

REPORT on an OPEN MEETING of PRODUCER
MEMBERS of the SCOTTISH POTATO TRADE
ASSOCIATION held in the Station Hotel,
PERTH at 2 p.m. on Monday, 8th JULY, 1980.

PRESENT:

John Bryden (Potatoes) Ltd. (John Bryden, Esq.) Thomas Edwards, Esq James Haggart & Sons Ltd. (J.R. McArthur Esq.); Kirkforthar Potato Co. Ltd. (M. Robertson, Esq.); Messrs. David A. Lawson (Thrums) (D.A. Lawson Esq.) David Lindsay (Potato Merchants) Ltd. (D.H. Lindsay, Esq.); Robert Morris & Son Ltd. (P.S. Morris, Esq.); Messrs. McKenzie Bros. (I. McKenzie Esq.); John C. McLean, Esq; Patullo, Barr & Co. Ltd. (J.H. Barr, Esq.); Robertson of Perth Ltd. (B. McDiarmid, Esq.); Ross Seed Potatoes (Messrs W.E. Muirhead D. Peebles and P. Peebles); S. Thompson & Sons Ltd. (H. Fleming, Esq.); and West Cumberland Farmers, Ltd. (R. McLeish), with D. Blackmore (Asst. Secretary) in attendance.

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

APOLOGIES:

Mr. Blackmore tabled apologies for absence on behalf of Craigend Growers Methven Ltd. (W. Whyte, Esq.); J.E. England & Sons (Wellington) Ltd. (G. Brass, Esq.); David T. Fenton & Sons Ltd. (J.G.H. Fenton, Esq.) James Fulton Jnr. Ltd. (B. Fulton Esq.); John O. Gordon Ltd. (W. Gordon Esq.); Gilbert McClung Ltd. (T. McClung, Esq.) and R. David Hunter (Secretary).

The Chairman welcomed the Members present to the Meeting and before proceeding with discussions, raised two specific points.

(a) Obituary - The death of Mr. George P. Matheson /Principal of G.P. Matheson (Montrose) Ltd./ having occurred last week, Mr. Lindsay paid tribute to Mr. Matheson's longstanding, very active participation in the Potato trade and all matters affecting it. His company's membership of the former Perth, Fife, Forfar and North of Scotland Potato Trade Association, continued after amalgamation into our present Association, spanned a great many years. The Meeting agreed the Association's condolences be conveyed to Mrs. Matheson as soon as appropriate.

(b) 1980 Inspections - Blackleg in AAL Crops - Mr. Lindsay next briefly recounted events since DAFS announced its requirement for a second inspection for AAL crops found to contain more than 0.25% Blackleg when inspected. Strong representations jointly with NFUS having been completely rejected, a letter has been sent to the Minister of State for Agriculture (Lord Mansfield) and Messrs. Lindsay and McArthur have written to their respective MP's. Mr. Muirhead asked why the requirement had not been announced until "the eleventh hour" (Mr. McArthur explained) Mr. Barr was most concerned that our Association had put much effort into setting up an essentially practical consultative forum which DAFS, though paying lip service to obligatory consultation, had totally ignored. Mr. McDiarmid found the whole matter very disconcerting, auguring badly should the SSPA quest for statutory powers be successful.

DISCUSSION:

Turning to the purpose for which today's Meeting had been called the Chairman reminded the Members present of the historical background of the formation of the Scottish Seed Potato Association and the contentious nature of its recent "poll" of "all registered producers." He pointed out that no written advice of the "results" or details had been received and he understood the S.S.P.A. had now lodged its formal application for the formation of a Development Council for the Scottish Seed Potato Industry. Against this background and in the light of the results of our own Association's Survey of Members views (three to one against formation of a Development Council), the most recent meeting of our Association's Council (on 1st July) had decided to hold today's meeting before writing to the Minister of State for Agriculture.

