Farm assurance really does pay

There is a clear cost benefit to being farm assured. Farmers will have heard this message before, but now a major study has revealed the extent of that price advantage.

A study undertaken by the English Beef and Lamb Executive (EBLEX) has revealed for the first time the price differentials between farm assured and non-farm assured stock sold liveweight through English auction markets up to August this year.

The report found farm assured cattle averaged £38.41 per animal more than non-assured and farm assured new season lambs commanded an average £1.14 per animal premium over non-assured. Farmers certified to the ABM farm standards would only have to sell three cattle or 75 new season lambs to clearly recover their membership costs.

Farmers have never had any objective data to evaluate the cost benefit of farm assurance membership. The study claims on an average annual throughput, non-farm assured stock were traded at a discount which would amount to some £3.17 million over a year.

“I am delighted producers now have evidence there is a financial benefit in being part of a farm assurance scheme,” said Ian Frood, ABM chairman. “The lack of clear farm assurance price reporting has made it very difficult to prove until now.

“I hope that non-assured farmers will consider joining a scheme after looking at the daily price information published by EBLEX on its website and seeing for themselves that it will bring a financial benefit to their businesses.”

The average prices for both farm assured and non-farm assured finished cattle and sheep, for all English livestock markets reporting their prices to the Meat and Livestock Commission are published on the EBLEX website www.eblex.org.uk.

National retailer campaign

There are many advantages to being part of the Red Tractor alliance these days. Livestock farmer Jemma Holden from Lancashire supplies lamb to Budgens via Keypak. She joins 11 other producers this autumn to front a national advertising campaign promoting the Red Tractor ‘Promises’ campaign.

Research shows that values such as traceability, provenance and assurance are increasingly important to British consumers. In response, Budgens has placed the Red Tractor at the centre of its autumn campaign.

In line with its existing policy to source all own-label meat and seasonal produce from UK suppliers, Budgens has become the first retailer to adopt the Promise campaign, launched last year by the NFU with support from Massey Ferguson and Agricredit.

On posters appearing in supermarkets this autumn, Jemma not only promotes her own business, but plays an important role in strengthening the links between farmer, retailer and customer.

Shoppers are being urged to look out for both the logo and promises, which span the whole supply chain and illustrate the merits of assurance.

Fact-finding visit to South America

ABM chairman, Ian Frood and development manager Sarah Long will be visiting Brazil and Argentina at the beginning of November to investigate the assurance standards on farms exporting beef to the UK. This fact-finding visit will allow ABM to see first hand how the assurance standards compare to those operating in the UK.
Demand for beef assurance dominates market

With whole chain beef and lamb assurance now in place, small and medium sized abattoirs embracing assurance (see page five) and the opening up of the mature beef market, the future without assurance looks bleak.

As dairy farmers who will shortly have cows to sell onto the market have found, more and more buyers now demand assurance as a basic requirement.

“We have five times the outlets for assured animals compared to outlets for non-assured animals,” said Vicky Fletcher, project development officer at Meadow Quality Ltd.

“Producers should really start to look at farm assurance as a sound marketing investment. “Almost all the 40,000 head of cattle we market every year are beef farm assured, and without assurance, producers looking to sell their cattle or sheep into the food chain won’t be able to achieve the better prices that assured stock achieve,” she said.

New feed hygiene guide helps cut red tape

There is no need for farmers to panic about the new feed hygiene legislation coming into force on 1 January 2006. AFS, on behalf of the industry, is currently finalising a Code of Practice for On-Farm Feeding which will cover all aspects of the subject.

The industry code is a guide to best practice for all those involved in the feeding of farmed livestock whether by grazing, using single feed materials (formerly known as ‘straights’), buying in compound feedingstuffs, mixing complete feeds on farm or any combination thereof.

It will cover all aspects of the topic, from the purchase of feed and feed ingredients to the production of feeds on farm. Wherever possible, the guidance will be based on best agricultural practice and the majority of producers will find it consistent with what is practised on their farm.

