



Rural Scotland Credit Union - survey gets underway

In response to strong interest in the potential establishment of a new credit union for rural Scotland, SAOS, with partners Aberdeen University, and support from NFU Scotland and RHASS, has launched a survey to investigate the possibility of a new savings and loans mutual, and is asking rural residents and businesses throughout Scotland to join the survey and add their views.

SAOS Chief Executive, James Graham, says: "In light of the credit squeeze of recent years and changes to rural banking services, we want to answer the question: 'Could the people and businesses of rural Scotland better manage some of our financial resources ourselves?' If you live in rural Scotland, join our survey and add your views."

Credit unions are a form of savings and loans mutual, owned and governed by their members to serve their needs. They only transact business with members, have restricted borrowing powers, and cannot speculate with members' funds. Like banks, they are regulated by the Financial Conduct Authority and the Prudential Regulation Authority, and deposits are covered under the terms of the Government's Financial Services Compensation Scheme. James continues: "The kind of credit union we envisage would have a more economically varied membership than is typical, reflecting the diversity found in rural Scotland. Its aim would be to serve the entire rural community of Scotland, ensuring that members' money is used to support rural needs."

Preeti Karal, KTP Associate, is managing the survey, she maintains: "A credit union in Scotland would help to ensure that money remains in the rural economy and flows between generations and within local communities. It would serve its members better than national banks because its purpose, policies and decision making would lie with its members in rural Scotland. It's a form of self-help and community responsibility."

The survey is being carried out by a Knowledge Transfer Partnership (KTP) of the Scottish Agricultural Organisation Society (SAOS) and Aberdeen University, with funding provided by SAOS and a KTP grant from the UK's Technology Strategy Board and the Scottish Funding Council.

The survey takes place against the backdrop of The Scottish Government and the UK Government promoting increased diversity in the banking sector to counter high levels of market concentration. Entry requirements for establishing new banks have been reviewed, and the criteria governing credit unions relaxed to enable them to grow and broaden their membership. It is these changes that create the opportunity to consider an alternative to the 'big banks'.

Everyone completing the survey will be entered into a prize draw. First prize is two nights at Crieff Hydro with dinner, bed and breakfast for two, and there are four runner up prizes of £100.

Take the survey at www.abdn.ac.uk/saos or follow the link from www.saos.coop

The website also has more information about savings and loans mutuals and the reasons for the project. If you can't fill it in online, ring 01466 792487 or email survey@saos.coop

The survey results will be available in November.



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Focus on Next
Generation

Save the date - Thursday 29 January 2015 - SAOS Annual Conference (at Crieff Hydro Hotel)

SAOS Office Holders

Following our AGM, SAOS council comprises:

SAOS Board Members:

Andrew Peddie, Chairman (Tayforth Machinery Ring)
 John Hutcheson, Vice Chairman (GrainCo Scotland)
 Gareth Baird, Scott Country Potatoes
 Mark Clark, Grampian Growers
 David Mitchell, East of Scotland Farmers
 Hugh Parker, First Milk
 Ray Jones, Senior Independent Director, Scotland Food & Drink – co-opted
 George Lawrie, Scottish Agronomy – co-opted from Council
 James Graham, Secretary and Chief Executive

Additional Council Members:

Michael Bayne, Borders Machinery Ring
 Stephen Cameron, Scottish Shellfish Marketing Group
 John Gordon, ANM Group
 Angus Macfadyen, Argyll Hill Lamb
 Richard McMinn, Tarff Valley
 David Pate, Ringlink Scotland
 Patrick Stephen, Scottish Pig Producers
 Ian Watson, Farm Stock Scotland
 Bob Yuill, SAOS Staff

Co-opted Council Members:

Richard Butterworth, Scotlean Pigs
 Jonathan Robinson, United Farmers

Co-opted External Council Members:

Uel Morton, Quality Meat Scotland
 Scott Walker, NFU Scotland
 James Withers, Scotland Food & Drink
 Penny Montgomerie, Scottish Association of Young Farmers Clubs

Chairman Calls for Ambition

Reporting to members at SAOS' May AGM, Andrew Peddie reflected that although farmers were still recovering from the unusually harsh winter of 2012/13, and whilst intensive debate continued about the next CAP package, nevertheless "like the bad weather, CAP will settle and minds will again concentrate on adapting and responding to the market to generate good returns." And concentration of minds will be required in responding to Scotland Food & Drink's new industry growth target of £16.5 billion turnover by 2016.



