



QMS

Annual Review

2015/16

WORKING
FOR OUR
INDUSTRY

Contacts

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

A host of videos and information, including event details, can be found on our website

🌐 www.qmscotland.co.uk



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Cover image:

The Watson family of Darnford Farm, Banchory, winners of Scotch Beef Farm of the Year run by Agriscot and QMS.

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Chairman's welcome

Our industry is a great example of the successful combination of tradition and innovation. While it has an enviable heritage, including generations of stockmanship skills, there is also a keen hunger to seek out different and better ways of doing things.

Just as our industry is constantly looking for ways to do things better, our small team at Quality Meat Scotland is always considering how we can improve on what we deliver.

Our levy rates have been frozen for the past six years and QMS budgets are tight. Every piece of activity we deliver is carefully planned with industry input and delivering value for money for levypayers is front of mind in all our activities.

More than 70% of our levy income is spent on consumer-facing activities such as marketing. Our advertising and promotional activity is now extremely focused on carefully targeted consumers for the Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork brands. This delivers maximum impact and benefit for the industry, though it means we as farmers may not see this advertising if we are not the target audience!

With careful use of resources in mind we have also changed the format of this Annual Review. The result is a more compact, snappier publication that is also easier to read online. I hope that it is a useful source of information about the wide range of activities QMS undertakes.

Ensuring our levypayers are fully informed about our activities remains a priority for QMS and this publication offers only a snapshot of what we do. I would also encourage you to sign up for our weekly enewsletter or, for an up-to-the minute newsfeed, follow us on social media.



Jim McLaren
Chairman
Quality Meat Scotland



70%

OF OUR LEVY
INCOME IS SPENT ON
CONSUMER-FACING
ACTIVITIES

QMS strategy

QMS's overall strategy is to shape a sustainable and prospering Scottish red meat industry.

QMS will achieve this strategy through the following specific strategies:

- **Creating confidence which promotes industry investment in its future**
- **Increasing and supporting the uptake of innovative and proven solutions to improve industry efficiencies**
- **Promoting economic, environmental and social sustainability**
- **Working with the livestock production and processing industries to develop and build markets**
- **Working with the livestock production and processing industries to recognise and understand changing market requirements**
- **Defining and satisfying customer expectations and assisting the industry to inform consumers**
- **Developing partnerships and where relevant leveraging additional resources**

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



Chief Executive's review

The success of any organisation depends on its ability to move with the times and QMS is always looking for ways to deliver our remit more effectively.

One advantage of being a very small organisation is that we can be light on our feet and respond quickly to opportunities for the Scottish red meat industry.

An opportunity we have been developing considerably over the past year is the potential of social media and video content, as a route to communicating with both consumers and other important audiences.

Social media offers an exceptional opportunity to target our messages carefully at different audiences, although traditional advertising channels remain an important part of our advertising and promotion mix.

The fact that levy rates have not changed for the past six years means in real terms QMS is faced with a declining income, placing increasing pressure on our budgets.

For a number of years now we have been calling for an alternative method of distributing levy across Scotland, England and Wales, as a significant amount of levy is lost due to Scottish animals being slaughtered south of the border.

During the year the red meat levy boards in England, Scotland and Wales submitted a briefing document to Ministers in England, Scotland and Wales outlining an alternative option for the distribution of red meat levy income.

This alternative, developed jointly by the three organisations, would take into consideration the scale of economic activity undertaken by the red meat industry in each country, rather than only where the animal is slaughtered.

We look forward to the proposals on the table being fully considered by Ministers, allowing us all to move forward.



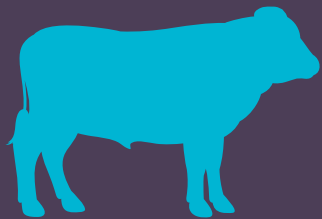
Uel Morton
Chief Executive
Quality Meat Scotland

“One advantage of being a small organisation is that we can be light on our feet and respond quickly to opportunities for the Scottish red meat industry.”



Levy income

There was no change to the rates of Statutory Red Meat Levy collected in Scotland for the year from 1 April 2015.



CATTLE

Paid by producer per head

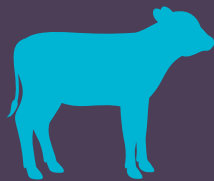
£4.20

Paid by slaughterer per head

£1.30

Total levy per head

£5.50



CALVES

Paid by producer per head

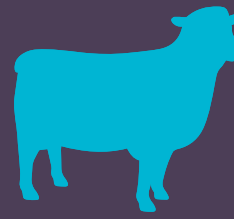
£0.07

Paid by slaughterer per head

£0.07

Total levy per head

£0.14



SHEEP

Paid by producer per head

£0.60

Paid by slaughterer per head

£0.20

Total levy per head

£0.80



PIGS

Paid by producer per head

£1.02

Paid by slaughterer per head

£0.24

Total levy per head

£1.26

Levy – external spend



7%
Other



19%
Industry
Development



74%
Customer and
Consumer-facing
Activities

Key activities

Key QMS Activities include:

