

# Annual Review

## 2017/18



WORKING  
FOR OUR  
INDUSTRY



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All members of our quality assurance scheme receive our regular Livestock+ magazine by post.



[www.qmscotland.co.uk](http://www.qmscotland.co.uk)

ISSN No. 2051-2805  
Cover image: Kate Rowell, chair of Quality Meat Scotland, pictured on the family farm moving sheep.

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# Welcome – QMS Chair Kate Rowell



The Scottish red meat industry has an excellent story to tell, and in my first few months in post I have been making it a priority to meet many people working in different parts of our industry.

Having served as a board member of QMS for three years, I am very familiar with the challenges and opportunities we face and I'm fully confident that QMS as an organisation is in good shape to deliver an impressive workload for the industry.

My immediate priorities in my initial time in post will be to gain a better understanding of the areas of the industry I am less familiar with and work closely with the board and the QMS team of staff to drive forward our existing programme of activity and the planning process for 2019/2020.

The period this review focuses on saw Jim McLaren finish almost eight years in the role of chairman for QMS and I would like to extend my sincere thanks to Jim, on behalf of the industry, for the commitment he showed to the role.

I will be continuing the work which he and the QMS board and staff team have undertaken to raise the profile of the Scottish red meat industry and its renowned brands – Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork. I am a huge advocate of quality assurance and the role it has in underpinning the integrity of these brands.

Our industry faces many challenges and during my initial weeks in post I have been supporting QMS staff with handling media enquiries on a range of subjects, which broadly fall into three key challenge areas. These include animal welfare which, as a vet and a farmer, is an area I have a particularly keen interest in. Our industry's sustainability is another area which has attracted

considerable press interest and I intend to do all I can to support the important work which QMS has undertaken, under Jim's leadership, to communicate the Scottish red meat industry's very positive message on that front.

Of course, there are parts of the world where red meat production systems are not sustainable, but the great news is that in Scotland we enjoy an environmentally sustainable, high welfare production system. We utilise our ample supply of rain, with free-ranging livestock largely grazing at low stocking densities and eating grass and forage from land generally unsuitable for growing alternative food sources.

As well as a farmer and a vet, I am also a mum of four teenagers and the role of red meat in a healthy diet is something I am a keen advocate of, along with the importance of working to improve the public's understanding of farming and where their food comes from.

During the first weeks in my role I have met many people who expressed amazement that the small team at QMS can achieve so much! I would like to thank everyone on the staff and board of QMS for their continued passion, as well as their commitment to, and confidence in the future of Scotland's red meat industry.

We are almost certainly moving into uncharted waters in terms of the challenges and opportunities which Brexit will generate, and QMS is in a strong position to support the industry through the changes which lie ahead.

We have a very clear vision and strategy, and I am fully committed to supporting the board and staff to continue to deliver strongly for the industry.

*K.A. Rowell*

Kate Rowell – Chair, Quality Meat Scotland

## QMS strategy



QMS's overall strategy for 2018 to 2023 is to support the development of a sustainable, professional, resilient and profitable Scottish red meat industry which makes an important contribution to Scotland Food & Drink's target of £30 billion by 2030.

We will achieve the overall strategy by focusing on the following four strategic objectives:

- Building the Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork brands through quality assurance and effective marketing and communications with consumers. Over 70% of QMS's external levy spend is on consumer-facing activity.
- Supporting the sustainable growth of the industry through strategic engagement with key stakeholders, supply chain collaboration and cascade of key market information.
- Developing capability and capacity in the Scottish red meat industry through training and education initiatives, which attract, motivate and develop the workforce.
- Delivering professional services which support the continued growth of a resilient, professional Scottish red meat industry able to grasp opportunities and meet challenges.



From top:  
Charley Walker of Barnside, AgriScot Scottish Sheep Farm of the Year 2017/18.

Auctioneer Colin Slessor and farmer Jimmy Dick during a Scotch Lamb "cook off" at Taste of Grampian.

 We define the red meat industry as those parts which are involved in the Scottish assurance chain – animal feed suppliers; cattle, sheep and pig producers; livestock markets; hauliers; and primary producers.

## Levy income

There were no changes to the rates of Statutory Red Meat Levy collected in Scotland for the year from 1 April 2017.

**QMS** have remained unchanged  
LEVY RATES SINCE 2010



### Cattle

Paid by producer per head: £4.20  
Paid by slaughterer per head: £1.30  
**Total levy per head: £5.50**



### Pigs

Paid by producer per head: £1.02  
Paid by slaughterer per head: £0.24  
**Total levy per head: £1.26**



### Sheep

Paid by producer per head: £0.60  
Paid by slaughterer per head: £0.20  
**Total levy per head: £0.80**



### Calves

Paid by producer per head: £0.07  
Paid by slaughterer per head: £0.07  
**Total levy per head: £0.14**



# Chief Executive's update



Alan Clarke, who took over as QMS Chief Executive in summer 2017.

**The success story that is Scotland's red meat industry continues to generate more than £2 billion for the economy and support 50,000 jobs.**

This success continues despite the past year having brought some significant challenges – the weather, future political uncertainty and the fire at Brechin abattoir to name but a few. I am extremely proud of the sector's resilience and QMS's role within it.

Everyone involved with the industry is well aware of the continued change, challenges and opportunities on the horizon. It was therefore very timely that QMS turned its thoughts during the past year to planning for our future strategic development, to ensure we can go on serving the sector well for years to come. Our Board, Executive Team and everyone at QMS had the opportunity to contribute to our new strategy, which we launched in May.

QMS has a unique footprint in the breadth of our industry involvement and connections. We are comprised not only of our levy-paying farmers and primary processors but also of all the other key stakeholders in the red meat supply chain – feed suppliers; auction markets; hauliers; vets; secondary processors; butchers; retailers; food service providers; and chefs – who assist us in maximising our levy payers' return on investment. Of course, we also engage with consumers to market and advertise our brands and provide information. Our Health and Education team is regularly out on the road, delivering our healthy eating messages in schools as well as promoting red meat as a key protein in a healthy balanced diet for people of all ages. Our marketing campaigns continue to drive sales in the retail and food service markets whilst gaining brand recognition with consumers.