The booklet will provide practical advice for farmers on how to maintain high safety and quality standards for feed by minimising risks and, by doing so, reducing the potential burdens and costs of extra bureaucracy. While it will draw on existing feedingstuffs legislation, it will not be a comprehensive guide to the law.

A copy of the code will be sent to all assured producers as soon as it is published.

The code is being drawn up by the AFS Feed Technical Advisory Committee which is specifically responsible for advising all sectors under the Red Tractor on all issues relating to animal feed. ABM provides the secretariat to this committee.

New comprehensive on-line checker

A new on-line assurance checker which searches the membership lists of all the Red Tractor beef and lamb assurance schemes in England will be launched this month. The simple-to-use system searches data from CMI Certification, EFSIS-FABBL, Genesis Quality Assurance and Soil Association Farm Assurance (SAFA).

Since the number of assurance schemes available to producers has increased, verifying assurance status has become extremely time consuming and costly for the industry which has to check with each one individually.

“We hope this system will encourage buyers and markets to verify the assurance status of all farmers who sell assured livestock,” said Philippa Wiltshire, ABM strategy and technical manager. “Now, for the first time, one system can search all the English schemes.”

The system will be available on-line and free of charge to registered users. To register visit www.abm.org.uk.

Stop Press: All ABM standards can be found on the ABM website www.abm.org.uk.

Quality marks build on assurance

Being part of the Red Tractor alliance is not the only benefit producers get from their assurance. The beef and lamb quality assurance marks marketed by EBLEX, HCC and QMS are all based on supply chain assurance and independent inspection.

The eating quality and regional characteristics are also specified in addition to assurance. These marks collectively command annual marketing budgets of nearly £10 million to promote assured British beef and lamb.
Driving links in the ABM red meat chain

For hauliers A E George and Sons Ltd, being ABM assured is essential to their business. The family firm based near Bruton, Somerset, was one of the first wave of hauliers to become assured under the ABM Transport Scheme. Today its fleet of 18 vehicles and 30 staff run a business transporting pigs, cattle and sheep between farms, abattoirs and auction markets across Southern England up to East Anglia.

“When the ABM Transport Scheme was first launched, we could see it made obvious sense to assure all links in the red meat chain. “Our customers were also starting to ask if we were ABM assured, so we took the decision to apply and be inspected. Now being assured is part of the way we run our business,” said Barry Woof, Director of A E George and Sons.

“We’ve been assured for over 10 years now, and the annual inspection is fairly straightforward, especially as our company already operates to very high standards – particularly on issues such as driver training, animal welfare and vehicle maintenance.”

The ABM Transport Scheme is designed to ensure the safe and compassionate transport of animals to standards - some of which are above existing legal requirements. Over 700 hauliers are currently registered as ABM assured.

These standards – available on line at www.abm.org.uk – cover topics such as driver training, the suitability of transport vehicles, the need for appropriate space allowances for stock being transported, and adequate feed, bedding and ventilation. Standards also cover the loading and unloading of stock and vehicle operating procedures.

All stock sold as ‘farm assured’ must either be transported using a producer’s own vehicle inspected as part of the on-farm inspection (see right), or an ABM-registered haulier.

ABM will be launching a recruitment campaign in early 2006 to encourage more hauliers to join the ABM Transport Scheme to meet the increasing demand for whole chain assurance status.

The ABM Transport Scheme is designed to ensure the safe and compassionate transport of animals to standards - some of which are above existing legal requirements. Over 700 hauliers are currently registered as ABM assured.

These standards – available on line at www.abm.org.uk – cover topics such as driver training, the suitability of transport vehicles, the need for appropriate space allowances for stock being transported, and adequate feed, bedding and ventilation. Standards also cover the loading and unloading of stock and vehicle operating procedures.

All stock sold as ‘farm assured’ must either be transported using a producer’s own vehicle inspected as part of the on-farm inspection (see right), or an ABM-registered haulier.

