



CULTIVATING
COLLABORATION

Improving Scotland's
food and drink businesses
through collaboration



NEWS AND INFORMATION FROM C2

PROFITING THROUGH PARTNERSHIP

Richard Lochhead will address our first annual conference. Come along and find out about the rewards collaboration can bring.

The first annual C2 event will focus on how partnership working can really build profitable businesses in the food and drink sector. To be held on Tuesday 23rd March at Norton House Hotel, Ingliston, Edinburgh, Profiting Through Partnership will offer businesses the chance to meet some of the pioneers of partnership working in Scotland. This is the first event of its kind in Scotland dealing entirely with the positive benefits of collaboration.

Those who attend will get the chance to meet and talk to:

Duncan Sinclair of Waitrose
John Forteith of Forteith Foodservice
David Sands of David Sands Ltd

These three collaboration experts will be on hand to talk about how they develop collaborative relationships with suppliers - and the lasting benefits that this brings to all their businesses. These will take the form of 'An Audience With...' sessions.

Cabinet Secretary for Rural Affairs and the Environment, Richard Lochhead MSP, will speak at the event and there will be formal presentations and a question and answer session with the contributors during the morning.

This is an opportunity not to be missed! To book your place, go to www.ctwo.org.uk/events or email fiona.hamill2@ntlworld.com or info@ctwo.org.uk



COLLABORATION CASE STUDIES

Learn how collaboration has helped others

There are lots of case studies featuring great examples of the business benefits of collaboration on our website www.ctwo.org.uk

These feature companies like Mackie's at Taypack, David Sands and Chilli Xpress.

On the homepage, click on **Case Studies: Collaborative Relationships** in the right hand column.

If you have a good example of how partnership working has helped your business that you would be happy to share, contact rona.sutherland@saos.co.uk

CULTIVATING COLLABORATION HOW CAN WE HELP?

The C2 project helps supply chains and businesses to become more efficient through a range of services and expertise. For example, the C2 team has worked with a number of chains in search of partners and new markets.

Argyll Hill Lamb

C2 has helped facilitate access to Argyll & Bute Council for Argyll Hill Lamb farmers. The most effective way of achieving this was to utilise the existing proven supply chain partners – farms, slaughterhouse, processor, wholesaler – rather than by encouraging small suppliers to try to access this market on their own.

The team worked closely with Fergus Younger of the Argyll & Bute Agricultural Forum, and with wholesaler, Forteith Foodservice, to develop a pilot project, testing the financial viability of supplying Argyll hill lamb into local restaurants and schools. The initial 2008/9 pilot was run with 250 hill lambs.

Farmers taking part in the pilot retained ownership of the animal through finishing and slaughter, until it reached the wholesaler. Forteith Foodservice sold the diced shoulder of lamb to Argyll & Bute Council for school meals, with the more expensive cuts going to local hotels and restaurants. Complementary to this, was the supply of burgers to Scottish ferry operators, Caledonian MacBrayne – this formed an ideal basis for carcass balance.

Forteith was able to achieve a modest premium on local produce which was passed back to the farmers. Although the Argyll lamb, prepared as nutritionally balanced dishes, comprised only a small proportion of total school meals, it allowed the farmers to get a better understanding of what is required for this market and how to maximise their return.

The pilot is now being scaled up to run with 1000 lambs and the farmers, with help from SAOS, are in the process of forming a registered co-operative.

C2

- acted as intermediaries, helping to bring together the farmers, finishers, slaughterers, processors and the wholesalers and Argyll & Bute Council.
- supported farmers to be more market focused by encouraging them to better understand the requirements of the chain and their roles and responsibilities within it.
- helped develop the supply chain relationships and encourage openness and transparency amongst the supply chain partners.

LESSONS LEARNED

- The finishing farm chosen by the Argyll group did not have enough land to finish the volume of lamb produced. The group now has a clearer understanding of what is required, so is better able to specify its requirements in the future.
- This was a pilot project which allowed the Council to be more flexible in its procurement regime. On a longer-term basis, the Council must put the contract through the normal tendering procedures, which means the group will have to tender if they wish to continue to supply.

www.ctwo.org.uk
www.argyllagriculturalforum.com
www.forteith.co.uk

Pictured right, Angus McFadyen of Argyll Hill Lamb talked about the project at the recent QMS conference. One of the main learning points for him was that farmers need to think as food producers now, focusing on the longer-term.



Scot Herbs

Suppliers of fresh culinary herbs and salad leaves to supermarkets, wholesalers & food manufacturers, Scot Herbs was interested in working with new suppliers and sought advice from C2 on how to develop new networks and find potential supply chain partners. The company has now had discussions with R&N Cessford, a major supplier of beetroot, based at Brechin, Angus.

Grampian Growers

Similarly, Grampian Growers (a co-operative of 18 bulb growers and 13 seed potato producers) sought advice from C2 on potential outlets for a new variety of salad potato. They have been introduced to the Co-operative Food Group, a potential partner, which has packing facilities in the same geographical area and which is of a reasonable size for the growers to supply effectively.