Our new strategy recognises that we are a cornerstone of the booming Scottish food and drink sector and sets out how we will strive to support the development of a sustainable, professional, resilient and profitable red meat industry, as it makes an

important contribution to Scotland Food & Drink's ambitious target of £30 billion turnover by 2030.

Our vision is to be recognised by our farmer and processor levy payers and key stakeholders as a business support organisation which delivers strongly for the Scottish red meat industry as it continues to build a global reputation for animal welfare, quality assurance and integrity.

A key part of our strategy involves building our brands of Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork. The recent merger of our Communications and Marketing departments will enable us to deliver ambitious plans in this area. Our Brands Integrity department provides the quality assurance which is so often taken for granted by consumers and is looking at how we can strengthen our brands in the eyes of the public.

We will also continue supporting sustainable growth within the sector and provide economic and market information to enhance the quality of decision making across our footprint.

Another QMS priority is to develop capability and capacity through the work we do with thousands of farmers across Scotland in our Monitor Farms, our Grazing Groups and our other Industry Development activities.

We will continue to offer a wide range of support services to the industry including planning for work to be funded from the £2M Ring Fenced Fund which was established by AHDB to provide support for activities that benefit the red meat industry in England, Scotland and Wales. This year we budgeted a deficit to aim to return value to our levy payers and 72% of our levy was spent on consumer-facing activities, details of which you can read about within this review. Through these activities we will continue to promote and protect our high-quality brands, of which the industry is rightly very proud.

**Alan Clarke**  
Chief Executive, Quality Meat Scotland

# A word from Scotland Food & Drink



James Withers  
Chief Executive  
Scotland Food & Drink.

**There are many reasons the food and drink sector in Scotland has gained such national and international recognition in recent years.**

The collaboration between industry and government has been critical, as has the

development of a national identity for our food and drink. However, one of the most important drivers for change has been the coming together of the Scotland Food & Drink Partnership. Quality Meat Scotland has been central to that journey.

For the last ten years, all the major sectors of our farming, fishing, food and drink sector have worked collectively to drive the industry forward. We have now jointly produced 'Ambition 2030' – our unified strategy to double the size of the industry to £30 billion by 2030 and make our sector a world leader in responsible, profitable growth.

Our world-class produce, talented people and rich landscape and heritage mean we have always had the ingredients for success. But collaboration now allows us to unlock our full potential.

The work of Quality Meat Scotland is central to realising our ambition. The QMS corporate plan is clearly focused on securing a sustainable red meat industry – one which makes a major contribution to our collective 2030 vision.

There has been growth in the sales of Scottish produce in markets at home and abroad, and a transformational change in how industry and government now work together. Yet, there is much work still to do. Our livestock farmers need to feel a greater part of this success story, with increases in profitability – and therefore confidence – crucial to secure. We must work even harder to make sure the supply chain works in partnership to ensure the value of the Scotch – and the Scottish food and drink – brand in the eyes of consumers is shared equitably. Collaborative supply chains must be the norm, not the exception and we need a renewed ethos of co-operation amongst producers. Key to success will be finding new ways of working that build on the achievements of recent years by QMS, Scotland Food & Drink and bodies across the public and private sector.

There will be new challenges ahead too. As we chart a path through Brexit and enter a world where technology and issues of food authenticity are changing rapidly, Scotland is in a great place to thrive. We have the pride of producers, world-class products and a country where farming, food and drink matter. We now have a collective dedication to translate those ingredients into profitable growth and, by working even more closely together, there is every reason we can make Scotland the best place in the world to run a food or drink business.

**James Withers**  
Chief Executive  
Scotland Food & Drink  
@scotfoodjames



The Surf n Turf initiative delivered by Quality Meat Scotland and Seafood Scotland is a great example of innovation and collaboration in the Scottish food industry.





# Levy – external spend



QMS had a strong presence at Anuga, one of the world’s largest food trade fairs.



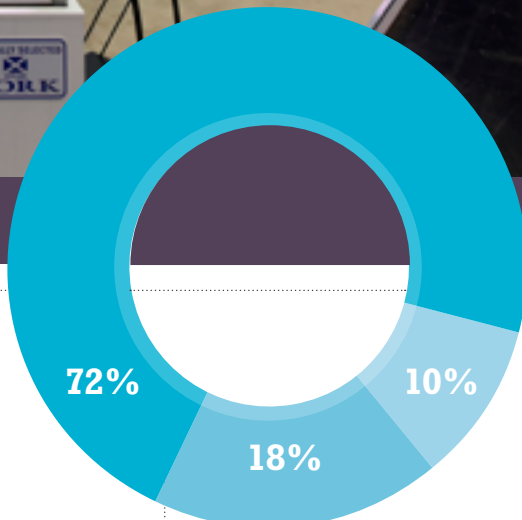
**72%**  
Customer and consumer-facing education and marketing



**18%**  
Industry Development



**10%**  
Other



# Key activities

Key QMS activities include:

- **Market Development** – promoting the red meat industry’s valued brands: Scotch Beef PGI; Scotch Lamb PGI; and Specially Selected Pork
- **Industry Development** – targeted activities to help improve the efficiency and profitability of farmers, and of others in the red meat supply chain
- **Health & Education** – engaging different age groups in why a healthy diet is important and the important role red meat can play in achieving it
- **Communications** – engaging key audiences in the importance and value of the red meat industry through exciting public relations campaigns
- **Quality Assurance** – underpinning our brand and ensuring consumer confidence through a range of schemes across the whole red meat chain
- **Economics Services** – ensuring Scottish red meat businesses benefit from the latest statistics and analysis



Top: QMS works with the Royal Highland Education Trust (RHET) to cook with 100s of young people at the Royal Highland Show.  
Bottom: Scotland’s national chef Gary Maclean helps to support QMS activities.

