

HELD AS A TELECONFERENCE

ON 17TH APRIL 2020

PRESENT: Mike Sheldon - Chair, Richard Buckle, Mark Haighton, Simon Watchorn, Robert Beckett, Nick Davies, Chris Aldersley, Rupinder Ashworth, Robin Thompson

APOLOGIES: Adam Cheale, Tim Bradshaw, Robert Mutimer

IN ATTENDANCE:

Angela Christison - Strategy director – AHDB Pork, Carrie McDermid - Senior Account Manager, Christine Watts - Chief Communications & Market Development Officer, Lenka Rihova – Minutes

AGENDA ITEM 1 – PIGMEAT MARKET SUPPORT

MS welcomed RA and RT, new Pork Board members appointed from 1st April.

The purpose of the call was to assess the options for short-term actions in the market following Covid19 outbreak and agree on a preferred option.

A Board paper had been distributed by email.

MS outlined the current market conditions. Key points and concerns:

- End of supply of product into food service market
- Uplift in supply in the retail market
- Drop in farm gate pig prices in the US (knock on effect on the UK)
- Falling farm pig prices across many parts of continental EU
- Pressure on the market in the forthcoming weeks

There was no immediate collapse in the market but we could anticipate the potential for some difficulty.

CM delivered a presentation on the options to support pork sales in response to the market situation and commented on current challenges (less demand for pork shoulder and pork belly cuts). A successful pulled pork campaign was run in the past, featuring shoulder. TV ad, print ad, and social content were ready to go. If we chose to run the campaign, products should be on the shelves at least from 14th May to 30th June. To be successful, it would be necessary to have shelf presence of shoulder cuts in 70% of retail outlets, compared to around 50% currently.

The Board shared their views on the proposed options. Key points covered:

- Unprecedented time & market changing (Covid19)
- No pattern to what retailers are ordering
- Export market (US) – unemployment rates
- Concerns around logistics of supply chain to China
- Time taken to advertise on TV, difficult to predict market conditions, return on the investment
- Food service causing issues
- Social media use increase, online shopping

CW commented on the TV advertisement value. Key points:

- A larger and more captive TV audience
- Food is the centre of attention for the audience
- Half price now for advertising



- Beef & Lamb do not have a suitable TV advert, Pork does
- Red Tractor – advert over Easter delivered substantially increased figures

AC commented on the budgetary implications for the outlined choices. It was important to feedback today's decision to all senior managers of the major processors.

Across the Board, there was no support for the TV campaign. There was an understanding of what it could achieve but the Board was unanimous not to go ahead. There may not be a match between what we were advertising on TV and what was available on shelves. The Board supported to explore the best possible socially based campaign. The Board endorsed the option focusing on social media, but with timings and exact content to be determined. CM and CW confirmed that Video on Demand could be included. The Board was happy to accept the recommendations of the marketing team.

It was clarified that, contrary to some intelligence, shoulder cuts were in at least one of the discounters.