



## **Minutes of the Forty Fourth Board Meeting held on Wednesday 10 September 2014**

### **MINUTES OF THE LAST MEETING**

The minutes of the meeting held on 15 July 2014 were approved.

### **MATTERS ARISING (and not on the agenda)**

An Industry Government Roundtable on antimicrobial usage will be held on 9 October in London and will be chaired by John Fitzgerald from RUMA. From this, an options paper will be pulled together for the pig industry.

Members were told export agreements had been reviewed. Any disease of significance should be notified to OIE (e.g. PRRS) whether or not it is classed as notifiable, but this does not start the chain of events that something classed as notifiable would. The list of notifiable and reportable diseases is reviewed every year by OIE. With regard to trade to third countries, these are all very different and depend on the negotiated certificates at the time. As far as exports are concerned therefore, the difference between notifiable and reportable has no importance as certificates are drawn up highlighting specific diseases only.

The possibility of insurance for PEDv was explored. Producers will be unable to obtain insurance as the level of risk cannot be identified.

A meeting on lorry washing was held with the BMPA. BPEX is pushing for lorry wash standards to be increased and changed from recommendation to requirement across all standards. This will shortly be issued for industry consultation. One member said he believed the main issue with hauliers will be the time it takes to wash the lorry. He was told this wasn't raised in the meeting but it may be raised following the consultation. AIMS has indicated in previous discussions that they seek to mirror BMPA standard in this area. There is a risk that needs to be investigated as not all abattoirs have the facility or space to wash on site, therefore they will have a designated site which will be the responsibility of the abattoir.

Lorry washing will be raised at the September biosecurity meeting. A board member said in Holland this is mandatory - every abattoir inspects every lorry and each vehicle has a book which records the dates of every disinfection.

Discussions have been held regarding retailer "thank you" communications post horsegate. It has been decided to tie this in with the second anniversary of horsegate.

### **DIRECTORS REPORT**

The board was told BPEX budget is on track.

EU prices have been subdued and the gap to the UK price remains historically high, partly due to the strong pound. Imports increased by approximately 5% in the first half of 2014. EU exports to Russia were approximately 750,000 tonnes per annum, but following the ban new markets need to be sought for this.

Members were told the CEO of AHDB has resigned. He will continue in post until the end of November and advertising for a replacement will start immediately.

The new Technical team structure and strategy was presented to the Board. Only one vacancy now remains in the team. The ZNCP Steering Group and Pig Health and Welfare Council will be pulled together with a refocus on strategic priorities in line with the BPEX Business Plan and Strategy. The new Pig Health and Welfare Council will be held for a shorter time on a monthly basis rather than an all-day twice a year meeting as is current. The Board was reminded that BPEX acts as a secretariat for the Pig Health and Welfare Council – this is a group of many outside sources (RUMA, Government etc.) but BPEX needs to ensure that this is going in the same direction as the BPEX Business Plan.

The Agritech Monogastric Centre of Excellence has been set up with a view to obtaining £20m of Government investment over a 5 year period. An EU Pig Innovation Group has also been set up to coordinate and share findings from existing pre-farm gate research.

### **AN INDUSTRY STRATEGY TO MANAGE THE THREAT OF PIG DISEASE**

In the USA, PEDv is reducing but we are aware that the disease is more prevalent in the winter months so the figures could increase again in the next six months. Canada seems to have a better hold on PEDv. Some vaccines are now coming onto the market but these are not showing 100% effectiveness. A member asked if we should be using the vaccine now to help prevent PEDv in the UK. He was told the vaccine is only available in the US and is not fully licensed at this stage.

A new strain of PRRS (Flanders 13) has been discovered in Belgium. Import protocols have been tested to help prevent the introduction of either disease in the UK with work continuing on whole chain biosecurity. Research has shown that PEDv in feed has not been transmitted in plasma alone so work continues to discover how else feed has been contaminated.

A contingency plan is being finalised to ensure early identification of site infection and prevent spreading effectively and quickly. The importance of this is being continually communicated to the industry.

If PEDv were to breakout in the UK, it could be contained if it is found in a maximum of five sites. The potential financial commitment to BPEX, should we assist with the containment of the disease on farm including depop/repop, needs to be decided.