The Chairman's call to Scotland's agricultural co-ops was clear. "Be ambitious, plan, invest, innovate and co-operate. I believe that those are precisely the actions we are taking at SAOS to support our members, and in fulfilling our purpose and responsibilities to the farming, food and drink industry of Scotland. We have developed and launched an innovative new mutual, Scottish Farm Carbon. We are researching with Aberdeen University whether and how the farming community can make better use of its own money in a new co-op financial intermediary. We are working intensively in the pig, poultry, dairy and beef sectors to address specific challenges and opportunities. We have stepped up our work on co-op governance with the launch of the first comprehensive corporate governance code for agricultural co-operatives with our partner Co-operatives UK. Our partnerships to deliver genuine supply chain collaboration continue to deepen with Scotland Food & Drink, SRUC, Scottish Government and Scottish Enterprise, NFU Scotland, Quality Meat Scotland and many others."

The full SAOS Annual Report is available at www.saos.coop

Co-ops Connecting Farmers to Market and Leading Farm Productivity Improvement

Co-op members of SAOS agree that the role of co-operatives in the new agriculture paradigm of the 21st century is to take responsibility for connecting farmers with profitable markets, whether domestic or export, and driving innovation into farm productivity. This conclusion was drawn from consideration at the recent SAOS AGM of successful action already being implemented by supply and marketing co-ops across several sectors, and by rural business rings. The outcomes ultimately will be growth in Scottish agriculture through co-operation, with greater resilience and a smaller environmental impact per unit of output.

Bob Yuill, Deputy Chief Executive of SAOS, summarised the key factors which cumulatively amount to a 'paradigm shift' in agriculture: "Individually, the change drivers are significant. Cumulatively, they really amount to a paradigm shift that farming has to respond to. So, although the market opportunities are positive, we must adapt to some very demanding changes in order to benefit." Amongst the contributing factors that Bob listed were reducing support, commodity price volatility, climate change, more difficult access to finance and capital, competition and concentration in food manufacturing and retailing, rapid development of 'amazing' new technologies. Bob summarises: "Co-ops must work to reduce risk for farmers, provide confidence, and they must accept responsibility for adaptation and growth."

Innovations across Scotland's agricultural co-ops ranged through export development, product development and launches, processing investment, supply chain improvement, 'risk management' in marketing and input supplies, labour and next generation participation, membership strategies, financing and many others. Bob concluded "clearly our co-ops are responding effectively. The challenges for us are how to accelerate adaptation and innovation, and how to communicate to more farmers why they should participate."



SAOS Membership Proposition to Change - Pilot Given Go-Ahead

Three membership packages are to be trialled by SAOS over the next year as a potential replacement for the current membership package. Under the proposals, members will select from the following alternatives:

1. Governance Plus

- Incorporates some governance-related services into the annual membership fee
- SAOS and the member pre-schedule when governance services are delivered
- Access to all SAOS knowledge, development and promotion services
- Fixed annual membership fee

2. Development Plus

- Scheduled twice yearly meeting (or as agreed) to discuss member development issues
- Tailoring of SAOS development action to support member development

- Access to all SAOS knowledge, development and promotion services
- Membership fee related to throughput. Project services on commissioned basis

3. Group Membership

- Collective membership of SAOS by a group of co-ops in special circumstances
- Requests for Group Membership subject to SAOS Board approval
- Scheduled twice yearly meeting (or as agreed) to discuss group development issues
- Access to all SAOS knowledge, development and promotion services.

James Graham, Chief Executive, said at the AGM: "There have been huge improvements in governance of our member co-ops in recent years, enabled in no small way by the governance-related services that SAOS

delivers. With co-ops that choose Governance Plus membership, we will share responsibility for ensuring that aspects of governance that require regular action or review are scheduled in the Board's calendar and do actually take place, delivered by SAOS. Given the many competing demands for Board and management time in our co-ops, several have already welcomed the fact that SAOS will become a permanent and trusted governance partner. They acknowledge that effective governance is one of the essentials for co-op success."