Giving/

Giving our own Council's views, the Chairman explained it was felt three alternatives were open. First, the Association could press for no change in the status quo. Second, the Industry could use the S.S.P.A. as a base in promotion and marketing activity. Third, a completely merchant-led body could be devised to fulfill these functions. Being sure that the first option, which would effectively terminate today's meeting immediately, would not enjoy the support of the members present, he called for views on the other two approaches.

Mr. Lawson felt that efforts must be directed to expanding the export trade. He confirmed his telephone call to Mr. Blackmore to express his personal disillusionment with the methods used in the S.S.P.A. "poll" and he repeated his proposal that our own Association should conduct its own poll of all registered producers, but with the opposite intention that all non-replies be counted as non-supportive of the formation of a Development Council. In reply the Chairman explained that Council had already considered this very same proposal. It had been decided that, apart from total lack of any means to ensure that all replies were returned, it copied a method ("inertia" polling) of which the Association was very severely critical. In preference, Council had instructed the Survey of our own Members' views which, in turn, had led to today's Meeting. Council had in mind that during foreseen consultation by the Minister it could be possible to persuade him to conduct such a further poll of all registered producers officially.

Stating what he stressed was his own, personal, view Mr. Barr felt it to be inevitable that with such strong and concerted support in high places, the formation of a Development Council is inevitable probably within the next twelve months. Nevertheless he felt that our Association should build the best possible case, immediately, in preparation for the Minister's Enquiry to include an insistence that he conduct a proper official poll of all producers, providing canvassing facilities to interested bodies.

Mr. McDiarmid felt the NFUS' support was difficult to understand and questioned how many of its members grow potatoes specifically for export. The Chairman pointed out that, in line with its widely known commitment to producer co-operative marketing, it was official NFUS policy to give its 100% backing for the formation of a Development Council. Mr. McLean's view was that, though it enjoyed a very large membership, control of the NFUS rested in very few hands and he supported the call for a proper poll to be carried out. In support Mr. Fleming had found a lot of non-support at NFUS grass roots level, which made official NFUS support all the more surprising. He had also been aware of noticeably better publicity accorded by the Press to the NFUS and supportive views. Mr. McLeish, supported by Mr. Barr, held that a proper official poll must include area grown.

The Chairman pointed out that the only Development Council formed, for the Apples and Pears industry, had based on support of only 43% of that industry. It should be considered, therefore, whether a further poll in our own industry would be too late to be heeded. Mr. McKenzie urged that our Association write to the Minister immediately without waiting to be consulted, to press for a further, official poll to be conducted now. The Chairman pointed out that this proposal accorded with Council's desire to take the initiative in these matters and he sought the meetings views to build onto this foundation, for example whether to confine our initiative to exports only or to include the trade into England. With full support, Mr. McDiarmid's view was that priority must be given to increasing exports overseas, it being generally agreed that no amount of promotion would reverse or even arrest the declining trend in the English market.

Mr. Barr counselled care not to oppose something which in turn becomes/

becomes re-proposed but in different hands. Mr. McArthur pointed out that the S.S.P.A.'s total initial budget (of proposed levies on all producers) would be roughly equal to between £2 and £3 per tonne of total exports. Any alternative scheme must be merchant-financed and controlled without statutory interference. Our own Association could do it but, he warned, the vitally necessary increase in a willingness to work together could only be secured at the cost of some surrender of total individual independence. Supporting these views Mr. Muirhead explained the late Mr. George Matheson had voiced the very same thoughts to him only a few weeks previously. In Mr. Muirhead's view the trade members are much closer together nowadays than formerly. Mr. McArthur added that innovation had always come from within the trade and the Chairman agreed that he, too, sensed a closing of ranks within our own Association since the S.S.P.A.'s proposals had been made. He felt the time was now ripe for members of our own Association to form their own proposals.

