



FROM THE PRESIDENT

A strong national AFB disease control programme has been an important requirement for our industry for many years now. NBA members will therefore be pleased to learn that the executive has signed a \$100,000 AFB disease control contract with the MAF for the 1993/94 year (see following article for more details).

Future disease control programmes are also a priority, of course. The Endemic Pest Management Strategy Committee (previously the Disease Control Committee) will be continuing its work under the able chairmanship of Terry Gavin, Whangarei. This is the committee which recently prepared the AFB Control Plan for the NBA. Our thanks to Ian Berry, who chaired the Disease Control Committee from its beginnings to the presentation of the plan at this year's annual conference. A major job for the committee now is to prepare the way for adoption of an AFB

"I JUST DON'T BELIEVE THIS SWARM ATTRACTANT REALLY WORKS."

"pest management strategy" under provisions of the new Biosecurity Act.

At our September executive meeting we were disappointed to learn that following a review of their activities, the Pork Industry Board has decided to cease providing services to our association, as of 31 December 1993. The board has been the administrative centre of our association for the last 20 years and we have benefited greatly from the close relationship we have had. Members will recall the significant contributions that previous Executive Secretaries Graham Beard, Len Jones, and David Dobson made to the NBA, and the current incumbent, Steuart Goodman, and his hardworking assistant, Olive Hebron, have continued in that fine tradition. The Pork Industry Board has built up a great deal of background information on both our industry and membership which will be very difficult to replace. Steuart and Olive have compiled a description of the services provided by the board which should assist the executive in seeking alternative administrative arrangements. Past presidents Ian Berry, Allen McCaw, and Dudley Ward are also providing suggestions. Provision of administration services is one of the issues to be discussed at a special executive meeting to be held in Wellington on October 5. The 1994 budget and 1994 hive levy will also be considered.

Frances Trewby, President

AFB CONTRACT SIGNED

The 1993/94 American foulbrood programme contract between the NBA and MAF Quality Management was signed on 13 September, following the September meeting of the executive. Earlier in the month, an advisory committee to the executive, made up of members from both the executive and the Disease Control Committee, had recommended that MAF's July 12 proposal be adopted by executive.

The contract, which had been under consideration since the annual conference in July, is for \$100,000, a 17% reduction in expenditure over the previous year's contract. Executive had previously decided on the lower expenditure figure for this year during its April executive meeting.

The \$100,000 figure will result in 3.9% of the nation's apiaries being inspected by MAF personnel, down from the 1992/93 figure of 4.2%. However, the percentage reduction in inspections is significantly less than the total expenditure reduction, and reflects significant cost savings which hopefully can be made by MAF Quality Management. According to Cliff Van Eaton, MAF's manager for the AFB control contract, this year's programme is based on a detailed budget and incorporates cost savings in the areas of beekeeper contractors, the use of more trained MAF personnel to reduce unproductive travelling time, and the streamlining of NBA inspection list preparation.

Significant new features of this year's contract also include the auditing by MAF of 2% of apiaries inspected during diseaseathons, the notification of robbed out AFB hives to beekeepers with apiaries in the surrounding area, and the use of a formalised reporting procedure for any complaints received relating to inspections carried out under the programme.

MARKETING LEVY CONCERN

The minutes of the September meeting of the executive record the following item:

"In considering the 1994 financial requirements for marketing, a proposal that the levy for marketing be struck at 35 cents for 1994 lapsed for the want of a seconder, following which the executive agreed that the marketing levy for 1994 be set at 30 cents. The President (Frances Trewby) and Vice-President (Richard Bensemann) requested their votes against the proposal to be recorded. The Executive Secretary was requested to ascertain from the Marketing Committee their proposals for expenditure in line with the reduced income proposed." (<u>Note</u>: executive member Gerard Martin was not present at the time.)

The Marketing Committee is due to meet on September 24 in Christchurch, and this decision will be considered in line with our continuing efforts to implement the NBA Marketing Plan. Quite obviously, our "proposals for expenditure" will have to be considerably reduced as a result of this 40% cutback in available income for 1994.

This reduction will have a big effect - we will be able to achieve less, and it will take longer to get the results the industry is asking for. Based on the 1993 levy of 50 cents per hive, the Marketing Committee has already undertaken a number of initiatives in establishing quality standards, product diversification and product promotion.

The need for progress in these areas has been obvious for some time, and was clearly identified in the Marketing Plan. That our progress obviously enjoyed the support of the majority of NBA members was evidenced by the positive response to the establishment of the marketing levy at the 1992 Conference, and the added support for the Marketing Plan at the 1993 Conference.