ABM will be launching a recruitment campaign in early 2006 to encourage more hauliers to join the ABM Transport Scheme to meet the increasing demand for whole chain assurance status.

New transport regs in 2007

On 5 January 2007 the transport of livestock will fall under Regulation EC01/2005. The details of the new legislation are currently being discussed within Defra, although it will have the greatest impact on vehicles doing journeys of over eight hours, and the training of drivers moving animals over 65km. ABM development manager Sarah Long said, “We are conscious of the increasing regulations and legislation that UK farmers and hauliers have to adhere to, so ABM is working with Defra to ensure the implementation of new legislation will have minimum impact on assured members.”

Is your vehicle assured?

All livestock to be sold as ‘farm assured’ must be transported on assured transport. There are two ways of meeting the requirements of assured transport.

1. Members of the Beef and Lamb Farm Scheme will have their vehicles inspected at the time of their farm inspection. They are then allowed to transport their OWN livestock on their OWN transport to maintain the assured status.

2. Members of the Beef and Lamb Farm Scheme who use hauliers to transport their livestock must ensure that the haulier is a member of the ABM Transport Scheme or equivalent.

Transport checker to be launched

ABM is developing its on-line checker to include transport. The transport checker will allow users to check the assurance status of all vehicles covered under the ABM Transport Scheme or Beef and Lamb Farm scheme. It is hoped details of all pig farm vehicles will be included into the checker.
ABM market scheme up and running

ABM launched its Livestock Market Scheme to auctioneers in May 2005.

ABM originally launched a scheme to assure livestock markets in 2000 as part of its aim to have an integrated assurance chain covering beef and lamb from farm to abattoir. When Foot and Mouth struck in 2001 the scheme was put on hold, with the intention of resuming it once the all clear was given. Foot and Mouth resulted in a review of the way livestock markets operated and saw a new licensing system introduced. During this period ABM also went through a significant change to align itself more closely with the recommendations of the Curry Commission.

Revised standards

ABM has worked with the Livestock Auctioneers’ Association to redraft the livestock market standard which is designed to demonstrate that livestock sold through any market or collection centre are treated with due regard for animal health and welfare, and for public health and safety. It also reassures the consumer about all aspects of market operations.

Inspection choices

ABM can currently offer certification to this scheme through two independent certification bodies, CMI Certification and EFSIS-FABBL. The delivery of inspection and certification from two independent bodies means livestock markets and collection centres have a choice of service provider.

Sarah Long, ABM development manager described the re-launch of the Livestock Market Scheme as “an important step forward to an integrated assurance chain, which promotes aspects of food safety, traceability and animal welfare surrounding beef and lamb.”

The EBLEX Quality Standard Mark and the redesigned Red Tractor logo have strengthened the need for assurance. It is a requirement of the Quality Standard Mark that all stock must pass through an independently inspected, integrated assurance chain.

Free ABM assessment service

ABM is offering markets and collection centres wishing to join the ABM livestock market scheme the option of having a pre-inspection visit to assess the site’s ability to meet the requirement of the standard.

This is available free of charge and can be arranged by contacting Sarah Long, ABM development manager, on 01908 844185.

New ABM farmer leaflet available

Do you have vendors who are not assured, yet buyers who want assured stock? ABM’s new leaflet for English farmers called ‘Are You Assured?’ promotes the benefits of assurance and how to become assured. Please contact ABM if you would like a supply of leaflets or for details of schemes in other regions.

EBLEX supply chain grant awarded to livestock markets

Livestock markets in England joining the Assured British Meat (ABM) scheme can get a 50 per cent reduction in first year inspection and certification costs thanks to a grant allocation of £45,000 over three years, from the English Beef and Lamb Executive (EBLEX) Supply Chain Grant scheme.

The award will help livestock markets to meet the requirements of the ABM Livestock Market Scheme, which will ensure farm assured livestock sold through auction markets retain their assured status.