Some of the costs are fixed e.g. PEDv Coordination Centre, testing and monitoring etc. but to what degree should BPEX compensate farms? Is the compensation just to encourage farms to declare that they have/may have PEDv? Members were told the other option is to try to get the law changed to make PEDv reportable. It was suggested the money should be considered support not compensation, as the money we would be offering would only be a small percentage of depop/repop costs. One member we should communicate that BPEX is developing strategies and contingency plans and that we are setting aside resources should an outbreak occur. The Board was in agreement.

### **TRICHINELLA TESTING**

A presentation was given regarding the roadmap so far for CCIR. Early indications following a change of testing show that there is no significant improvement in the data. This is likely to be due to the people at FSA who had been driving the project leaving the business.

Trichinella – BPEX has agreed updates required for eAML2 regarding hauliers summary's and controlled housing. FSA has agreed to fund changes to be implemented. There has been no progress regarding offsite testing. Members were told testing can be set up at a relatively low cost, most major abattoirs have an on-site facility.

### **CONSUMER DEMAND FOR PORK IN GREAT BRITAIN**

Members of the AHDB Consumer Insight team said the consumer outlook is one of easing pessimism with confidence slowly rising. However, consumers are managing their budgets carefully and the price

remains a key battleground for retailers. Red meat is seeing continued price increases. The nominal earnings growth is now just 0.6% which is well below inflation.

Red meat has struggled with sales over the last 5 years with changing price points having an impact i.e. lamb prices have increased by 30% in the last 5 years whereas chicken has remained relatively stable. Pork has risen by 6%. These prices are for all products, not just British. Fresh pork has benefited from switching from other proteins in the last year. In volume terms, pork is up 4%. The foodservice picture is quite positive with a steady growth being shown in the last 12 months. This may be temporary due to the good weather, however pigmeat is showing a decline in servings.

### **DEVELOPMENT OF THE MARKETING BUSINESS PLAN**

An update was given on the Marketing Team following the reorganisation. Eight roles needed to be filled, five of these have been sought with the other three needing to be re-advertised as the first set of interviews did not produce suitable candidates.

Analysis has shown that people between the ages of 25 and 55 are well under the index on purchases of pork, therefore the focus for the strategy will be on rejuvenating the image of pork. Resources will be concentrated on the campaign and a targeted approach will include food bloggers, social networks, food festivals and using influential celebrities.

A processor workshop will be held on Tuesday 16 September where all processors will be encouraged to share and buy into the communication.

A proposal to up weigh the budget allocation to media spend was given. It was proposed that the media spend is increased to reflect the strategic priority of the rejuvenation campaign. The reallocation of budget now requires sign off from the Board. This was agreed.

Porkwatch – It was explained that Porkwatch is a bi-monthly survey of 10 retailers conducted across 150 stores which was introduced to give an independent measure of country of origin and quality standard mark products on shelves. The cost for this survey is £23k per annum.

The alternatives were presented along with suggested improvements to the current Porkwatch data. A discussion was held and it was agreed that further options should be explored, including barcode analysis, and details be presented at the November Board meeting.

### **AHDB SKILLS / RDPE UPDATE**

Details were presented on how the role has progressed in AHDB over the last two years since moving from BPEX to cover the skills agenda for all sectors. The Agritech Skills Strategy was launched called “Professionalism in Agriculture” which aims to increase industry profitability, professional development and simplify red tape.

The RDPE has been a major contributor of funds to skills development. The contract awarded was £2.2m of which AHDB have delivered 96% which has been an excellent result.

### **AHDB BUSINESS PLAN**

It was explained that the AHDB Business plan cycle needs to be kicked off in November. As BPEX already has a long term strategy, we just need to put in place an update for the forthcoming financial year. We also need to consider whether or not to increase the levy. This will be discussed in details at the November Board Meeting.

### **ISOTOPES UPDATE**

Members were told two rounds of testing have been undertaken and we now have a new system for assessing individual isotopes. A trial to use isotopes beyond pork, for bacon, sausages and ham, has been conducted, but this is proving difficult for traceability. Work will continue with BMPA on this.

The SIRA analysis contract will be re-pitched as the 3 year contract is nearing an end. The current data supplier is Longhand Data. There is now more competition in the market, particularly following horsegate, so we are hopeful of delivering value for money.

**ANY OTHER BUSINESS**

Members were told BPEX continues to push very hard regarding an inspection visit from China. We continue to push for this before the end of 2014 to open the market to sell trotters in particular.