



Quality Meat Scotland

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Develop  
Support**

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# Annual Review 2022 / 23

Working with our industry





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**You can reach QMS**

Phone on 0131 510 7920  
Email [info@qmscotland.co.uk](mailto:info@qmscotland.co.uk)

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# Chair's Address



In 2022 we saw a great deal of change within the farming industry but, as always, it was mostly business as usual, with the demand for locally sourced meat continuing to strengthen.

One of our key priorities was to get out and about to meet levy payers and stakeholders. Along with our new Chief Executive Sarah Millar and our team, we had a full summer of events and meetings across Scotland, and our board members attended the autumn sales at marts.

There was a similar thread running through our discussions with farmers and the wider industry on the uncertainties being aired.

The past few years have been challenging for Scotland's red meat sector, with concerns resulting from Brexit, labour struggles and emerging trade deals. Additionally, we have had many conversations about Scotland's climate change targets being central to most government policies, coupled with a surge in eco-conscious consumers seeking information about sustainable food production and its impact on the environment.

It's clear that in response to changing consumer behaviours – and the need to improve sustainability – producers, processors and retailers are required to be agile and innovative in their approach to selling their products and communicating their efforts. We must adapt to changing consumer behaviour and finding creative ways to sell our red meat products, while also sharing the stories behind them to maintain our market position and increase demand. Building trust with the public is crucial to ensure the support and demand for red meat continues to grow.

Despite the challenges of recent years, one positive outcome has been the continued public interest and support for food production, with consumers seeking locally sourced produce from trustworthy farmers, butchers and retailers. QMS continues to promptly capitalise on this growing momentum by emphasising the production and sustainability attributes of our Scotch Beef and Scotch Lamb brands through several initiatives.

In January, we upscaled our consumer campaign and broadened our mass reach, with our 'Make it with Cred' campaign returning for four weeks of activity to further deepen the understanding around what buying Scotch really means. We focused on our brand proof points, including respectfully reared, farmed with care, quality assured and locally sourced, as well as the key health messages of vitamin B12 and high protein. Our campaign reached 71% of all adults in Scotland through our TV advert shown across STV, Borders and STV/ITV Player, and a range of paid social and high-impact digital adverts across Instagram and Facebook.

Following successful previous campaigns, the Lamb for St Andrew's Day initiative continued for a third year, reaching 18,000 school children across Scotland and encouraging them to choose Scotch Lamb when celebrating our nation's patron saint. Since the Lamb Bank started three years ago, 62,000 schoolchildren have cooked or eaten lamb for St Andrew's Day in school, many for the first time.

While QMS has been proactively engaging with and responding to increasing consumer demand for locally sourced meat, despite facing various challenges, the UK's departure from the EU has resulted in new global trade negotiations with countries offering cheaper agricultural products, creating uncertainty for the farming industry.

In January, we appointed Lucy Ozanne as our dedicated Industry Strategy and Public Affairs Manager. Since then, Lucy's role has become increasingly important to engage QMS with the changing policy and regulatory landscape following Brexit, the development of a new agricultural bill, and growing pressure on the industry to address climate change. With the help of the team, Lucy is providing valuable insights from the sector to brief ministers and decision-makers, providing evidence across the supply chain on critical industry issues, such as the impact of the energy crisis. She is ensuring the conversations being held positively influence policy and high-level decisions.

Furthermore, as we transition to a new agricultural policy outside of the EU and new trade deals emerge, the pace of change is rapidly increasing. It is imperative we focus on building value in our quality assurance to maintain our position as a premium competitor on both the domestic and world stage.

Earlier this year, Lucy and I met with Richard Lochhead, MSP, Minister for Just Transition, Employment and Fair Work. We discussed how crucial Just Transition is for the red meat supply chain in working towards achieving the Scottish Government's climate change and nature restoration targets, as well as nurturing grassroots entrants and upskilling workers to local supply chains through to affordable housing in rural communities.

During the discussion with the Minister, we also highlighted the work the Scottish Red Meat Resilience Group (SRMRG) has commissioned on setting a Net Zero and Nature Restoration Roadmap, and how the industry and government can work together to support the industry as it evolves.

Throughout the year we have continued to highlight key opportunities in the industry, particularly for apprentices. In partnership with Scotland Food & Drink, we have endeavoured to change the face of the industry by encouraging younger people and career changers to carve a career in butchery. There are currently more than 750 potential vacancies in the butchery sector. An apprenticeship is a great way for those at the start of their career to hit the ground running, while learning on the job.