**MONITOR FARMS**  
aim to improve the PROFITABILITY, PRODUCTIVITY AND SUSTAINABILITY of producers through practical demonstrations, the sharing of best practice and the discussion of up-to-date issues

The Eccles family of the Lothians Monitor Farm.





# QMS Board and staff



Kate Rowell,  
Chair, QMS.

## BOARD MEMBERS

- Kate Rowell** Chair
- Ronnie Eunson** (appointed 2013)
- Julie Fitzpatrick** (appointed April 2014)
- Jock Gibson** (appointed April 2015)
- Scott Henderson** (appointed April 2015)
- Sarah Mackie** (appointed April 2014)
- George Milne** (appointed April 2014)
- John Scott** (reappointed April 2015)
- Philip Sleigh** (appointed April 2014)
- Louise Welsh** (appointed April 2013)
- Anne Irvine** (appointed October 2018)
- Andy McGowan** (appointed October 2018)

## QMS – STAFF

- Alan Clarke**, Chief Executive
- Debbie Phillips**, Head of Corporate Services
- Kirsty McCormack**, Finance Assistant
- Ashley Little**, Office Assistant
- Stephen Straiton**, Project Officer
- Carol McLaren**, Director of Marketing and Communications
- Ciara Etherson**, PR and Marketing Executive
- Claire Higgs**, Communications and Events Manager
- Graeme Sharp**, Marketing Executive
- Jennifer Robertson**, Health and Education Manager
- Maggie Bennett**, Communications Specialist
- Kirsty Fox**, Marketing Manager
- Douglas Bell**, Director of Industry Development
- Allan Ward**, Pig Specialist
- Emily Grant**, Knowledge Transfer Specialist
- Heather McCalman**, Knowledge Transfer Specialist
- Sarah Millar**, Project Manager
- Stuart Ashworth**, Director of Economics Services
- Iain Macdonald**, Senior Economics Analyst
- Suzanne Woodman**, Director of Brand Integrity
- Jackie Burgess**, Brands Integrity Advisor
- Katie Cumming**, Project Officer
- Tom Gibson**, Head of Market Development
- Emily Symonds**, Project Officer

# Marketing

Promoting the industry’s brands is one of the key activities which QMS undertakes, and among the most visible of these activities are our consumer-facing marketing and public relations campaigns.

Key stakeholders are involved in the planning of the marketing and PR campaigns behind the brands, and among the ways this is achieved are the respective marketing strategy groups, which help to support and inform our decision making.

There is also a Scotch Butchers Club Think Tank group which serves a similar purpose to ensure our campaigns are as effective as possible and deliver value for money for our levy payers.

Investing in consumer research is another important area of activity and we carefully evaluate our campaigns’ success using Kantar Worldpanel statistics and Institute of Grocery Development (IGD) research, as well as using consumer focus groups to gauge the buying and eating habits of our target customers.

Getting products on to the shelves is vital to the growth of the brands and building successful relationships is an essential aspect of that. QMS works hard to ensure that is achieved, from engaging with the biggest multiple retailers to local butchers throughout the country.

QMS has also helped the Scottish red meat industry explore potential new markets for the brands through export activities and a presence at international trade shows.

Digital advertising and social media continue to be key activity areas as people increasingly search for recipe inspiration online. Our digital adverts target shoppers who are interested in food, recipes and the provenance of their food.

Our [www.scotchkitchen.com](http://www.scotchkitchen.com) website continues to attract large numbers of visitors and over the past year more than 40,000 people visited the site each month.



47,000  
PEOPLE  
follow the  
Scotch Kitchen  
on Facebook



Scotch Lamb koftas served as a healthy lunch during the STV cycling challenge.

TV weather presenter Judith Ralston supported our Scotch Beef Sizzle initiative in 2017.





# Marketing (continued)

## There's Beef, Then There's Scotch Beef

With a focus on Greater London, the home counties and Scotland in 2018, the eye-catching 'There's Beef, Then There's Scotch Beef' campaign successfully engaged key consumers to purchase more Scotch Beef, as well as driving awareness of what the Scotch Beef PGI logo means. The campaign ran for eight weeks over March and April, allowing a focus on the Mother's Day and Easter celebrations.

- The campaign featured on 450 poster sites across central London and the home counties, and was seen by over two million consumers.
- Advertisements were placed in magazines and newspapers such as Good Housekeeping, The Observer Magazine, The Sunday Times and The Telegraph.
- Digital advertising delivered over three million impressions.
- The Scotch Kitchen social media pages received an uplift of 1.7m impressions.
- Our radio campaign on Classic FM was listened to by three million of their listeners.

## Scotch Lamb campaign

We have continued to work to position Scotch Lamb PGI as a quick, easy and versatile option for busy households who want to cook high-quality food that is quick to prepare, low fuss and delicious.

The Wham Bam Lamb campaign ran in Scotland for five years. The campaign ran from August to October 2017 and included radio adverts during the evening

rush hour, delicious recipe ideas on social media and sampling activities in selected multiple retailers.

## Do More with Pork

The Do More with Pork marketing campaign in 2017 aimed to showcase the versatility, affordability and quality of Specially Selected Pork and ultimately to get more consumers to purchase pork. The second year of the Do More campaign ran for six weeks in June and July of 2017.

Highlights of the campaign included: the headline sponsorship of Taste of Grampian 2017; 60,000 recipe leaflets distributed; 1.6m Facebook impressions and 24,000 on Twitter; over five million impressions across our digital advertising, and a radio advert heard over 12 million times during a four-week radio campaign.

The campaign, which included in-store sampling, reached 3.5 million Scottish adults over a six week period.

## The Scotch Beef Club

The Scotch Beef Club has reached chefs across Great Britain. Its members are committed to serving Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork and understand what the brands stand for.