- Market Development – promoting the industry's brands: Scotch Beef PGI; Scotch Lamb PGI; and Specially Selected Pork
- Industry Development – focusing on activities aimed at improving the efficiency, profitability and sustainability of farmers and others in the red meat chain in Scotland
- Health and Education – highlighting the importance of a healthy diet and red meat's role in achieving that through a range of work, including school visits
- Communications – ensuring public relations campaigns and key messages are communicated to our target audiences, via routes ranging from traditional media to videos for social media
- Quality Assurance – delivering a range of schemes covering the whole red meat chain, with our quality assurance schemes ensuring consumer confidence and underpinning the brands
- Economics Services – ensuring businesses in the Scottish red meat industry benefit from the latest statistics and analysis



Marketing

Scotch Beef PGI

The marketing campaign behind Scotch Beef PGI ran from February 2016 to April 2016, with the timing of the campaign targeted in response to feedback from the industry.

The 13-week campaign showcased Scotch Beef and the flavour, provenance, traceability and integrity that underpin the brand's PGI (Protected Geographical Indication) status.

With the strapline 'There's beef, there's Scottish beef, then there's Scotch Beef', the campaign targeted 10 million consumers across Greater London and the Home Counties during February, March and April. It aimed to inform, educate and inspire them to choose Scotch Beef when they cook. The campaign also ran in Scotland during March and April.

Analysis by independent market research organisation Kantar Worldpanel revealed an increase in sales during the campaign. The number of UK shoppers who bought Scottish-origin beef at least once in the year increased by 12%.

Consumer awareness of Scotch Beef PGI currently stands at 93% in Scotland and 44% in Greater London and the Home Counties (source: IGD).

Scotch Lamb PGI

The main marketing campaign behind Scotch Lamb PGI ran from August 2015 to October 2015.

The overall aim of the campaign was to get people in Scotland eating lamb and viewing it as a versatile, modern and relevant ingredient.

The result of the campaign was a 6.3% increase in volume sales during the campaign period.

Highlights of the campaign included the following: 25,000 recipe leaflets were distributed; 500,000 recipe inserts were placed; branded point of sale materials were provided to 320 retail outlets; e-newsletters were sent to 84,000 target consumers; 115 days of sampling were undertaken with 6,500 miles travelled (including one ferry to Shetland).

Specially Selected Pork

A campaign behind Specially Selected Pork ran from mid-May 2016 to June 2016. The campaign highlighted the simplicity and versatility of pork, along with its great value for money.

During the six week campaign a radio advert reached 50% of adults in Scotland and 60% of the target parental audience. It was broadcast across eight commercial radio stations in Scotland, leading to a reach of over 24 million adults, with our target parent audience having over 12 opportunities to hear it.

Other highlights of the marketing campaign (the first in three years) included the following: 550,000 Specially Selected Pork labels distributed to secondary processors/supermarkets to help identify the brand in-store; three e-newsletters distributed to over 14,700 consumers; Enjoy Quality Pork Facebook page set up with over 6,270 likes. Additionally, 30,000 'Perfect Pork' recipe booklets were distributed to Scotch Butchers Club members retailing Specially Selected Pork.

Scotch Butchers Club

The Scotch Butchers Club run by QMS has around 300 members across the UK, who are committed to retailing Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork. Over 240,000 pieces of point of sale material were distributed to Scotch Butchers Club members during 2015/16. Two butchery demonstrations were held at the Royal Highland Show and the Club sponsored the Scottish Federation of Meat Traders Association Steak Pie Awards, as well as the Meat Trades Journal Butcher Shop of the Year. The Club also ran its own Scotch Lamb burger/innovative product competition during the year.

Scotch Beef Club

The Scotch Beef Club has over 300 member restaurants in Scotland and the UK. The club is run by Ciara Etherson, who joined the QMS marketing team in January 2016. Members receive a monthly newsletter outlining Scotch Beef activities and can also interact via three new 'Simply Scotch' social media channels – Facebook, Twitter and LinkedIn.

The power of social media

QMS marketing is aimed at encouraging retailers and consumers to purchase and be loyal to identified red meat from Scotland. QMS reaches consumers using a range of routes with social media becoming more and more influential. During the year, the Scotch Kitchen Twitter feed achieved two million impressions with 7,000 followers. Its Facebook page reached 5.5 million, with 23,000 likes, and the website had 560,000 page views. The very popular Perfect Steaks and Roasts app was further developed and is now available in six languages.

Other UK activities

Regular meetings are held with all the main British retailers to support Scotch brands and promotional activities. QMS also works closely with the British organisations responsible for promoting PGI products in the United Kingdom, and supports Scottish red meat companies seeking new premium markets in the UK and abroad. This includes the regular supply of market update information.

Export activities

QMS continues to work closely with its sister levy bodies to open new third-country markets, and had a strong presence at Anuga in Cologne, one of the most important food and drink events in the world.

