



**AHDB POTATOES AGENDA ITEM 3
PAPER PTM04
CONFIDENTIAL**

Authorised

**MINUTES OF THE SIXTY THIRD MEETING OF AHDB POTATOES
ON 14TH NOVEMBER, COMMENCING AT 8.30AM**

PRESENT: **Chair:** Sophie Churchill **Growers:** Will Shakeshaft, Michael Welham, Jonathan Papworth, Bill Quan **Independents:** Phil Huggon **Seed Merchants:** Alistair Redpath, Andrew Skea **Fresh Supply Chain:** Mark Taylor **Processing:** Daniel Metheringham.

IN ATTENDANCE: Jane King CEO, Tom Hind Chief Strategy Officer, Ken Boyns Chief Finance and Operations Officer, Rebecca Geraghty Chief HR Officer, Richard Laverick Chief Technical Officer, Stephen Farmer Senior Consumer Marcoms Manager – Potatoes, (all part only), Dr Rob Clayton SSD Potatoes, Mrs Rita Hall Strategy PA.

**17/01 AGENDA ITEM 1 – WELCOME, APOLOGIES FOR ABSENCE, DECLARATIONS,
CHAIR’S UPDATE (I) PT29**

The Chair welcomed everyone to the meeting, extending a warm welcome to Jane King. There were apologies from Dan Hewitt, Bruce Kerr and Reuben Collins. Paper number AHDBPT19 Register of Members Interests, was passed to members for approval and signature, for those members not in attendance at the previous meeting. The Chair updated the Board that having been in post for 6 months, they had been enjoyable and she had undertaken a very comprehensive tour of the industry. She saw the sector as a leader in the wider agricultural and horticultural industries, thanks to consolidation and skills across the piece. The feedback she had received was mixed, a minority percentage being happy with AHDB, referencing; data, SPot farms; a minority of passionate growers do not feel they get value for money; the balance with no strong comments to make. She felt that we sometimes suffered from self-inflicted injuries i.e. good products, not communicated properly, lacking pace and quality of delivery. The overall impression was the lack of visibility that needed to be addressed.

17/02 AGENDA ITEM 2 – DISCUSSION WITH JANE KING; AHDB CEO

Ms King was invited to highlight salient issues. The current experience in the KE team required immediate focus, stressing the importance of the review which was underway. She also stressed that it was evident that there were not enough existing employees with the skills-set to inject a new vigour and change required to drive the business forward and that she was not opposed to securing these skills from consultants on short term contracts or from the supply chain, as an example. Significant changes to staffing had to be approved by government in view of arm’s length body status and procurement restrictions. On a positive note, she advised that following a recent advertisement for two senior positions, the calibre of applicants had been exceptional, evidence of a positive organisational profile. She highlighted various pieces of work being undertaken by the organisation on Brexit that had attracted excellent media coverage. The recent NFU and AHDB workshop collaboration had attracted more than 1,000 participants and in addition, affiliation with 37 host farms within the farms excellence platform were being utilised for farmer-to-farmer learning. Good progress had been made within the comms team, although she recognised that recruitment had focused around marcomms disciplines rather than journalistic skills and retraining would be required for the future delivering face to face or through digital. She focused on the current 93 activities detailed

within AHDB's strategy and encouraged the sector to focus on big priorities. She requested assistance from the Board to help focus where the biggest impact was. She updated on a new Dairy "systems" strategy encouraging the sector to explore further as a potential model for consideration. The Chair thanked Ms King for her openness to dialogue and said that the board appreciated her invitation to think radically. **Action: Chris Gooderham to be invited to the January meeting and the SSD to circulate Mr Gooderham's contact details to the members. The Board to take Ms King up on the offer of direct approach should the members feel they have comment to feedback and Ms King to be invited back to the Board in the first quarter of 2018.**

17/03 AGENDA ITEM 3 – MINUTES OF THE LAST BOARD MEETING HELD ON 18TH JULY 2017 (PTM/17/03)

The minutes of the last meeting were approved by the Board and were signed as a true record of the meeting by the Chair.

17/04 AGENDA ITEM 4 – MATTERS ARISING (I) PT26

All matters were covered within the agenda with the exception of the following:-

Next Generation future discussions, to be carried forward to a Board in 2018.

17/05 AGENDA ITEM 5 – SSD UPDATE, ACCOUNT MANAGEMENT AND FARBENCH

The SSD had undertaken B2B visits with stakeholders. He presented findings, having spent time with supply chain business to highlight supply chain alignment with retailers. Fresh sector businesses would be visited after Harrogate and into the first quarter of 2018.

The initiative to aid understanding of the AHDB strategy and seek out areas for further collaboration had yielded numerous follow-ups that were being pursued around greater participation in Farmbench, Agri-benchmark, SPot Farms and export activity.

Current participation in Farmbench included c70 businesses with a target of 200 this financial year. Resource had been deployed to provide additional help-line support, meeting management and group facilitation and independent consultants. Some members sought reassurance that the Farmbench system was secure and not open to manipulation by unscrupulous or cynical buyers and asked how the product was being developed for Horticulture. **Action: Invite SSD and sector chair for Horticulture to a future meeting. SSD to circulate FAQ's for Farmbench.**

The Chair commented on the future of productivity and the waste reduction requiring inroads which would affect sales, urging a bold approach with regard to the viability of the industry, echoing Ms Kings words on "what the industry needs not necessarily being what it wants".

