

MINUTE of MEETING of COUNCIL of the
SCOTTISH POTATO TRADE ASSOCIATION
held in the Station Hotel, PERTH at
2 p.m. on Thursday, 8th SEPTEMBER,
1983.

PRESENT: Messrs. J.H. Barr, J.E. Cook, R. Doig, J.G.H. Fenton, B. Fulton, J. Henderson, D.H. Lindsay, P. Miller, J.R. McArthur, T. McClung, K.A. McKenzie and J.O. Robertson, with D. Blackmore (Assistant Secretary) in attendance.

The President, Mr. J.G.H. Fenton, took the Chair and welcomed those present to the meeting.

APOLOGIES: Mr. Blackmore intimated apologies for absence received from and on behalf of Messrs. A.J. Allan, J.P. Deuchar, D. Maxwell, J. Logan Milne, W.E. Muirhead, G. Smillie and R. David Hunter (Secretary).

MINUTES: The Minute of Meeting of Council in Perth on 30th June, 1983 (a copy of which had been provided to each Member of Council beforehand) was taken as read. It was formally approved and signed to this effect by the Chairman.

MATTERS
ARISING:

(a) Product Liability Insurance - Mr. Blackmore reported that following further correspondence Mr. Walker of Bain, Dawes plc had arranged to call on him on 12th September. He was hopeful that proposals and quotations will be delivered and these will be circularised to all Members of Council immediately they are received.

He further reported that contact had also been made with Mr. Sturrock of the Dundee Office of Insurance Brokers Stewart Wrightson (Scotland) Ltd. and he tabled copies of proposals and quotations they had negotiated with the General Accident Fire & Life Assurance Corporation. He explained the proposals incorporated cover for other risks too (only Employers' Liability being optional) for comparison with Members' own existing costs. At the very keen premium rates quoted it was confidently believed Members would obtain the required Product Liability cover at the same time as reducing their existing premium costs, whereas a Product Liability cover alone would be a straight additional cost. Subject to Council's approval, it would be their intention to visit all Association Members individually to explain the proposals.

During Council's discussion it was agreed the Secretariat obtain a draft of the relevant proposed Policy document and send a copy of it to each Council Member. Similarly, a draft Policy document should also be obtained from Bain, Dawes plc in respect of their awaited proposals and quotations and copied to each Council Member. It was also agreed Mr. Hunter be asked to compare the two draft Policy documents, to provide Council with his professional opinion of them. In Council's view a Scheme in operation for the 1983/84 Season would be most desirable.

(b) Membership and Subscriptions - Mr. Blackmore reported that as instructed D. Corrigall Ltd.'s application for Association Membership had been accepted and payment of the proportionate share of Annual Subscription had been received, increasing the total Membership Roll to 115.

In respect of the Member in breach of the "tonnage bracket" arrangements, Mr. Blackmore reported a further reminder had been ignored. In discussion it was agreed this Member's balance of Subscription was now considerably overdue and in arrear. In these circumstances, Council reluctantly decided to suspend this Membership forthwith and instructed the Secretariat, when advising the Member of this decision, to require the/

the Member not to use the Association's copyright Conditions of Sale or Conditions of Purchase.

Mr. Blackmore further reported receipt of notification that P.M.B. Merchants Licences have been granted to A.B. & B., (Methil); Kydd Produce Ltd., (Dundee); R.G.R. Seeds & Services Ltd., (Montrose) and J.C. & H. Wallace-Mann, (Gorebridge). He pointed out that applications in respect of the last two of these had not been notified to the Association. The P.M.B. had also notified that John Morton, (Kilmarnock) and Highland Growers Ltd., (Inverness) had applied for Ware Merchants Licences. He also reported receipt of telephoned applications for Association Membership from Pat Henderson, (Coupar Angus); George McRitchie (Forres) and R.G.R. Seeds & Services Ltd., (Montrose).

