



# **Strategy for Agriculture, Horticulture, Food and Land Based Industries in Cornwall and the Isles of Scilly**

**2003-2010**

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A Final Report by



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## **1 INTRODUCTION TO THE NEW STRATEGY**

1.1 DTZ PIEDA Consulting has worked closely with the Cornwall Agricultural Council (CAC) in the development of this strategy. The objective was to produce a new 'overarching strategy' for Cornwall's agriculture, horticulture and land based industries (primarily forestry and forest products) to overlay the existing 15 separate strategy documents.

1.2 The Terms of Reference defines the functions of this new strategy as follows:

- "To develop an industry wide, overarching strategy that focuses on the common activities identified from the various sectors as well as detailing a strategic framework for structural change;
- To ensure that the CAC strategy remains current, addresses recent policy changes, incorporates industry needs and aspirations and provides a robust, evidence based strategic tool; and
- To direct the use of EAGGF funding for the remainder of the Objective One Programme and to inform the use of other funding streams and activities."

1.3 This last point is particularly important – a key function of the overarching strategy is to guide the development work of, and the applications for funding from, the numerous sector bodies and projects working across Cornwall. It aims to set the framework within which the more detailed development work can fit. Intentionally, therefore, the strategy does not go down to the detailed level of individual projects and funding, but rather sets the broad framework within which competing claims for funding can be addressed.

1.4 This strategy sits firmly within the principles and thinking of the wider national strategy for Sustainable Farming and Food and is a key part of the action being taken in the South West region to implement that strategy. This CAC strategy gives Cornwall the opportunity to be at the forefront nationally of action to develop the farming and food industries.

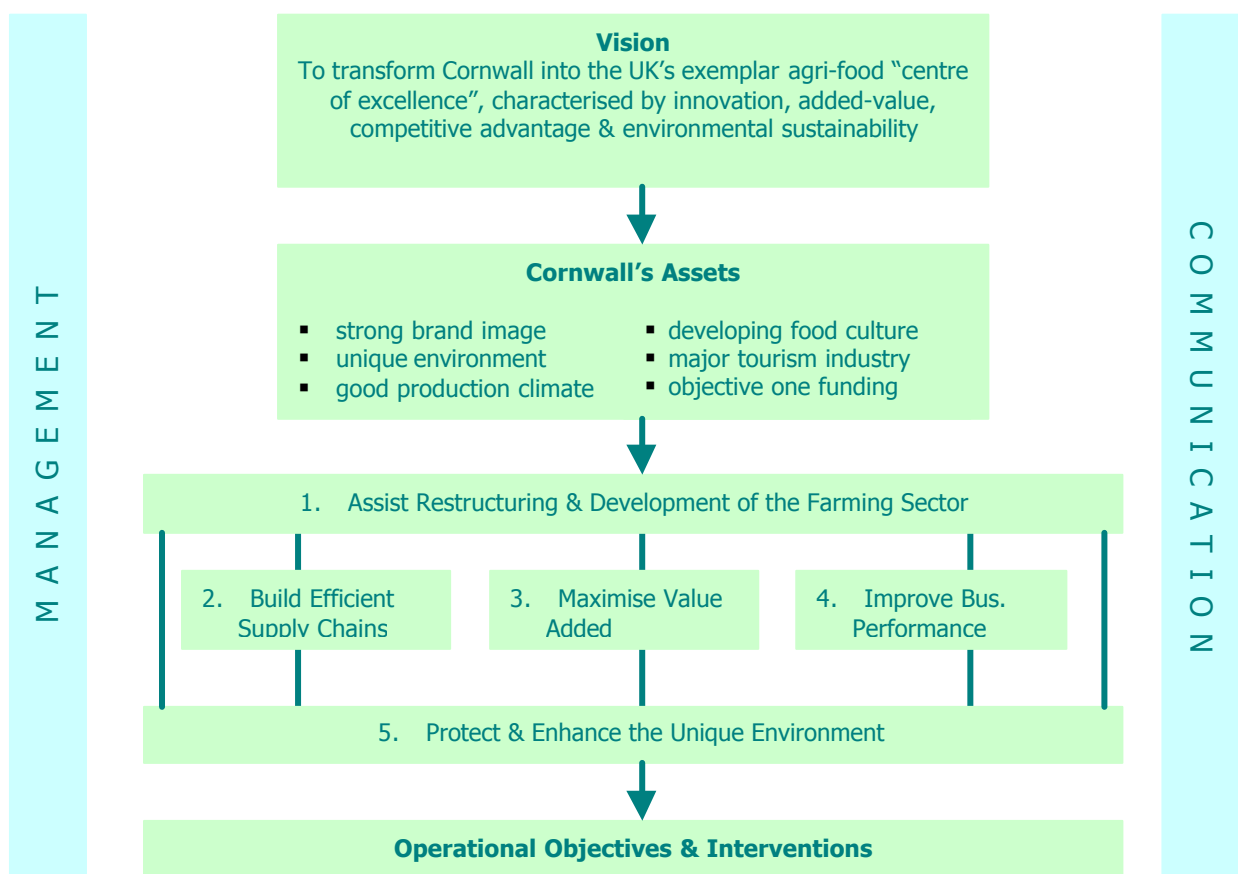
1.5 The strategy is laid out in the following sections:

- Section 2 – strategic framework;
- Section 3 – operational objectives
- Section 4 – management and communication.

## 2 STRATEGIC FRAMEWORK

2.1 Figure 2.1 illustrates the key components of the 'strategic framework', each of which are described in more detail below.

**Figure 2.1  
Strategic Framework**



### THE VISION

2.2 CAC and its partners are committed to a strategic vision which is ambitious and aspirational. Over the period 2003 – 2010, the objective is to transform Cornwall into the UK's exemplar agri-food 'centre of excellence' characterised by:

- Innovative companies championing new production processes, technologies and products based on increased skills and knowledge;
- Added value being at the heart of the agri-food industry's activities across integrated supply chains;

- Competitive advantage through market facing companies delivering quality assured, consistent and cost-effective product and service solutions for customers which maximise Cornwall's strengths;
- Environmental economy – ensuring that through the protection and enhancement of the environment that new opportunities can be exploited – from primary producers through to processors and retailers/distributors.

2.3 The vision is for Cornwall to be recognised as the leader and innovator of change in the UK agri-food sector and to be recognised as **'the'** model of best practice which others wish to emulate. This is a challenging but achievable vision over the period up to 2010 subject to the successful development and exploitation of Cornwall's assets.