All markets in England applying to join the ABM scheme will be eligible for 50 per cent towards the cost of inspection and certification in the first year, on a first come first served basis.

LAA Executive Secretary Chris Dodds said “The Association is delighted to have secured funding from the EBLEX grant scheme, which we anticipate will encourage markets to join the ABM Market Scheme supporting fully, both the EBLEX Quality Standard Mark and the Red Tractor logo.”

ABM Chairman Ian Frood said: “Yet again the English livestock industry is responding to its customers and is ensuring all parts of the beef and lamb supply chains can actively participate in assurance.”
New standard cuts both time and costs for smaller businesses

ABM launched its Abattoir, Cutting and Packing Plant Standard (v2.0) in May 2005 with the support of the Association of Independent Meat Suppliers (AIMS) and the British Meat Processors Association (BMPA). ABM has developed a single standard which is applicable to all businesses within the abattoir, cutting and packing plant sector, regardless of the size of the business. It is presented in a modular format focusing on food safety, traceability and animal welfare enabling wider industry access to the assurance market.

“We are delighted the revised ABM standard now gives the entire abattoir, cutting and packing plant sector an opportunity to access the assurance market, reflecting increased consumer confidence and subsequent demand for assured beef and lamb,” said Ian Frood, ABM chairman. “The changes to the standard, incorporating the modular format, will reduce duplication as well as time and cost of inspections within the sector.”

Supporting this move is AIMS which has recently been awarded grants to help facilitate and fund the standard’s delivery, including advice, training and inspection, reducing costs and confusion for small and medium sized businesses in the sector.

The new modular format of the ABM standard has widened entry to the assurance market and gives abattoirs, cutting and packing plants access to the Red Tractor logo, EBLEX Quality Standard Mark and other voluntary schemes supporting local and regional brands (with a requirement for a UKAS accredited, EN45011 assurance scheme).

Current figures show a significant interest in the scheme from small and medium sized businesses. ABM development manager Sarah Long said: “We have over 25 currently undergoing inspections, and a further 20 showing interest in joining the scheme in the immediate future, which is very encouraging and highlights the impact that marks such as the EBLEX Quality Standard and the Red Tractor are having within the industry.”

Cow beef assurance gets industry backing

Cow beef from the UK will find a willing home on European export markets – but beef assurance will be critical to secure the better prices on offer, according to Peter Mitchell, purchasing manager for Esca Food Solutions and chairman of the European Minced Meat Association.

The European Minced Meat Association consists of company representatives from 20 member states who are responsible for processing around 280,000 tonnes of minced beef a year. Around 40% of all the beef consumed in Europe is in minced form. According to Mr Mitchell, companies in France and Holland are already expressing an interest in sourcing assured British cow beef.

Mr Mitchell added: “The European Union has turned from a net exporter of beef to being a net importer in just two years, and is currently facing a shortage of manufacturing beef which, according to the MLC, was reflected in a rise in cow prices of 10 to 15 per cent across the EU last year.

“And it almost goes without saying that being beef assured will help British producers secure the better market prices on offer once the export market finally establishes itself.”

Southern Counties

Southern Counties Fresh Foods Ltd (SCFF) has also added its support to encourage dairy producers to become beef farm assured if they are looking to sell cow beef into the food chain.

The Somerset – based company, which slaughters over 100,000 cattle a year for customers in the retail, manufacturing and export sectors, has the capacity to slaughter around 1,000 older beef animals a week, and prior to 1996 was the UK’s largest exporter of cow beef.

Richard Phelps, SCFF director said: “The past five years has seen a major shift away from whole carcase marketing as customers have become more specific about the cuts they want. This means beef farm assurance is critical to our operations, enabling us to make the most of the marketing opportunities for all cuts – and that is reflected in the price we are able to pay to producers.

“There is an exciting market potential longer term for assured beef from older animals, but the supply will need to match the demand.”