Looking forward, we have some exciting opportunities on the horizon. As expected, there will be challenges that we'll continue to navigate as a team, but we'll do so by engaging with our members and listening to their feedback.

Finally, I would like to express my gratitude to the board and the team at QMS for their unwavering diligence and dedication to the red meat sector. Together, we are striving to advance the industry for the benefit of its people, livestock, and the environment. Our goal is to ensure a vibrant and profitable future for the sector, and I am grateful for their commitment to achieving this vision.

**Kate Rowell**  
Chair of Quality Meat Scotland



## CEO's Address



The red meat sector is fundamentally important to the Scottish farming industry and wider economy, contributing £2.8 billion in economic output and sustaining more than 39,000 jobs, 80% of which are on farm. Protecting, upholding, and promoting this sector is why QMS exists.

Scotland's red meat is at the heart of our world-renowned food and drink sector, our rural communities, and our landscape. Scottish beef generates £668 million in revenues, lamb £119m and pigmeat £39m. The Scotch Whisky industry generates £6.2b annually, with exports making up for 99% of all whisky sales.

We attended SIAL Paris in October 2022 as part of our international market development. The event attracted 300,000 visitors from 194 countries, including some of Europe's most influential buyers and decision makers in the red meat industry. It was a real success and we established more than £14m worth of new business. We will explore further international opportunities at Anuga Food Fair in Cologne in Autumn 2023 – this event attracts around 170,000 visitors from more than 200 countries.

Over the course of the 2022 Royal Highland Show, our team spoke to hundreds of farmers, processors, retailers and others in the red meat chain. It was a great opportunity to reconnect after the digital only discussions during the pandemic. It was also heart-warming to see so many members of the public visit our stand. We had a fabulous line-up of butchers, influencers and chefs to wow the crowds linked to our 'Meat in the Middle' marketing campaign. Some of the familiar faces included Instagram star Just Jess, Edinburgh chef Paul Wedgwood, Aberdeen-based chef Kevin Dalglish, Colin Nicholson of Mingary Castle and Scottish Junior Chef of the Year Fraser Cameron.

Last year we kicked off another round of Monitor Farms, with nine businesses involved from across Scotland, ranging from the north with Banff and Buchan, Deeside and Strathspey, Stirlingshire, Roxburghshire, East Lothian and across to Argyll, South Ayrshire and Dumfries in the west.

This cycle of the Monitor Farm Programme is supported by an in-house delivery team, with each farm being supported by three regional advisors.

A key part of delivering what consumers want – whether domestically or in global markets – is the certification and assurance of the Scotch Beef, Scotch Lamb and Specially Selected Pork brands. In late 2022, Food Integrity Assurance (FIA), established by SAOS (the Scottish Agricultural Organisation Society), took over the certification of both QMS and SQCs' audits, adding in LEAF audits to the schemes they oversee. Having a dedicated, Scotland-based partner has been a great boost to the sector, and their management of multiple schemes will continue to reduce the time producers need to commit to certification visits and admin.

Following meetings we held in 2022, we kept our promise to the industry by reforming our standards setting process and standard-setting committee structure. This has ensured greater transparency in reviewing the pig standards, adding in a new stage for producer feedback on the proposed changes before they are formally adopted. The proposed changes were sent out through stakeholder networks, and to pig farmers assured with QMS, meaning they could give direct feedback on the direction of travel.

Finally, our Health and Education team, have achieved a great deal over the past year, working in partnership with farmers, schools and other organisations to get more schools onto Scotland's farms, more red meat into children's meals and into their curriculum. The Meat Voucher Scheme, which enables schools to buy up to £160 worth of meat for cookery classes, has given 320 secondary schools experience of cooking and eating beef, lamb and pork from Scotch-assured butchers. This work is so important in communicating the importance of red meat to health and as part of a healthy, balanced, and affordable diet.

**Sarah Millar**  
CEO





## Health, Education and Skills

The Health and Education Team builds on the work of QMS to strengthen trust and connection to the red meat sector in schools and communities.

There was a return to in-school and external events after a long break and the team enjoyed connecting with pupils and teachers from across Scotland throughout the year.

The team continues to highlight how red meat producers are engaging in sustainable farming practices, which deliver on a range of environmental, economic and social outcomes. They also focus on the health benefits of eating red meat as part of a healthy and balanced diet.