## CORNWALL'S ASSETS

2.4 Cornwall has an extremely strong 'asset base' upon which to build. The key assets, which are all mutually reinforcing, are:

- Strong brand image – Cornwall benefits from one of the strongest regional identities in the UK alongside Wales, Scotland and Ireland. This brand image must be built upon and exploited to the full;
- Unique environment – supporting this brand image is the nature and character of Cornwall's environment as perceived by customers. This provides the opportunity to exploit a 'clean and healthy' image for the agri-food industry. But the environment must also be protected and enhanced as a process of continuous improvement;
- Good production environment – Cornwall has one of the best grass growing regions in the UK to support the dairy and livestock sectors and a climate conducive to horticulture;
- Developing food culture – the combination of Cornwall's agri-food sector, its excellent speciality products, the growth in food service, awareness raising through celebrity chefs such as Rick Stein, and the strength of the tourism industry is supporting an emergent food culture in Cornwall;
- Major tourism industry – the contribution of the food industry to Cornwall's tourism industry and vice-versa is critical. These industries are mutually reinforcing – for example, tourists provide a major market opportunity for the food industry in Cornwall and favourable catering and food retailing experiences encourages repeat visits by tourists – a positive circle. There are also niche tourism opportunities for food based holidays, catering holidays, etc.;
- Objective One Funding – Cornwall has a window of opportunity to effect a sea-change in the performance of its agri-food and land based industries. There are still over 50% of Objective One funds unallocated (£29m) and it is essential that this money is harnessed by this strategy to maximise impact and value for money.

- 2.5 If developed and exploited effectively these assets represent a powerful 'cocktail' upon which to build the transformation of Cornwall into the UK's agri-food 'centre of excellence'.

## STRATEGIC GOALS

- 2.6 However, a major development programme is required to exploit these assets and achieve this vision. The new strategy represents a more focused approach to the roll-out of such a programme building upon the good work carried out by the sector groups over the initial period 2000 – 2003.

- 2.7 The programme has been structured under five key strategic goals – all of which are inter-linked.

- 2.8 **Goal No. 1 - Assisting the restructuring and development of the farming sector** – the farming sector is the foundation for the strategy – Cornwall's c. 7,500 holdings represent the raw material supply for the food industry in the County, with farmers being the guardians of the environment and a key interface with tourism. Combined with the major challenges facing the farming sector through the Mid-term Review and tough competition from the UK and overseas, it is of paramount importance that the strategy facilitates the restructuring of the industry, which will involve:

- the retention of 'critical mass' to ensure the long term sustainability of the farming sector;
- improving the competitive performance of those farmers who wish to remain in the industry;
- supporting diversification for those farmers who wish to move into new areas such as non-food crops (such as biomass, oils, hemp), forestry, food processing, tourism ventures, etc.;
- facilitating the exit of farmers who wish to leave the industry and encouraging new entrants into the industry.

- 2.9 **Goal No. 2 - Building efficient supply chains** – in addition to working with key components within Cornwall's supply chains such as farmers, processors and customers, it is essential that the efficiency of the whole supply chain is addressed – from plough to plate. This requires an holistic approach which addresses the effectiveness of the industry in working together as a team in meeting customer requirements. This will involve:

- Prioritisation of key supply chains;
- Assessment of the key market drivers for key supply chains;

- Benchmarking at producer and processor level;
- Value chain analysis;
- Dissemination and roll out to the wider industry.

2.10 **Goal No. 3 - Maximising value added** – given its geographical location and relatively small size, Cornwall is not the best placed area to compete in the volume food market which is dependent on economies of scale and efficient transport nodes. It must focus on value added, building upon its successful track record in the dairy sector, horticulture, speciality foods and organic production. This will involve:

- Research of new opportunities to generate ideas;
- Product development and branding;
- Market launch of these new opportunities.

2.11 **Goal No. 4 – Improving business performance** – to help achieve Goals 1 - 3 it is essential to support individual firms to maximise their business performance. This strategy will provide support to those businesses which are 'willing to engage' and which have a desire to develop and grow their business. This will include the following categories of firm:

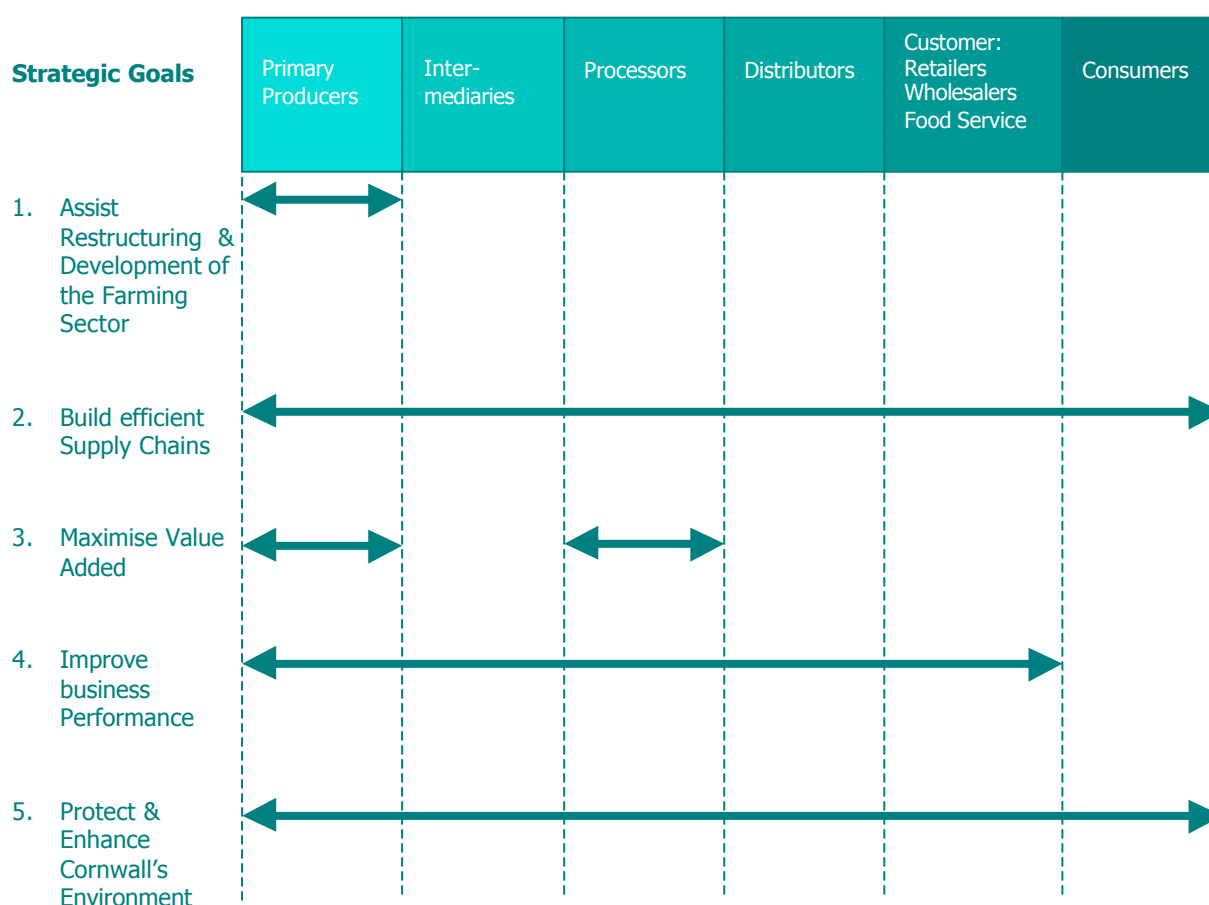
- Primary producers such as those engaged in forestry (note: business support for farmers will be covered under Goal No. 1). Forestry is an important activity in specific areas in Cornwall and there is a target to increase the land area under trees currently 7%;
- Food processors across all sectors;
- Companies involved in agricultural supply, distribution, foodservice, wholesaling and retailing.