Our Scotch Beef Club auditor visited club members through the year and, working in collaboration with the Federation of Chefs Scotland, we have been able to offer technical workshops to members too.

QMS also supported the Scottish team at the Culinary Olympics and visited key catering colleges to ensure the new generation of chefs understand how beef, lamb and pork are produced in Scotland, thereby encouraging chefs to choose Scottish products.

Left: A Meat for Beer collaboration with Scotland Food & Drink and The Brewers Association of Scotland worked well.

Right: QMS Chief Executive Alan Clarke heard about Morrisons' commitment to serving Scotch Lamb throughout the year during a visit to the Edinburgh Gyle store.



During the period under review, over 12 videos were produced by QMS specifically to reach leading chefs' social media.

## Scotch Butchers Club

The Scotch Butchers Club run by QMS has around 250 committed members across the UK, who are proud to stock Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork.

During 2017/18 over 180,000 recipe cards and booklets were distributed to members in support of the three brands. Four bespoke campaigns focused on steaks, summer eating, comfort food and roasts.

In addition, the club has supported industry events such as the World Scotch Pie Championship, the British Pie awards as well as the Q Guild Smithfield and NFMFT Premier Young Butcher awards. The Club also ran its own Scotch Lamb Butcher of the Year award, which was won by John Lawson Butchers in West Lothian.

## Exports

The 2017/18 year was the last year of our Scotch Beef and Scotch Lamb campaigns co-funded by the European Union.

These campaigns focused on the key markets of Belgium, Denmark, Germany, Sweden and The Netherlands, and included activities with the media and in-store samplings. This was supported by online activity and a presence on social media, as well as activities with key local food bloggers.

In 2017, QMS had a strong presence in international trade shows including Anuga in Cologne. Every year this type of exhibition presents a strong platform to drive international business, and the main Scottish processors were present to seek out business and cement customer relationships.

In collaboration with Scotland Food & Drink, QMS supported the red meat industry to explore potential new markets outwith Britain and the European Union. The focus during the year was on two specific markets – Canada and Hong Kong – which have keen potential demand for our products on a deliverable scale.



*Specially Selected Pork  
radio adverts were  
heard more than  
12 million times  
during a four  
week campaign*

**During 2017/18  
over 180,000  
RECIPE CARDS  
AND BOOKLETS  
were distributed  
to members by  
The Scotch  
Butchers  
Club**



**QMS's  
SCOTCH BEEF  
campaigns  
REACHED OVER  
10 Million  
CONSUMERS  
IN THE UK**

QMS undertakes  
retailer sampling  
activities in stores  
throughout Scotland.





# Health and Education



QMS supported the Scottish Association of Young Farmers Clubs' Country Cook competition during Scotland's Year of Young People 2018, with the finals hosted on the QMS stand at the Royal Highland Show.

**QMS's Health and Education activities are focused on Scottish families. The aim is to encourage people to understand where their food comes from, the importance of a healthy, balanced diet and the role that red meat can play within it.**

## Social media

Video content continues to play an important role in our health and education activities. A range of recipe ideas and top healthy eating tips, as well as fun videos, including some spooky Hallowe'en meal ideas and Christmas canapés, are available on the Scotch Kitchen website and social media channels.

## School outreach

During the year under review our Health and Education team, supported by chefs, held 111 individual cookery demonstrations in 38 different schools, meaning nearly 3,000 children sampled a recipe made with Scotch Beef, Scotch Lamb or Specially Selected Pork! Lively sessions were also held at the Borders Union Show, to which every P5 school class is invited. Around 300 children took part.

In Dumfries & Galloway, the team worked with Wallace Hall Academy and teacher and Monitor Farmer Aileen Marchant on the school's Agri-Employability project. Pupils got to experience job roles across the sector, thanks to a number of employers offering their support. The project culminated with the pupils undertaking a cooking masterclass, where they created six dishes to serve to the partner employers.

## Meat Voucher Scheme

Many thousands of pupils from across Scotland have now benefited from QMS's nationwide Health and Education Meat Voucher Scheme. Developed in response to reports that teachers in many Scottish schools are unable to afford fresh red meat products, the initiative provides teachers with up to £100 worth of meat vouchers, which can be redeemed at certified independent retailers and butchers. The vouchers can be exchanged for Scotch Beef, Scotch Lamb and Specially Selected Pork which can be used in cookery lessons to educate and inspire pupils to cook healthy, balanced meals at home. During 2017/18, 75% of Scottish secondary schools requested and received a voucher.

## Scotch Beef Cookery Theatre

QMS again sponsored the Scotch Beef Cookery Theatre in the Discovery Centre at the Royal Highland Show, which saw around 640 children given the opportunity to cook with Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork. Visitors to QMS's main stand at the show enjoyed a more interactive education area, which proved popular with young and old alike. QMS teamed up with the Scottish SPCA to distribute 2,000 children's goodie bags to visitors.

## Good Food Champions

This General Teaching Council Scotland (GTCS) accredited teacher training course saw teachers from Glasgow and the surrounding area learn all about food, farming, production and careers in the food and drink industry from QMS and a host of other education partners, led by RHET. Evaluation from these teachers and the previous group has identified the course as a great success.

## Food education partners

Our Health and Education team works closely with other food education partners including Education Scotland, the Royal Highland Education Trust, Food and Drink Federation Scotland, Love Food Hate Waste and many more.

The team attended Food & Farming sessions in six areas of Scotland, involving 1,136 children. The sessions looked at where food comes from and how red meat can provide an important part of a healthy balanced diet.

Other exciting new ventures included a popular Street Food Competition with FDF Scotland and Stewart Collins Butchers, helping pupils find out about 'Butchery and Beyond' while creating their own street food recipe using Scotch Beef, Scotch Lamb or Specially Selected Pork.