More details are available from:

saos@saos.coop

Pilot testing of the new packages will take place through the year. If your co-op is interested in participating, contact:

james.graham@saos.coop

Co-operative Society Legislation Changes in 2014

A series of changes to legislation came into force in April that will impact on those registered under the Industrial and Provident Societies Acts. The changes are part of a continuing programme of reform which SAOS has been promoting and lobbying for with our partner Co-operatives UK on behalf of members for a number of years. We summarise the changes below but full details are available on the SAOS website.

1. Withdrawable Share Capital Individual Limit Increased to £100k from April 2014

The limit for withdrawable share capital is now £100,000 per individual member. HM Treasury has always had the power to increase the limit, yet prior to April 2014 they had not done so since 1994. SAOS argued that for some societies this limit was a barrier to growth and should be increased by an amount which allowed for real development opportunities for societies.

Societies can choose to limit their own share capital to a lower amount if they believe it is in the best interest of their own organisation. If a society's rules contain a provision that provides for a maximum shareholding limit, the new legislation will provide that the Board or Committee can increase the limit once within 18 months of the legislation coming into force.

2. Insolvency Rescue Procedures – Co-ops Able to Enter Administration

When a company faces financial difficulties it has a number of options to address those difficulties. HM Treasury has exercised powers under s255 of the Enterprise Act 2002 to extend these provisions to societies. Insolvent societies now have similar options, to go into administration or enter into a voluntary arrangement with their creditors.

3. Registrar has new 'Investigative Powers'

Previously, legislation was quite limited when it comes to the Registrar's powers to investigate when a society is deemed to be behaving in an improper or unlawful manner. These new provisions extend similar provisions that apply to companies. For example, the power to demand the society produces documents and provides information, to appoint inspectors to investigate a society's affairs and to apply for a warrant of entry to premises of a society.

4. Submitting Electronic Copies of Registration Documents

This measure provides an additional procedure to allow new societies to submit electronic copies of registration documents to the Registrar, at the Financial Conduct Authority, instead of hard copies by post as currently.

5. Co-operative and Community Benefit Societies Act 2014 Will Replace Previous Acts on 1st August 2014

Co-operatives UK and SAOS called for a consolidation of the IPS legislation, which spanned nearly 50 years and 17 different pieces of legislation into one Act. We did this to provide societies with clearer piece of legislation put into a logical, accessible, clear and modern form. The new Act has pulled together the following Acts and re-ordered them into appropriate groupings: the 1965, 1967, 1975, 1978 and 2002 Industrial and Provident Societies Acts; the Friendly and Industrial and Provident Societies Act 1968; the Co-operatives and Community Benefit Societies Act 2003; and the Co-operative and Community Benefit Societies and Credit Unions Act 2010, will be repealed and replaced with the new Act. The Co-operative and Community Benefit Societies Act 2014 is due to become law on 1st August 2014.

6. New Handbook of Co-operative and Community Benefit Society Law

In line with the new Act coming into force, Co-operatives UK will be updating and re-publishing the renowned legal reference book, Handbook of Industrial and Provident Society Law – to be renamed Handbook of Co-operative and Community Benefit Society Law.

For full details on all these changes, go to: www.saos.coop/co-operative-society-legislation-changes-in-2014

Chief Executive Describes Lessons for Co-ops from SAOS Development Action

In his annual statement to members, James Graham, Chief Executive of SAOS, reports on some of the key lessons drawn from development work in recent years. Not surprisingly, these align with the AGM discussions reported earlier.