Contact the team at [education@qmscotland.co.uk](mailto:education@qmscotland.co.uk) and access our Farming Foodsteps teaching resources at [www.farmingfoodsteps.co.uk](http://www.farmingfoodsteps.co.uk)

You can also keep up to date on X [@MakeltScotchSc](https://twitter.com/MakeltScotchSc)

### Tasty Little Weeks

This year's focus was to increase the redemption rate of the QMS School Meat Vouchers and to encourage teachers to try something different with their meat vouchers.

The Tasty Little Weeks concept was created to have three weeks peppered throughout the academic year in which one protein was to be featured and teachers sent recipes and resources to deliver engaging lessons.

Teachers were sent step-by-step Gusto-style recipe cards for their practical cookery lessons as well as worksheets and lesson plans for an accompanying theory lesson. There was also social content created to promote the week and encourage teachers to engage with the initiative.

**Tasty Little Pork Week** kicked off the programme in late September focusing on animal welfare and the health benefits of Specially Selected Pork, particularly in comparison to chicken. The two bespoke recipes were [Sweet Ginger Specially Selected Pork Chow Mein with Plum Sauce](#) and [Specially Selected Pork Curry in a Hurry](#).

Next was **Tasty Little Lamb Week** which coincided with Lamb for St Andrew's Day to create a real buzz, particularly across our social channels.

The [Scotch Lamb Dhansak in a Dash](#) was well received as was the return of the popular [Scotch Lamb Naan Pizza](#). The theory lesson focused on sustainability and explored Scotch Lamb's locality, seasonality, and versatility.

QMS worked closely with the Institute of Auctioneers and Appraisers in Scotland (JAAS) to support them with the Lamb for St Andrews Day project. JAAS arranged to deliver about 2.5 tonnes of lamb to more than 110 schools which had been donated by more than 500 farm businesses.

**Tasty Little Beef Week** in early February was the final push for teachers to use their meat vouchers. The featured recipes were [Scotch Beef Margarita Meatball Pasta](#) and [Scotch Beef Tortilla Turnover](#). The theory lesson consolidated learning on ethical and environmental factors that can affect consumer food choices and the health benefits of Scotch Beef as part of a balanced diet. This looked at dispelling the myths around Scottish beef production and factors which affect consumer food choices.

Myra Howie, of Hollybrook Academy in Glasgow, said: "I was delighted with the high quality of resources I received, and students were highly engaged with the lessons thanks to the materials. My students loved cooking and tasting the Specially Selected Pork recipes, and I know that many will have taken the learning home to share with their families. It's been great being able to access high-quality red meat, recipes and resources and teach students about the benefits of quality meat in their diet."

[Tasty Little Week resources](#)



### Cookery Demonstrations Back On The Menu

After several years, QMS is delighted to be back in Scottish schools delivering cookery demonstrations. The demonstrations are all linked to Farming Foodsteps and build on lessons that the teacher has already delivered.

The team has built up a network of freelance cookery demonstrators who have a wealth of knowledge and experience in the food industry. One of our demonstrators is an experienced additional support educator, which means we are able to provide education to even more pupils.

Home Economics teacher Shaunee Hepburn, from Ellon Academy in Aberdeenshire, said: "Pupils really enjoyed the Tasty Little Lamb Week demonstration and were engaged throughout the session. They were willing to volunteer, answer questions and listen to the chef discuss the benefits of Scotch Lamb and the local produce used in the dishes.

"Generally, we found that lamb is a protein that many of the pupils don't have at the dinner table, so the cookery demo has been a chance for them to take ideas home that the whole family can enjoy. They particularly enjoyed getting to try the dish at the end, with a lot of pupils tasting lamb for the first time."



### Farming Foodsteps Evolves

#### [Make it With Meat](#)

Food and Drink Federation Scotland (FDfS) and QMS have teamed up to develop a new education resource – Make it With Meat – to help young people learn about the processes involved in getting quality food to the table.

Based on the familiar process of creating a burger and targeted at S1-3 pupils, Make it With Meat will support interactive sessions that cover everything from the nutritional content of ingredients to product development, testing and labelling. Students will also hear about the important people and careers in our food chain on their journey to discovering more about the farm to fork process.

The initiative was trialled at Hawick High School in the Scottish Borders. Home Economics teacher Shona Murray commented on both the ease of use and positive reaction from the children: "We were asked by QMS to trial the new Make it With Meat resource and we had the opportunity to give it a go with some of our S1 and S3 pupils. It's great because everything is there for you in the six lessons, from farming through to nutrition, and costing to careers.

"Depending on your preferences and the stage of your pupils, lessons can be selected and adapted as necessary. Doing the entire project as part of a block is, of course, also an option. Our S3 pupils did all six lessons and then designed their own burger, and they all thoroughly enjoyed the project."