2.12 **Goal No. 5 – Protecting and enhancing the environment** – there is an onus on all stakeholders throughout the agri-food and forestry sectors to protect and enhance the environment. This is a cross-cutting goal which has widespread application across the farming, forestry, processing, distribution and retailing sectors:

- To support the uptake of agri-environmental programmes by farmers which will yield bio-diversity benefits;
- To stimulate more forestry which will increase landscape amenity and act as carbon sinks;
- To encourage bio-mass production to feed CO<sub>2</sub> neutral power plants;
- To minimise waste, encourage recycling and improve energy efficiency.

2.13 The focus of these five strategic goals across the agri-food and forestry supply chains is summarised in Figure 2.2. Goals 1 and 3 are focused on interventions in specific segments of the supply chain, whereas goals 2, 4 and 5 have to work across the whole supply chain if they are to succeed.

**Figure 2.2**  
**Supply Chain Focus**



## OPERATIONAL OBJECTIVES

2.14 The detailed objectives and operational tasks underpinning the attainment of these five goals are described in Section 3 of the strategy.

2.15 Under each operational objective a range of indicators and targets are presented. CAC acknowledges that many of these targets are aspirational and that they will be dependent on interventions and exogenous factors from a wide range of quarters. However, the targets set out where CAC would wish the sector to be over the period.

## MANAGEMENT & COMMUNICATION

- 2.16 The final components of the strategic framework are the 'facilitators' – the all-important functions which ensure the effective management, implementation and communication of the strategy.
- 2.17 **Management** - a strategy is only as good as its implementation. This depends upon effective management, a task made all the more difficult by the large number of organisations and stakeholder groups with a vested interest in Cornwall's agri-food and forestry sectors. Already there are 15 separate sectoral/cross-cutting strategies designed to support agriculture, horticulture and land based industries in Cornwall.
- 2.18 However, Cornwall is fortunate in having CAC as the lead body overseeing the development of these industries. With a membership of 92 organisations, CAC has a strong mandate for this overseeing role, as the Board of the CAC are also members of the Agricultural Task Force for Objective One and responsible for setting the strategic framework for the Programme.
- 2.19 **Communication** – finally, CAC must lead the effective communication of the strategy and its underpinning activities to both 'internal' development/partner bodies in Cornwall and also to 'external' publics to whom it is relevant.
- 2.20 The tasks supporting the management and communication functions are described in Section 4 of the strategy.

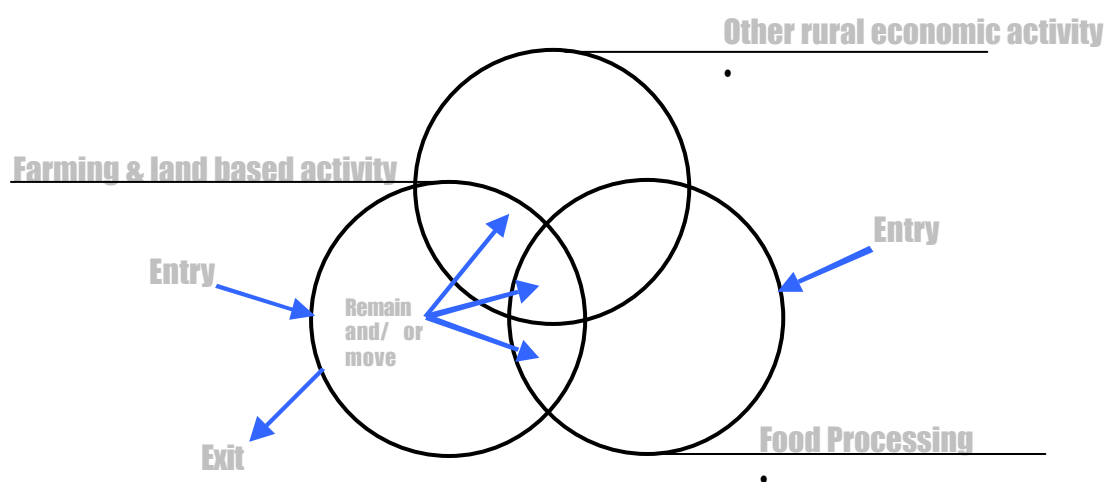
### 3 OPERATIONAL OBJECTIVES

#### GOAL NO. 1 – ASSIST THE RESTRUCTURING AND DEVELOPMENT OF THE FARMING SECTOR

3.1 Figure 3.1 illustrates the options open to those engaged in farming. These include:

- Staying within the farming sector and developing their business. This can include remaining with current farming activity and improving efficiency, adding value, increasing scale or changing production methods e.g. organic production;
- Diversifying by moving into completely new land-based production such as forestry and non-food products;
- Diversifying by moving into downstream food processing – there are a number of good examples of this in the dairy sector in Cornwall, for example speciality cheeses;
- Diversifying by moving into completely new economic activities such as farm tourism (improving quality and extending season; farm visits /tours perhaps linked to the education sector, etc.);
- Exiting from farming altogether (which may mean retiring or concentrating exclusively on new economic activities as described above).

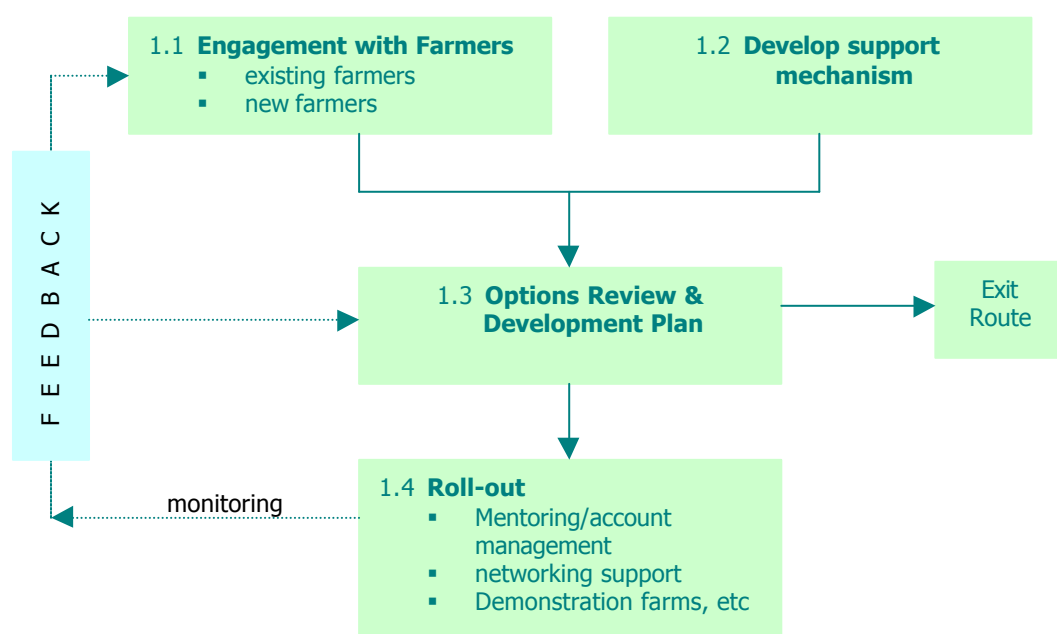
**Figure 3.1**  
**Development Options for Farming & Land-based Activity**



3.2 Strategic Goal No. 1 facilitates this essential restructuring and development of Cornwall’s farming sector in response to intense UK and international competition, CAP reform and EU enlargement. The aim is to position Cornish agriculture as a vibrant, integrated and sustainable sector of the South West economy beyond Objective One.