- Innovation delivers income and security, but requires investment and concerted effort. Our team's contributions to the dairy, pigs, chicken and beef sector strategies have generated additional value and opportunities by doing things differently.
- Market prospects are strong, but target markets and products must be selected and developed thoroughly. There was plentiful evidence of this in 2013 from research, from business performances, and as demonstrated amongst our co-ops.
- Agricultural productivity and supply chain efficiency must improve. Productivity in some sectors is lagging and competitiveness has declined. Jim Booth reminded us following his autumn visit to the US mid-west that farmers there pursue 2% annual improvement. Farmstock Scotland pointed out that up to £10/lamb is potentially available by improving supply chain processes.
- Access to finance remains a constraint and a cost, and acutely so for some farmers, which can have a knock-on effect for innovation and co-operation. A mini-survey at the 2014 SAOS and NFUS conferences confirmed this and endorsed SAOS/Aberdeen University research into the feasibility of establishing a farm and rural Scotland financial intermediary.
- Uncertainty and risk sharpens focus on resilience. Unpredictable events and volatility have exposed some businesses, some supply chains, and some individuals as not being sufficiently resilient for the future. Our strategy work with member co-ops and a series of workshops we have held for farmers is changing thinking, as volatility looks set to be permanent.

The SAOS 2014 Annual Report is available as a pdf at www.saos.coop



Your Co-op can Benefit from a Knowledge Transfer Partnership

You may have noticed that SAOS' work to research the feasibility of a credit union for rural Scotland is part funded by a Knowledge Transfer Partnership Grant. If your co-op is looking to innovate, then you could also benefit from a KTP grant thanks to a special £2.3 million fund being made available from 19th June.

The Technology Strategy Board, along with the Department for Environment, Food and Rural Affairs (Defra), Invest Northern Ireland, the Scottish Funding Council and the Welsh Government, are to invest jointly up to £2.3m to establish Knowledge Transfer Partnerships (KTPs) to improve the competitiveness, resilience and responsiveness of the agri-food supply chain.

The aim of this initiative is to give businesses access to the UK knowledge base so that they can develop innovative solutions to global challenges facing the agri-food sector. The initiative is looking to support up to 25 KTPs through this competition.

Its scope spans primary production, including aquaculture, through to retail. This competition will provide new opportunities for open

innovation and knowledge exchange across supply chains and sectors. It will help companies to mitigate commercial risk and improve business performance – and to achieve growth as a result.

The Biotechnology and Biological Research Council (BBSRC), Food Standards Agency (FSA), Medical Research Council (MRC) and Natural Environment Research Council (NERC) will also consider co-funding KTPs on an individual basis.

A KTP involves a partnership between a business, an academic institution (or knowledge base partner) and a recently qualified person, known as the associate.

The KTP grant will fund part of the cost of running a project, with the level of that grant dependent upon the size of the company. The grant is paid through the academic partner. The fund opens for applications on 19 June 2014 and runs on a rolling basis for applications until 11 February 2015.

If you are interested, contact the dedicate support line on **0300 321 4357**

Next Generation Focus

At the SAOS Conference in January, one of our morning workshops considered how co-ops can reach next generation members and engage them in learning about, and participating in, their co-op, ensuring future continuity of membership. This 'Next Generation' theme was further developed by SAOS Project Managers, Emma Paterson Taylor and Fergus Younger at our recent Council meeting, when they gave a presentation outlining proposals for a new focus by SAOS.

The idea is to look at developing those already in membership or working in co-ops, but also to raise awareness more widely, in students and youngsters who have no immediate co-op connection.

Emma and Fergus are working with Anna Robertson and Stephen Young on the project, and are getting started on their action plan. Ideas so far include:

- Developing a survey for member co-ops on what they are currently doing with next generation, such as work experience placements, clear career progression, student visits/education,

their own next generation councils etc.

- Evaluation of the survey will assess the scale of the opportunity and gauge the possibilities for SAOS to deliver a co-ordination function linking co-ops with young people for work experience etc.
- Developing the concept for a SAOS/member co-op induction pack for members to give to their work placements.
- Developing transparent career progression best practice guidance for SAOS member co-ops
- Developing best practice guidance for next generation councils/boards in our member co-ops

It was clear from comments around the table at the Council meeting that several member co-ops are already addressing this need and we look forward to finding out more from them about what's working well and what we can develop and introduce in a wider capacity.

Please look out for the forthcoming questionnaire, we really value your input.