Executive, however, have now moved to reduce the financial support for this programme and therefore the marketing effort which can be made on behalf of the industry. The Marketing Committee firmly believes that this decision will not do anything to increase the profitability of our industry. We believe it may, in fact, have the opposite effect for many beekeepers.

It is the Marketing Committee's belief that one of the best ways to increase beekeeper profitability is to explore new and more profitable markets for their products. To do this, beekeepers need a marketing organisation which enjoys the support of the industry <u>and</u> the executive. The marketing organisation also needs to be adequately funded to have at least a fair chance of achieving results.

Some of the most innovative ideas in honey market development have come from individuals and small companies who have sought alternatives to chasing a house brand or bulk export market. Sadly, we believe it is this sector of our industry which will suffer most from any cutbacks in the marketing effort. The cutbacks would likely have a lesser effect on the larger companies because they are better able to provide for most of their own marketing requirements.

Nevertheless, we believe the Marketing Plan will help the entire industry. The whole thrust of the plan is to encourage innovation and improve the consumer environment for our products, with the emphasis being on quality and product enhancement. Everyone in the industry, large or small, stands to gain from such a coordinated promotional effort.

A further aim of the committee is to establish alternative means of funding for the industry's marketing projects. We plan to eventually move away from a producer-based levy system and move towards funding support based on the products concerned. The Commodities Levy Act takes over in 1996 and we need to be prepared for this major change well in advance if we wish to progress towards our marketing goals for the future.

If you believe these aims are worth pursuing and that full financial support for the Marketing Plan should continue, make your views known by writing to the NBA head office or by contacting your nearest executive member. A special executive meeting will be held on October 5 during which next year's budget for the Marketing Plan will be considered. Make sure your opinion is also considered.

Alan McCaw, Marketing Committee Chairman

FROM THE BRANCHES

The **Hawkes Bay** branch will be holding an open day at the branch apiary, Pakowhai Country Park, on Saturday, October 2, beginning at 10 am. Pakowhai Park is west of the "motorway", just on the Hastings side of the Ngaruroro River bridge. All local registered hive owners have been invited to join in this "beekeeping exposé". Hives will be

pened for inspection, committee members will be describing various beekeeping techniques, and a variety of equipment will be on display. There will also be a sales table and raffles. The object, according to branch secretary Ron Morison, is to give as many hobbyists as possible the chance to meet with branch members, to encourage membership in our association, and to give new beekeepers in particular a chance to talk to those with more experience.

The Hawkes Bay branch is also hoping to run another beginners' beekeeping course at their local Polytech. According to Ron, "we have the venue, we have the tutor; all we need now is some beginners willing to learn." If you're interested, you can contact Ron by phone on (06) 844 9493.

The **Southern North Island** branch will be holding their spring field day on Saturday, October 2, at Ken and Louise Fleming's, State Highway 1, Pekapeka (between Otaki and /aikanae). The venue will be signposted on the main highway. Topics include "when to spray (dead bees don't pollinate)" and pollination techniques. The field day begins at 10 am and finishes at approximately 3.30 pm.

The **Auckland** branch will be holding a spring field day at Dave and Lorna Young's residence, Drury Hill Road, on Sunday, October 17, beginning at 10 am. Directions are as follows: turn east at the Drury roundabout onto Waihoehoe Road. At the end of the road, turn right onto Drury Hill Road. Dave's honey house and orchid nursery is on the right. According to Nigel Birse, the branch president, people can either bring their own lunch or decide to "suffer Rob's barbecue cooking". The programme includes sessions on the renewed interest in Carniolan bees, royal jelly production, propolis production, and pollen cleansing and traps. There will also be on display one of the country's top orchid hybridising concerns.

Just a note to branch secretaries: we're keen to include notice of your branch meetings and other events in *Buzzwords*. But remember, we need notification at least a month in advance, particularly if the event falls after the 20th of the month. We try to ensure readers receive their copies as soon after the first of the month as possible, but we can't get the issue out any earlier to accommodate notice of those end-of-the month meetings.

FROM THE MARKETING COMMITTEE

Lately, almost everyone I've had conversations with in the beekeeping industry has been asking me the same two questions. The first - when does all the brouhaha and publicity about honey get under way? And the second - how the heck are we going to combat house brands; they're knocking the profit right out of honey sales?

I touched on the answer to the first question in last month's issue of *Buzzwords*. The gist of it is, "there ain't no use bursting into song until you've got something to sing about." In the case of the honey industry, that means we have to get our act together on a national quality standard and quality mark before we start touting our wares.

Recently I received a copy of the Australian Honey Standards (see *Buzzwords 56*). It's obvious that a large amount of time (and I think cost!) has gone into their standards and they are both very, very comprehensive and very, very good.