Mr. McArthur agreed with priority attention being given to increasing overseas exports, which had already benefited from the efforts of various merchant groupings. However, as long as these groupings competed with each other in individual markets it would be impossible to be assured of supply availability or to achieve any degree of price uniformity and stability. Instancing his own experiences, which brought a question from the meeting regarding allocation of tonnage ordered between group members, he defined this as the basic, "crunch" question to be resolved at the outset. Its maintenance depended entirely on the degree of trust between group members which, in turn he repeated, depended upon the degree of their individual independence that those members were prepared to give up. In any event it remains imperative that past merchant expenditure invested in developing export markets is not "up for grabs". Mr. D. Peebles also made the point that an SPTA grouping must provide for inclusion of non-producer members of our Association.

Mr. Barr felt the meeting should not confuse two separate points. On the one hand was a pressing need to prepare for the Minister seeking our Association's views on the formation of a Development Council. On the other, formation of an Association grouping would require a longer time scale. He was interested in the views of those present which, if in favour of proceeding, should be followed by energetic action on both courses. He also agreed that progress requires that some past individual independence must be given up.

Discussion thereafter becoming somewhat detailed the Chairman felt this to be premature and that, rather, the meeting should give broad consideration to-day to the philosophy and principles involved. The meeting agreed that to try to maintain present acreages, exports need to be expanded still further, to both of which ends something must be done. Mr. Lawson pointed out that exporting was far from being easy and that the exporters themselves must be involved in any new Association groupings scheme. He repeated his call for our Association to poll all registered producers. After further discussion the meeting agreed to write to the Minister immediately, voicing our Association's opposition to the formation of a Development Council; our objections to the methods employed to secure inflated support for that proposal; submitting the results of our own Association's survey (which should be audited as soon as possible) and asking the Minister to conduct his own official poll before deciding whether sufficient support for a Development Council exists. The Secretariat was instructed accordingly.

Returning to further discussion of an Association grouping, in reply to the Chair, Mr. Muirhead expressed his keen support for such an initiative, the necessary details of which would require to be carefully worked out. Mr. Lawson gave his support similarly, adding his view that such a grouping would require to employ an expert linguist. Mr. McArthur supported this and extended it ^{to} expert exporters (perhaps/

(perhaps on a consultative basis) to overcome the problems of "barter deals". He also felt it to be essential to prevent any possibility of "ripping off".

Mr. Barr pointed out that procurement of supplies was as important as sales and prices. He envisaged a total scheme would embody a committed tonnage from each member; a single central sales function and a proportional, "pooled-price" share out at the end of the day. Mr. Bryden felt that in addition to merchants and merchant-growers, large growers-only would have to be allowed to participate. Mr. McDiarmid felt such a scheme was what the SSPA had in mind but that, in that other case, it would appear the oncost personnel would be disproportionately greater. Mr. Barr recalled that some twenty years ago a somewhat similar initiative had been actively investigated but, possibly due to different circumstances then, had not come to fruition. He felt that circumstances now are more propitious and proposed a small sub-Committee of exporters be appointed to look into the possibilities.

The Chairman pointed out that such a Steering Committee would function best if small to start with but could be enlarged as and when required. Its remit would be to follow up and expand any, or all, of the ideas voiced today or otherwise found to have relevant potential reporting back to Council (and thus to the whole Association membership) as expeditiously as possible.

Following formal nominations and acceptances the following were elected to serve on the Exports Steering Committee with effect from today:-

David A. Lawson, Esq.,

W.E. Muirhead, Esq.,

J.R. McArthur, Esq., (Convenor)

B. McDiarmid, Esq., (for short term only)

and they agreed to try to hold their first working meeting within two or three weeks, if possible.

Mr. McKenzie undertook to look out his papers on the former proposals and to pass these to the Secretariat for the Exports Steering Committee's use. The Chairman felt this could be of great assistance; if the causes of failure then can be analysed and corrected now, a considerable saving of time would be possible.

The meeting then terminated with a Vote of thanks to the Chair.