

REPORT on a MEETING between COUNCIL of  
the SCOTTISH POTATO TRADE ASSOCIATION  
and REPRESENTATIVES of the SCOTTISH SEED  
POTATO ASSOCIATION held in the Station  
Hotel, PERTH at 2 p.m. on Tuesday,  
11th MARCH, 1980

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PRESENT: S.P.T.A.: 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.D. Hunter (Secretary)  
and D. Blackmore (Assistant) in attendance.

S.S.P.A. Messrs. A.A. Arbuckle (President), G. Gammie, G. Lyall (Chief  
Executive), and K.A. Runcie (Advisor).

Mr. D. Hendry Lindsay (President, S.P.T.A.) occupied the Chair

APOLOGIES: Apologies for absence were recorded on behalf of Messrs. A.J.  
Allan, J.P. Deuchar, J. Fordyce, W. Gordon, J. Henderson,  
T. McClung and J.O. Robertson (all SPTA) and for late arrival  
on behalf of Mr. Runcie.

DISCUSSION: Mr. Lindsay welcomed the S.S.P.A. representatives to the Meeting  
and gave a brief history of the origins and the events which led to the  
formation of that Association. He recalled that at November 1976/February  
1977 time the initiative had the support of 57% of Scottish seed potato  
growers. Following Mr. Lyall's appointment and further circularisations,  
the S.S.P.A. had been formed in August, 1979 and current support was now  
reported to be 56% - 57%. From its active experience the S.S.P.A. has  
now re-formulated its immediate prospective objectives as (i) pursuit of  
Statutory powers to support its activities; (ii) promotion and develop-  
ment of markets, both at home and overseas and (iii) improvement of plant  
health and tuber grading standards.

Responding, Mr. Arbuckle first thanked the S.P.T.A. for its  
hospitality and made it absolutely clear that his Association recognised  
that it must have the S.P.T.A. with them at all times. He spoke of the  
balance of interests and the geographic spread within his Council, the  
value of having the benefit of Mr. Lyall's background, knowledge, contacts  
and ideas but which, to be fully effective, must have the support of the  
whole industry. He stressed that appearances apart, his Association had  
been very active indeed seeking definition and decision throughout the  
industry. He pointed out that "trading" activities were excluded (and  
will remain excluded) from his Association's Constitution and that in  
"marketing" (Promotion) they recognised a desperate need for merchant  
help. He confirmed the S.S.P.A. remained committed to the improvement  
of quality, tolerances, grading standards and presentation and also  
explained the seed support proposals (which had not had his Council's  
unanimous support), turned down by the P.M.B. unless applicable to the  
whole U.K., were now right out of mind. In pursuit of Statutory powers  
for his Association it is accepted that the current 57% support (which  
would probably decline in a further voluntary "levy") was insufficient to  
achieve this end, for which the S.S.P.A. must have 70% - 80% voluntary  
support to be successful. To-day's meeting had been arranged with this  
last point uppermost in mind.

In reply to Mr. George, Mr Arbuckle thought that Statutory  
powers could possibly be obtained via DAFS and the 1947 Act. Mr. Lyall  
enlarged on the scope of that (Industrial Organisation and Development)  
Act under which powers would be sought for purely "promotional" purposes,  
both at home and overseas, in support of both producers and merchants.  
He stressed that, as hereto, administrative oncosts will continue to be  
kept to an absolute minimum. Mr. Lindsay enquired what plans were in  
mind to spend (say) £150,000 that could arise from a Statutory Levy./

Mr. Lyall explained that "round the table" expertise could provide many ideas and proposals, possibly including formation of limited companies plus brochures, leaflets, exhibitions, overseas advertising and the like. He again stressed the S.S.P.A. will not become involved in trading, this being a solely merchant function. Mr. George questioned the use of statutorily levied funds to back private trading in such ways. Mr. Lyall did not see this as a difficulty and Mr. Arbuckle fully explained his Association's view that it would be impractical for the S.S.P.A. to undertake actual trading activities.

Mr. Brass voiced trade misgivings as to how the S.S.P.A. would benefit merchants and that its underlying objectives had yet to be revealed. While some ghosts remained to be laid he felt re-assured today. He felt clearer details of spending plans are required and feared a tendency for the S.S.P.A. to expand once funds became statutorily assured.

