Beef Taskforce

Minutes

Fifth Meeting, Thursday 22nd October 2020

Virtual

2.30pm – 22.15pm

Attendees:

Name	Representing	Name	Representing
Michael Dowling	Chair	Aidan Murray	Teagasc
Sinead McPhillips	DAFM	Tim Cullinan	IFA
Pat McCormack	ICMSA	Tomas Bourke	IFA
Des Morrison	ICMSA	Edmond Phelan	ICSA
Thomas Duffy	MACRA	Eddie Punch	ICSA
Derrie Dillon	MACRA	Colm O'Donnell	INHFA
Philip Carroll	MII	Joe Condon	INHFA
Cormac Healy	MII	Dermot O'Brien	BPM
Joe Ryan	MII	Enda Fingleton	BPM
Padraig Brennan	Bord Bia	Sean Coughlan	ICBF

Valerie Woods	DAFM Secretariat
Greg Murray	DAFM Secretariat

Apologies: Maria Dunne (DAFM), T.J. Flanagan (ICOS)

Attendance for specific items: Joe Burke - Bord Bia, Angela Robinson (DAFM)

Chair welcome and Opening Remarks:

The chair noted that there was a two Item Agenda:

1. Agreement in principle on the draft PGI Application for Irish Grass Fed beef
2. Agreement on the Bord Bia proposal for suckler beef brand development.

and that it was important to get agreement today in order to progress both in a timely manner.
In regard to the PGI, DAFM advised that the current draft of the PGI application is proposed to be submitted with a letter to the EU Commission referring to the following:

- Young Bulls –advising the Commission that the view arising from the National Opposition Procedure was that a cohort of young bulls should not be excluded if it can be evidenced and substantiated that they fulfil the criteria
- Northern Ireland –advising the Commission that if a procedure for verifying a Grass Fed Standard is developed in NI, Ireland is open to supporting the PGI being extended on an all-island basis.

Regarding the Suckler Brand Promotion, a strengthened proposal with additional funding including timelines for development was put forward for agreement

Amended proposals for **Monitoring Groups** for both initiatives, with majority farmer representation, were presented.

DAFM gave an overview of the process for the progression of the draft PGI application. substantial time and effort have been invested since early 2019 to get the application to this stage. The next stage will be a submission to the EU Commission who will examine the application and assess if it can proceed to an EU level opposition procedure as is required under the regulation.

Discussion

- The amended proposals including the increased funding for the Suckler promotion were welcomed by some parties, and some also reiterated the importance of moving forward on both the PGI and the Suckler promotion issues, particularly given the challenges facing the sector currently; some parties also welcomed the proposed farmer majority composition of both monitoring groups.
- The importance of maintaining a good relationship with Northern Ireland was mentioned by several parties; some concerns were expressed about the need to ensure that if the application is successful, all product using the PGI name including cross border trade, meets the product specification including the region and grass fed criterion.
- Bord Bia gave an overview of the scientific principles underpinning the development of the **grass fed standard**. It was advised that the standard had been certified by INAB and by the EU. In addition, Bord Bia referred to the feedback from its market research in engaging with 25 retailers/wholesale buyers and over 20,000 consumers across the EU & UK suggested that any level approaching 90% grass-fed was acceptable in this context. Teagasc further outlined the expertise of its personnel involved in the development of the standard.
- MII emphasised the need to get product into as many markets as possible in the context of current issues with China, potential challenges in the UK market and changing consumer

trends; it was noted that other countries are adapting and that Ireland needs to make sure its offering is in line with customer/consumer trends and remains competitive.