3.3 Figure 3.2 illustrates the operational objectives underpinning this restructuring and development programme. They are described in detail in the accompanying Table 3.1.

**Figure 3.2**  
**Goal No. 1 – Assist the Restructuring and Development of the Farming Sector**



<b>Table 3.1</b>	
<b>Goal No. 1 – Assist the Restructuring and Development of the Farming Sector</b>	
<b>Operational Objectives</b>	<b>Interventions</b>
<p><b>1.1 Engagement</b></p> <p>Communicate and engage with the farming sector and other stakeholders in order to:</p> <ul style="list-style-type: none"> <li>– present the CAC vision to the industry</li> <li>– build interest in farmers wishing to develop/diversify</li> <li>– attract new entrants into the industry</li> </ul>	<ul style="list-style-type: none"> <li>– Publicity surrounding launch of strategy</li> <li>– CAP seminars and discussion groups to interpret the mid-term review findings. Use of existing sector representative bodies should be made where possible</li> <li>– Seminars to present the CAC strategy to farmers linking with Sustainable Farming and Food Strategy activity in the region</li> </ul>
<p><b>1.2 Support mechanism</b></p> <p>Develop a 'leading edge' support infrastructure to:</p> <ul style="list-style-type: none"> <li>– win the confidence of the industry</li> <li>– provide advice and guidance for those wishing to develop, diversify or exit</li> </ul>	<ul style="list-style-type: none"> <li>– Map existing business support to the primary sector</li> <li>– Review effectiveness in order to develop the most suitable mechanisms for delivery</li> <li>– Select the most suitable mechanisms and individuals to spearhead this initiative</li> <li>– Ensure there is an effective management structure and controls to provide a professional, joined up and quality assured service</li> </ul>
<p><b>1.3 Options' Review &amp; Development Plan</b></p> <p>Offer support to all farming businesses to:</p> <ul style="list-style-type: none"> <li>– establish their strategic options; and</li> <li>– provide a development plan.</li> </ul> <p>This should be one service offering communicated clearly to farmers.</p>	<ul style="list-style-type: none"> <li>– Market the offer of a development plan to all farmers in Cornwall. This plan to be provided free of charge via most effective delivery mechanism(s).</li> <li>– As part of the options' review process there should be a screening process to ensure that development plans are only offered to those farm businesses with the necessary commitment and development potential (target – 25% of farm businesses)</li> <li>– Participants to have a nominated account manager/mentor appointed to guide them throughout the process. Account manager/mentor to be farm business specialist.</li> <li>– Development plans will provide detailed guidance on how to pursue the favoured option(s) for each business: <ul style="list-style-type: none"> <li>– Continue farming with few changes (likely to be the top tier of producers)</li> <li>– Expand to gain adequate scale to be competitive</li> <li>– Assistance to add value to existing activities where possible</li> <li>– Diversify into different crops or other economic activities including pluri-activity, especially those crops identified by research</li> <li>– Exit from farming</li> </ul> </li> </ul>

<p><b>1.4 Roll-out</b></p> <p>Provide assistance with implementation of farm development plan</p>	<ul style="list-style-type: none"> <li>- Nominated account manager/mentor to guide farmers through the process, signposting to appropriate support:             <ul style="list-style-type: none"> <li>- Specialist advice (financial, diversification, technical)</li> <li>- Training re-training and skills (business, marketing and technical)</li> <li>- Sources of revenue/capital assistance (such as processing and marketing)</li> <li>- Opportunities for collaboration to assist in development building on the work of EFPF.</li> </ul> </li> <li>- Assistance to exit provided where appropriate through advice on liquidation of assets, financial planning etc</li> </ul>
<p><b>1.5 Monitoring and Feedback</b></p> <p>Monitor on an on-going basis through an effective monitoring system</p>	<ul style="list-style-type: none"> <li>- Develop a monitoring system to track activities and outcomes in the farming sector</li> <li>- Produce reports on a regular basis and feedback to CAC, industry bodies such as the NFU and to the farming sector directly</li> <li>- Identify good practice from benchmarking work, demonstration farms, etc. and disseminate to improve engagement and assist the uptake of good practice (a positive circle – see Figure 3.2)</li> </ul>

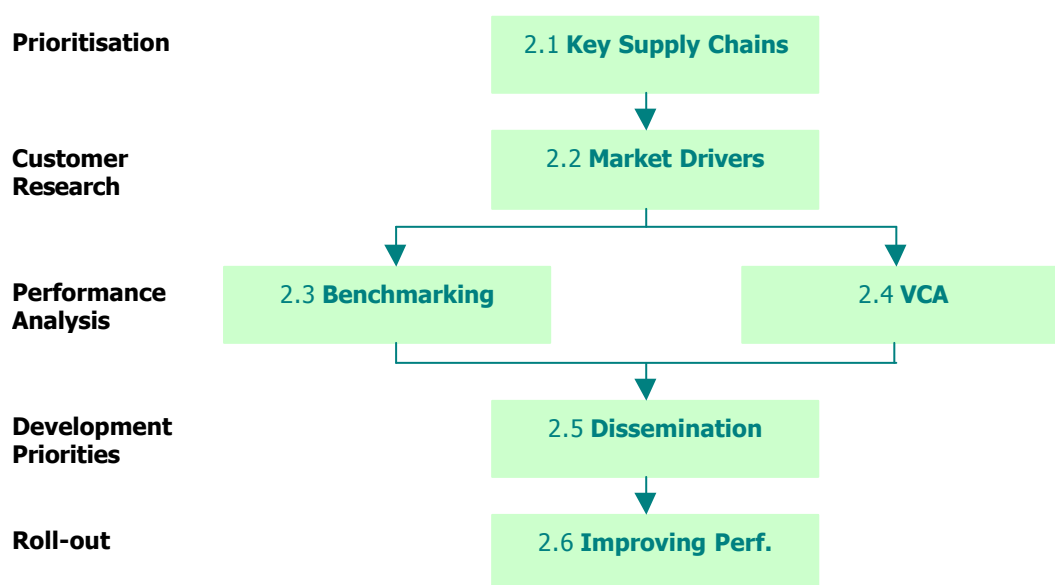
**Goal No. 1 Targets – CAC would wish to see the following changes in key indicators**