During 2015, QMS strongly supported the Scottish red meat industry bid to pioneer exports of Scotch Beef and Scotch Lamb to Canada. Social media campaigns were also run in five countries: Belgium, Denmark, Germany, Sweden and The Netherlands.

A particular highlight during the year was the listing of Scotch Beef PGI and Scotch Lamb PGI by ICA National – the largest supermarket chain in Sweden. QMS has also welcomed Belgian, German and Swedish buyers to Scotland and worked in collaboration with Scotland Food & Drink and Scotland Development International to develop sales in export markets.

In addition QMS had a presence at key regional trade fairs including Foodexpo (Nordics), Tavola (Belgium) and Hofex (Hong Kong). The majority of QMS export activities during the year were co-funded by the European Union.



Industry development

The work of QMS's Industry Development team is focused on grass-roots activities aimed at improving the profitability and sustainability of businesses operating in the Scottish red meat industry.

Each year, QMS supports around 200 events promoting the uptake of technology and the latest industry innovations. Most of these activities are free to attend.

Knowledge exchange

Our Industry Development team's activities are broad ranging, delivering initiatives that benefit both large groups and small group numbers.

The approach QMS takes to knowledge exchange focuses on 'farmer to farmer' sharing of best practice. This works by offering farmers the opportunity to hear from their peers about positive changes to their systems or management, and the benefits to their bottom lines.

Among the projects that continue to attract large attendances based on this approach is the well-established monitor farm programme QMS delivers in Scotland.

The monitor farm programme continues to go from strength to strength. The programme establishes a typical farm in an area as a 'monitor' farm to host six meetings per year, allowing other local farmers to see and share the experiences of the monitor farmer in improving their business performance. During the three-year term, a number of changes

are introduced based on group recommendations to improve the efficiency of everyone's business.

During the year under review, four of the monitor farms reached the end of their projects, and each was equally enthusiastic about the positive impact on their own farms and on the farm businesses run by community group members.

Grazing groups

QMS grazing groups focus on improving the utilisation of grassland. The overall objective of the grazing groups is to increase the kilos of liveweight cattle or sheep produced per hectare. These meetings during the year at host farms and elsewhere have been well attended. Meetings involve a range of expert speakers and focus on the host's previous performance data, as well as monitoring growth rates of their stock to target maximum uplift in performance from grazing. The groups are hosted by farmers who are keen to make more of their grazing, with around 20 members attending four group meetings each year.

Importance of benchmarking

An anonymous Scottish cattle and sheep farm is taking part in the 'Top Quartile Project', which aims to lift the business' net margin performance from 'average' to 'top 25%'. This project is tracking this average-performing farm business over a three-year period to a point where its net margin places it in-line with Scotland's top performing farms of a similar type.

The initiative will monitor the changes introduced to the management of the farm to boost its productivity to the level of the top category of

performers identified in the 'Enterprise Costings' publication produced each year by QMS.

The identity of the farm in the project will not be revealed, but the lessons learnt along the way will be shared by QMS with the Scottish farming community. The project will be delivered by SAC Consulting, part of SRUC, Scotland's Rural College.

Industry groups – cattle and sheep

QMS also runs three industry groups – the Scottish Cattle Industry Group, the Scottish Sheep Industry Group and the Pig Industry Group Scotland. These groups work closely with QMS to provide feedback, advice and guidance to ensure the organisation's projects are sharply focused on grass-roots industry needs to maximise benefits.

Pig efficiency and health

QMS's activities in the pig sector are primarily directed at improving efficiency and health. The pig monitor farm, located in Aberdeenshire, held its final meetings during the year under review, with most meetings held off-farm to ensure the health status of the monitor farm, which is also supported by three satellite groups in Nairn, Perth and Dumfries.

Trials relating to feed efficiency and the selection of pigs for slaughter have been highlights on the farm, along with reducing mortality shortly after farrowing. This work is part of the QMS Pig Business Network, which is co-funded by the Skills Development Scheme via the EU SRDP programme and includes a pig managers' group that meets regularly for training sessions on a wide range of subjects.

The QMS Pig Health Scheme, delivered by Wholesome Pigs Scotland, is a scheme that monitors pig health at abattoirs, continues to deliver valuable work and underpins the Specially Selected Pork brand.

Publications and videos

The range of publications produced by QMS during the year included the 'Diagnosis and Treatment of Lameness in Sheep' guide and a 'Ewe Nutrition' timeline. A grass sward stick was also produced. Video content became an increasing part of knowledge transfer during the year.

Copies of QMS publications are available from our website www.qmscotland.co.uk or by emailing info@qmscotland.co.uk or calling **0131 472 4040**.