C2

- brought together key contacts within the supply chain network to help make introductions.

www.scot herbs.co.uk

www.grampiangrowers.co.uk



FAST TRACK YOUR INNOVATION

matrix

C2, in partnership with Matrix, is launching a results-driven programme to help Scottish Food and Drink companies develop new customers and markets through rapid product innovation.

George Noble, C2 Project Manager, says: "People taking part will create a real, new product, service or market opportunity which is aimed at identified market needs. This will help them to tap into creativity in their own business and in their supply chain."

Participants will be exposed to over 50 specific customer needs and 30 new food-related technologies, to stimulate the development of new opportunities. They will be guided through a process for creating, evaluating and commercialising new ideas.

They will learn and apply one of the world's most effective

systems for leading profitable innovation. The system was developed initially by Eureka! Ranch in the UK, and is delivered by Matrix in Scotland. It has been proven to be more successful than traditional approaches to product innovation.

Who's it for?

The programme is aimed at small and medium companies involved in food or food-related industries who are interested in accessing new customers or markets in this way.

George continues: "The format is ideal for companies at various different stages: those who want to develop new and more profitable products; those looking for new or more profitable customers and markets; or companies which want to get the most value from new and existing supply chain partners."

There is a cost to the programme although C2 is making a substantial contribution to the project which means it will be offered at a highly reduced rate.

The programme involves a number of different steps:

Step 1: Customer and Technology Mining

C2 and Matrix will work with retailers, manufacturers and distributors to identify at least 50 specific needs for new products and services. They will also gather at least 30 new food-related technologies to spark ideas for new product innovations. Participants will be exposed to these with a view to identifying possible business opportunities.

Step 2: Pre-Workshop Meeting

Participants will meet with the C2 team and Matrix to get a better understanding of what is involved and the input needed.

Step 3: Idea Engineering Workshop

Companies will be helped to create real ideas using the customer needs and technologies as a catalyst.

Step 4: Action Planning

We will work with each participant in the accelerated development of at least one of the opportunities identified.

Step 5: Development Coaching

Participants will be assisted to access resources to enable them to make contact with potential customers and supply chain partners to accelerate the ideas to market.

Companies who have gone through the Matrix programme in the past include the Edrington Group and the Nestlé Corporation. John Muldoon of the Edrington group says of the programme: "This system is simply the best and most logical of any of the innovation programmes I've seen."

If you want to know more, contact George Noble on 07894 414512 or Rona Sutherland on 01360 850763.



AWARDS AND EVENTS



Scotland Food & Drink Excellence Awards 2010

SAOS and the C2 Project are again sponsoring the Success Through Working in Partnerships Award at the The Scotland Food & Drink Excellence Awards.

Jointly organised by RHASS and Scotland Food & Drink, the awards, now in their ninth year, have helped numerous businesses raise their profile and secure valuable listings, increasing profits and recognition. Clydesdale Bank is this year's main event sponsor.

The Success Through Working in Partnerships Award will be presented to the supply chain partners who have demonstrated clear, sustainable, commercial benefit from joint, market-focussed, supply-chain development activity and operational practices.



The Argyll Food Producers Group won last year's Success Through Working in Partnerships Award. Fergus Younger accepted the award from Alan Stevenson, on their behalf.

Alan Stevenson, SAOS Supply Chain Development Director, said: "We are delighted to be sponsoring this award again. The interest in this category highlights the growing awareness among food and drink companies of how partnerships can lead to real business profitability and new opportunities."

Paul McLaughlin, Chief Executive of Scotland Food & Drink, said: "We urge companies to think about their success story and enter relevant award categories to help boost the reputation of the industry and, of course, their own businesses."

C2 co-sponsored the **Fresh Produce Journal Conference** at Perth Racecourse on 23rd February - growers, wholesalers, foodservice suppliers, retail market traders, independent retailers and government representatives came together at Perth Racecourse to discuss what needs to be done to enhance supply-chain ties; and how the nation can best deploy its resources to its own long-term benefit as well as that of Scottish consumers. Jim Booth of SAOS contributed to the conference outlining the C2 project and the importance of supply chain development.

The long-term impact of the economic downturn on the red meat industry was one of the key topics at a **marketing conference held by Quality Meat Scotland** in Perthshire in January. Among those attending the event were leading retailers, processors and key opinion formers from the farming community. The afternoon session of the conference featured six workshops. One of these - Securing Improved

Returns Through Collaborative Supply Chain Partnerships - was delivered by Alan Stevenson, SAOS Supply Chain Development Director who manages the C2 project, and Angus MacFadyen of the Argyll Lamb Producers' Group. (See page 2 for the case study on this group.)



FURTHER INFORMATION AND CONTACTS

For more information on C2 and 'Cultivating Collaboration', check out the website:

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Or contact the C2 team:

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