#### [Better Burger Challenge](#)

The Better Burger Challenge, which uses the resources within Make it With Meat, has been created to engage schools in a reformulation competition.

In its first year there has been a lot of interest from teachers. The results of this year's competition, run in partnership with Food and Drink Federation Scotland (FDfS), will be announced at the Royal Highland Show.

#### [New And Improved Farming Foodsteps](#)

To better meet the needs of teachers and pupils, Farming Foodsteps has been developed with increased functionality. The new-look Farming Foodsteps increases the accessibility of the resources and has improved the user experience. New resources are continually being added to the resource to meet the needs of Scottish educators.



### Educating Consumers

The team is not just educating school pupils about enjoying red meat as part of a healthy and sustainable diet, but general consumers too.

#### [Tasty Little Guide to Specially Selected Pork](#)

Following the publication of the Tasty Little Scotch Lamb and Scotch Beef Guide this year, the Health and Education team developed the [Tasty Little Guide to Specially Selected Pork](#). There are now Tasty Little Guides for all three of the brands which can be used by QMS and stakeholders to share the positive messages about Scotch Beef, Scotch Lamb, and Specially Selected Pork.

#### [Make it Scotch Education](#)

In a subtle shift in name, the Health and Education team is ensuring their education messages aren't limited to school pupils but available to a wider consumer audience.

The new [Make it Scotch website](#) has educational content integrated throughout and a page dedicated to consumer education which links to the new Farming Foodsteps site.

Content has also been created for the Make it Scotch Education social media channels. Find out more on X [@MakeltScotchSc](https://twitter.com/MakeltScotchSc)



### Skills Development

#### [College Visits](#)

QMS staff have been working with students in some of Scotland's colleges to develop their skills and knowledge of aspects of the red meat industry. Education sessions covered butchery demonstrations, assurance scheme information sessions, sustainability talks and hospitality education sessions.

#### [Skills for Farming](#)

QMS joined the Skills for Farming Group which strives to work collaboratively to promote skills development within the farming industry.

In addition, the group is working to raise awareness of what the industry can offer future employees as well as ensuring that the education and skills currently delivered match the requirements of the industry.



# Marketing



## Make it with Cred

Our Make it with Cred campaign, initially launched in 2021, has gone from strength-to-strength. It continued to highlight the production qualities and credibility of red meat in Scotland and tapped into consumer meal moments, such as Freestyle Fridays, Family Midweekers, Fresh Air Feasts and Weekend Warriors.

Each of these creative executions gave inspiration to our audience to cook with red meat and resonated with their lifestyles.

We continued to focus on our primary target audience of 18 to 39 year olds, carrying out extensive research to ensure we were reaching them with the right media, at the right time, with the right messages.

Total meat sales value increased by 8.4% year-on-year in January 2023 as households continued to seek red meat with ethical practices and high welfare standards, with locality and health benefits being a high priority for our target audience.

## New Brand Logos

The quality assurances of our Scotch logos symbolise better quality, high welfare and locally reared meat. To address the desires and expectations of ever-more socially conscious consumers, we also evolved the design of our Scotch brands, launching the new and improved logos in March 2022.

By ensuring the key message of 'Born and Reared in Scotland' now sits at the heart of our Scotch brands, we have turned up the volume on the importance of buying locally and acknowledging that animal welfare increasingly drives purchasing decisions.



## Seasonal Campaigns

Make it with Cred consisted of seasonal campaigns which educated consumers on the benefits of red meat via our proof points of being locally sourced, quality assured, expertly reared, and fully traceable.

These were promoted via TV, YouTube, Facebook, Instagram and TikTok, communicating our key messages of provenance, traceability and health.

### Summer Campaign

In summer 2022, we adopted a social media first strategy that was in tune with our target audiences' lives and lifestyles. This was through compelling Instagram and Facebook posts and partnerships with TikTok influencers who showcased our consumer meal moments as well as the credibility underpinning the Scotch and Specially Selected labels.

We worked with big names such as Just Jess and the Hebridean Baker, among others, and launched our Great Scotch Outdoors Guide, tapping into the lifestyle of our target audience.



### Autumn Campaign

Make it with Cred returned to celebrate autumnal eating with a focus on eating for health (Vitamin B12, high protein) as we transitioned into the colder months when nutrition and immunity protection became higher on our target audience's agenda.

Again, we adopted a social media first strategy, launching on YouTube, Instagram and TikTok.