50⁺ 
videos produced
relating to improving
farm profits viewed
more than
500,000
times during last year



QMS in numbers

Scotch Beef advertising
campaign targeted



10 MILLION
CONSUMERS

over

4000 PEOPLE
attended farmer events
supported by QMS



6500 MILES TRAVELLED
during the sampling programme

across Scotland for the

Wham Bam Thank You Lamb

campaign, resulting in

6.3% volume
sales increase



Scotch Kitchen
Twitter and
Facebook
pages reach over
5 MILLION
CONSUMERS



250 ENTRIES

FOR QUALITY MEAT SCOTLAND'S

**MY TOWN
MY BURGER**

SCHOOLS COMPETITION*



* Around 70% of the secondary schools in Scotland applied and received a QMS meat voucher.



QMS took part in



200 EDUCATION
sessions, many with
cookery demonstrations, reaching

4500 PUPILS



over

**HALF A
MILLION**



SPECIALLY SELECTED
Pork labels

distributed in-store

AROUND

700 CHILDREN



and young people
cooked in the



**Scotch Beef
Cookery Theatre**

at the Royal Highland Show

Quality assurance

Quality assurance

2015 marked the 25th anniversary of the quality assurance schemes that underpin the Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork brands.

A whole chain assurance programme is delivered by a suite of six quality assurance schemes with over 10,000 members. The six schemes are: Cattle & Sheep; Pigs; Feeds; Haulage; Auction Market; and Processor. The schemes provide reassurance to consumers of provenance, high standards of production and animal welfare and wellbeing – all of which contribute positively to a quality eating experience.

Scheme membership is voluntary and the schemes are managed independently from the other activity QMS undertakes on behalf of the Scottish red meat industry.

Importance of assurance

Recent independent market research highlights the increasing importance of quality assurance schemes in building consumer trust in red meat brands, as delegates heard at QMS's 'Building Business Success' marketing conference in January 2016.

Revealing the results of recent research on what consumers want from red meat, conducted by IGD on behalf of QMS, Michael Freedman, Senior Shopper Insight Manager at Retail Analyst, IGD, said quality assurance schemes, such as those behind the Scotch Beef PGI brand, are now among the top 'quality indicators' for shoppers.

Recruitment drive

At the start of 2015, QMS launched a major recruitment drive to increase the membership of the Cattle & Sheep assurance scheme. Over 650 applications to join the scheme were received during the year.

Currently over 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 quality assurance.

Membership fees

The schemes are self-funding, with membership fees used exclusively 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. Membership fee discounts are available where combined assessments can be carried out.

Standards setting

Each assurance scheme has its own standards document, which is reviewed annually by a standards setting committee, to take into account changing circumstances in the industry and the wider operating environment. The committee is comprised of individuals with a broad range of knowledge and expertise, ensuring the views of all stakeholders are taken into account. A full list of QMS committees can be found on the QMS website 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 last tendering process was carried out in 2013, when the contract was awarded to Acoura for the period 1 April 2014 to 31 March 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) was launched by QMS during the year under review and has been very well received. SPECC allows farmers, auction markets and abattoirs to check whether individual animals are potentially eligible for the Scotch Beef PGI brand. SPECC is a free tool, available as a web based application and also as a smart phone app. Designed with users in mind, it is very easy to use and returns quick search results.

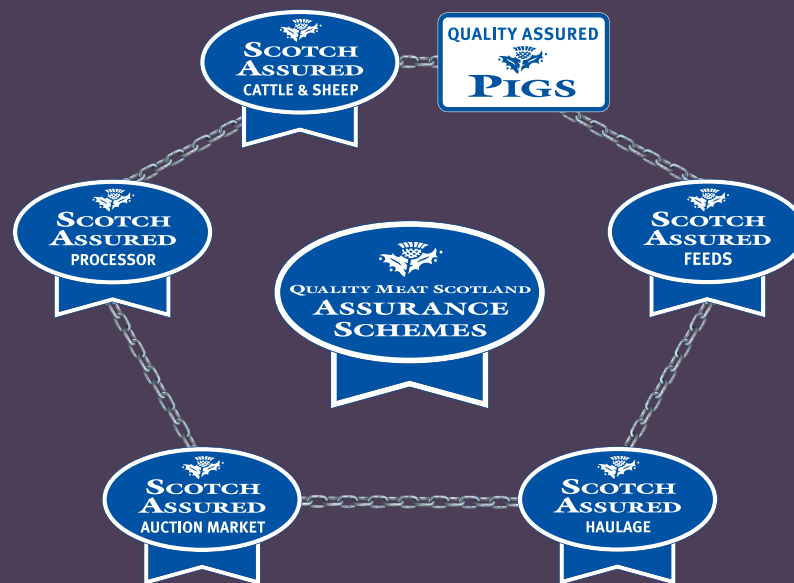
Animal welfare

The priority the Scottish red meat industry places on animal welfare was highlighted during the year under review by the establishment of 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 working closely together, with the aim of promoting and encouraging high standards of animal welfare in the Scottish livestock industry.

The aim of the partnership is to build on the existing 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 pork in Scotland is highlighted in its 'Animal Welfare and Wellbeing Charter' and the guiding principles of the Charter are embedded in QMS quality assurance schemes and activities.





