor Crescent, Edinburgh.

Mr. Mackay next explained it was likely that each organisation would be approached by the press and suggested a joint reply could be formulated. After discussion it was agreed that replies would be confined to the fact that a useful and informative meeting had taken place and a further meeting was being arranged. Thereafter Mr. Robertson thanked all present for their views and proposed a vote of thanks to the Chair. The meeting then closed.