In partnership with Zero Waste Scotland and Business in the Community, QMS launched 'Don't be Afraid of your Leftovers', a competition asking pupils to create a new dish using leftovers. More than 100 schools from the Food for Thought programme were invited to enter the competition, which asked pupils to come up with imaginative, healthy and tasty recipes that could save food from the bin. Classes and pupils from St Paul's High School in Refrewshire and Alexandra Parade, Taynuilt and Granton Primary Schools were selected as winners of the competition for their creative and fearless use of leftovers. They were presented with certificates by well-known chef and restaurateur Paul Wedgwood, of Edinburgh's Wedgwood the Restaurant.



Scotland's national chef, Gary Maclean pictured with the Scotch Beef and Scotch Lamb mascots.



Getting our message about red meat and health across in engaging ways.

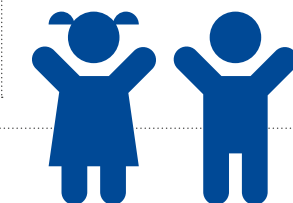
See our animated video at:

[qmscotland.co.uk/file/qms-meat-we-eat](https://qmscotland.co.uk/file/qms-meat-we-eat)



*Nearly 3,000 children sampled a recipe made with Scotch Beef, Scotch Lamb or Specially Selected Pork!*

Schools outreach 2017/18





# Industry Development

QMS's Industry Development team's activities are focused on improving the productivity, profitability and sustainability of businesses within Scotland's red meat industry. QMS supports a wide range of events and projects, which have knowledge exchange as their core objective.

## Monitor Farms

Now well into its second year, Scotland's Monitor Farm Programme has gone from strength to strength, delivering an impressive calendar of activities throughout 2017/18. The management groups and facilitation teams supported each of the nine farms in delivering a grand total of 55 on-farm meetings, with total attendance figures topping 2,300. Jointly managed by QMS and AHDB Cereals and Oilseeds, the programme has continued to highlight and share best practice across an impressive range of subject areas including cattle and sheep nutrition, soil management, animal health, grazing management, business management and succession planning.

Members of the business groups formed around each host farm have benchmarked their physical and financial performance and have taken part in open discussions around the figures. Variations between farms and enterprises have been examined, with the overall objective of using informed measurement and analysis of data to drive business efficiency.



The Borders Monitor Farm is one of nine in Scotland in a joint QMS project with AHDB, supported by the Scottish Government.

Environmental and carbon audits have also been carried out for each farm to act as a baseline for future actions, which demonstrate the win-win opportunities to improve profitability and sustainability.

Cabinet Secretary for the Rural Economy Fergus Ewing praised the Monitor Farm Programme when he visited the Borders farm earlier this year.

## Better Grazing initiative

Following on from the past three years of QMS Grazing Groups, a new Better Grazing initiative was launched in May 2017. Groups based in Perthshire, Dumfriesshire, Aberdeenshire, Inverness-shire and the Borders have provided the focus for meetings covering a range of topics aimed at maximising the utilisation of grazed grass. Expert speakers from around the UK and further afield highlighted the benefits of improved grazing management, the infrastructure required to make a start with rotational grazing

and how to integrate parasite control into grazing systems. A further 40 meetings are planned over the next two years to build on activities in 2017/18.

## Pig sector support

Our support for the pig sector continued to focus on health through the QMS Pig Health Scheme, which monitors, collects and collates health data from pigs assessed in the abattoir. Additional ongoing projects also continued to address other conditions including mange, PRRS and Salmonella.

Meanwhile, the Pig Business Network, which is jointly funded by QMS and Opportunity North East (ONE), also provided support to pig farmers through its monitor farm and satellite groups, enabling producers to benchmark their systems and continue to share expertise and best practice in the drive for better margins.

## Industry Groups

QMS's three Industry Groups, covering cattle, sheep and pigs, continued to be very active throughout the year. The groups' members advise and guide QMS closely on each industry's grassroots needs to ensure the organisation delivers effective projects.

## Animal genetics and breeding

The RamCompare project released final results for the first stage of the initiative, which spanned the 2015/2016 breeding seasons. Part-funded by QMS along with other industry partners, RamCompare aims to assist the UK sheep industry to drive genetic improvement. Phase one started in May 2015 and ran over two breeding seasons until November 2017. The project and its findings were featured

at a series of practical workshops to assist sheep producers in making the most of genetics and management to improve flock performance.

## Animal health

Ever at the forefront of maintaining and improving animal health, QMS supported a Livestock Health Scotland project looking at calf mortality and mastitis in ewes. QMS also continued to support the following: Control of Worms Sustainably (COWS); Sustainable Control of Parasites in Sheep (SCOPS); and the National Animal Disease Information Service (NADIS).

## Team updates

The Industry Development Team has been pleased to welcome a new member, Sarah Millar, who joined QMS in September 2018. Brought up on a Lanarkshire livestock farm, Sarah is well known to the industry through her roles with Laurence Gould and latterly the Soil Association, as well as her involvement with young farmers and NFU Scotland.



A farm visit as part of the Better Grazing initiative which followed the successful QMS Grazing Groups.



*QMS aims to encourage young people to consider careers in the industry.*

Lynn Argo is pictured on her family's pig farm near Stonehaven.



Livestock+ is packed with innovation and ideas.



# Quality Assurance

**QMS's six quality assurance schemes – Cattle & Sheep; Pigs; Feeds; Haulage; Auction Market; and Processor – underpin the integrity of the Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork premium brands.**

The whole chain assurance programme provides reassurance to consumers of provenance, highest standards of production and animal welfare and wellbeing.

To carry the Scottish red meat industry's three premium labels – Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork – livestock must have been born, reared and slaughtered in Scotland and spent their entire life on QMS Assured holdings.

Membership of the quality assurance schemes is voluntary and they are managed independently, making them distinct from the other activities QMS undertakes on behalf of Scotland's red meat industry.

## Importance of assurance

Independent market research continues to highlight the ever-increasing importance of quality assurance schemes in underpinning trust in red meat brands among consumers.