For further information phone the Adding Value hotline on 01908 844315 or email addingvalue@abm.org.uk
Red Tractor on the menu at Slug and Lettuce

Assured Food Standards has developed a new Red Tractor licence category for restaurant chains and food service outlets. This move will hugely extend the scope of Red Tractor assurance, and reveal the logo to a much wider audience.

Thanks to an initiative driven by food service supplier Brakes, the SFI group, owners of the Slug and Lettuce chain, has agreed to source Red Tractor chicken all year round. Consequently, all 56 Slug and Lettuce pubs will use the Red Tractor logo on their menus. SFI is now looking to follow with other Red Tractor fresh produce and is in discussions with suppliers to achieve this.

Commenting on the Red Tractor’s debut in Slug and Lettuce, Colin Smith, AFS chairman said: “This is another significant milestone for Red Tractor assurance. Together, we are exploring new markets for the logo while protecting its valuable integrity. This move has been possible because of SFI’s robust sourcing policy and independent audit arrangements.

“It is a further endorsement of the demand for comprehensive, whole-chain assurance and I am delighted that the Red Tractor is able to meet this challenge.”

Assurance centre stage at BBC show

For the first time, the Red Tractor will have an influential position at this year’s BBC Good Food Show at Birmingham’s NEC. As Europe’s largest food and drink show, the five day event attracts 130,000 visitors to taste, buy and learn about food.

Assured Food Standards has invited leading trade associations and levy boards to finance a project to bring the Red Tractor to the show – including British Chicken Marketing, British Pig Executive, Home Grown Cereals Authority, Hybu Cig Cymru (Meat Promotion Wales), the Flour Advisory Bureau, Milk Development Council and the Processed Vegetable Growers Association.

The Red Tractor is the principal sponsor of The Great British Food Theatre at the heart of the Great British Food Festival. Here, many well-known British food ambassadors – Anthony Worrall-Thompson, Brian Turner, Henrietta Green and more, will cook live to 200 people in an open-style kitchen. The Red Tractor is an integral part of its design and features in all literature and PR.

The Theatre hosts five to six daily sessions, using Red Tractor ingredients and celebrating the diversity of British produce. The Red Tractor partners all host a session, briefing the chefs to use ingredients from their sector and include messages that connect with their campaigns.

Visitors will be urged to visit a specially-designed Red Tractor pavilion to learn more about the Red Tractor’s role, and how each sponsor’s industry uses it to maintain and raise standards.

Retailers embrace new-look logo

Leading retailers have enthusiastically embraced the new Red Tractor logo. In all, tracking results show a 14 per cent rise in the number of lines carrying the Red Tractor between March and July this year. And once new packaging designs are rolled out in major stores, this figure is anticipated to be higher still.

The fresh produce sector rose by 15 per cent, and the biggest increase has been in the dairy sector, which rose 17 per cent in the three months post-launch. This can be mainly attributed to the many own-label cheese products now carrying the logo.

Seasonality influences some of these figures, but a clearer picture will emerge in coming months and AFS is confident of significant increases.

As well as extending the number of Red Tractor lines, retailers are now using the logo in prominent in-store promotions and ad campaigns. Tesco led the way during the summer with its ‘Proud to Support British’ campaign, in which banners, leaflets and in-store TV urged shoppers to look out for the new logo on meat, poultry, fresh produce and dairy products.

useful contacts

Assured British Meat

For any queries relating to beef and lamb assurance contact:
Assured British Meat (ABM)
PO Box 5273
Milton Keynes
MK6 1HL
Tel 01908 844 315
Fax 01908 844 723
email abmsoc@abm.org.uk
website www.abm.org.uk

For all other Red Tractor Scheme queries contact:
Assured Food Standards (AFS)
PO Box 30773
London
WC2H 8AW
Tel 020 7331 7660
Fax 020 7331 7626
email enquiries@redtractor.org.uk
website www.redtractor.org.uk

Sponsors this newsletter as part of our continuing support to UK farmers and growers – and our commitment to Red Tractor assured food standards.