Key Performance Indicators	Current (2002/03)	Targets (2010)
Total farm income per FTE		
As above as % of national	26%	50%
No. of farms in organic production		
% of farmers earning income from farming alone	65%	50%
No. Of new collaborative ventures through Objective One	0	25
No. of visits to demonstration farms		
No. of farmers participating in benchmarking		25%
No. of businesses committing to development plan	0	50%
No. of businesses implementing development plan	0	40%
% of land area reached with assistance under development plans		80%

## GOAL NO. 2 - BUILDING EFFICIENT SUPPLY CHAINS

- 3.4 The Cornish agri-food sector should work with the SW Food & Drink and Food Chain Centre (FCC) to develop efficient supply chains in Cornwall. Current FCC interventions include producer benchmarking, processor benchmarking via PROBE (promoting business excellence), value chain analysis and information sharing.
- 3.5 Cornwall has the opportunity to participate at the leading edge of this new holistic approach to support the development of its key supply chains. Figure 3.3 illustrates the operational objectives underpinning this supply chain work. They are described in detail in the accompanying Table 3.2.

**Figure 3.3**  
**Building Efficient Supply Chains**



<b>Table 3.2 Building Efficient Supply Chains</b>	
<b>Operational Objectives</b>	<b>Interventions</b>
<p><b>2.1 Prioritisation of Key Supply Chains</b></p> <p>To focus development effort on those supply chains which are:</p> <ul style="list-style-type: none"> <li>– under-performing in terms of efficiency and value added;</li> <li>– but which offer significant development potential</li> </ul>	<ul style="list-style-type: none"> <li>– Review the supply chains in Cornwall and short-list down to 3 maximum</li> <li>– The initial shortlist of the CAC is: <ul style="list-style-type: none"> <li>– Dairy</li> <li>– Red meat sector</li> <li>– Horticulture</li> <li>– Supply chain into the public sector</li> <li>– Supply chain into foodservice sector</li> </ul> </li> </ul>
<p><b>2.2 Market Drivers</b></p> <p>To undertake customer research to inform the supply chain work in the selected sectors. This reflects the importance of the industry being market driven.</p>	<ul style="list-style-type: none"> <li>– Undertake market research of key customer groups in the retail, wholesale and foodservice sectors</li> <li>– The aim is to identify: <ul style="list-style-type: none"> <li>– Cornwall’s competitive performance</li> <li>– Strengths and weaknesses in the supply chain</li> <li>– How performance can be improved</li> <li>– Ideas for product/service development</li> </ul> </li> </ul>
<p><b>2.3 Benchmarking</b></p> <p>Promote benchmarking at producer and processor levels to:</p> <ul style="list-style-type: none"> <li>– enable individual producers and processors to benchmark their performance</li> <li>– identify good practice and encourage its dissemination</li> </ul>	<ul style="list-style-type: none"> <li>– Red meat producers and processors can enter Red Meat Industry Forum benchmarking schemes (METRICS and PROBE).</li> <li>– Horticulture producers can buy into HORTBENCH, an FCC initiative which uses PROBE</li> <li>– Other livestock producers can make use of grassland challenge benchmarking support.</li> <li>– A programme to encourage other processors to buy into PROBE should be developed.</li> </ul> <p>Note: A pre-condition of entry for farmers should be completion of a development plan (linkage to Goal No. 1). Issues emerging should then be discussed with account manager and other support signposted as appropriate.</p>
<p><b>2.4 Value Chain Analysis</b></p> <p>Undertake value chain analysis (VCA) of major products in key sectors based on market intelligence (2.2)</p>	<ul style="list-style-type: none"> <li>– Suggest 1 key product in each of the prioritised sectors be put forward for Value Chain Analysis. Advice of SW Food and Drink/FCC should be sought, but it may be that Cardiff Business School can facilitate this activity.</li> <li>– Assess potential for key local food/local supply networks to build local capacity.</li> <li>– CTOTW and/or the Food Sector Development Advisor to work with the industry to facilitate this action.</li> </ul>
<p><b>2.5 Dissemination</b></p> <p>Disseminate information to all members of the three supply chains</p>	<ul style="list-style-type: none"> <li>– Encourage and tap into sector based discussion groups.</li> <li>– Develop full supply chain groups including organics and encourage discussion across the supply chain.</li> <li>– Use CAC as a forum for generic discussion of issues.</li> <li>– Publish case studies of successful improvements as a result of benchmarking and VCA.</li> </ul>
<p><b>2.6 Improving Performance</b></p>	<ul style="list-style-type: none"> <li>– Form management groups for each of the supply</li> </ul>

<p>To follow up the dissemination with practical actions to ensure:</p> <ul style="list-style-type: none"> <li>- Market opportunities are capitalised upon; and the</li> <li>- Performance of producers, processors and intermediaries in the supply chains is maximised</li> </ul>	<p>chains to oversee the research, analysis, dissemination and implementation of the supply chain work</p> <ul style="list-style-type: none"> <li>- Ensure development plans are produced by each of the three supply chain management teams</li> <li>- Performance against these plans must be monitored</li> </ul>
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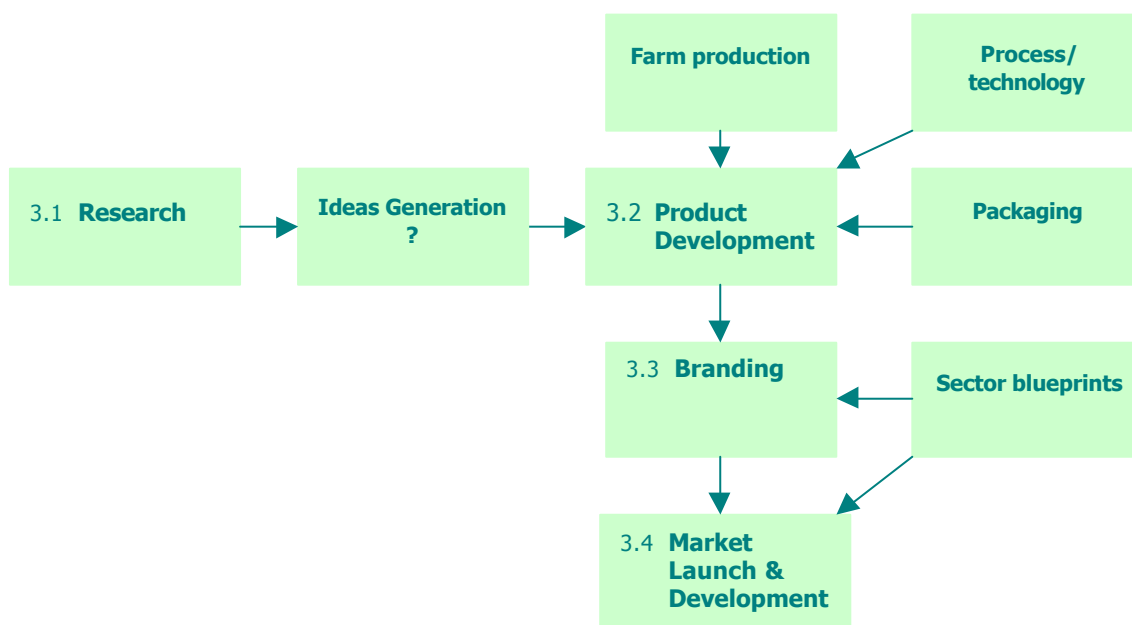
Goal No. 2 Targets – CAC would wish to see the following changes in key indicators		
Key Performance Indicators	Current (2002/03)	Targets (2010)
No. of supply chains reviewed	0	5
No. of food processors benchmarking		25%
No. of value chain analyses undertaken	0	5-10
% of public sector procurement locally	40%	60%
Other performance indicators for producers, processors and intermediaries (to be determined for each of the three sectors)		

