

SUMMARY MINUTES OF THE INTERIM MEETING OF THE AHDB PORK BOARD



ON 22 JULY 2020

TELECONFERENCE

PRESENT: Mike Sheldon (MS) - Chair, Richard Buckle (RBU), Mark Houghton (MH), Simon Watchorn (SW), Robert Beckett (RBe), Chris Aldersley (ChA), Rupinder Ashworth (RA), Robin Thompson (RT), Adam Cheale (ACH), Tim Bradshaw (TB), Robert Mutimer (RM)

APOLOGIES: N/A

IN ATTENDANCE:

Angela Christison (AC) - Strategy director – AHDB Pork, Liam Byrne (LB) – Head of Marketing - Pork, Beef & Lamb, Phil Hadley (PH) – International Market Development Director, Jen Waters (JW) - Head of, Knowledge Exchange – Pork, Tim Isaac (TI) - Acting Knowledge Exchange Director, Christine Watts (ChW) - Chief Communications & Market Development Officer, Rebecca Gladman (RG) - Retail Insight Manager, Gareth Renowden (GR) - Senior Marketing Manager - Beef & Lamb, Rob Janusz (RJ) – Mediacom, Lenka Rihova (LR) – Minutes

AGENDA ITEM 1 – Apologies for absence

1.1 The Chair opened the meeting at 10am and welcomed those in attendance. There were no apologies for absence.

AGENDA ITEM 2 - Declarations of Interest

2.1. There were no declarations of interest.

AGENDA ITEM 3 – Minutes from the meeting on 19th May and 25th June

3.1. The minutes of the last meetings held on 19th May and 25th June were accepted as a correct record and will be signed by the Chairman.

AGENDA ITEM 4 – Matters arising

4.1 AC recapped on the matters arising and action points, confirming all items were either completed, on the agenda or in hand.

4.2. It was suggested to invite Ken Boyns to the next Board meeting to provide an update on VAT status. AHDB is awaiting a response from HMRC regarding the recent VAT submission which proposes that the current VAT status should remain. There is no further update at present.

4.3 AC and MS made contact with European counterparts regarding experience of meat and seafood processor audits for exports to China, and fed back to PH who has been talking with the processors.

4.4 On the subject of proper handling of pigs, AC has spoken to technical colleagues about training videos that show demonstrating what 'good' looks like in terms of pig handling. There is some material available on YouTube. Mandy Nevel will attend the September Board to cover this and considerations around euthanizing piglets. The latter is a huge challenge for the industry and AHDB will not be able to solve it alone. APHA and DEFRA have not yet approved any new euthanizing products. RT does not endorse any commercially available products but is taking this very seriously.

4.5 Gratitude was expressed to PH and his team for their work. The Board discussed the potential for China to stop importing (due to political pressure) and its impact on the industry. It was felt that AHDB should do its best to keep other routes open (Southeast Asian markets) and for individual farmers to have a contingency plan for any disruption to trade which could lead to pigs backing up on farms and welfare issues. It was agreed not to make any formal communication about the risk but to spread the word informally. If we were to lose to the Chinese market that would likely result in a reduction in farm gate price. It was acknowledged that there is a limit to what AHDB can do in relation to the situation with China and changes of dynamics.

AGENDA ITEM 5 - Directors Report

5.1 The report was taken as read.

5.2 Bad debt provision has been increased in the light of levy receipts being behind last year. The Board requested regular updates on bad debt expectations.



AGENDA ITEM 6 – Update on KE

6.1 JW gave an update on the account management approach. The aim is to build strategic and long-term relationships with specific businesses to improve the engagement and satisfaction of the levy payers in the wider industry. The plan is to create individual strategic development plans for integrators/key independent accounts and increase collaboration. It was noted that whilst discussion had focussed on integrators AHDB aims to increase its engagement across the industry by using direct communications and collaboration with other stakeholders such as vets. JW commented on the current work, progress achieved to date, next steps and highlights.

6.2 The team has mapped all significant pig producer accounts. Around 30 accounts fall into the segment requiring a strategic development plan. Contact with these accounts has been initiated.

6.3 It was agreed that we should explore using visits to Pig Hub/EAML2 to actively signpost towards our work and new website, which goes live the first week in August.

6.4 It was agreed that account management is about understanding the different types and scale of businesses, and the different ways in which we can reach levy payers. It is about segmenting and recognition that a large integrated operator will need a different service from AHDB rather than an independent family farmer. The challenge is to improve the quality of service to the large integrator but not at the expense of independent farmers.

6.5 The proposed objective is to design an engagement package that fits all levy payers, with each package tailored to the needs of each segment. The Board were generally supportive and will feed suggestions in to modify and improve.

AGENDA ITEM 7 – Pork Reputational work

7.1 LB presented on Domestic Marketing Recommended Approach for 2020/21 and sought the Board's approval of the recommendation made by the marketing subgroup, made up of key industry stakeholders, which had met recently. The proposal, based on evidence, available data and in line with the existing budget, together with the PESTLE analysis supporting the proposal, had been distributed to the Board prior to the meeting.

7.2 RG reported on the Pulled Pork campaign results. Pork shoulder volumes rose 35% during the campaign period.

7.3 The subgroup's recommendation to the Board is to continue with the proposed activity with some suggested modifications.

7.4 The Board supported the proposed plan.

7.6 The Board suggested that a contingency plan was needed for if any loss of Chinese exports results in excessive volumes of pork in the home market. It was noted that there are reserves available for emergency action.

AGENDA ITEM 8 – Business update roundtable

8.1 MS thanked PH and his team for their work to sustain our access to the Chinese market.

8.2 PH commented on the current situation with China. The Chinese have requested video audits of processing plants for countries supplying China. There is a delay in the audits timescale (on Chinese request). We remain on hold, ready to deliver the audits on sites we proposed to audit but with the consideration that they might pick a site we didn't propose. The relationship is at a very low point, thanks to matters outside our control.

AGENDA ITEM 9 - AOB & Dates of future meetings

9.1 The next meeting dates are 3rd September (interim), 15th September and 17th November. The meeting on 3rd September should be held in diaries, but may be cancelled if not needed.

9.2 The David Black Award nominations are open until 31st August.

9.3 Nick Davies has stepped down from the Pork Sector Board.

9.4 William De Klein has been appointed as a new Pork Board member and will be joining the Board as of now

9.5 The board discussed recent threats to the industry's reputation.

9.6 AHDB is working closely with Zoe Davies from NPA regarding the potential for phasing out farrowing crates in favour of free farrowing systems. AHDB is building the evidence on the impact on finances, productivity and worker welfare.

9.7 The meeting closed at 12pm.