### Porktober

In October, we got involved in the Porktober campaign and put a focus on Specially Selected Pork. This involved our Make it Scotch cook-off video series, five new pork recipes and a Tasty Little Pork Week where we encouraged schools to cook with Specially Selected Pork in home economics classes.



### St Andrew's Day

For St Andrew's Day 2022, alongside social media activity, our Health and Education Team engaged with schools, and Scotch Butchers' Club members, with customers in store and the catering trade to make Scotch Lamb first choice for St Andrew's Day, just as haggis is for Burns Night and turkey for Christmas.

A consumer-facing campaign was built on easy-to-make and cost-effective lamb recipes as well as cooking inspiration across digital channels and two dedicated video productions to show Scotch Lamb as a comforting and desirable dish for the celebration.



### Christmas Campaign

The last campaign of the year was Christmas, where we focused on the importance of coming together and celebrating the season without the need to compromise.

We were conscious that as much as we all like to indulge, many would be looking for ways to trim their budget this year.

The campaign showcased how Scotch Beef, Scotch Lamb and Specially Selected Pork have a place at the dinner table not only on Christmas Day but through to New Year's Day. Inspiring recipes with lifestyle connections and a focus on utilising leftovers, allowing Scots to dish up a tasty 'Seven Days of Chrimbo Cred' which was promoted via YouTube, social media, TikTok influencers and an STV sponsorship.



### January Campaign

In January, we upscaled our activity with our Make it with Cred campaign, returning to further deepen the understanding around what buying Scotch really means.

We focused on our brand proof points, including respectfully reared, quality assured and locally sourced meat and our key health messages of Vitamin B12 and high protein, encouraging consumers to Make it Scotch. This was promoted via an STV advert, as well as on social media channels and YouTube.



### Social media snapshots







# Strategy and Levy Income



## 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 and 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. More than 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 a 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.

*\*We define the red meat industry as those sectors 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 during this financial year.







# Quality Assurance



Independent market research continues to highlight the ever-increasing importance of quality assurance schemes in underpinning trust in red meat brands by consumers. With a rise in flexitarianism and socially conscious consumers, QMS's whole chain assurance has even greater significance, providing reassurance to consumers of provenance, highest standards of production and animal welfare and wellbeing.

With the clock ticking on new and emerging global trade deals – which could open the floodgates to agricultural goods produced to lower standards than our own – there has never been a more important time to showcase to the public the very best of Scottish farming and the high standards to which we operate and set ourselves rightfully apart from others on the global stage.

Maintaining and improving these standards should be viewed as an opportunity to make our businesses more resilient and to connect with consumers who are increasingly showing an interest in the way we run our farms and tend to our livestock.

We have been working with industry to support changes which align with expanding consumer interest. This expectation from consumers should not be viewed as scrutiny, but instead as a fantastic opportunity to build upon our relationship with customers and renew the farm to fork link.

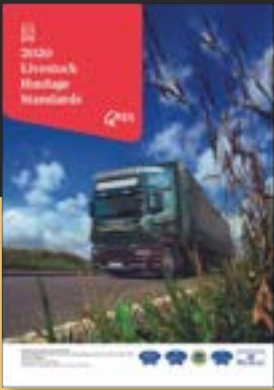
More than 90% of Scotland's breeding cattle population, over 80% of the breeding sheep flock and almost 100% of significant pig farming businesses are covered by QMS Quality Assurance.



The six Quality Assurance Schemes also include Feeds, Haulage, Auction Market and Collection Centre, and Processor.



[Click here to view](#)



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The schemes remain voluntary but to carry the Scottish red meat industry's three premium brands – Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork – livestock must have been born, reared and slaughtered in Scotland and have spent their entire life on QMS-assured holdings.

Each assurance scheme has its 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.

An independent contractor provides assessment and certification services to the QMS whole chain assurance. Food Integrity Assurance (FIA) 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.







# Industry Development

As the world began to return to normal after covid restrictions, there has been a reinvigorated appetite to share knowledge and advice to help strengthen our industry.

The Monitor Farm Scotland Programme arrived at just the right time to provide the opportunity to focus on improving economic, environmental, and social sustainability.

Throughout the year we have been building and recruiting to make the programme a success, while continuing to deliver critical work on animal health and sustainability.

We have also taken some time to look into the future of the red meat industry and how to future-proof the unique qualities of Scotch Beef, Scotch Lamb, and Specially Selected Scottish Pork.

## Monitor Farm Scotland Programme

In May 2022, we received confirmation that QMS and the Agriculture and Horticulture Development Board (AHDB) had been awarded Scottish Government funding to deliver a new round of the flagship knowledge exchange project, the Monitor Farm Scotland Programme.