More than 90% of Scotland's breeding cattle population, over 80% of the breeding sheep flock and almost 100% of significant pig farming businesses are currently covered by QMS quality assurance.

## Membership fees

The quality assurance schemes are self-funding, with membership fees used to cover the costs of independent assessments, scheme administration and certification services. Livestock scheme membership is open to farms of all sizes, from large units to much smaller businesses with only a few animals. A Crofting Group membership is available, as well as discounts for members who combine assessments for other assurance schemes.

## Standards setting

The assurance schemes have their own set of standards, which are set by a standards setting committee, comprised of individuals with a broad range of knowledge and expertise. This ensures the views of all stakeholders are considered, along with changing circumstances in the industry and the wider operating environment.

A full list of QMS committees can be found on the QMS website at [www.qmscotland.co.uk](http://www.qmscotland.co.uk).

## Independent assessment and certification

An independent contractor provides assessment and certification services to the QMS whole-chain assurance programme, and the contract is awarded following a competitive tendering process. The most recent tendering process saw the contract awarded to Acoura for a five-year period, commencing on 1 April 2017. Acoura is accredited by the United Kingdom Accreditation Service (UKAS) to ISO/IEC 17065, the international standard for product conformity certification, and is regularly (at least once each year) audited by UKAS.

## Scotch Potential Eligibility Cattle Checker (SPECC)

The Scotch Potential Eligibility Cattle Checker (SPECC), introduced by QMS is now well established.

SPECC allows farmers, auction markets and abattoirs to check whether individual animals are potentially eligible for the Scotch Beef PGI brand. SPECC is integrated into all Scotch Assured auction market's software systems, and revised assurance posters are on display.

There is also a free SPECC smart phone app which is very easy to use. It allows the animal's ear tag number to be entered, wherever you are, to check if it is eligible for the Scotch Beef PGI brand.

## Animal welfare

The Scottish red meat industry places a high priority on animal welfare. Reinforcing this is a formal partnership between QMS and the Scottish SPCA, Scotland's leading animal welfare charity.

QMS and the Scottish SPCA have a long history of partnership, with the aim of promoting and encouraging a high level of animal welfare in the Scottish livestock industry. Scottish SPCA inspectors continue to accompany assessors on visits to assurance scheme members' farms.

The partnership cements the collaboration and trust between the organisations, to the benefit of the Scottish red meat industry and the cattle, sheep and pigs reared on Scottish farms.

QMS's commitment to animal welfare and wellbeing in the production of beef, lamb and



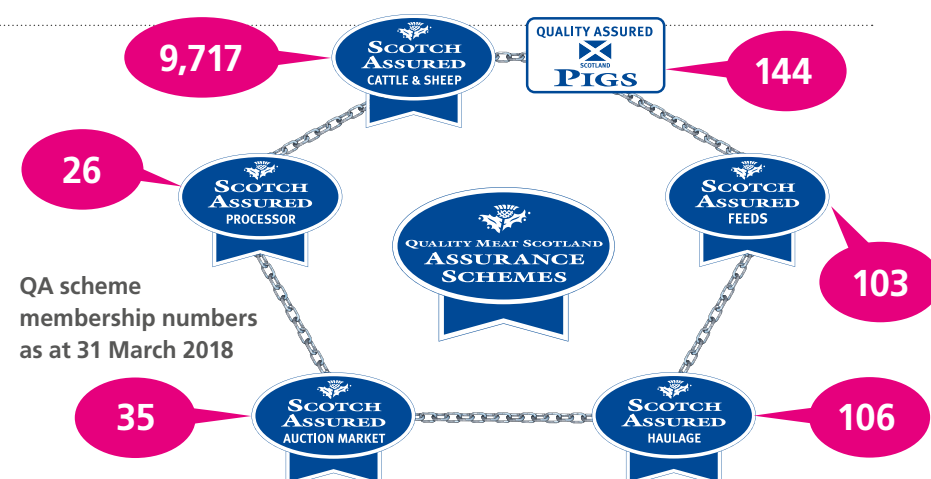
QMS has a formal partnership with the Scottish SPCA, Scotland's leading animal welfare charity.

pork in Scotland is highlighted in its 'Animal Welfare and Wellbeing Charter'. The guiding principles of the Charter underpin the QMS whole-chain assurance programme and activities.

## Enquiry handling

An important part of the remit of the QMS Brands Integrity Team, which oversees QMS's quality assurance activities, is responding to enquiries from businesses, organisations and individuals across all elements of the red meat supply chain. The wide-ranging queries with which the team assists can include questions about the management of the quality assurance schemes, traceability and scheme standards, and questions prompted by topical issues, such as the recent shortage of straw. This is a growing area for the team and one to which they will continue to be responsive.

*More than 90% of Scotland's breeding cattle population, over 80% of the breeding sheep flock and almost 100% of significant pig farming businesses are covered by QMS quality assurance.*



Some of the 50 assessors who visit quality assurance scheme members.

**OVER 10,000**  
members of QMS  
assurance schemes





# Economics Services

From face-to-face farmers' meetings to education and skills events, online updates and media reports, QMS's Economics Services team works hard to make sure all businesses involved in the Scottish red meat chain can easily access the latest industry statistics and analysis.

The breadth of the team's activities reflects QMS's commitment to making sure all those in the industry have the information they need in a format that suits them.

The team provides regular market updates, which are published online and in the press, and produces annual publications on cattle and sheep enterprise benchmarks along with an overview of industry statistics.

Both members of the team also regularly speak at a range of events including industry conferences, farm open days, and college and university lectures, to ensure as many key stakeholders as possible benefit from their work.

QMS provides a steady flow of reporting on market prices in Scotland and globally, and the team manages the market prices section of the QMS website. During 2017/18, the team also researched and published a number of key documents relating to the potential impact of Brexit on various aspects of the Scottish red meat industry.