Economics

QMS's Economics Services team focuses on ensuring businesses involved in the Scottish red meat production chain benefit from the latest industry statistics and analysis.

Regular market updates are published online and in the media, and the team produces annual publications on cattle and sheep enterprise benchmarks and an overview of industry statistics. The team also reports its work to stakeholders and interested parties through invitations to speak at industry conferences, farm open days, and college and university lectures.

QMS reports regularly on market prices in Scotland and globally, and the team manages the market prices section of the QMS website. Each week, market data is supplied to the Scottish farming press. The economics team also puts together a market commentary for the weekly QMS industry newsletter, highlighting the potential drivers of price movements.

Once a fortnight, the team produces a widely circulated market commentary press release and from time to time will be asked to write longer-form articles for the farming press and contribute to other media. A more detailed monthly market report is published that covers market prices, supplies, retail sales and international trade. In addition, this monthly report looks at price movements at the EU level and considers developments in some of the key global markets to provide a wider context.

On a regular basis the team also 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' (often referred to as the 'Enterprise Costings' report) is released in autumn, offering 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 across Scotland, the analysis seeks to identify the key components and performance indicators that deliver a top-third financial margin.



This report provides a means for farmers and their advisors to compare their own enterprise performance with their peer group and identify the strengths and weaknesses of their businesses, to pinpoint and target areas for development.

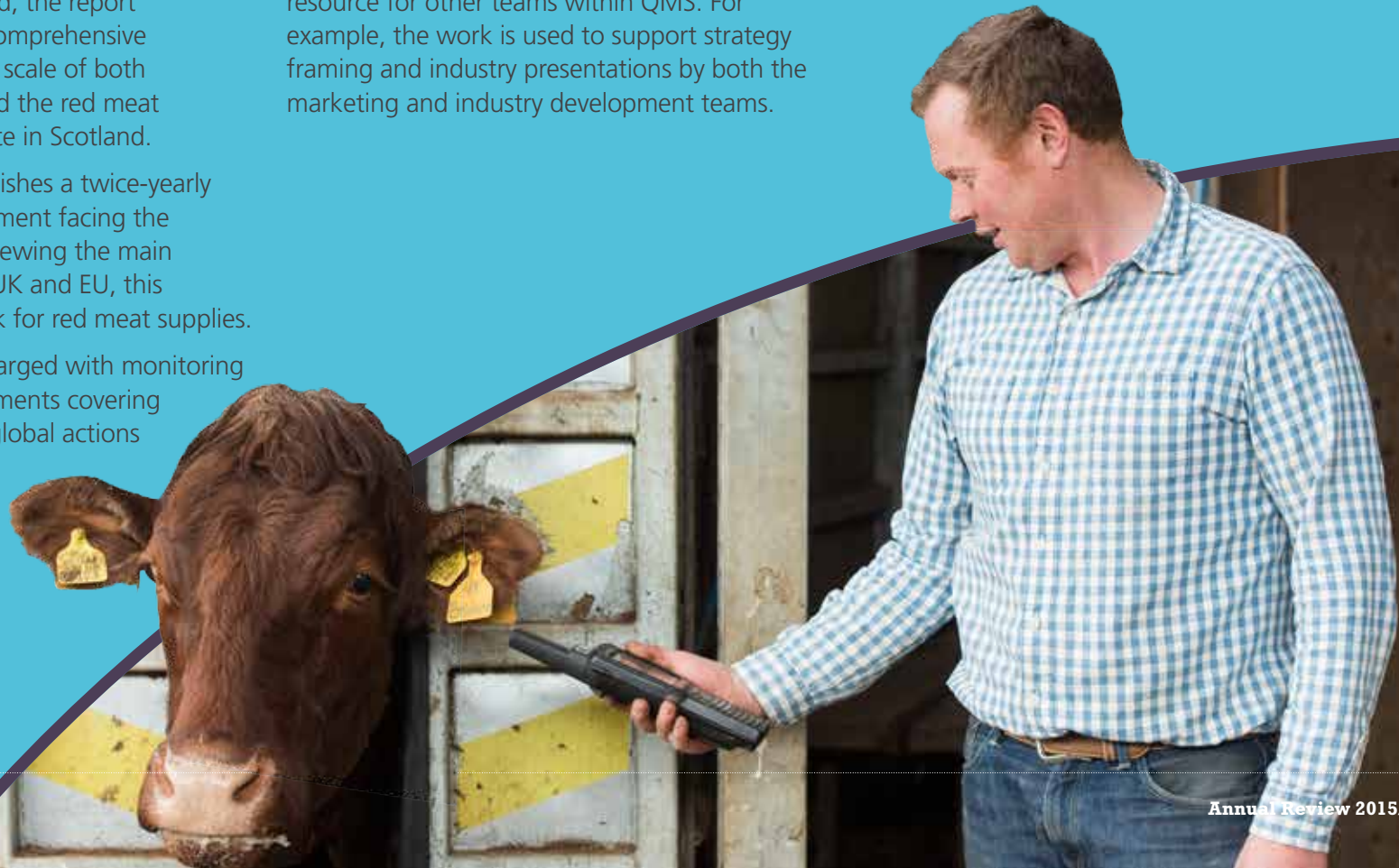
'The Scottish Red Meat Industry Profile' is published in the summer. Containing data on a wide range of topics, from livestock's contribution to total agricultural output through to regional structure of livestock populations and abattoir throughputs, to trade and consumer demand, the report provides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

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 an outlook for red meat supplies.

