



THE NEWSLETTER OF THE
 SHETLAND LIVESTOCK
 MARKETING GROUP LTD
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TRADE WINDS



A taste of things to come

It has been three months since the launch of the 'Taste Shetland' brand and I have been very pleased with the reaction so far. It is great to have some structure and substance to the lamb marketing campaign. We now have much-needed materials to give to prospective and current customers.

Most of you will have read the reports in the paper of the launch. For the uninitiated we have three brands under the 'Taste Shetland' banner: Island lamb, Hill lamb and Seaweed lamb.

Island lamb is the cross-bred lamb and we are marketing this as a product available year round. Hill lamb is our 'classic' native Shetland lamb off the hill and we are marketing it purely as a seasonal product. Seaweed lamb is also derived from native Shetland lambs and again, it is a seasonal product with a particular emphasis on exclusive availability.

Some have praised the campaign and some have criticised it. Regardless, it is vitally important to differentiate our product. 'Shetland lamb' will not do it on its own. Competition in the meat trade is now absolutely ferocious. There are lots of companies out there undertaking similar campaigns and we need to ensure we stand out in the marketplace.

We have already had a degree of success - there

has been plenty of coverage in the media following the brand launch with 'Masterchefs' magazine, BBC Good Food magazine, Farmers Weekly, Scotland on Sunday, The Press & Journal, Delicious magazine and Scottish Farmer all carrying features. We have also had some good testimonials from chefs and prominent restaurateurs.



Overall a good start but I must stress that the work is only beginning. So far we have encountered a number of problems; not least transport and dislodging well-established supply chains that are currently in place with potential customers. At the end of 2005, lamb throughput will be up considerably at Laxfirth and many producers have benefited from the good prices paid for lambs deadweight. However, I am equally aware that many of you will be disappointed at not getting more lambs away in this respect. We operate a round-robin system of lamb supply and try to get around as many producers as possible.

Real success will not come overnight and we all must be patient while we work through the marketing issues and push our plans forward.

Karl Simpson

Vice chairman's view

Another sales season has passed and contrary to some expectations, most animals have had a good trade. Rumours circulating prior to the sales suggested prices would be substantially back from last year but in fact the top draw of lambs sold much better than expected. This illustrates the value of having an auction system where buyers compete to determine the true value of the animals offered for sale. One of the biggest problems SLMG face regarding sales is to source enough lambs to persuade farmers from the mainland to attend. The benefit of having large numbers was well illustrated at the breeding/cast ewes sales where buyers from south led to increased prices and complete clearance of numbers.

Another important benefit of the local mart is animal health and welfare. More and more farmers are understanding the benefits of purchasing healthy stock and by using the local mart means all lambs are basically the same health status and go straight from Shetland onto their farm without mixing with other sheep. Animal welfare also benefits with lambs going straight to farms rather than spending an extra day in marts after 12 hours on a boat. The Board of SLMG will analyse the sales season and study what changes can be implemented to improve the services to its customers.

With declining sheep numbers we must do all we can to improve the financial returns to the agricultural industry in Shetland. One way in which Shetland's crofters and farmers can help is become members of SLMG and commit at least some of their stock for sale at the local mart.

Now the year is drawing to a close, I would like to wish you all a Merry Christmas and a Happy New Year with the hope that 2006 brings good fortune and better weather.

Jim Budge

IN BRIEF

FARMERS FORUM

We have held a number of meetings this year where we have introduced speakers to Shetland farmers on a wide variety of topics. If there is any topic you would like us to cover, please give us a call.

WELCOME LAURINE

We are delighted to announce the appointment of Lauraine Manson of Westerskeld as the new Laxfirth Abattoir Delivery & Operations Person. Lauraine started on Monday 28th November. I am sure you will join us in welcoming Lauraine to her new role.

Your best features

A key point of difference for Shetland producers now and increasingly in the future, will be provenance. Our customers are looking for information on where their product has come from. I have contacted some of you already to get stories of your locations for this purpose. The information I am looking for is things like the meaning of the place name, geographical features, archaeological features - basically anything unique about your croft. If you have a spare moment during the winter and are thinking of finishing lambs, why not jot down the most prominent features of your immediate area and let Karl know at the office.

Lamb awareness

Most people remember the rewards of QMS's Scotch Beef campaigns. Farmers in Shetland with QMS assurance have gleaned a premium for being assured in the beef chain, it is fair to say that the same cannot be said of the lamb chain.

Hopefully this is about to change with the launch of new promotional drive. Marketing Head, Andrew Ovens said "we aim to remind consumers of what it is that they are missing and take advantage of the broad range of Scotch lamb that's currently on sale". If QMS can replicate the success of the beef brand then this points to a more encouraging future for lamb.

What's in store?

The marts will be available again this winter for storage space. The area is now wind and water proof (and bird proof!) after the roof was sealed off. Prices are as follows:

£2.50m², per month (members)

£3.00m², per month (non-members)

If any members wish to take advantage of this, then act soon - the space is rapidly filling up!