The team has a strong relationship with the farming press. Each week, reports on key market data are supplied, while the team also routinely writes feature-length articles and responds to media requests for key statistics.

Other activities involve compiling a market commentary for the widely circulated QMS weekly industry newsletter, highlighting key changes and predicted changes affecting market prices and performance.

A more detailed monthly market report is also published. This covers market prices, supplies, retail sales and international trade. In addition, it also looks at price movements at the EU level and considers developments in some of the key global markets to provide a wider context.

The team also regularly deals with specific requests for market information from stakeholders. To enable these core activities to be carried out and requests to be met, the team manages and analyses a number of large datasets going back to the early part of this century.

In terms of benchmarking, a report on 'Cattle and Sheep Enterprise Profitability in Scotland' (also known as the 'Enterprise Costings' report) is released in the autumn and offers a detailed analysis of the financial performance of a sample of Scottish cattle and sheep farming enterprises.

Drawing data from a range of cattle and sheep production systems from across Scotland, the analysis seeks to identify the key components and performance indicators that deliver a top-third financial margin.

The report provides a means for farmers, and their advisors, to compare their own enterprise's performance with that of their peer group to identify strengths and weakness of their businesses and target areas for development.

'The Scottish Red Meat Industry Profile' is published each summer, ahead of the Royal Highland Show. Containing data on a wide range of topics from livestock's contribution to total agricultural output, through the regional structure of livestock populations and abattoir throughputs to trade and consumer demand, the report provides stakeholders with a comprehensive reference book of the size and scale of both the primary livestock sector and the red meat processing industry that operates in Scotland.

*During 2017/18 the team published a number of key documents relating to the potential impact of Brexit on various aspects of the Scottish red meat industry.*

The two-strong team also publishes a twice-yearly review of the business environment facing the red meat sector. As well as reviewing the main macroeconomic trends in the UK and EU, this publication includes a review, and outlook for red meat supplies.

The economics team is also charged with monitoring and horizon scanning developments in a wide range of national and global actions on topics crucial to the development of the red meat industry.

This includes, for example, climate change and sustainability policies and strategies, and trade, environment and agricultural policy developments. This work results in regular contact with sister organisations and industry bodies around the globe, input to Scottish government stakeholder groups and contributions to sectoral strategic reviews at national and European Commission level.

The datasets held and the analysis and interpretation by the economics team is an important resource for other teams within QMS. For example, the work is used to support strategy framing and industry presentations by both the marketing and industry development teams.

*QMS publishes a detailed monthly report covering market prices, supplies, retail sales and international trade; it also looks at EU and global developments.*



**SCOTLAND'S RED MEAT INDUSTRY** generates more than **£2 billion** annually and supports **50,000** jobs





# Communications

**The communications team works to deliver the latest information and news about QMS activities.**

This ranges from the work of the industry development team to help farmers improve their bottom lines, to inspiring public relations campaigns behind the industry's three brands: Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork.

## Media relations

Strong photography and video content continued to play an increasingly important part in the work of the communications team, which produces a steady stream of information. Our communications strategy involves working closely with key media and other key stakeholders, ensuring QMS is open and transparent.

A key area of activity by the communications team, which is often unseen, is the work undertaken to keep stories which could potentially damage the industry out of the press by advising and informing journalists.

To this end, we work closely with our sister organisations elsewhere in the UK and with the communications teams of other key organisations in our industry, e.g. VisitScotland and Scotland Food & Drink.

## Scotch Lamb 2017 PR campaign

QMS's 2017 'Love Scotch Lamb' public relations campaign included working closely with TV presenter Andrea McLean, who supported our activities to encourage more Scots to eat lamb.

The PR campaign also saw QMS work with Lorraine Kelly, through the STV Children's Appeal. The TV presenter selected the overall winner, Bankfoot JAC,

in the bale art competition, which was supported by QMS and run by the Scottish Association of Young Farmers Clubs.

The campaign achieved a total reach of 20.2 million, including a broadcast reach of 0.5 million, social reach of 1.65 million, print reach of 5 million and online reach of 13 million.

## Scotch Beef 2017 PR campaign

A range of PR activity supported the successful Scotch Beef PGI marketing campaign in spring 2018. This included media competitions and recipe placement as well as working with key influencers and leading chefs.

## Specially Selected Pork PR campaign

One of the main PR activities we undertook in support of the marketing campaign behind Specially Selected Pork was the title sponsorship of the Taste of Grampian food festival.

This included extensive media coverage and a fun cook-off between one of the auctioneers who starred in BBC's The Mart and a local farmer. The pair were challenged to produce quick, easy Specially Selected Pork dishes in the hugely popular competition.

## Scotland Food & Drink Scotch Excellence award

We also launched a new Scotch Excellence award as part of our support of the Scotland Food & Drink Awards. In 2017 Aldi lifted this award, with Macduff Beef (PR Duff Ltd) lifting the 2018 award.

## Scotch Beef Farm of the Year

Three top beef cattle businesses were unveiled as the finalists of the Scotch Beef Farm of the Year Award, run by QMS and AgriScot and sponsored by Thorntons Solicitors.

The finalist farms were selected from a very strong line-up of entries and represented three very different types of beef systems. The overall winner in 2017 was Castle Sinniness, run by Messrs JS Fleming, and the two other finalists were; Pitgaveny Farm, near Elgin, owned by Rebecca Russell and her brother Crinan Dunbar and managed by Martin Burse with head stockman Geoff Anderson; and Birks Farm, near Carluke, run by James and Douglas Frame.

## Scottish Sheep Farm of the Year

Three top sheep businesses were unveiled as the 2017 finalists of the AgriScot Scottish Sheep Farm of the Year Award, by AgriScot, QMS and award sponsors, Thorntons Solicitors.

The 2017 finalist farms – from Fife, Berwickshire and Aberdeenshire – were selected from a strong line-up of entries. While they represent quite different types of sheep enterprises, the trio of farming families share 100% dedication to producing first-class, quality assured sheep and lambs.

