

*Copy for R Macdonald*

10th June, 1971.

Mr. O.J. Kirker,  
Agricultural Reporter,  
Hawkes Bay Herald Tribune,  
P.O. Box 180,  
HASTINGS.

Dear Sir,

Thank you for the clipping enclosed with your letter of 8.6.71. I will answer your specific questions first then add some further comments.

1. Yes, - notice of termination was given.
2. Yes, a new agreement has been negotiated. There was no provision in the contract for revising or altering clauses. We wished to alter some of the provisions in the contract so it had to be terminated in terms of clause 14, thus leaving the way open to negotiate a new agreement either with Kimpton Bros. or some other agent. In this regard I would mention that no other firms in the U.K. honey trade offered their services.
3. I do not know if Kimpton's "more than half own Manley Pure Foods". They do however hold a controlling financial interest in Manley Pure Foods. M.P.F. is a holding company with two wholly owned subsidiaries Chiltern Honey Farm Ltd. and Ratcliffe Bros. (Honey) Ltd. which are two of the larger honey packing companies in the U.K. Chiltern and Ratcliffe still operate independently of each other and compete for supplies of honey against other competitors. It is not beyond the bounds of possibility that Kimptons could give them a favourable advantage when selling them our honey, but we are satisfied that Kimpton's integrity would not permit them to do this. Mr. Berry will consider this an appalling display of naivety no doubt.
4. No. The Authority has not outlived its usefulness and Mr. W.J.C. Ashcroft set out the reasons very adequately in his letter to the editor in your paper. His views correspond with those of nearly all beekeepers in N.Z. Even Mr. Berry must think it has not outlived its usefulness judging by his repeated attempts to gain election to the Authority. Either that, or he feels he can more easily destroy it from within than without.

The Authority is the only body with an export licence, and therefore the sole exporter of bulk honey. This I presume is what Mr. Berry is referring to in the penultimate paragraph of your article. Other countries which allow anybody to export receive lower prices than

N.Z. does for its honey, as buyers play one exporter off against the others in order to effect a price reduction. This we feel is what would happen if there was no H.M.A. and beekeepers and packers were exporting as individuals.

At present we are competing with other countries for world markets. How would our export prices be affected if we were also competing amongst ourselves?

Mr. Berry's comment re comb honey selling is correct. I asked Mr. Berry if comb honey would still sell as well if all beekeepers in N.Z. switched to comb honey production and came onto the export market. (At present the comb honey exporters number about 12 as against extracted honey producers numbering over 300). He was reluctant to answer this question but he agreed that the law of supply and demand was the dominating factor in determining prices.

It surprises me to find a newspaper giving as much space as you have to an item about such a small industry. I presume you gave the report to the P.A. but it did not appear locally.

If you use any of this letter I would be pleased if you would send me the clipping.

Yours faithfully,

R. F. Poole,  
CHAIRMAN.