New logo reflects growing strength at East of Scotland Growers

East of Scotland Growers' AGM saw the launch of a striking new logo, reflecting the strong growth shown by the co-op in its financial report for the year. ESG's throughput rose from £6.6m to £11.1m in the past year. Turnover also rose, from £2.2m to £3m.

Chairman, Iain Brown, reported on how a cold, difficult spring had turned into a hot July which saw very large volumes of produce and meant that the members' previous investment in their top quality high humidity chills was of great benefit.

Research and development remains a major focus for ESG and broccoli trials have proven to be beneficial to many members, with some moving on with new varieties tested to semi-commercial production in 2014. Next year should see a boost to the sales of their 'Beneforte' variety when the introduction of full health benefit information on pack will commence and should help to realise the long term aim of the co-op: to capture greater market share.



Scottish Shellfish Marketing Group is a winner

A mussel and smoked salmon chowder produced by SSMG scooped a prestigious Gold Grocer Own Label Food & Drink Award at The Grocer Own Label Food & Drink Awards 2014 in London last month.

The Lidl Deluxe Mussel & Smoked Salmon Chowder, which features mussels and smoked salmon in a creamy white sauce won Gold in the Ambient and Chilled Soups Category. The judges look at taste, content, appearance, packaging, labelling and value for money when selecting the winners, as well the innovation incorporated into the development of the product. They commented that the chowder had

'excellent flavour and texture'.

Another SSMG ready meal, Lidl Deluxe Scottish Rope Grown Mussels in Chorizo Sauce was short-listed in the Fish Ready Meals Category.

Stephen Cameron, managing director of SSMG, said: "We are thrilled to have won such an important award, which provides direct recognition of the innovation that is such an integral part of our business. We believe there is considerable potential to further develop the shellfish category with exciting new products."

Strong Performance from Tarff Valley

Chairman, Robin Austin, reported on another strong performance in Tarff Valley's trading results for 2013. He noted that their £6m rise in turnover was derived mainly from increased prices in the first half of the year and a very late spring which dramatically increased the quantities of feed required.

Robin reflected on how speculation by market traders exaggerates price movements and likened this to a 'one-way bet'. He used the analogy that if the steel prices increases too much you can choose not to build a shed, but livestock farmers have no option but to feed their cattle despite price rises.

Turnover rose by 10% to £64m in the financial year and the pre-tax profit for the year increased to £1.2m, allowing Tarff to pay a trading bonus of 1%, interest on members' share capital of 3.5% and 10% of profits bonus to their staff.

Tarff's development plans for a depot in Wooler, Northumberland, were allowed to lapse due to uncertainties regarding pollution at the former garage site.

First Milk's rising star

Quark is the rising star in the dairy aisles of supermarkets up and down the country and First Milk is leading the way with its Lake District Dairy Co brand. Since its launch a year ago, Lake District quark has grabbed 33% of the UK quark market and has accounted for 94% of all the growth in this category.

Consumers are attracted by its genuine 'newness' and its nutritional credentials – it is naturally fat free, high in protein and low in salt and sugars making it a healthy alternative ingredient for a variety of dishes. And under the traffic light system of food labelling, original quark confidently measures 'all green' on all Guideline Daily Amounts.

This new category is part of First Milk's strategy to drive better returns for its members by delivering great tasting, nutritious food for consumers. First Milk launched more new foods than any other UK dairy company in 2013 - an achievement it is keen to repeat again in 2014 which has already seen the launch of

its range of Team Sky foods, which include new and innovative breakfast options of high protein smoothies and porridge.

David Young, First Milk's Marketing Director commented: "Developing and delivering innovative new foods is a key part of our strategy. We are proud to be British and farmer owned and want to ensure that our members have direct access to the added value and benefit from the growing consumer trend for lifestyle nutrition, which includes foods that are higher in protein and naturally fat free."

First Milk's aim is to grow the category to £50m – the size of the British cottage cheese sector. "It is small but there is so much opportunity to grow." David added. "It is absolutely in line with our strategy about moving away from selling commodities and into real added-value dairy products, and this is one example of that strategy coming into action."