- In response to a question on the grass-fed criterion, it was noted that Ireland's proposed PGI standard (at 90% grass fed) exceeds that of New Zealand, Scotland and the Dutch on this metric.
- There were a number of parties who raised the matter of ownership of the PGI and the need to ensure farmers received any premium arising. It was proposed by one farmer representative organisation that there should be a facility for individual farmers to veto the use of the PGI logo on their individual animal at point of sale. The legal and practical issues with this were outlined by DAFM and the proposal was not agreed.
- Some members stated that there should be a commitment from the Meat Industry on the premium for farmers to be received for PGI beef MII responded that it was not possible to know what premium would be derived in advance.
- It was agreed that the PGI monitoring group which includes farmer membership will have a role in monitoring the use of the PGI including through assessment of market information available.
- In reply to question on what would happen if a retailer used PGI logo on non-Irish or non-qualifying PGI product it, it was confirmed that DAFM carry out controls in this area.

With regard to the recent National Opposition Procedure on the PGI process DAFM explained:

- that all of the submissions received would be compared to the regulations and examined against the criteria for admissibility before notification to the EU commission.
- all submissions would be responded to under this process.
- An appeal procedure would be available following the DAFM decision on the application.

Regarding the timeline for EU scrutiny of the application, it was explained that the EU Commission can scrutinise the application for up to 6 months or longer in addition to an EU opposition period of 3 months.

Following extensive discussion which included amendments to the texts of the Suckler Promotion paper and the PGI monitoring group, the following was agreed:

Suckler Beef Brand Development – as per Annex 1

PGI Monitoring Group – as per Annex 2

Agreement

Following on from the foregoing,

- It was agreed by the Taskforce to proceed with the PGI application on the basis of the changes made and clarifications given as outlined at the meeting.
- It was agreed by the Taskforce that Bord Bia should proceed with suckler beef brand development (as per Annex 1.)
- It was agreed that all members of the Taskforce support the development of a Naturally Reared suckler beef brand

- It was agreed that farmer representative organisations will play central role in the development and oversight of the brand from the outset through the monitoring group. A detailed terms of reference will be developed for the suckler promotional brand monitoring group who's role will be to provide oversight of the development of the suckler brand the. The proposal for the development of the brand is outlined in annex 1.

Next meeting. The next meeting of the Beef Taskforce will take place in December.

Annex 1: Promoting Suckler Beef

Over the past two decades the Irish suckler herd has fallen by almost 200,000 head (16%), to its present level of under 1 million head. This decline has been associated with poor profitability, in general, within suckler beef farming enterprises. In addition, beef coming from the suckler herd has not been differentiated heretofore in the marketplace. Suckler farm incomes tend to be highly dependent on support payments, which in many cases have contracted in recent years. The importance of suckler and sheep farming to the Irish rural economy has been widely acknowledged: particularly in more marginal areas along the western seaboard.

Aware of this challenge, Bord Bia undertook an extensive consumer study in 2019 to gain an understanding of their awareness and attitudes towards suckler beef. Consumer sentiment was investigated with regard to key attributes, and potential suckler beef concepts were tested in Germany, Italy, Belgium and Switzerland. Although European consumers had very little existing awareness of suckler beef (recognised by <9% of respondents), the associated qualities were found to resonate strongly with a growing demand for authentic, ethically and naturally raised meat.

On the basis of this feedback Bord Bia is proposing to develop and implement a brand proposition for Irish suckler beef. The development of this brand proposition would be targeted at both trade and consumer audiences in the Italian and German markets with the following objectives:

1. Build <u>awareness</u> of Suckler beef amongst consumers by 10% between 2021 and 2023 in Germany and Italy, and by an average of 20% amongst trade.
2. Build <u>propensity to purchase</u> Suckler Beef amongst consumers by 10% between 2021 and 2023 in Germany and Italy, and trade by an average +15%.
3. Create the market environment to <u>support specific demand</u> for Suckler beef, thereby supporting Suckler beef prices and profitability.

The programme to develop a brand proposition for Irish Suckler Beef will involve a budget of up to €6 million over the next three years, subject to annual review of progress.