17/06 AGENDA ITEM 6 – PERFORMANCE DASHBOARD (I)

The SSD summarised operation status as follows:

Priority 1. Competitive. Status: Amber

Modest delays in delivering global comparisons in research and transfer of findings into KE.

Priority 2. Productive. Status: Red

Several KPIs were now compromised as a consequence of lack of resources in KE. These included work with agronomists and ongoing development of a new agenda for SPot Farms.

Priority 3. Customer. Status: Green

Advocacy on agenda later.

Priority 4. Thought leadership and MI Status: Amber

Consumer Insight work was delayed as a consequence of slow recruitment. A solution was being developed that included delivery of a market-sizing and growth project by a third party teasing out the market segments experiencing the highest growth.

Board members welcomed the clarity of the dashboards and supporting report.

17/07 AGENDA ITEM 7 – AHDB POTATOES FINANCE AND LEVY (D) PT27

Ahead of strategic discussions (17/08) the SSD focussed on a year end position advising of a likely improvement to c £50-100K deficit compared with planned deficit of £292K. Key changes included modest reductions in forecast expenditure within Market Development, Consumer Insight and R&D offset by a modest increase in Export activity. Mr Boyns (who had joined for this item) supported the assessment and asked members to note that a revision to AHDB's reserves policy was imminent and if approved by AHDB, would liberate an additional c£200K in support of future priorities within the sector.

SBCSR

Mr Laverick and Ms Geraghty joined for this item.

Prospects for commercial income in this year had deteriorated and a year-end deficit of £200K was anticipated compared with a planned deficit of £100K. Mr Taylor sought a more aggressive pursuit of revenue in future with a break-even target for SBCSR and suggested a commercial business would be less tolerant of the deterioration in performance. The SSD confirmed that this had been written into the AHDB-Potatoes strategy.

A conversation ensued with regard to the commercial ambition and strategic position for SBCSR and how these fitted with AHDB's independent remit. These issues would be addressed in a refreshed strategy for SBCSR that would be presented in March 2018 and in preparation, Mr Taylor sought further views on both the sector-focus (for example to what extent it remained focused on potatoes and how much work on other crops would be sought) and the commercial/levy balance for work at SBCSR in the future.

17/08 AGENDA ITEM 8 – STRATEGY FINE-TUNE; BACKING THE BIG PRIORITIES PT28 (A)

The SSD presented proposals to identify and focus on big priorities for 2017/18 as part of a light touch review of strategies across AHDB's sectors. The purpose was to create a critical mass of the most pertinent activities, recognise over-arching cross sector working and where appropriate, speed up delivery of the most impactful activities. Priorities identified were:-

Speed up delivery of Farmbench to the sector including assisting users to become familiar with it, in conjunction with similar work by cereals and oilseeds and add value by bringing forward the development of potato-specific elements of the model.

- Focus additional R&D expenditure on crop protection and plant health.
- Enhance activities around our Advocacy campaign.
- Focus on potato-specific Brexit related analyses.
- Proposals were supported and functional teams would start to develop specific plans and costs.

The Chair said that she was pleased that both Farmbench and crop protection would be delivered in a cross sector manner, as appropriate. The point was made that crop protection depended on soil health and wider rotation and cultivation decisions as well as products.

Action: SSD to provide progress report and budget for the next meeting. Further consideration of prioritisation of activity to take place at the January meeting.

17/10 AGENDA ITEM 10 – ADVOCACY UPDATE PAPER PT30/PRESENTATION (I)

Mr Farmer provided an update since the last meeting. Work had progressed significantly and included:-

- Analysis of key social and written media conversations and publications in relation to the image of farming and more specifically potatoes.
- Identification of the most influential commentators and influencers around campaign territories (health and convenience).
- Initial scoping of campaign messages.

An industry workshop was scheduled for Thursday 16th November and Mr Farmer was confident that by March 2018 key milestones (production of an influencer map, a manual of tactics for influencer groups and directory of core evidence-based messages) would be met.

Following discussion, Board members recommended:-

- A focus of levy-payer-friendly language prior to BP2017.
- Inclusion of levy payer participation in future plans.
- Review of existing marketing campaign collateral for potential inclusion in future activity.

It was also recognised that a plan is needed for who will implement the work after March 2018.

17/11 AGENDA ITEM 11 – RED TRACTOR PRESENTATION (I) – deferred to January Board

17/12 AGENDA ITEM 12 – BP2017 MESSAGES (ID)

The SSD provided a final briefing ahead of BP2017. This included:-

- Staff training and briefing.
- Anticipated industry mood.
- Seminar programme.
- AHDB stand.
- Industry awards and reception.
- Board and staff rotas.

17/13 AGENDA ITEM 13 – ANY OTHER BUSINESS

Members of the board wished to invite Alex Godfrey to attend the pre dinner before the January meeting. Thanks were given to Mark Taylor for his efforts and passion surrounding SBCSR. Clarification of the next Export and Seed meeting was requested, the SSD advising that it would be a bigger showcase and the classification of; committee, forum or workshop would materialise during the day.

The Chair advised that the succession of recruitment of a new Independent Board member with a focus on marketing and consumer issues would be required to replace Mr Kerr and to encourage applications from networking conversations undertaken at BP2017.

DATE OF NEXT MEETING: 24th January 2018.

INFORMATION PAPERS: Potato Dates for 2018, Contact sheet.

MINUTES BETWEEN BOARDS: SBCSR 31 October 2017 to be tabled, R&KE, 26th October 2017, Marketing Strategy 24th October 2107.

Signed:

Dated: