

MINUTE of MEETING of COUNCIL of the  
SCOTTISH POTATO TRADE ASSOCIATION held  
in the Station Hotel, PERTH at 10.30 a.m.  
on Tuesday, 11th MARCH, 1980.

PRESENT:

Messrs. J.H. Barr, G. Brass, J.E. Cook, R. Doig, J.G.H. Fenton  
B. Fulton, J. George, D.H. Lindsay, J.R. McArthur, K.A. McKenzie,  
D. Maxwell, G. Smillie and J.M. Waddell, with R. David Hunter,  
(Secretary) and D. Blackmore (Assistant) in attendance.

The President, Mr. D. Hendry Lindsay, occupied the Chair.

APOLOGIES:

The Secretary intimated apologies for absence on behalf of  
Messrs. A.J. Allan, J.P. Deuchar, J. Fordyce, W. Gordon, J. Henderson,  
T. McClung and J.O. Robertson.

MINUTES:

The Minute of Meeting of Council held in Perth on 22nd February,  
1980 (copies of which had been pre-circulated to each Member of Council)  
was taken as read. The Minute was formally approved and signed to this  
effect by the Chairman.

MATTERS  
ARISING:

(a) Membership and Subscriptions - Mr. Blackmore reported having  
written to Dalfarm Produce Ltd. and to Morello International Ltd. as  
instructed, neither of whom had replied. After a brief discussion  
Council instructed both these companies be suspended from Association  
Membership.

He further reported receipt of a new list of amendments to the  
P.M.B. List of Licensed Merchants. As well as including Angus Potato  
Export Ltd. (already an Association Member) and Couser Lynton Trading  
Co. Ltd. (who had not replied to an earlier invitation to join the  
Association), the amendments notified granting of Merchants Licences  
to Gowanbank Potatoes Ltd. and G.A.L. Gray (to both of whom invitations  
have already been authorised) and Messrs. Peter Moffat (Potatoes),  
Jedburgh and G.J. Patterson, Alva. Council agreed these last two  
Merchants be invited to join the Association.

In conclusion Mr. Blackmore reported that of the 122 Members  
(after allowing for four resignations and two suspensions), 113  
subscriptions totalling £5827 had been paid (92.6%). He had contacted  
seven of the other eleven Members by telephone and believed all  
outstanding subscriptions, estimated to provide a further £475 would  
be paid in early course.

(b) P.M.B. Registration of Packing Stations - This matter was again  
deferred until Council's next Meeting.

(c) 1980 Foreign Visit - The Secretary reported that details of places  
and times of visits during the Association's trip to Holland from 3rd  
to 6th June inclusive had been received and circulated to all Members.  
To date twenty provisional reservations had been made by Members and  
all this information is to be passed to Grampian Tours for invoicing  
purposes shortly.

(d) Consortium Expenses - Mr. Blackmore reported that Invoices  
totalling £204.62 had been received from the Consortium, representing  
the Association's 13% Share of the deficit for 1979 (£67.12) and  
11% of the 1980 Subscription to the European Union. The Association's  
Budget estimate for these items was £215 and the Invoices had there-  
fore been paid immediately as instructed. Council formally approved  
this payment./

(e) N.S.D.O. - Mr. Barr confirmed his telephoned report to the last Meeting of Council on the Meeting of the NSDO Consultative Committee which he had attended in London on 20th February, 1980. He remained very concerned that an index could be compiled to take account of inflation and linked to Royalties Rates before figures for the actual end-effect of this step were produced. He recognised that any change in N.S.D.O. power could only be made through Parliament.

Council considered inclusion of ware potatoes in royalties arrangements would increase the cost and adversely affect the simplicity of present arrangements, while showing royalties separately in all invoices, even by SPTA members only, was not practical. It was also agreed that index-linking would discourage reduction of inflation and that Council supported Mr. Barr's views. The Secretariat was instructed to write N.S.D.O. expressing the Association's concern over index linking proposals and its support for Mr. Barr's views.

(f) British Rail - Mr. Blackmore reported a telephoned reply, in advance of a letter, from British Rail regarding the reported closure of Laurencekirk Station. While no decision had been taken, a fresh look at the situation at this and other stations (part of the continuous on-going review) would be taken in the light of current season's traffic in all commodities. British Rail had stressed that the Association will continue to be consulted before any decisions are taken.

EXPORT  
DEVELOP-  
MENT  
COMMITTEE

Mr. Waddell reported briefly on the meeting of the P.M.B.'s Export Development Committee which he had attended in London on 26th February, 1980. The Meeting had repeated various already published Reports by the Export Development Officer and in respect of exports to Algeria discussion had been inhibited in the light of a possible sub-judice situation.

POTATOES  
"FUTURES"  
MARKET:

Mr. Lindsay gave a short Report on a Meeting he had attended (in company with Messrs. Fenton, McArthur and others) in Edinburgh on 28th February, 1980 at the invitation of the P.M.B. Although there had been a very low attendance, the guest speaker (Mr. Alan Harper, Chairman of the Floor Committee of the London Grain Futures Market) had given an excellent address.

It had been apparent that there was an almost total lack of understanding of the relevance of a Futures Market within the Scottish Potato Industry. SPTA representatives had agreed that Mr. Harper be invited to address a meeting of SPTA Members and their friends in Perth. Mr. Harper makes no charge for his services or travelling expenses. A meeting had therefore been arranged in the Station Hotel, Perth at 2 p.m. prompt on Monday, 24th March, 1980. Mr. Lindsay pressed all Members of Council to use their influence to secure a good attendance of Association Members and friends at the Meeting.