Case IH deal continues to benefit ring members

The innovative agreement between Scotland's Machinery Rings and Case IH continues to pay off, with more than £100,000 being paid back to ring members. "This scheme continues to prove just one of the benefits of belonging to a Scottish Machinery Ring," said Graham Bruce, on behalf of the Scottish Machinery Ring Association, who negotiated the original deal.

The overall amount of £101,000 was paid to individual farmers on top of their own competitive trade-ins in the past year.

Excellence celebrated at SF&D Awards

Seventeen of Scotland's leading food and drink businesses are celebrating their win at the Scotland Food & Drink Excellence Awards.

With 22 award categories reflecting excellence across Scottish food and drink, the Scotland Food & Drink Excellence Awards showcased a broad spectrum of food and drink companies from across the country.

The size of the event has almost doubled over the last two years and attracted an audience of 700 to the Edinburgh International Conference Centre, where a meal showcasing the best of Scotland's larder was served. The Scottish television presenter, Kaye Adams, hosted the event.

In the course of their assessment of the entries, the judges tasted 115 food and drink entries and examined submissions from 102 businesses across Scotland.

Chief Executive of Scotland Food & Drink, James Withers, said: "We are thrilled to celebrate the standout successes of the Scottish food and drink industry with a record number of attendees at this year's Scotland Food & Drink Excellence Awards. I would encourage all finalists and winners to make the most of this recognition and to shout about their strengths. The awards take place during a massive year for Scotland and as the nation enjoys the limelight we will reinforce Scotland's justified reputation as a Land of Food and Drink."

Scotland's Cabinet Secretary for Food and Drink Richard Lochhead said: "These awards celebrate the very best of Scottish food and drink, which is world renowned for its quality and provenance. Over the past few years our industry has gone from strength to strength, breaking all of its sales and export targets. I am delighted that this success is being recognised here tonight and would like to congratulate all of the winners."

SAOS once again sponsored the award for "Success Through Partnership" which was won by FAO 27. Based in the Black Isle and France, FAO27 operates as the sales export department for a number of local, small-scale seafood processors and fishing boats and sells whitefish, shellfish and farmed salmon from the North of Scotland to retailers and wholesalers across Europe, as well as large fishmongers and independent stores. The produce is all exported to markets in France, Italy, Belgium, Portugal and Luxembourg.

Rona Sutherland of SAOS, who presented the award, commented: "The judges were very impressed with the way that FAO27 worked with its client company, evidencing strong, strategic, supply chain partnership and decision-making throughout the chain from fisherman to market. FAO27 employed a very market-driven and responsive approach, sharing this with the processors and fishermen, enabling them to innovate and quickly develop new products. This has resulted in an expansion of the processor's product range into new categories, impressive growth in its export sales and improved prices for its fishermen suppliers."



Representatives from all the seventeen award winning businesses celebrate their success.



Host, Kaye Adams (far left) and Rona Sutherland of SAOS (far right) congratulate representatives from FAO27.

Collaboration Key to Scotland Food & Drink Export Strategy

While whisky has become a global trailblazer, the focus for other Scottish food and drink products has so far been the home market, with 85% of these sold to customers in the rest of the UK. Scotland Food & Drink's new export strategy is built on the fact that we can't rely on the home market alone for growth. Their plan is to marshal all the national export expertise attached to the group and set sights on more distant horizons.

When SF&D asked industry experts: "How do we generate a further £2bn in exports by 2017?" The answer was simple: "Unprecedented collaboration and pooling of resources." This means specialist support for the whole industry on a scale never experienced before. The key will be putting feet on the ground. Using the combined market and sector expertise affiliated to SF&D, a global team of food and drink experts will be created, operating in priority export markets.

Their brief will be to open up new opportunities for ambitious Scottish exporters, they'll knock on doors and build contacts with importers and buyers such as hotels, restaurants and supermarkets.

Scotland Food & Drink is a unique partnership with impressive resources to call on: Scottish Development International (SDI), the trade and inward investment body, has over 240 staff based in Scotland and in 27 offices around the world – an incredible bridgehead into a huge range of local markets. And many trade bodies which partner SF&D also have a tremendous fund of market knowledge and contacts.

In addition to market intelligence and access, there will be a tailored programmes for individual markets – for example, raising awareness of Scotland's premium seafood and salmon with leading chefs in Asia.