Following discussion, which included consideration of the Association's Rules, Council instructed that each of the above-named be invited to seek election to Membership of the Association by obtaining the requisite proposals in writing from two Association Members, such proposals being submitted to Council for election in terms of Rule 4.

(c) Revised Conditions of Purchase - Council considered a pre-circulated letter from The North of Ireland Potato Marketing Association Ltd. requesting permission to adapt the (SPTS-copyright) revised Conditions of Sale for discussion with the Northern Ireland Farmers Union and use by NIPMA members. It was agreed to accede to this request if NIPMA would consider making a suitable contribution (say £250) towards the expenses of revising these Conditions of Purchase.

(d) Casual Wages - PAYE and NHI - In response to the "low-key" item in a recent News Letter as instructed, Mr. Blackmore reported having received from enquiries from Members. Council's brief discussion indicated no widespread problem was indicated and confirmed its instruction to maintain a low profile in this matter

(e) DAFS' Statistics - Disclosures. Mr. Blackmore reported that in reply to the Association's written enquiry, Mr. McIntosh had telephoned to explain the circumstances of his premature disclosure of certain few aspects of the "provisionally entered" figures. He was most apologetic that the commercial significance of his two innocent lapses was only now clear to him and he had given his personal assurance that no future repetition will occur.

(f) Proposed Foreign Study Tour 1984 - Mr. Blackmore also reported receipt of a letter from Stita Farm Tours indicating some problems and little cost saving by co-ordinating the Tour with "package holiday" air travel. Mr. Miller stated "package holiday" schedules are now available but are all on a minimum 7-days basis. Ex Glasgow flights are not shown, but ex Manchester prices are about £260 to Portugal and about £400 to Cyprus. In brief discussion it was agreed to refer the matter back to Stita on a 7-day basis and to report further to Council's next meeting.

SCOTTISH SEED POTATO DEVELOPMENT COUNCIL

Following the discussion during Council's last meeting Mr. Blackmore tabled a brief tabulation of the current Association Membership Roll by tonnage-handled brackets. He pointed out this maintained strict individual confidentiality but, in view of the width of each bracket (4,000 tonnes) and without information on individual placings within each bracket, it seemed the tabulation's usefulness for the Development Council's purposes would be very limited. Council agreed this information should not be disclosed until asked for.

SEED POTATO ADVISORY COMMITTEE

In the event that the Association had not been represented at the meeting/

meeting of this Committee in London on 26th July, 1983 (neither Mr. McArthur nor he had been able to attend). Mr. Cook provided a copy of the P.M.B.'s own Report on the meeting. The Secretariat was instructed to send a copy of this Report to each Member of Council.

BRITISH POTATO TRADES CONSORTIUM

Mr. Fenton reported on the meeting of the British Potato Trades Consortium which he and Mr. McArthur had attended in London on 5th September, 1983. He explained Mr. Aves had not been present, it being reported that Northern Ireland was having difficulties in meeting export standards. The Consortium had agreed not to press for the introduction of an E.E.C. Potato Regime and, following discussion, Council confirmed its support for this view. It had been reported that the Potato Futures Market was considering introduction of a March position, but Council's discussion revealed no reason for a change and no support for the proposal. Mr. Fenton also reported that the Fruit Importers are two years in arrears with their share of Consortium dues and had indicated their wish to resign from the Consortium.

JOINT CONSULTATIVE COMMITTEE

Messrs. Fenton and McArthur next reported on the meeting of the Joint Consultative Committee, also held in London on 5th September which they had attended. No decision had been reached on a Retailers Association proposal to use only 3-ply bags. Mr. Grantham had confirmed that a shortage of supplies is in prospect but the Board is to insist that standards be maintained. Analysis of 90% of growers' returns indicated that current years plantings are greater than last year. It had also been confirmed that re-application for Quota lost due to "grubbing out" will be granted. No figures for prospective 1983 crop tonnage had been given but an announcement following check weighings could be expected early in October. Mr. Pooley had stated that Mediterranean (including Cyprus and Egyptian) supplies and processed U.S.A. to meet the shortfall had been calculated to be unable to exceed 400,000 tonnes.