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

These include climate change and sustainability policies and strategies, plus 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 sectorial strategic reviews at a national and European Commission level.

The datasets held, and analysis and interpretation by the economics team, are 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.





Communications

The QMS Communications team communicates the latest news and information on a very wide-ranging selection of activities, delivered by the organisation to very different audiences.

The communications role ranges from raising awareness of opportunities to improve livestock producers' profitability to planning and delivering vibrant public relations campaigns behind the three brands – Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork.

Media relations

Video content plays an increasing role in the way QMS engages with the industry's target audiences, as social media continues to strengthen and evolve.

QMS's Communications team provides the media with a stream of positive stories, accompanied by strong photography, and works hard behind the scenes to keep potentially damaging stories out of the press. This unseen work is just as important as the proactive communications and PR that QMS undertakes.

We work closely with our sister organisations elsewhere in the UK and with the communications teams of other key organisations in our industry. We also work in partnership with organisations such as Scotland Food & Drink, VisitScotland and SportScotland.

Scotch Lamb PR campaign

QMS's 2015 Scotch Lamb PGI PR campaign included working with Masterchef: The Professionals' host Gregg Wallace.

During a visit north of the border, hosted by QMS, Mr Wallace met farmers, butchers and chefs and learned more about what makes Scotch Lamb one of the finest ingredients in Scotland's larder.

His trip included a visit to a Perthshire sheep farm where Mr Wallace saw first-hand the dedication, care and stockmanship skills behind the production of top-quality Scotch Lamb.

Another key aspect of the campaign was a Lambassador kit, which was offered to sheep farmers to encourage them to share their pride in Scotch Lamb and help promote the brand to consumers.

Scotch Beef PR campaign

Celebrity chef Tom Kitchin fronted our Scotch Beef PGI PR campaign, which included a visit to a cattle farm in Perthshire and cooking Scotch Beef steaks on ITV's This Morning show.

The campaign delivered 41 pieces of coverage with a print reach of 4.1 million and a broadcast reach of 1.3 million; 15 features; 12 recipe placements; and five media competitions as well as activity with key bloggers.

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 a successful Guinness World Record attempt to break the existing record for the most Specially Selected Pork sausages made by a butcher in one minute. The PR activities also included a food pairing with Thistly Cross Cider, blogger activity, media competitions and recipe placements.

Guild of Food Writers Awards

Top food writers from throughout the UK joined in Scotland's Year of Food and Drink Celebrations at the Guild of Food Writers Awards at Opera Holland Park in London.

QMS (the Scotch Beef PGI brand) was the main sponsor of the vibrant event, attended by around 350 food journalists, bloggers, writers and authors, where attendees enjoyed Scotch Beef PGI and Scotch Lamb PGI.

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.

The finalist farms, from Perthshire, Aberdeenshire and Angus, were selected from a very strong line-up of entries and represented three very different types of beef systems.

The overall winner was Darnford Farm, near Banchory, Aberdeenshire, run by the Watson family. The other finalists were: Wester Coilechat, Callander, Perthshire, run by the Malcolm family; Pettycur Farm, Montrose, Angus, run by the Sanger family.

Levypayer Communications

With the use of social media still increasing, the website also links to the QMS Twitter feed, 'MooTube' channel and Facebook page, which feature up-to-the-minute news about QMS's wide-ranging activities on behalf of the industry. We now have more than 10,000 likes on Facebook and around 3,500 followers on Twitter.

During the year under review the QMS Communications team produced more than 50 videos, ranging from industry-facing productions aimed at helping farmers share opportunities to improve their margins through to consumer-facing videos highlighting the important role of quality assurance. The videos we produced during the 2015/16 year were viewed around 500,000 times on our Facebook page alone.

Livestock+, our in-house magazine-style newsletter is issued four times a year. Our free weekly enewsletter is issued to more than 5,000 subscribers. To sign up, visit our website.

A guide for farmers and others in the industry, to help them make the most of media opportunities, is available free from QMS by calling **0131 472 4040** or it can be downloaded from **www.qmscotland.co.uk**.

Health and education

QMS's health and education activities are focused on improving Scottish families' understanding of the importance of eating a healthy balanced diet and red meat's role in achieving that.

School visits and events

During the year under review QMS's Health and Education team delivered 150 education sessions and cookery demonstrations reaching nearly 3,000 pupils, plus over 50 education sessions to school children attending food and farming days. Talks and demonstrations were also given to parents and community groups.