An initial 15 markets have been identified where Scotland's food and drink businesses have the biggest opportunities. Of these, seven are deemed to have the best opportunity either to strengthen existing presence or to gain new footholds, these are: North America (USA & Canada); France; Germany; Middle East (UAE, Saudi Arabia & Bahrain); Mainland China and Hong Kong; Japan; SE Asia (Singapore, Thailand).

In the second tier, where there is already a presence, the focus will be on building customer relationships, and creating a programme of tailored activities for each market. They are: Spain; Italy Benelux (predominantly Belgium and Netherlands); Russia; Nordics (Norway, Denmark Sweden & Finland) and South Korea.

With everyone working together and with a shared set of market priorities, Scotland Food & Drink believes the time is right to make the most of these combined resources, expertise and contacts to deliver even more for Scotland's food and drink industry.

The full export strategy document can be downloaded at: www.scotlandfoodanddrink.org/industry/strategy

Food projects gain Community Food Fund backing

The latest round of Community Food Fund grants, announced in April, saw thirteen local food and drink initiatives being awarded a total of £75,408. Part of the Think Local Project, the CFF supports projects and events around Scotland that encourage people to appreciate and access local produce.

The projects to receive funding have come from all over the country and range from small-scale, localised projects to larger, national initiatives. Cabinet Secretary, Richard Lochhead, said: "From excellent soft fruits and seasonal vegetables, to the finest whiskies and seafood, Scotland is fast becoming one of the world's leading food nations. And it is the work going on in our communities which is the basis for this deserved reputation. We should all be able to enjoy the produce that is available on our own doorstep and take pride in the products our towns and villages are home to. I'm glad to see communities continuing to access the Community Food Fund to satisfy the increasing appetite for local produce."



Douglas Watson, who represents SAOS on the Think Local project added: "The appreciation of the role of local food in our communities continues to grow and there's been real enthusiasm for the Community Food Fund as a way to encourage groups to look at other ways of engaging local communities with top quality produce. It's great to see such a wide range of projects getting support in this way."

The full list of successful grant applicants is:

Celebration and Promotion of Perthshire Produce - £5,835

Community Markets in Moray - £7,000

Orkney Food and Drink- Taste of Orkney Food Festival - £7,664

Wigtown & Bladnoch Food Festival - £1,500

You Are What You Eat - £5,500

Craigtoun Country Fair - £4,700

Eat, Drink, Discover Scotland - £11,557

A Taste of Kirkcudbright - £4,860

Lanarkshire Farmers' Market Ltd- Recipe for Success - £8,300

Promoting Crofting produce across three Islands - £1,300

The Pipers' Market - £9,600

Community Producers' Markets - Craignure, Isle of Mull - £2,592

Our Market - £5,000

Find out more about Think Local at www.thinklocalscotland.co.uk or for information on the CFF grants, go to:

www.communityfoodfund.co.uk

Innovative food and drink project delivering healthy growth

The Food & Health Innovation Service (FHIS), established in 2011, has so far helped over 250 companies to invest in the research and development of new products for the lucrative health, nutrition and wellbeing market.

The project is funded by Scottish Enterprise and Highlands and Islands Enterprise and managed by a consortium led by Campden BRI, with partners SAOS, University of Aberdeen, Rowett Institute of Nutrition and Health, Food Processing Faraday Partnership, and Interface.

Project leader, Philip Richardson commented: "The global market for health, nutrition and wellness products is growing strongly, and a thriving Scottish food and drink sector, with a fantastic source of intrinsically healthy raw materials on the doorstep, is ideally placed to capitalise upon this opportunity. Developing healthy food and drink products can be a challenge for companies of all sizes, particularly when it comes to deploying the correct blend of science, technology and marketing to maximise commercial success. FHIS helps companies navigate the landscape, implement solutions that are appropriate to their business, and maximise the chances of success."

He added: "We have supported a varied mix of companies over the past three years, from entrepreneurial new-starts and SMEs, through to some of Scotland's largest and most well-known food manufacturers, all of whom have benefited from the bespoke service that FHIS can offer."