Mr. Lyall also explained that S.S.P.A. efforts to "put a bottom" on the seed market had been in response to a merchant initiative. Those efforts, though perhaps half-hearted, had been undertaken to clear the matter away out of the picture altogether, stressing yet again that the S.S.P.A. adamantly declined to become involved in a buying and selling role.

Mr. Barr recalled that with 57% voluntary support the S.S.P.A. could not achieve Statutory powers. While remaining personally opposed to the S.S.P.A., which he regarded as being a fragmenting influence within the industry, there was now evidence of recent improvement in some respects. He regarded pamphlets/leaflets as non-effective - one must actually trade to win and to retain a market. He voiced a fear that non-trading (promotional) marketing held the danger of blowing wide open ongoing initiatives by individual merchants. In broad terms he felt the trade wants real indication that it will get back value for its support.

Mr. Fenton pointed out that, between them, the S.P.T.A. and N.F.U.S. already provided 100% representation of 'Scottish potato' producers so that the S.S.P.A. is simply a duplication of that representation. Mr. Arbuckle explained the S.S.P.A. intended to fill a more supportive and essentially practical role. Mr. McKenzie asked what the S.S.P.A. says to its farmer audiences and in reply, as a farmer, Mr. Gammie stated that 90% of farmers believe "we are all in it together". He declared that farmers want the merchants to do the (trading) marketing and only if they fail will the farmers be forced to "go it alone". Mr. Arbuckle supported these views.

Mr. Doig urged that time and effort should not be dissipated in "knocking" D.A.F.S. Mr. Runcie explained he acted in an advisory capacity to the S.S.P.A. on behalf of the whole farming community. He advocates most strongly the maximum use of all expertise, from whatever source, in the solution of any problem. He stressed that the Scottish Seed Potato industry's problems are solvable. He cited the example of Elba Growers who had faced a similar situation. He stated it was no use relying on historical precedents in today's completely changed situation in which, in his own view, the alternatives were either to win together or for all to lose.

Mr. Brass referred to earlier discussion of possible "grant-in-aid" type of assistance for development of new markets overseas, to enquire if the S.S.P.A. had in mind to set aside a "pool" available to merchants. Mr. Arbuckle stated this idea must first be thought through. Mr. Fenton asked if it was proposed to set any limit on the levies that could be imposed, or to limit any other statutory powers to be sought. Mr. Lyall explained it was intended that powers would be confined to research and market development only. Mr. Barr felt that voting power should be related (as with the levy to be paid) to an acreage, not a "head count", basis.

Mr. George asked if the suggested "pool" would be accessible to more than one merchant or group engaged in developing a market. Mr. Arbuckle felt the S.S.P.A. would first try to join the applicants together into a single concerted supported effort. Otherwise, they could be supported equally but in no circumstances would they be supported to compete against each other. Mr. Barr enquired as to the sanctions and disciplinary powers envisaged to be required and Mr. Doig felt it might also require licensing powers (e.g. for exporters, for some varieties, etc.)

Mr. Brass accepted the need for unification within the industry whether through the S.S.P.A. or, if not, then through some other vehicle. The only alternative would seem to be for the industry to go "right off the rails altogether." In his own view this was the last time a choice would be available.

Mr. Arbuckle explained that, essentially, his Association was posing the question to the S.P.T.A. "Where should the S.S.P.A. be going." Mr. George felt that some of its efforts were misguided or premature and (for example, brochures and pamphlets without "back-up") could do more harm than good. He felt initial efforts should be concentrated on the home market for immediate results on which to build support for longer term aims. He felt the alternative would be that present "grouping-up" activities will increase still further and merchants will be losers.

In reply to Mr. Lindsay, Mr. Lyall stated that current support for the S.S.P.A. was 57% on a hectarage basis, 56% on a grower-numbers basis, farmer and merchant support being different on both bases. Mr. Gammie added that the merchants were in a more powerful position (albeit partly indirectly) than they may realise.

In conclusion, the Chairman thanked the S.S.P.A representatives for their contributions to what he felt had been good discussions and a very useful meeting. On behalf of the S.S.P.A. representatives Mr. Arbuckle supported these views and thanked Council for the opportunity for such a full and constructive exchange of views.

The Meeting then closed.