Council's discussions included P.M.B. Contracts (Mr. Fenton reporting 193,197 tonnes offered of which 89,400 tonnes had been contracted, to date), Mr. Cook reporting that in a radio interview Mr. Pooley had stated the prospective shortage is about 1½ million tonnes and, following Mr. Fenton's quotation of excerpts from a P.M.B. Report, Council agreed this latter be circulated to all Association Members. Council also approved Mr. McKenzie's proposal to issue a Press Release highlighting abandonment of normal burning down dates in Holland this Season.

It was further reported that continuation of the Great Brits Scheme in Scotland in the current Season is indicated but intended extension into England must be doubtful. The Department of Trade is now opposed to "catchweights" and existing orders are to remain unchanged. In reply to Mr. Cook, Mr. McArthur reported that no evidence of P.M.B. interference in trade in respect of supplies to processors had been submitted, Mr. Fenton adding that the Board was rethinking the matter. Mr. McKenzie expressed his views on the continuing reductions in Basic Area and annual Quota arrangements, which the Chairman felt should properly be raised in the Scottish Advisory Committee.

ANY OTHER COMPETENT BUSINESS

- (a) Annual Elections to Council - Mr. Blackmore explained that of the six Members due to retire by rotation, Messrs. W. Gordon and R.G. Ramsay had already resigned and as an Office Bearer, Mr. Cook does not retire. Messrs. J. Henderson D.H. Lindsay (whose term as Past President expires) and J.R. McArthur (not wishing to continue as an Office Bearer) had confirmed their willingness to offer themselves for re-election.

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Since only five vacancies are thus created, Council agreed to draw one name from among those due to retire in 1984. Mr. McClung's name was drawn and he confirmed his willingness to offer himself for re-election also. The Secretariat was instructed to circularise the whole Membership for nominations in the usual way.

- (b) Oral Contracts - Mr. Miller explained arrangements made by telephone to buy seed from an Association Member, delaying conclusion for four days. When he telephoned on the third day to confirm the purchase, the seller stated the seed had already been sold to another buyer. After due discussion Council's view was that a Confirmation of Purchase should be issued and the Dispute resolved by Arbitration.

Mr. Blackmore gave a full history of another case involving a Member in which the buyer has rejected the Conditions of Sale (and thus Scottish Law, Court of Session jurisdiction and Arbitration of Disputes provisions) on the grounds that the Conditions were not intimated until the day after the Contract had been made orally by telephone. Mr. Blackmore explained Mr. Hunter's professional view that, if successful, such a Defence could have very serious consequences indeed for the whole Trade. Although the Member concerned felt he must continue with his Action, even at the risk of being unable to recover the full costs of a successful prosecution against the buyer, Mr. Hunter's view was that Council should consider giving Association support to the Member.

After discussion, Council agreed ample "expert witness" evidence would be provided to assist the Member. It was also agreed to remit the matter to the Conditions Sub-Committee for full consideration and that further developments should be reported to Council as they occur.

- (c) Joint Liaison Committee - Mr. Blackmore reported having written N.A.S.P.M. to propose Wednesday, 12th October, 1983 for the Committee's Edinburgh Meeting and to include "Application of Conditions of Sale" in the Agenda. Acceptance and further items were awaited from N.A.S.P.M. In brief discussion Council suggested Dutch Burning Down dates should be highlighted in the discussions. Mr. Lindsay suggested afternoon discussion with D.A.F.S. should include provision for current Season increase in prevalence of Scab, although Council felt D.A.F.S. would not be sympathetic on this point.
- (d) Date of Next Meeting - Council agreed to hold its next meeting in the Station Hotel, Perth at 2.00 p.m. on Tuesday, 11th October, 1983 and instructed the Secretariat to make the usual arrangements.

The Meeting then closed with a Vote of Thanks to the Chair.