Karsten Karcher, CEO of food company, Pulsetta, explains: "The support we received from FHIS and partners has been hugely helpful in the ongoing development of Pulsetta. The ability of FHIS to provide access to the right resources at the right time in a co-ordinated manner makes it an invaluable addition to the business support landscape in Scotland. I would encourage any company engaged in the development of healthy food and drink products to get in touch to see how FHIS can help."

George Noble of SAOS, who works on the project added: "We're seeing a considerable number of companies looking for advice and support on how to reformulate their products to reduce fat, sugar and salt. There has also been a huge amount of interest in 'free from' food and drink products, as well as from companies seeking to exploit the intrinsically healthy characteristics of products they offer."

For more information, go to www.foodhealthinnovation.com

Successful Land-based Intern Scheme Enters Second Year

The innovative, land-based intern project which aims to provide practical farm work experience to school leavers kicks-off its second year this week. Following the successful launch last year, the scheme has attracted widespread support. This year the number of funded places has increased from six to 15. Competition too has grown, with 48 applicants vying for the 15 places. Previously the scheme was restricted to Aberdeenshire but has now extended to include Morayshire and Tayside.

The 15 interns began their two week residential training in early June and go on to a six month work placement with a host mentor farm. The intensive training period helps prepare individuals for their placement and, being residential, allows individuals to get to know each other and cement friendships.

The training includes First Aid, Health & Safety, Risk Assessment, Manual Handling, plus Basic Tractor Driving. Further industry knowledge is gained by visits to local agricultural businesses including Origin Fertilisers, Stirfresh, Grampian Growers, Ritchie Implements Ltd, Angus Cereals and a local member's farm. The training period concludes with a two day trip to the Highland Show.

Applicants are predominantly school leavers (16/17 years old), with a selection bias towards those with a genuine interest in farming and the wider rural sector but who are not necessarily from farming families. One of the aims is to attract new blood to the industry. All applicants have been through a two stage interview process before finally meeting their mentor for the final selection.

Graham Bruce, Managing Director of Ringlink (Scotland), explained: "For many years we have advocated the benefits of an entirely practical, work-based programme and the internship programme provides this route. This is a major step in our long term aspiration to deliver a recognised method of training and development designed to encourage young people into the agricultural and associated industry".

Those helping to fund the scheme this year include Aberdeenshire Council, the Mains of Loirston Charitable Trust, NFUS Centenary Fund, AgriScot, HGCA and the Royal Northern Agricultural Society (RNAS). Other supporters such as GPH Builder Merchants have kindly agreed to provide all interns with protective clothing.

A key component of the scheme is recruiting suitable farmer mentors. Mentoring is not for everyone, it requires a specialist set of skills, plus the necessary time. An encouraging response saw 39 farmers and other businesses being interested in becoming a mentor and 25 suitable mentors were identified from this. This year all mentors received training to help prepare them for the role. The mentors are largely drawn from the farming industry, but also from rural estates and the quarry sector.

Andrew Moir, Chairman of Ringlink (Scotland) Ltd said "It is really encouraging after such a highly successful pilot phase in the first year that Phase 2 has started so positively and this now provides us with an excellent foundation to develop the scheme into a nationally recognised programme. I am also looking forward to meeting with the Interns and the Mentors in the near future."



A Credit Union for Rural Scotland?

Many people have noticed a change in banking services in rural areas in recent years, causing real difficulties for some.

There is an alternative.

Rural families, farmers and other rural businesses, could manage some of their own financial needs and services in a savings and loans mutual such as a credit union, just like they do in Canada and other countries.

Over the summer, we are carrying out an important survey to help us decide whether we should plan a new saving and loans credit union for rural Scotland. If you live and/or work in rural Scotland we want your views.

Take the survey now and you could win two nights' dinner, bed and breakfast at Crieff Hydro for two people in our prize draw, we also have four prizes of £100 available!*

To take the survey and for more information about credit unions and the background for this survey go to:

www.abdn.ac.uk/saos or www.saos.coop

If you cannot fill in the survey online, e-mail: survey@saos.coop or phone: 01466 792487

*Terms and conditions apply.