## GOAL NO. 3 – MAXIMISING VALUE ADDED

### Definition of 'value added':

- 3.6 Value added is defined as the additional value conferred by the production, processing, packaging and marketing of produce. The aim is to maximise value added wherever possible to increase the returns to the Cornish agri-food and forestry sectors. It is important to point out the following:
- Value can be added at all stages in the supply chain, from primary producers at one end to the retailers and distributors at the other end;
  - Value can be added through activities such as packaging and branding, where there is no change to the physical nature/composition of the food/forestry products being produced.
- 3.7 Cornwall has had significant successes in conferring value to its primary production in sectors such as dairy industry (including major players such as the Davidstow Creamery and niche players producing speciality products). The objective of Goal No. 3 is to formalise this process and increase / improve:
- The value to be exploited from existing products;
  - The development of new added value products.
- 3.8 Figure 3.4 illustrates the operational objectives underpinning this the value added work. They are described in detail in the accompanying Table 3.3.

**Figure 3.4  
Maximising Value Added**



**Table 3.3**

**Maximising Value Added**

Operational Objectives	Relevant Interventions
<p><b>3.1 Research &amp; Idea Generation</b></p> <p>Identify opportunities to add value in Cornwall’s agri-food and forestry sectors</p>	<ul style="list-style-type: none"> <li>- Promote ongoing market research/buy into latest market research such as the recently published UK Food Market Report to establish opportunities for Cornish product now and in the future.</li> <li>- Support research to develop new product/process/packaging/marketing ideas to add value to Cornish products</li> <li>- This research should be led by the relevant industry groups, possibly with a hybrid group to encourage cross-fertilisation of ideas</li> </ul>
<p><b>3.2 Product Development</b></p> <p>Encourage development of new products and services (NPD) to tap into identified new markets</p>	<ul style="list-style-type: none"> <li>- Support NPD activity through specialist advice, training and a venture fund where fit with latest trends can be demonstrated (food and tourism)*</li> <li>- Explore alternative ways to ‘add value’ through:               <ul style="list-style-type: none"> <li>- changes in farming practice</li> <li>- the introduction of new process/ technology</li> <li>- packaging (linked to branding and promotion)</li> </ul> </li> <li>- Link in with Taste of the West NPD activity and Food Awards for new products.</li> <li>- Encourage Protected Designation of Origin (PDO) status where appropriate encouraging the use of local produce and promoting Cornish distinctiveness e.g. Cornish ice cream.</li> <li>- Encourage and support new entrants to the processing sector (food and forest products) – with a particular focus on speciality products</li> </ul>

<p><b>3.3 Branding</b></p> <p>Maximise the Cornish brand identity through effective branding and promotion</p>	<ul style="list-style-type: none"> <li>- Define the strengths of Cornwall building on previous work by the Tourist Board and Cornish King. Take account of current work on overall image and brand.</li> <li>- Agree a Cornwall-wide brand logo to support the development of a consistent Cornish identity and image</li> <li>- Communicate these to the industry. Tie in with South West Food and Drink and TOTW</li> <li>- Support branding strategies bespoke to individual processors, retailers and foodservice outlets</li> <li>- Consider 'joined up' branding initiatives across supply chains with a particular focus on processors, retailers and foodservice groups</li> </ul>
<p><b>3.4 Market Launch &amp; Development</b></p> <p>Support the market launch and sustained market penetration of new products</p>	<ul style="list-style-type: none"> <li>- Develop 'sector blueprints' for promoting Cornwall products to customers based on the evidence. Cornwall companies can then use these blueprints in their promotion and marketing activities.</li> <li>- Target local public procurers and tourist businesses to encourage local sourcing and branding providing relevant information and assistance.</li> <li>- Encourage generic promotion of Cornwall into target markets (eg UK, EU and elsewhere) linking its food, environment and tourism unique qualities.</li> </ul>
<p><b>Note:</b> * There may be merit in considering the development of a NPD programme to work intensively with small groups of processors – covering the whole NPD process from ideas generation, to market research, recipe development/test kitchens, and finally product launch. There is a good model in Scotland run by Scottish Enterprise Grampian.</p>	

<b>Goal No. 3 Targets – CAC would wish to see the following changes in key indicators</b>		
Key Performance Indicators	Current (2002/03)	Targets (2010)
No. of new value added initiatives involving the primary producing sector	-	10
No. of new products supported with Objective One		SPD figure
Average value added per food sector employee		

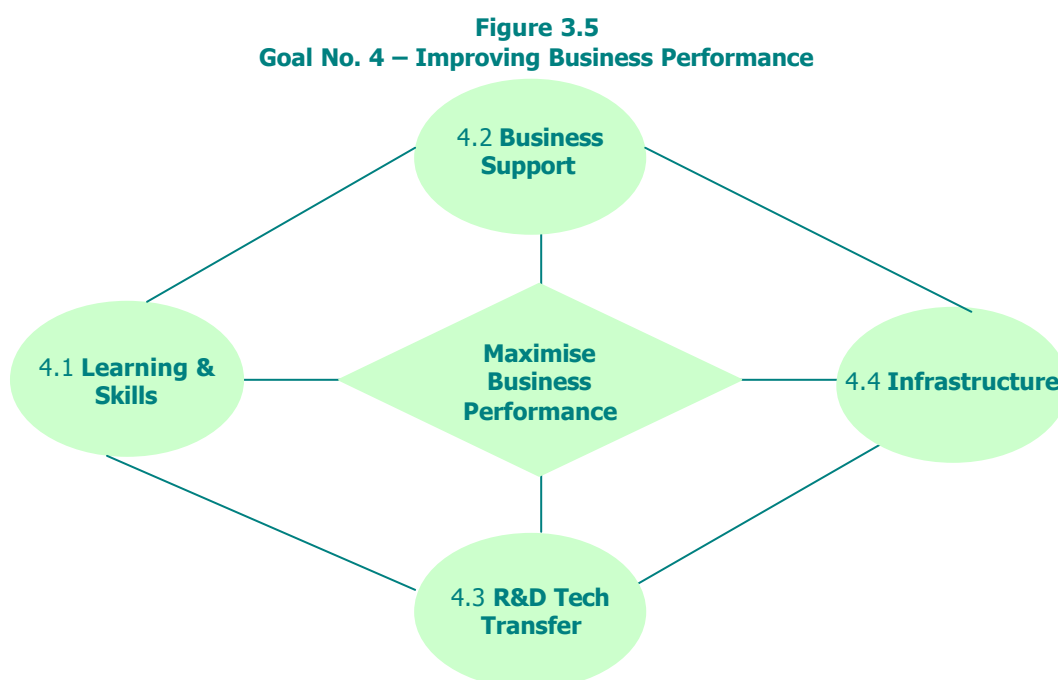
## GOAL NO. 4 – IMPROVING BUSINESS PERFORMANCE

3.9 The aim of Goal No. 4 is to maximise the performance of individual companies through a co-ordinated suite of support comprising:

- Learning and skills programmes accessed from Duchy College and other key training providers in the County and possibly further afield;
- One-to-one business support from an experienced business adviser with expertise in the relevant sector;

- Promotion of innovation and technology transfer through the exploitation of research excellence in South West England, utilising the expertise of the corporate sector, higher and further education institutions and specialist private sector companies;
- Providing the necessary infrastructure for the agri-food and forestry companies to maximise their potential – this could be in the form of distribution networks, storage facilities, sites and premises, incubator facilities and process equipment.

3.10 Figure 3.5 illustrates the operational objectives underpinning the 'improving business performance' work programme. They are described in detail in the accompanying Table 3.4.



3.11 Given the high cost per company of such support, appropriate screening must be applied in the 'recruitment' of clients. In particular the following conditions must apply:

- The company must be 'willing to engage' with the support agencies in Cornwall;
- It must have genuine development potential and evidence of growth (or aspirations to grow). The priority for support should be the 'movers and shakers' with the 'lifestylers' receiving a less intensive support package;
- The management team must have the ability (actual or potential) to lead the development of the company
- There must be a sound business proposition for support and that this should be encapsulated within a longer term business plan

3.12 The objective is to support the life cycle of businesses so that their growth rate is maximised (particularly during the early growth years) and that for those which have plateaued or declined support is provided to re-energise the business: see the life-cycle stages of a business in Figure 3.6.

**Figure 3.6**  
**Company Life Cycle**

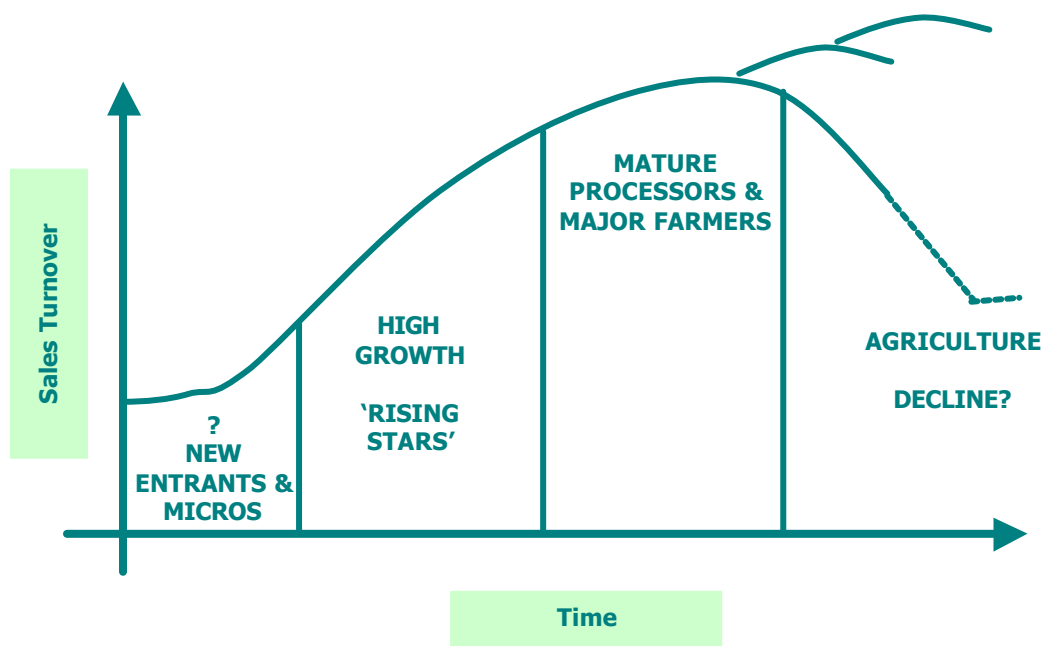


Table 3.4 Improving Business Performance	
Operational Objectives	Interventions
<p><b>4.1 Learning &amp; Skills</b></p> <p>Offer co-ordinated training to improve knowledge to enable a highskilled workforce.</p> <p>NB this objective underpins the whole strategy as skills development is key to all sectors.</p>	<ul style="list-style-type: none"> <li>- Develop the food skills training capability of Cornwall with appointment of key individuals.</li> <li>- Use Agricultural colleges to forge links and so provide the training solutions required by industry</li> <li>- Undertake training needs analysis to target to areas of greatest need.</li> <li>- Seek ways of harnessing enthusiasm of entrepreneurs in key sectors (e.g. role of mentoring)</li> <li>- Prioritise training provision in the following key areas:               <ul style="list-style-type: none"> <li>- management</li> <li>- finance</li> <li>- marketing</li> <li>- production/technical</li> <li>- e-business</li> </ul> </li> </ul>
<p><b>4.2 Business Support</b></p> <p>Offer business support &amp; advice to improve competitiveness on a 1-T-1 basis.</p> <p>Assist with entry to food processing sector or other rural activity.</p>	<ul style="list-style-type: none"> <li>- Assistance with business planning, expansion, tackling new markets.</li> <li>- Assistance to meet accredited Quality Assurance requirements where a business case can be made.</li> <li>- Improve efficiency and reduce waste</li> <li>- Ensure compliance with relevant animal health,</li> </ul>

	<p>environmental and food hygiene legislation</p> <ul style="list-style-type: none"> <li>- Linkages with general business start-up advice mechanisms to support new firm formation.</li> <li>- Consider the development of a food/rural advice centre as part of an holistic business support mechanism</li> </ul>
<p><b>4.3 Innovation</b></p> <p>Promote R&amp;D, innovation and technology transfer</p>	<ul style="list-style-type: none"> <li>- Promote or buy into new research in conjunction with the Regional Research Priorities Board e.g. public health</li> <li>- Facilitate technology transfer through industry collaboration with colleges, universities and other specialist research centres – also through the use of mentoring from leading corporates in the County.</li> <li>- Take forward projects and pilots at processing and distribution level using existing channels to demonstrate technology in practice</li> </ul>
<p><b>4.4 Infrastructure</b></p> <p>Assist with provision of appropriate infrastructure</p>	<ul style="list-style-type: none"> <li>- Assistance with the set up and initial running of collection/storage/distribution networks</li> <li>- Capital and revenue assistance for new/improved sites, premises and processing facilities</li> <li>- Support for collaborative initiatives amongst producers and processors to improve marketing of produce linking with EFPF and regional activity.</li> </ul>