Competitive rates

The Homekill rate at Laxfirth is now £7.50 for non-members and £6.75 for members. These rates are still competitive to those on the mainland where a fee of over £11 for Homekill is not unusual. We also offer a full cutting service - making lambs freezer ready!

New book

'Ring of Memories - Fairs and Livestock Auctions of Scotland 1800-2004' by John A Thomson is a new, well researched, agricultural book. It includes a piece on Shetland and details on Aberdeen. Copies are available from the SLMG office at £12.95 each.

Christmas hours

The SLMG office will be closed for Christmas from Thursday 22nd Dec to Wednesday 4th Jan inclusive.

QUOTE OF THE QUARTER

'Never leave the bridge in a storm'
David Ogilvy

Seasonal progress

The season has been and gone in what seems like the blink of an eye. I am pleased to report that for the most part, the 2005 sales season has been very successful and many producers who chose to sell at the marts have been pleased with the prices in general.

Despite the amount of Scrapie sheep going out of Shetland, heads through the marts were only slightly down while numbers of cattle and ponies were up.

Prior to the season we all knew that trade was back on the mainland. Sheep prices were down by up to £7 a head and many people were afraid that it could be nothing short of a disastrous season here. Thankfully, it didn't materialise. Lamb prices were back but good lambs met with a firm demand throughout the season and actually consolidated their position towards the end.

In October, we managed to attract mainland buyers to the ring and trade was excellent as a result. In particular, ewes met with great demand but we also had a good trade for cattle with more buyers and, as a result, more competitive bidding at the ring.

This season has proved the absolute and vital importance of having a local marts in place.

We have managed to put hundreds of pounds of extra money back into the hand of producers for their stock. Members receive an additional commission rebate of 0.5% on their gross sales value - this only goes to show the benefits of joining SLMG.

The 2005 season bodes well for the future. Next year we plan more promotion of sales in the mainland media. In addition, Helen Rickard will be intensifying efforts to attract mainland buyers up once more. For these activities to take place, we must have your continued support as members for

2006/7.

Each year we identify areas where improvements can be made. It is clear that a re-assessment of the sales calendar will be necessary for 2006. We will only be able to attract buyers up if there is a critical mass of stock on show.

For this to happen we must concentrate stock at Lerwick and have consistent and significant sales at the marts. Buyers will not appear for smaller numbers of sheep at rural locations. Far better to group these lots at major sales in Lerwick. Transport may be an issue but regardless of where they are sold (aside from Unst), the sheep must be brought through Lerwick regardless. We will be releasing a draft version of the new 2006 sales season calendar very soon and would welcome any comments from you in this respect.

Additionally, I am acutely aware of some of the operational and procedural issues experienced by producers at the marts this season. One thing to bear in mind is the considerable pressure and stress that staff are under during the sales period. If I were to make an analogy I would say that the season for staff is the equivalent of a particularly difficult lambing season for farmers. With thousands of stock movements, many transfers, shipping issues, invoicing issues not to mention the fact that it is the abattoir's busy period. It can get to be a pretty challenging place to work.

Nonetheless, producers can rest assured that we are working hard this winter and are putting in place improved systems for next year. More news on this in the spring.

Karl Simpson

Agricultural-aid suspension

Shetland Islands Council have suspended their agricultural-aid programmes while they assess their compatibility with European State-aid legislation. Rest assured that SLMG are being proactive in prompting and assisting the Council in investigating what aid can be given to the industry here in Shetland within the European framework.

Health Scheme approval

Negotiations are going on at present to get approval of our Animal Health Scheme to be approved under the LMC so that membership fees may be part refunded and financial payment made for screening health tests. This would greatly help further development of our scheme. More news about this early in the New Year.

Let's rise above the rumours...

Once again I hear stories of 'corrupt' practices at Laxfirth abattoir with regard to producers not getting their own homekill lambs back. Once more, I totally refute these allegations. We have systems in place, vetted by external personnel, which ensure that homekill producers get their own lambs back. As I stated last year, if any producer wants to come into the abattoir to check for themselves then please feel free. The allegations basically accuse personnel of being corrupt and as such we take them very seriously. Therefore, I will personally check up on each allegation I hear. If you feel you have received the wrong lambs, I would urge you to contact me first as it may simply be a mistake - either on the producer's part or

our part. The thing I cannot understand is who would stand to benefit from lamb swapping? All our trade lambs are selected and graded beforehand so such an act would not be doing us any favours. We try to operate a community-run abattoir with a value-for-money service. Our homekill numbers have increased this year and we have actually had a lot of positive feedback on the service we provide. The problem is that we rarely hear these good stories being spoken about. I speak with many abattoirs in the Scottish isles and on the mainland and they tell me they all have the same problem with rumour and hearsay. Surely we in Shetland can rise above this?

Karl Simpson