Make no bones about it, the Australians certainly believe they've gotten their act together (and they have). They also believe that their competitors (and I think they include NZ in the list), haven't. We're now going to look like we're copying them. The only good news is that the NBA Marketing Committee's intention to introduce a national standard and set of codes of practice has been public for many months now. Nevertheless, I've no doubt that the Aussies will still believe we're copying them.

But what about house brands? The latest copy of *Marketing Magazine* has a very good article on house brands. Honey, unfortunately, has been given some publicity in the magazine since it is one of the fifteen top categories, in terms of house brand activity, in supermarkets.

House brands can perhaps be likened to (if we use the words of *Marketing Magazine*), a "vulture" which preys on the efforts of other brands. According to the magazine, house brands only work where products are undifferentiated. In other words, for such products it makes very little difference to the consumer whether they buy the branded label or the supermarket's house brand.

So house brands are a symptom or result of <u>lack of</u> <u>marketing</u>. And that certainly applies in the case of honey, because as has been said now for a number of years, the honey industry has done very little, as an industry, to prove to consumers that our products are more than "just honey".

Until we, as an industry, get our act together, until we set standards that enable professional and entrepreneurial packers to create their own unique honey products, then we will continue to get picked off by the house brand mechanism.

Those in the industry with the most to fear, of course, are the smaller beekeepers and packers. The larger companies

HONEY INDUSTRY TRUST FUND Applications for funding close on 15 August and 15 February. Forms available from PO Box 4048, Wgtn.

should survive, but when they and the house brands compete, there will be no prizes for guessing who will get stomped on in the process.

I mention this because I think its worth noting that major NZ honey companies have put a lot of time and effort into making sure that the industry does have a marketing plan and creates opportunities for the small as well as the big. That willingness by the large to work for the benefit of both themselves and the smaller players in the industry, I think augers well for everyone in beekeeping.

That's all for this month; but the Buzz WORD for the month is "chromium". I'll tell you why in next month's *Buzzwords*.

Bill Floyd, Honey Marketing Committee

CLEMENTS ISO'D

We received a cryptic fax the other day from Waikato Honey Products, which is owned by Bryan Clements, president of the Waikato branch. There was no covering sheet, just a copy of his company's Telarc certificate of ISO 9002 registration (registration number 351), dated September 14.

As we reported in *Buzzwords 55*, Bryan and his company decided last year to undertake the programme necessary to achieve ISO accreditation. Speaking at this year's conference seminar, Bryan commented that although it was a process which required a great deal of soul searching, it was worth it in terms of improved efficiencies and the new business (as an accredited supplier) his company is likely to gain.

Bryan's message at that seminar was "if I can do it, so can you." Well, now it looks like he has. Congratulations to Bryan and all the other employees at Waikato Honey Products. Now lets see who will be the next one in the industry to send us an ISO 9002 certificate by fax.

UNPAID HIVE LEVIES

Currently there are a number of beekeepers who have either not paid, or have not made arrangements to pay, their 1993 hive levy. While these non-payers have been give ample time to make such arrangements, in many cases they haven't even acknowledged letters from the executive offering assistance. As you can imagine, the vast majority of members who have fulfilled this important obligation have quite frankly "had it" with those who still haven't paid. Noting this displeasure, your executive has therefore undertaken to collect from these non-payers, if for no other reason than to lessen the load on those who <u>are</u> abiding by the law.

The executive has sought legal opinion on the various reasons members have given for why they are not liable to

pay, and we now feel quite confident that <u>in all cases</u> we will win if the matter goes to court. The executive has no qualms about taking the matter further if required. We are confident that we have the support of the industry in this regard.

Beekeepers who still haven't paid their hive levy because of the costs involved should realise that the price certainly won't be reduced by waiting any longer. Once the matter is put into the hands of the association's solicitors, non-payers might expect to foot a bill for legal fees as well.

Your executive is also in the process of investigating several cases of beekeepers who are believed to have under-declared hive numbers. Beekeepers should be aware that this is a fraudulent activity under the terms of the Hive Levy Act, and we will be pursuing these cases with the help of our lawyers.

If you know of anyone who is a non-payer or under-declarer, please contact a member of the executive. You'll be helping us, and because more people will be paying what they owe, you'll also be helping yourself. Remember, or if everyone pays will the system once again be fair.

And to non-payers, the message is simple: you have two options - either pay up, or face the legal consequences.

Richard Bensemann and Mervyn Cloake, NBA Executive

NEW TRUSTEE APPOINTMENT

The September meeting of the NBA Executive confirmed the appointment of lan Berry, Havelock North, as a trustee on the Honey Industry Trust. Ian replaces his brother, Russell Berry, Waiotapu, as North Island industry representative on the trust.



BUZZWORDS IS ...

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