**Goal No. 4 Targets – CAC would wish to see the following changes in key indicators**

<b>Key Performance Indicators</b>	<b>Current (2002/03)</b>	<b>Targets (2006 &amp; 2010)</b>
No. of TNAs undertaken		
No. of businesses assisted with advice		
Value of new capital investment funded by Objective One		
No. of technology transfer projects		
No. of new starts in the processing sector		

## **GOAL NO. 5 – PROTECTING AND ENHANCING THE ENVIRONMENT**

- 3.13** The quality of Cornwall’s environment is critical to the economy in terms of the performance of the agri-food and forestry sectors, and also at a wider level in terms of bio-diversity and the public good which this confers for residents and tourists. Central to the protection and enhancement of the environment is the farming and forestry sectors and this is where the majority of the development effort will lie.
- 3.14** Cornwall’s unique environment is vitally important in underpinning added value to its products. For this situation to be sustainable and to add economic value in the long term the environment must be maintained.
- 3.15** The processing, distribution and retailing sectors also have an important role to play in terms of waste minimisation, effluent control and recycling.
- 3.16** Figure 3.7 illustrates the operational objectives underpinning the ‘protecting and enhancing the environment’ goal. These objectives are all highly interdependent as demonstrated in the Venn diagram. They are described in detail in the accompanying Table 3.5.

**Figure 3.7**  
**Goal No. 5 – Protecting and Enhancing the Environment**



<b>Table 3.5 Protecting and Enhancing the Environment</b>	
<b>Operational Objectives</b>	<b>Interventions</b>
<p><b>5.1 Bio-diversity</b></p> <p>To improve the landscape mix and bio-diversity for the benefit of flora and fauna</p> <p>(Note: it is not always the case that the amenity value which this affords for residents and visitors will actually increase – in some cases it will and for others it may decline)</p>	<ul style="list-style-type: none"> <li>– Accelerate the uptake of the agri-environment schemes (such as the Countryside Stewardship Scheme and Entry-Level Scheme) by farmers to:               <ul style="list-style-type: none"> <li>– Reward farmers who engage in positive management of the countryside;</li> <li>– Reverse the decline in farmland birds and other wildlife and plants</li> <li>– Protect natural resources of soil, water and air from damage;</li> <li>– Safeguard archaeological sites and monuments</li> </ul> </li> </ul>
<p><b>5.2 Climate Change</b></p> <p>To reduce the level of CO<sub>2</sub> emissions to ameliorate global warming and contribute to the Government's emissions' targets</p>	<ul style="list-style-type: none"> <li>– Encourage farmers and others to increase the planting of trees (they act as 'carbon sinks'):               <ul style="list-style-type: none"> <li>– Woodland Grants Scheme</li> <li>– Farm Woodland Premium Scheme</li> </ul> </li> <li>– Support coppice production for bio-mass power e.g. the Energy Crops Scheme – this technology is CO<sub>2</sub> neutral and is based on a renewable energy source (also contribution to bio-diversity)</li> <li>– Drive energy efficiency savings in the food processing and forest products sectors – this represents a 'win-win' in that both the environment and the company's bottom line benefit.</li> </ul>
<p><b>5.3 Pollution Control</b></p> <p>To minimise pollution and its impact on the environment</p>	<ul style="list-style-type: none"> <li>– Tackle diffuse water pollution through exploiting good practice in the UK and overseas regarding containment</li> <li>– Encourage uptake of organic farming through the Organic Aid Scheme (which also aims to tackle the diffuse water pollution problem)</li> <li>– For non-organic farmers encourage the uptake of Integrated Farm Management</li> <li>– Minimise waste in both farms and processing plants (through technologies and practices which reduce waste emissions and/or manage their collection, processing and disposal)</li> <li>– Act as a catalyst for recycling of waste products e.g. PVC on farms and waste packaging materials at the retailer end.</li> </ul>

**Goal No. 5 Targets – CAC would wish to see the following changes in key indicators**

<b>Key Performance Indicators</b>	<b>Current (2002/03)</b>	<b>Targets (2010)</b>
No. of projects to reduce agricultural waste/pollution		
Energy derived from agricultural biomass		Regen South West
Area of land energy/ non-food crop schemes		
Uptake of Countryside Stewardship Scheme		
Uptake of Organic Aid Scheme (ha)		
Farmland birds index		
No. of farms with LEAF or other integrated farm management system		
No. of farms achieving Assured Farm Standards		

## **4 MANAGEMENT & COMMUNICATION**

4.1 The final components of the strategic framework are the all-important functions which ensure the effective management, implementation and communication of the strategy.

4.2 CAC and its partners have worked hard to develop the strategy and are fully committed to supporting its delivery. Clearly delivery will involve a wide range of organisations and mechanisms throughout Cornwall. The role of CAC is to champion the process through:

- Challenging the industry to take ownership of its future.
- Influencing decision makers;
- Taking a pro-active role in identifying gaps in provision;
- Encouraging delivery organisations;
- Measuring progress;

4.3 The key elements are summarised in Table 4.1.

**Table 4.1**  
**Operational Objectives for 'Management & Communication'**

**MANAGEMENT**

- CAC to take a lead role in the adoption, communication and roll-out of the strategy
- It is recommended that the CAC Board take responsibility for this
- A key priority is to secure the buy-in and support from the wide range of stakeholders in the industry. The following organisations are illustrative:
  - NFU
  - Countryside Landowners and Business Association
  - Cornwall Food and Drink Group
  - Tenant Farmers Association
  - Cornwall Federation of Young Farmers' Clubs
  - Grassland Societies (x 5)
  - Cornish Horticultural Enterprises
  - Business Links
  - Duchy College
  - Cornwall Taste of the West
  - Grain Groups
  - Cornwall Farmers Ltd
- Provide strategic guidance to Objective One Programme.
- It must establish a simple but effective monitoring and evaluation system to enable the progress of the strategy to be measured. The targets in the strategy will form the foundation for such a system
- Regular management reports should be produced (quarterly – to tie in with the meetings of CAC)

**COMMUNICATION**

**Internal Communication**

- Task 1 – dissemination of draft strategy to CAC stakeholders for comment and to secure 'buy-in'
- Task 2 – issue of quarterly management/monitoring reports to CAC as discussed above

**External Communication**

- Task 1 – publicity to launch the strategy, outlining its key objectives, activities and outputs (it is recommended that a shortened 'glossy' version of the strategy is produced). Putting strategy on CAC website
- Task 2 – publicity for major events/initiatives in the roll-out of the five strategic goals e.g. joint initiatives with the tourism sector
- Task 3 – to consider joint education and healthy eating campaigns with the NHS, local schools, etc.