Champions in Scotland – As a founding partner of Champions in Schools, QMS is continuing to support the newly repositioned Champions in Scotland programme which sees athletes from across the country visit schools, often including a cookery demonstration from the athletes themselves.

Top Student Award – QMS awarded Chloe Trott, from The High School of Glasgow the Top Student award in Hospitality: Practical Cookery National 5 and Nicole Cumming, from Harris Academy, Top Student in Higher Health and Food Technology. Developing an interest in food and cooking skills at an early age is important, and it is encouraging to see the popularity of such courses in Scottish schools rise each year.

Street Soccer Scotland – QMS continued its support of Street Soccer Scotland during the 2015/16 year, with one of the highlights being the Homeless World Cup (HWC) in George Square, Glasgow. The HWC saw 100,000 fans watch matches live in George Square, with two million more watching on TV.

Young Scots Awards – QMS sponsored the volunteering category. The winner, Alice Bowman from Blairgowrie, was presented with her award by X-Factor star, Nicolas McDonald, Scotch Beef Mascot Hamish and QMS Health and Education executive Jenni Henderson. Scotch Beef was the main course at the awards attended by 500 young people.

Scotch Beef Children's Cookery Theatre – QMS again supported the Scotch Beef Children's Cookery Theatre in the Discovery Centre at the Royal Highland Show.

One of the highlights was a brand new education area on the QMS main stand. This bright, vibrant area had a focus on three key issues – red meat and health, animal welfare, and a positive environmental message of red meat production in Scotland.

The new area was a huge hit with visitors of all ages and included interactive activities such as touch and feel sensory unit; guess the breed challenge; wordsearch; proteins challenges; and brass picture rubbings for little ones.

QMS staff were joined by representatives from the Scottish SPCA and 'Love Food Hate Waste', who each ran activities with visitors.

My town, My burger competition – The QMS burger competition for first year pupils was a great hit in 2016, with nearly 250 entries from 19 different schools. Six semi-finalists worked with a member of the Scotch Butchers Club to create their own unique burger inspired by their local town.

The winner was Callum MacRitchie from the Isle of Lewis who, along with the team at Charles MacLeod, Stornoway, created the 'Big Marag' burger that contained Specially Selected Pork and Stornoway black pudding. All finalists were presented with prizes by TV presenter Michelle McManus.



Food Education Partners – QMS is an active member of the Food Education Partners group, facilitated by Education Scotland.

Activities QMS has been involved in include the following: the Skills Development Scotland 'Skills Scotland' careers events; the College Development Network's Food and Drink careers event in Fife; the 'Make it with Meat' project with the Scottish Food & Drink Federation and Bathgate Academy; Borders Union Children's Show; Scotsheep; and the Scottish Learning Festival.

Working with a number of partners led by the Royal Highland Education Trust, QMS has assisted in developing and delivering the 'Good Food Champions' General Teaching Council Scotland-accredited teacher training programme on Food and Farming in Scotland.

The pilot scheme ran with 11 teachers in Aberdeen City/Aberdeenshire and activities involved farm visits, food manufacturing site visits and cooking, as well as number of guest speaker talks and presentations.

Farm Visits and Events – We continue to work closely with RHET, supporting local coordinators in attending food and farming events and providing resources. This year we also extended our support of Open Farm Sunday by encouraging Scottish farmers to get involved.

Social Media – The 'Good Family Food' Facebook page, aimed at Scottish families, continues to be updated with tasty seasonal recipe ideas using beef, lamb and pork, with the help of chef Daniela Forbes. This year we added new quick-time recipe videos and five new weaning videos with food blogger and Great British Bake Off star Holly Bell, providing advice on introducing red meat into babies' diets, plus three great recipes. The content featured on Holly's own blog as well as on a number of top parenting websites such as MumsNet. Scotch Beef, Scotch Lamb and Specially Selected Pork Healthy Living recipes have also featured throughout the year on the Scottish Slimmers' website and Scottish Slimmers' magazine.

Dame Kelly Holmes Trust – The Get On Track Programme in Scotland works with 16 – 25-year-olds who are not in employment, education or training. Led by world-class athletes including Sarah Clark and Sarah Adlington – both Gold Medalists at the 2014 Commonwealth Games – to mentor young people to improve their confidence and skills and help make them more employable.

As a part of this, QMS led a healthy eating session and cooking demo with a cook-along for young participants. Discussions involved cooking with red meat, eating on a budget and skills such as making Scotch Beef Fajitas from scratch.



Financials

The full Annual Report and Accounts for the financial year ended 31 March 2016 is available on the QMS website at www.qmscotland.co.uk or by telephoning **0131 472 4040** for a copy.