SEED  
TRADE  
COMMITTEE:

The Secretariat's written Report of the Meeting of the Seed Trade Committee in Edinburgh on 4th March, 1980 (copies of which had been pre-circulated to each Member of Council) was taken as read. Mr. Lindsay commented very briefly on the salient points and it was agreed to defer fuller consideration until Council's next meeting. Thereafter and following meetings within the other constituent organisations by early May, the Seed Trade Committee will meet again to finalise a joint position. Mr. McKenzie proposed that this latter meeting should also consider N.S.D.O.'s attempts to index-link potato royalty rates.

"CONDITIONS"  
SUB-  
COMMITTEE:

Mr. Hunter elaborated on the Secretariat's pre-circulated Report on the meeting of the Associations "Conditions" sub-Committee held in Perth on 6th March, 1980 to consider the first draft of the Scottish version of the Conditions of Sale revised jointly with NASPM.

He explained that NASPM had all along accepted the need for some differences in the Scottish and the Northern Ireland versions of the/

the Conditions. Principally, these concerned a more precise definition of "destination" (already incorporated into the first Scottish draft), Arbitration provisions (which he fully explained and on which the sub-Committee required further consideration) and provision for interest on overdue accounts. Once the sub-Committee reaches its conclusions on these latter points its recommendations will be incorporated into a revised Scottish draft and submitted to Council for consideration.

ANY OTHER  
COMPETENT  
BUSINESS:

(a) Arbitrations - Mr. Hunter read a letter received from an Association Member recently successful in an Arbitration with another Association Member who had failed to implement the Arbiters' Award. The letter held that Association Members should abide by Awards and asked that Council should discuss the matter and should assist in implementation of Awards.

Mr. Hunter fully explained the legal position and the remedies available to Members who are parties to an Arbitration in terms of the Association's Conditions of Sale and Conditions of Purchase. He expressed extreme sympathy that the successful Member had neither the cash nor the Stocks and the latter were deteriorating while the arguments proceeded. He felt, however, that Council could do nothing at this time.

During a very full discussion various points were made, including suspension of the Association Membership of the unsuccessful Member; that as a pre-condition before entering upon any Arbitration the Arbiters could obtain written acceptance from both parties to abide by the ultimate Award (which Mr. Hunter felt might be considered for inclusion in the Association's Rules, or in its Conditions); that Council should recommend that the losing party abide by the Award; that although sympathetic, Council had no right in the matter and any gesture would be ineffective; that implementation should be without prejudice to the loser's subsequent remedies at law; that the loser was flouting the Association; that the loser's sincerity as a Member should not be doubted.

It was finally agreed that to give moral support only the Secretary should write a very carefully worded letter to both parties to the dispute to express Council's confidence in its Arbiters and Arbitration procedure and its disappointment and concern that this Award has not been implemented.

(b) D.A.F.S. Labels - Mr. Maxwell reported that although requested D.A.F.S. had refused to supply additional official labels for insertion inside the bags of a small trial shipment of seed potatoes to North Africa, DAFS' reason being that this was not a requirement of the importing country. The outside labels having been removed, either in transit or (more likely) after arrival in North Africa, the sample was now lying there without any identification and too late for planting. Council noted the position and although sympathetic felt that nothing could be done at this time.

(c) Date of next Meeting - After a short discussion it was agreed that Council's next meeting will take place in the Station Hotel, Perth at 12.30 p.m. on Thursday, 24th April, 1980. The Secretariat was instructed to make the necessary arrangements.

(d) Meeting with SSPA representatives - In readiness for today's arranged lunch and afternoon meeting with representatives of the Scottish Seed Potato Association, Council discussed various points to reach agreed views before they are raised at the Meeting.

Mr. McKenzie voiced concern that following several changes during its short history the new Association's title was now so similar as to be almost automatically confused with our own. Mr. Fenton felt that the former (penultimate) inclusion of "Producer" better fitted the new Association's objectives. He was concerned/

concerned that the prospect of an EEC regime coupled with the possible demise of the PMB was leading to proliferation of overlapping interests, all voicing their views on the same subjects in official quarters. If the new Association concerned itself with promotional matters only, its separate Voice would be more valid but he wondered whether many of its expressed views were personal rather than SSPA-Council backed. The meeting agreed the former seemed to be the case in some instances, some support for the usefulness of alternative views also being expressed

In reply to the Chair there was felt to be an increased need for the SPTA in the event that the new Association achieved statutory powers. Mr. Barr, speaking as a "back-bencher", had not changed his original view that an unworthy and dangerous bureaucratic monster was being spawned. Questioned on the "danger" he drew a parallel with the PMB Export Development activities without sales capability, explaining that more academic (non-commercial) promotion would jeopardise the benefits from commercially financed initiatives. Mr. McArthur supported these views, adding his own fears that under Statutory powers the producer "dog" will become the bureaucratic "tail".

Mr. Doig pointed out that a body is required to finance promotion and while he would be in favour of statutory powers for clearly defined purposes only, he was apprehensive on the limitations that would be needed and how they could be imposed. This view met general support. Discussion also highlighted the new Association's principal promotional shortcoming as having no sales capacity; that promotion and selling cannot be centrally, bureaucratically directed but must co-evolve in response to hard economics in the market place; that while the new Association's theoretical views could be accepted their practicalities were undefined and until true benefits could be clearly specified present resistance will continue.

Other particular points for discussion during the afternoon also included increased trade representation in direction of the new Association, ascertaining how it proposes to spend its funds already in hand and curbing the presentation of purely personal views as if they are the new Association's views.

The meeting of Council then concluded.

*D. Henry Entwistle*