

REPORT of MEETING between SCOTTISH POTATO
TRADE ASSOCIATION and BRITISH RAIL (SCOTTISH
REGION) representatives at the Station
Hotel, PERTH at 11a.m. on Thursday, 26th
OCTOBER, 1978

PRESENT:

SP.T.A. Messrs. J. H. Barr, D. H. Lindsay, D. Maxwell and J. M.
Waddell, with D. Blackmore (Assistant Secretary) in attendance

B.R. Messrs. R. Harries and R. G. Johnson

Mr. Barr occupied the Chair

The Chairman welcomed Messrs. Harries and Johnson to the meeting which, without an Agenda, would proceed on an informal basis. He explained that the Association's representative had been unable to attend the London meeting in May when British Rail's Bonus Incentive Scheme for the 1978/79 Season had first been intimated.

He also explained the Association's view that the Scheme now detailed will favour newcomers and relatively small users of rail facilities and effectively create a £1 per tonne potato price advantage for them compared with large regular rail users. Mr. Blackmore added a member's further view that the Scheme could lead to abuse, by artificial groupings and arrangements, which ought to be avoided.

In reply Mr. Harries gave a detailed explanation of the background to the Scheme. From past experience it was accented that British Rail now operated in a residual carrier role for the potato industry and the Scheme was intended to maintain the existing share of the market as well as to attract new traffic. He recognised the risk elements in the Scheme which Mr. Barr had explained. The Scheme is on an initial one year trial basis. Abuses will simply create traffic switching between users without increasing total tonnage carried and the end of the season analysis will determine whether the Scheme can be repeated (albeit adjusted to make it even more attractive) or whether it will be abandoned.

General discussion ranged over rail traffic flow patterns between Scotland and England compared with road, price competitiveness, large users own sidings, the traditional customer decision whether road or rail (larger customers generally buy on a "free-on-rail" or "ex-farm" price, smaller customers on a "delivered" price, aided by the seller's desire to avoid additional transport cost and double-handling to rail loading). The effect of the current "buyers market" conditions and the problems of high 1977 "worms" within this context were also carefully considered.

Overall the Association representatives felt the Scheme fitted British Rail's intentions very well but that some adjustment could be designed to lessen any hardship to regular large users. It was agreed British Rail could best identify large users and that Mr. Johnson would ^{contact} each of them for discussion (composite groupings being approached through their Association member company) in early course before the autumn loadings slipped past.

Mr. Harries invited proposals to improve British Rail's prospects of achieving its aims. It was suggested that a rebate of £20 per wagon, equal to £2 per tonne, equal to "farm-to-rail-loading-point" costs would be very attractive. It was felt the Scheme has future potential and the Association hoped it could be built on. Mr. Johnson also explained that with British Rail's dialogue being initially with NASPM they could not make separate adjustments with SPTA without reference to NASPM. It was also agreed he would receive a copy of this Report before it is circulated.

Mr. Barr next raised the question of Claims arising from short deliveries. He explained these were worst in cases where extended transit/

transit times occurred and it was felt British Rail should be more forthcoming in such cases. Usually concerning the loss of only one or two bags per load, the problem was also very marked in consignments to large urban areas, particularly Birmingham.

Mr. Harries explained that claims were centralised to facilitate standardisation. Losses could occur at loading and/or unloading points where distinct checking problems were recognised, but he could offer no ready solutions. In reply to a suggestion that where no discernible responsibility existed an end-of-season splitting of losses would be appropriate, he undertook to look at this in the light of their claims statistics and to table the results for consideration in due course.

Mr. Barr then referred to the 20 tonne air-braked van service and pointed out that British Rail were losing small loads trade by not being prepared to accept split loads totalling 20 tonnes for this service. Mr. Harries agreed to investigate this point, Mr. Johnson adding that the question hinged on the number of drops, consignees and/or varieties and the dependence on experienced labour at the destination.

The meeting was then concluded.