The programme will focus on the following promotional activities including: development of a Central Brand Proposition, Public Relations, Advertising, Communications, Events (such as Inward Buyer Visits), Digital and Social Media campaigns, as follows:

- **Central Brand Proposition** will include the development of key brand messaging and the development of an overarching brand
- **Public Relations** will include a campaign launch in Year 1 and media/KOL events and ongoing PR activity in both Italy and Germany.
- **Advertising** in the form of print advertorials and online advertising will be targeted at B2B and B2C audiences and will be complimented by a suite of specific communications. This will be manifested in the marketplace via a Suckler Beef video and photography collateral, promotional brochure and other marketing merchandise.
- **Events** will include bespoke Suckler Beef stands at major consumer shows in Germany and Italy (Die Gruene Woche & Salone del Gusto) in year 2 and 3. Additionally there will be a programme of Trade Seminars, trade and journalist Inward Study Visits and educational events in the form of the "Suckler Beef Academy" in years 1, 2 and 3.
- **Website and Social Media** activity will be supported by KOL engagement in order to build awareness, understanding and propensity to purchase Suckler Beef.

Bord Bia will undertake specific activities in-market to build awareness of and propensity to purchase Suckler beef.

In order to fully exploit any commercial opportunities identified throughout the promotion, Bord Bia will work closely with the key stakeholders involved (Meat Industry Ireland, farmer representatives and beef producers), to develop brand propositions which have the highest likelihood of achieving successful listings. A monitoring group will be established to provide

oversight of the brand development process comprised of the above stakeholder groups and will report to the Beef Taskforce.

Building on the encouraging results from the consumer research undertaken in 2019, particularly around the theme "wholesome: reared as nature intended" Bord Bia has proposed the following schedule of activities, as part of its three-year suckler beef campaign:

Year 1 (Starting from 1st Nov. 2020)	**Year 2**	**Year 3**
Development of central suckler brand proposition, in conjunction with Bord Bia Thinking House engaging with meat processors to explore opportunities	Ongoing roll out of Brand Proposition(s) with meat processors	Ongoing roll out of Brand Proposition(s) with meat processors
Trade (B2B) Advertising	B2B & B2C Advertising & Promotion	B2B & B2C Advertising & Promotion
PR launch Campaign – Introducing Suckler Beef story, values, USP's and proposition.	Targeted in-market trade and consumer events (Die Gruene Woche & Salone del Gusto), Suckler Beef Academy	Targeted in-market trade and consumer events (Die Gruene Woche & Salone del Gusto), Suckler Beef Academy
Develop and activate Website & Social Media campaign (Facebook, Instagram, You tube)	Activate website and social Media campaign (Facebook, Instagram, You tube)	Activate website and Social Media campaign (Facebook, Instagram, You tube)
Inward Journalist, buyer and KOL visits (Meet the Sucklers)	Inward Journalist, buyer and KOL visits (Meet the Sucklers)	Inward Journalist, buyer and KOL visits (Meet the Sucklers)

The annual progress review, which will be overseen and supported by a monitoring group, will assess progress in relation to the creation of market demand by differentiating Irish suckler beef and the ability of the brand to deliver improved returns. This work will begin immediately to develop a suckler brand proposition that resonates in the marketplace and that we can all stand over and support.

Annex 2: Irish Grass Fed Beef PGI Monitoring Group

(to be established if this PGI name is successfully registered)

Terms of reference

The Monitoring Group shall:

(i) monitor the use of the PGI 'Irish Grass Fed Beef' in trade through assessment of market information available and assessing what new economic and market analyses might be obtained;

(ii) consider if there is a need for information, awareness and promotion activities aimed at communicating the value-adding attributes of the PGI to consumers;

(iii) consider how any value addition arising from the PGI logo can be fairly distributed along the supply chain.

(iv) make recommendations and report any concerns of the use of the PGI logo to the Beef Task Force in the first instance and to the relevant authorities as appropriate

Members of the Group will be nominated by the Minister for Agriculture, Food and the Marine, and farming representation will comprise the majority of the Group.

The Monitoring Group will report on progress to the Beef Task Force and other appropriate fora on a regular basis.

The role of the PGI monitoring group is without prejudice to the official controls which will need to be carried out on products if a PGI is successfully registered for Irish Grass Fed Beef.