This gave us the green light to build on strong foundations of 20 years – bringing farmers together and sharing knowledge. During the summer we undertook an extensive process of recruitment, for the Monitor Farms themselves and for a delivery team.

In a change to previous programmes, our new Monitor Farm Scotland Programme will deliver all our activity using an in-house team dedicated to the programme for its duration.

The delivery team is headed up by QMS's Beth Alexander as Programme Manager. Beth leads a team of three regional advisers who each look after three farms.

The farms are in the north (Strathspey, Buchan, and Deeside) west (Islay, South Ayrshire, and Stirlingshire) and south (East Lothian, Roxburgh, and Dumfries).

The farms are a mix of livestock, arable and mixed and several have diversified, demonstrating the rich tapestry of Scottish agriculture. Hosting 570 attendees across the initial launch meetings on each farm, the industry showed real appetite for peer-to-peer knowledge exchange.

There is an increased focus on working closely with farmers and their management groups to ensure the power of information and data is harnessed for the good of the wider industry.

Data gathering began at pace with integrated land management plans, soil analysis and the beginnings of enterprise benchmarking. This data will help us start next summer's activity with a bang, with all nine farms aiming to host open days to show their ambitions for the programme.

## Meat Eating Quality

The QMS Industry Development Team commissioned a study to identify measures that could help achieve improvements in eating quality and consistency and return value to red meat producers.

The study was developed with a focus on adapting management practices to improve eating quality and provide benefits to producers, processors, retailers and consumers – benefits that could guarantee a reputation for Scotch Beef and Lamb.

Throughout the development of their report, Birnie Consultancy worked closely with the Industry Development Team to ensure the recommendations and outcomes were pragmatic and effective. This would allow QMS to understand a clear progression towards improved eating quality and how it could be verified.

The report explored several actions that could be addressed on-farm which could contribute towards improved eating quality and consistency. They ranged from simple, short-term actions that can be achieved through changes in management, such as breed selection, sex and nutrition, through to more complex, long-term measures, such as modifications to the EUROP grading format or improved genetic makeup of the national beef and lamb sector.



## Focus on Health and Welfare

Building on our engagement with the red meat sector on improving animal health and welfare, we have continued to support pioneering research and innovations which can help secure the health and productivity of the red meat sector for the future.

Working with ScotEID, we are developing a Scottish solution to antimicrobial use (AMU) recording that can provide beef and lamb producers the opportunity to benchmark their antibiotic use and ensure our work in producing livestock supports work on human and animal health.



## Sustainability

This year marked an increase in activity around our Sustainable Producer Groups, delivered for us by SAC Consulting. The groups are undertaking detailed benchmarking of inputs and outputs to establish the environmental and financial cost of livestock production.

It was clear the greatest profitability was derived from low forage and concentrate costs. While there was a challenge in profitability in all beef businesses, largely due to input costs, grass-based systems were largely more resilient.

This project will soon be reporting on its final year and will stand as testament to the importance of benchmarking as part of resilient and sustainable farm businesses. Much of the work done through the Sustainable Producer Groups will create a foundation on which to develop and deliver benchmarking work through the Monitor Farm Programme as well as help with future projects from Industry Development.







# Market Development

## Exports

Scottish red meat exports rebounded post-Covid and Brexit to £80.5 million, coming close to the previous high of £81.9 million in 2018/19. Although Scottish exporters continue to be burdened by a lack of skilled staff in processing plants and the additional administrative costs and processes, there continues to be a demand for our premium brands.

This was clearly evidenced at the SIAL international trade show in Paris in October 2022, where QMS hosted 25 members of staff from eight Scottish exporters, along with Cabinet Secretary for Rural Affairs and Islands Mairi Gougeon and George Burgess, Director of Agriculture and Rural Economy. Our team of chefs prepared samples for prospective customers and the QMS team discussed the attributes of Scotch Beef and Lamb and Specially Selected Pork to a variety of buyers and importers.

We launched our new export trade show stand and export marketing materials at the show. The aim was to showcase Scotch red meat as a premium product for high-end retail and foodservice customers.

All our exporters reported high levels of interest from buyers and in total secured approximately £14m of new business at the show.

We continue to work closely with our colleagues at Scottish Development International (SDI), linking exporters with sales opportunities and supporting Scottish companies in overseas markets. In September 2022, we jointly hosted an event in Edinburgh where our exporters could meet SDI specialists to discuss opportunities in export markets.



