

REPORT on a MEETING between  
Representatives of the POTATO  
MARKETING BOARD and Members of  
the SCOTTISH POTATO TRADE  
ASSOCIATION held in the Hydro  
Hotel, DUNBLANE at 2 p.m. on  
Wednesday, 9th JUNE, 1982.

PRESENT: P.M.B. - Messrs. Robin Pooley (Chief Executive), R.M. Meredith  
(Head of Publicity) and D.G. McKenzie (Project Manager).

S.P.T.A. - per list attached hereto.

INTRODUCTION: Mr. Pooley welcomed all present to the Meeting, arranged by the P.M.B. to explain and discuss the planned launch of its "Great Brits" grade of maincrop ware potatoes. Formally inaugurated on 22nd March, 1982 with total funding of up to £<sup>1</sup>/<sub>2</sub>m. (including £150,000 from Government), he explained the reasons for Scotland having been selected as the test-market for the scheme. A blanket media advertising campaign would be launched on 17th June, 1982 heralding first sales of "Great Brits" at retail level in autumn 1982. He stressed clearly that the scheme was not being submitted to the Meeting as a "fait accompli" - it was still very much amendable in the light of the Trade's views and comments, whether given today or later.

PRESENTATION: Following presentation of video displays for both general public and industry groups audiences, Mr. Meredith explained certain changes to the Paper (already in its nineteenth revision) provided to each of those present. These involved conformity with Trade Mark legislation and Board of Trade requirements whereby the P.M.B. is the proprietor of the ("Great Brits") Mark and the term "franchisee" is replaced by "registered user". The Fee for use of the Mark would be £1 per tonne (=£25 per 1,000 labels) charged at the packing point.

DISCUSSION: In reply to the first question (how to prevent supermarkets using the grade as "loss leaders") Mr. Pooley foresaw the publicised daily prices and the devaluation of the brand provisions in the licence as deterrents to this practice. He explained that the responsibility for retail level monitoring would rest solely with the Brand Manager.

The next question voiced concern that a two-tier market, with Scotch Tops in competition with "Great Brits", would develop. Mr. Pooley explained this was not foreseen to be a problem; in fact, Tops reflected a greater autumn availability of high quality stocks which was one of the major reasons for choosing Scotland as the test market. He also pointed out that housewives do not buy their potatoes on the technical criteria familiar to the Trade. In reply to a further question he did not quantify the premium to be looked for, which he felt could not be known until the scheme has been tried. A Member pointed out that the pattern of past trade indicated prices were determined by what the producer would sell at and not by what the consumer would pay.

Another Member then asked what proportion of the normal ware trade would the "Great Brits" grade look to achieve. Mr. Pooley stated the initial target would be 20% to match the expected availability of supplies. The end objectives of the scheme, however, were much higher and envisaged changing the whole method of production throughout its entire chain. He further replied that the "cooking test" at the packing point would be by steaming, to match the domestic housewife target, although he appreciated this was not an optimum test for all varieties. In a digression comparing marketing of meat with marketing of potatoes, which a Member felt was not relevant, Mr. Pooley pointed out it illustrated very well the fact that potatoes have been undersold throughout history.

The next question dealt with the interaction of the scheme and buying programmes, leading up to possible problems of dealing with "cowboys" and policing of the scheme. Mr. Pooley stated that any future buying programmes would not adversely affect the scheme. He pointed out that as proprietor of the mark the P.M.B. would be able to deal with any "cowboy" activities but the self-policing interests of all registered users of the mark should make for P.M.B. intervention to be more advisory than onerous. In reply to following questions he felt if the test marketing attracted supplies from outwith Scotland, or if Tops sold in Scotland enhanced Tops prices generally, the success, not the failure, of the scheme would be all the greater. He also replied that the Scots would not be restricted to supplying their "Great Brits" to markets in Scotland. Any overspill demand from adjacent markets would be a most welcome by-product of the test marketing and be further evidence of its success, especially since test marketing potatoes in Scotland is testing in the toughest possible such market.

A Member next asked why all links in the supply chain are to be required to maintain the standards when only the packer is to pay the fee. Mr. Pooley accepted that the principal responsibility would rest with the packer and to a lesser extent with the retailer but making all links responsible re-inforced the self-policing motivation of the scheme. Following a short discussion he was unable to agree with another Member's view that the retailer, not the consumer, dictates demand and in a further reply stressed that the scheme works on grading for which reason the standards could be applied to all ware potatoes, irrespective of variety.

Commenting on the extensive research carried out among consumers, a Member asked how much research had been carried out among producers. Mr. Pooley stated the scheme arose from a N.F.U.S. initiative which co-incided with the availability of financing. The N.F.U.S. was very solidly committed to the scheme. Yet another Member asked what time limit for complaints for faults had been set for the sale of bags. Mr. Pooley regarded this as a very good point which he undertook to consider more fully. In another reply he explained the use of scheme labels rather than bags reflected the experimental nature of the scheme meantime, giving the packer more opportunity to exhaust his stocks of own-brand bags. He agreed with a further Member that a special "Great Brits" bag would eventually become essential.

At the conclusion of the Meeting Mr. J.G.H. Fenton (President) recorded the thanks of the S.P.T.A. to the P.M.B. both for their hospitality and for a very useful and thought provoking meeting, which thereupon terminated.