OPERATING COST STATEMENT

For the year ended 31 March 2016

	2015 – 16	2014 – 15
	£	£
Income		
Statutory red meat levy	3,972,592	4,095,837
Consumer assurance scheme fees	1,484,662	1,419,053
Other income	821,815	1,267,905
	<u>6,279,069</u>	<u>6,782,795</u>
Expenditure		
Staff employment and board costs	1,042,440	976,579
Depreciation	8,385	9,629
Other operating costs	5,418,354	5,515,474
	<u>6,469,179</u>	<u>6,501,682</u>
Operating (deficit) / surplus	(190,109)	281,113
Finance income	11,883	17,217
	<u>11,883</u>	<u>17,217</u>
(Deficit) / surplus	<u>(178,226)</u>	<u>298,330</u>

STATEMENT OF FINANCIAL POSITION

As at March 2016

	2016 £	2015 £
Non-current assets		
Property, plant and equipment	11,833	15,607
Current assets		
Inventories	2,223	2,660
Trade receivables and other current assets	1,008,847	1,281,909
Deposits and advances	850,00	750,00
Cash and cash equivalents	897,452	1,213,505
Total current assets	2,758,522	3,248,074
Total assets	2,770,355	3,263,681
Current liabilities		
Trade payables and other current liabilities	1,339,372	1,654,472
Total current liabilities	1,339,372	1,654,472
Assets less liabilities	1,430,983	1,609,209
Reserves		
General reserve	1,430,983	1,609,209



Financials (continued)

STATEMENT OF ACCOUNTS

For the year ended 31 March 2016

	Levy £	2015 – 16 Non Levy £	Total £	Levy £	2014 – 15 Non Levy £	Total £
Income						
Statutory red meat levy	3,972,592	0	3,972,592	4,095,837	0	4,095,837
Consumer assurance scheme fees	0	1,484,662	1,484,662	0	1,419,053	1,419,053
Grant income	0	785,908	785,908	0	1,245,059	1,245,059
Miscellaneous income	0	35,907	35,907	0	22,846	22,846
Bank interest	0	11,883	11,883	0	17,217	17,217
	3,972,592	2,318,360	6,290,952	4,095,837	2,704,175	6,800,012
Direct expenditure						
Marketing and promotions	1,877,239	612,448	2,489,687	1,634,716	892,668	2,527,384
Industry development	755,640	182,163	937,803	692,985	373,812	1,066,797
Communications and economics services	893,229	7,286	900,515	865,961	645	866,606
Assurance scheme operating costs	0	1,555,450	1,555,450	0	1,459,056	1,459,056
Corporate services	573,840	11,883	585,723	564,622	17,217	581,839
	4,099,948	2,369,230	6,469,178	3,758,284	2,743,398	6,501,682
Surplus/(deficit) on ordinary activities	(127,356)	(50,870)	(178,226)	337,553	(39,223)	298,330

Board and staff

BOARD MEMBERS

Jim McLaren

Chairman
(re-appointed April 2015)

Ronnie Eunson

(appointed April 2013)

Julie Fitzpatrick

(appointed April 2014)

Jock Gibson

(appointed April 2015)

Scott Henderson

(appointed April 2015)

Sarah Mackie

(appointed April 2014)

Alan McNaughton

(reappointed April 2014)

George Milne

(appointed April 2014)

Kate Rowell

(appointed April 2015)

John Scott

(reappointed April 2015)

Philip Sleigh

(appointed April 2014)

Louise Welsh

(appointed April 2013)

QUALITY MEAT SCOTLAND – STAFF

Uel Morton

Chief Executive

Susan Kinniburgh

Executive Assistant

Carol McLaren

Head of Communications

Claire Higgs

Communications and Events Manager

Maggie Bennett

Communications Specialist

Jennifer Robertson

Health and Education Coordinator

Jenni Henderson

Health and Education Executive

Douglas Bell

Head of Industry Development

Michael Blanche

Knowledge Transfer Specialist

Emily Grant

Grassland Coordinator

Allan Ward

Pig Specialist

Stuart Ashworth

Head of Economics Services

Iain Macdonald

Senior Economics Analyst

Laurent Vernet

Head of Marketing

Suzie Carlaw

Marketing Controller

Graeme Sharp

Marketing Executive

Ciara Etherson

Marketing Executive

Suzanne Woodman

Brands Integrity Manager

Jill Hunter

Assurance Advisor

Sylvia Shepherd

Corporate Services Manager

Debbie Phillips

Finance Assistant

Kirsty McCormack

Office Coordinator

Working groups: Input from those working in the Scottish red meat industry and other relevant stakeholders is a vital part of the way QMS operates and plays an important role in shaping our wide range of activities. To achieve this around 20 working groups exist, ranging from quality assurance standard setting bodies to cattle and sheep strategy groups, the pig strategy group and marketing groups covering beef, lamb and pork as well as butchers. For full details of those who serve on these groups visit www.qmscotland.co.uk

QMS is extremely grateful to all those who give up their time to serve on the groups, which are vital to the effectiveness of our work. If you would like to get involved with one of the groups, please contact us via info@qmscotland.co.uk





Quality Meat Scotland

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info@qmscotland.co.uk

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