The overall winner in 2017 was Barnside Farm, Abbey Saint Bathans, Duns, run by Charley and Andrea Walker. The other finalists were Hilltarvit Mains, Cupar, Fife, run by Ian Whiteford and family, and Titaboutie Farm, Coull, Aboyne, run by Andrew Robertson.

## Industry Communications

Social media continues to be an important and growing area in the communications mix. QMS's Twitter feed, 'MooTube' channel and Facebook page feature up-to-the-minute news about QMS's wide-ranging activities on behalf of the industry. We now have more than 14,000 followers on Facebook and around 5,225 followers on Twitter



TV presenter Andrea McLean supported our Scotch Lamb campaign in 2017. She is pictured here with award-winning sheep farmer Graeme Lofthouse.

and a new addition for 2017/18 has been an Instagram page which is already proving very popular, with more than 1,000 followers.

During the year under review the QMS comms team produced more than 20 videos, ranging from industry-facing productions – aimed at helping farmers share opportunities to improve their margins – to public-facing videos.

We also offered a media training session to key individuals involved in different parts of the Scottish red meat industry. A guide for farmers and others in the industry to help them make the most of media opportunities is available free by emailing [info@qmscotland.co.uk](mailto:info@qmscotland.co.uk) or to download from [www.qmscotland.co.uk](http://www.qmscotland.co.uk).

Livestock+, our in-house magazine-style newsletter, is issued three to four times a year, and our free weekly e.newsletter is issued each Monday to more than 5,000 subscribers – to sign up visit our website.

## QMS Social Media

 **14,000** LIKES

 **5,225** FOLLOWERS

 **1,250** FOLLOWERS



The 2017 winner of the Scotch Lamb bale art competition was this entry from Bankfoot JAC.



Left: A chefs' learning journey took place in Fife and included a farm visit courtesy of George Milne.

Right: HRH The Princess Royal, President of the Scotch Beef Club, with former QMS Chairman Jim McLaren during a visit to Hardiesmill Farm.





# Financials

The full Annual Report and Accounts for the financial year ended 31 March 2018 are available on the QMS website at [www.qmscotland.co.uk](http://www.qmscotland.co.uk) or you can request a copy by telephoning 0131 510 7920.

## STATEMENT OF COMPREHENSIVE NET EXPENDITURE

For the year ended 31 March 2018

	2017–18	2016 –17
	£	£
<strong>Income</strong>		
Statutory red meat levy	3,793,195	3,965,856
Consumer assurance scheme fees	1,503,463	1,527,565
Other income	484,920	930,292
Total operating income	5,781,578	6,423,713
<strong>Expenditure</strong>		
Staff employment and board costs	1,145,837	1,079,263
Depreciation	10,111	8,425
Other operating costs	4,706,579	5,357,378
Total operating expenditure	5,862,527	6,445,067
<strong>Net operating expenditure</strong>	(80,949)	(21,354)
Finance income	6,414	14,051
<strong>Net expenditure for the year</strong>	(74,535)	(7,303)

## STATEMENT OF FINANCIAL POSITION

As at 31 March 2018

	2018	2017
	£	£
<strong>Non-current assets</strong>		
Property, plant and equipment	54,820	9,755
<strong>Current assets</strong>		
Trade receivables and other current assets	1,009,362	1,279,503
Deposits and advances	403,000	1,100,000
Cash and cash equivalents	1,681,983	321,903
<strong>Total current assets</strong>	3,094,345	2,701,406
<strong>Total assets</strong>	3,149,165	2,711,161
<strong>Current liabilities</strong>		
Trade payables and other current liabilities	1,800,020	1,287,481
<strong>Total current liabilities</strong>	1,800,020	1,287,481
<strong>Assets less liabilities</strong>	1,349,145	1,423,680
<strong>Reserves</strong>		
General reserve	1,349,145	1,423,680





# Financials (continued)

## STATEMENT OF ACCOUNTS

For the year ended 31 March 2018

	2017–18		
	Levy	Non Levy	Total
	£	£	£
<b>Income</b>			
Statutory red meat levy	3,793,195	0	3,793,195
Consumer assurance scheme fees	0	1,503,463	1,503,463
Grant income	0	457,680	457,680
Miscellaneous income	0	27,240	27,240
Bank interest	0	6,414	6,414
	<b>3,793,195</b>	<b>1,994,797</b>	<b>5,787,992</b>
<b>Direct expenditure</b>			
Marketing and promotions	1,748,879	84,554	1,833,433
Industry development	639,291	396,250	1,035,541
Communications and economics services	923,193	0	923,193
Assurance scheme operating costs	0	1,478,595	1,478,595
Corporate services	590,779	986	591,765
	<b>3,902,142</b>	<b>1,960,385</b>	<b>5,862,527</b>
<b>Surplus/(deficit) on ordinary activities</b>	<b>(108,946)</b>	<b>34,412</b>	<b>(74,535)</b>

	2016–17		
	Levy	Non Levy	Total
	£	£	£
Statutory red meat levy	3,965,856	0	3,965,856
Consumer assurance scheme fees	0	1,527,565	1,527,565
Grant income	0	900,482	900,482
Miscellaneous income	0	29,810	29,810
Bank interest	0	14,051	14,051
	<b>3,965,856</b>	<b>2,471,908</b>	<b>6,437,764</b>
Marketing and promotions	1,752,564	737,084	2,489,648
Industry development	717,283	174,871	892,154
Communications and economics services	862,435	12,565	875,000
Assurance scheme operating costs	0	1,600,122	1,600,122
Corporate services	568,320	19,823	588,143
	<b>3,900,602</b>	<b>2,544,465</b>	<b>6,445,067</b>
<b>Surplus/(deficit) on ordinary activities</b>	<b>65,254</b>	<b>(72,557)</b>	<b>(7,303)</b>







**Quality Meat Scotland**

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