## Retail Engagement

With consumers affected by the cost-of-living crisis, the past year has been challenging for the retail sector. We continue to work with the major grocery multiples to align QMS marketing activity with retailer category objectives and support the promotion and development of the QMS brands.

Our regular engagement with retailers and the primary processors who supply them enables us to update these stakeholders on the latest consumer research and market analysis from Scotland.

Another topic of retail engagement has been around the launch of the United Kingdom Geographical Indicator (UKGI). It will be a legal requirement from 1 January 2024 for products containing Scotch Beef and Lamb to carry the UKGI logo. GI protection guarantees a product's characteristics or reputation, authenticity, and origin. It also protects the product name from misuse or imitation.

## Butchery Careers Project

The shortage of skilled staff in the food production sector in Scotland remains acute and recruiting apprentices and skilled butchers continues to be difficult for both independent retail butchers and our primary processors.

Year two of our Butchery Careers project saw us continue to promote the diverse and accessible range of technical and business skills that a career in butchery can offer. Focusing on our young people, we ran a targeted promotion from November through to March, showcasing our butchery ambassadors and promoting the advantages of butchery apprenticeships for young people, who gain a nationally recognised qualification and earn a real wage while they learn.

## Brands Licensing Scheme

The Brands Licensing Scheme has shown excellent growth in the last year with membership having risen by around 50%. As Scotland's agri-tourism sector grows, so does the number of farm shops and independent retailers who want to offer premium Scottish red meat.

Registering for the scheme allows the member to use the Scotch Beef and Lamb logos to highlight the provenance and quality of the products on sale. Members are required to reapply for membership every year and can be audited at any time to ensure the provenance of their products can be traced back to the farms where the animals were produced.

## Scotch Butchers Club

Members benefited from five seasonal marketing packs showcasing butchers' craft, skills and specialist knowledge to consumers and promoting the benefits of buying Scotch meat from a local butcher.

We held a product innovation event for butchery apprentices where they were trained on how to develop new, eye-catching products for their retail counters.

The Scotch Butchers Club display competition once again proved very popular with members and showcased the art of engaging customers and increasing sales opportunities. We added to the professional library of product shots for butchers to use in their own marketing and social media communications.

With the cost-of-living crisis impacting on consumer behaviour and the cost of raw materials increasing throughout the year, we developed a series of profitability calculators to ensure members could keep a close eye on their pricing structure and manage retail margins.

Our Butchers Marketing Advisory Group welcomed some new recruits from Scotland's premier independent butchers to help steer the direction of our marketing output over the next two years.



## Foodservice Sector

This year we sponsored and supported several marketing events with chefs' groups and societies to promote our brands to our chefs, restaurant general managers and kitchen brigades.

We sponsored the Scottish National Culinary Team as they travelled to Luxembourg to compete in the Villeroy and Boch Culinary World Cup, as well as promoting our brands at events with Scottish Chefs and Master Chefs UK.

Educating our chefs of the future on the qualities of Scotch beef and lamb. By hosting butchery demonstrations in schools and colleges and sponsoring events such as Scottish Young Chef of The Year, we can help to educate the rising stars of the sector.





# Market Intelligence and External Affairs



Abby Tong, Category Specialist

Market Intelligence is a fundamental service offered by QMS, providing regular and bespoke economic insight and commentary on the structure and market movements within the Scottish red meat industry.

Regular outputs include market price updates for the Scottish press, a wide-ranging weekly dashboard of market indicators in the QMS newsletter, a monthly market update covering the industry and economic factors driving market movements, and a monthly commentary on a specific topic of interest in the sector. Each year, the team also publishes the Scottish Red Meat Industry Profile, which aims to highlight the importance of the red meat sector to Scotland's rural economy and provide a range of key statistics for use by industry stakeholders.

Bespoke outputs are also undertaken on a precompetitive basis for members of the Scottish red meat supply chain, and typically feature topics such as potential trade deal impacts, structural changes within supply chains and analysis of new market opportunities.

The Market Intelligence team also actively contributes to a range of industry discussion and information forums, ensuring that industry can amplify the work and data that QMS holds.

These outputs are possible only through the regular update and maintenance of key datasets by our market intelligence specialists. The team's analysis and interpretation of the data, along with monitoring of national and global topics crucial to the sustainable development of the red meat industry, is a vital resource for other teams within QMS.

Curating the evidence base that underpins strategic decision-making, the work is used, for example, for framing strategy, levy forecasting, risk management and planning future activities.

## Stakeholder Engagement

Collaborating and engaging with members of the Scottish red meat industry at all stages of the supply chain is critical to QMS. This year has seen us out and about and maximising opportunities to engage face-to-face.

The key vehicle for stakeholder engagement and collaborative working is the Scottish Red Meat Resilience Group, which has seen the addition of new member organisations this year and now includes: NFU Scotland, the National Sheep Association, the Scottish Beef Association, Scottish Craft Butchers, the Scottish Association of Young Farmers Clubs (SAYFC), the Pig Industry Leadership Group, the Scottish Association of Meat Wholesalers, the Institute of Auctioneers and Appraisers in Scotland (IAAS), Agriculture Industries Confederation (AIC) Scotland and the Scottish Crofting Federation.

The group has established a policy working group to deliver on key collaborative consultation responses and, so far, has produced responses to the Scottish Government's Biodiversity Strategy and the Agricultural Bill proposals. The group has also carried collaborative industry representations to elected officials on key issues, such as Edinburgh City Council's endorsement of the Plant Based Treaty and the proposals of colleges to reduce their land-based courses.

A comprehensive programme of work is planned for 2023 to spearhead collaborative industry action on identified themes that could impact the supply chain.

## Public Affairs

Public Affairs is a developing function of QMS and, as a non-departmental public body (NDPB), our function is advisory, based on independent data, rather than as a lobbying organisation.

Throughout 2022 we engaged with politicians across parties from Holyrood and Westminster, highlighting the key challenges and opportunities which the red meat supply chain in Scotland faces. We have emphasised the impact the sector has across parliamentary portfolios, not only rural affairs, and outlined the role it plays in each constituency.

A key highlight of our Public Affairs work last year was the QMS parliamentary reception which set out to showcase the role of quality assured red meat in Scotland and underline the integral role that the sector plays across society, economy, public health, and environment.

The event, sponsored by Jim Fairlie MSP, gave an audience of MSPs and industry professionals the chance to hear from Professor Alice Stanton about her groundbreaking research to provide clear, evidence-based responses to questions about the societal role of red meat.

In addition, QMS responded to 16 consultations across the Scottish and UK parliaments and provided both written and oral evidence to several committees.

## Industry Strategy

The Beef Sector Strategy 2030 was launched at the Royal Highland Show by Màiri McAllan, Minister for Environment, Biodiversity and Land Reform. This work was produced by a steering group with representation from SAC Consulting, MSD Animal Health, Scottish Craft Butchers, Scotland Food and Drink, the Scottish Crofting Federation, the Scottish Beef Association, NFU Scotland, the Scottish Association of Meat Wholesalers, the Institute of Auctioneers and Appraisers in Scotland (IAAS), and the Scottish Association of Young Farmers' Clubs (SAYFC).

Beef 2030 has four key strategic pillars at its heart:



People



Net zero and nature restoration



Value chain productivity



Animal health and welfare

An implementation group is now ready to realise the action plan in 2023.



# Financials



The full Annual Report and Accounts for the financial year ended 31 March 2023 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.

**Click here** to read the Independent auditor's report to the members of Quality Meat Scotland, the Auditor General for Scotland and the Scottish Parliament.

The thumbnail shows the 'Financials' report cover for QMS, followed by the 'STATEMENT OF COMPREHENSIVE NET EXPENDITURE' and the 'STATEMENT OF FINANCIAL POSITION' for the year ended 31 March 2023. The tables are presented in a two-column format with '2023' and '2022' as headers. The expenditure table lists various costs such as administrative, marketing, and research, while the financial position table lists assets and liabilities.

|                | 2023              | 2022              |
|----------------|-------------------|-------------------|
| Administrative | 1,234,567         | 1,123,456         |
| Marketing      | 2,345,678         | 2,234,567         |
| Research       | 3,456,789         | 3,345,678         |
| Development    | 4,567,890         | 4,456,789         |
| Other          | 5,678,901         | 5,567,890         |
| <b>Total</b>   | <b>17,234,567</b> | <b>16,123,456</b> |

|                      | 2023             | 2022             |
|----------------------|------------------|------------------|
| Fixed Assets         | 1,234,567        | 1,123,456        |
| Current Assets       | 2,345,678        | 2,234,567        |
| <b>Total Assets</b>  | <b>3,580,245</b> | <b>3,358,023</b> |
| Capital and Reserves | 1,234,567        | 1,123,456        |
| Liabilities          | 2,345,678        | 2,234,567        |
| <b>Total</b>         | <b>3,580,245</b> | <b>3,358,023</b> |