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The Hertfordshire Agricultrual Situation



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EGG-MARKETING REFORM

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(1) The Order of Events

IT is unnecessary at this stage to describe in detail the scheme of Egg-Marketing Reform which comes into operation on the 1st of next month. It may, however, be desirable to recite the order of events as they will occur in 1929. On 1st February, then, the Egg-Marketing Scheme comes into operation. On and from 1st March it will be an offence under the Agricultural Produce(Grading and Marking) Act 1928 for anyone to sell or offer for sale any eggs preserved by detectable processes—such as immersion in lime-water, water-glass or oil-unless each individual egg is marked on the shell with the word "Preserved." On and from 21st April it will be an offence under the Merchandise Marks Act 1926 to import any eggs, or to sell or offer for sale by wholesale or retail any imported eggs, unless each individual egg bears on the shell an indication of origin. On and from the same date all premises used for the cold storage and chemical storage of eggs must be registered for the purpose, and any British eggs that have been kept in cold storage or chemical storage must be marked on the shell with the words "Cold Stored" or "Chilled" in the former case, and "Sterilized" in the latter case, before they leave the storage premises. For various reasons it was not found to be practicable to require imported cold-stored or sterilized eggs to be distinguished from other imported eggs in regard to such storage treatment; there will, therefore, be some degree of uncertainty attaching to the imported egg in this respect.

(2) The Significance of the Changes

The changes outlined in the time-table given above are of far-reaching importance. The Egg-Marketing Scheme aims at giving better service of home-produced supplies to distributors and consumers in the large centres of population. It provides facilities for placing bulk supplies of graded home produce, efficiently and continuously, in the big industrial areas, and for offering these supplies in a form and manner which will ensure effective competition with imports, a feature being the use of a National Mark to indicate that certain conditions have been observed, and that the produce is, therefore, of guaranteed quality. The keynote of the scheme is standardization, which implies dependable service. The other measures referred to place a wide discretionary power at the disposal of the consuming public, by enabling the housewife to distinguish home from imported produce, fresh from preserved supplies, and fresh British eggs

from British eggs that have been cold-stored or sterilized; what matters most at the moment is how this discretion will be exercised as between home and imported produce.

(3) The Publicity Aspect

It seems to be the general view that the immediate effect of the marking of imported eggs will be to stimulate demand for home produce. What the permanent effect will be largely depends on how, in the long run, home-produced eggs compare with the imported article in quality,

service and price.

Experience shows that efforts to establish and maintain goodwill for any product must be backed up with standards of quality, both as regards the product itself and the manner of offering it, and, further, that the guarantee of quality implied in such standards is most effectively expressed through some form of mark. It is admitted that imported eggs are marketed efficiently; they are graded to recognized standards and packed in standard non-returnable containers. In the past, however, this marketing efficiency has largely failed to connect at the consumer's end. In future the compulsory marks of origin on imported eggs will supply the missing link, and there is a real danger that such words as "Danish," "Dutch," "French," "Belgian," and so on, will in time become trade marks of commercial importance to the exporting country concerned. It may be anticipated, too, as a fairly obvious business proposition, that any exporting country that values its trade with the United Kingdom will, sooner or later, engage in some form of publicity here which will direct attention to its name as a mark on eggs, and tell the housewife what that name stands for; the public is getting more and more into the habit of buying branded goods, the names of which have become household words as the result of effective advertisement, and producers must nowadays create their own markets.

Thus emerges the supreme importance of the National Mark scheme to the home producer. Distributors in the large centres of population will get to know that home-produced supplies offered under the Mark are all that they purport to be; that the Mark, therefore, eliminates chance and saves time in buying; that, thanks to the packing-station system, there is standard grading, standard packing and continuity of supply of National Mark consignments, and that such consignments meet the needs of presentday business in the same way as competing imports, in that they are easy to obtain, easy to handle and easy to sell. Consumers will learn, through the Mark, that dependable grade standards for home produce have been established by authority, and that produce offered under the Mark can be bought with confidence; the fact that a feature of the Egg-Marketing Scheme will be the use of National Mark cartons, holding half-a-dozen or a dozen eggs, has its own significance in this connection.

An important factor from a publicity standpoint is that the same

National Mark is to be used for all kinds of graded home produce. The Mark has already been introduced to the markets by those home growers who are participating in the Fruit-Marketing Scheme: nearly 200,000 standard packages of graded home-grown apples and pears of the 1928 crop have already passed into the channels of trade carrying the National Mark with them. Over 3,000,000 National Mark labels have been printed by H.M. Stationery Office as a first issue for the Egg-Marketing Scheme, and from 1st February onwards these also will carry the message to trade and public. Schemes are ready or maturing for applying the Mark to other graded home-grown products. The Mark will thus largely advertise itself, cumulatively and economically, as one commodity after another is brought within its scope, the degree of effect depending on producers themselves, on the way in which they play their part in extending the scope of National Mark schemes, both locally and to other products, as rapidly as circumstances permit. In various little ways, directly and indirectly, the Ministry and the Empire Marketing Board, for their part, can also help to popularize the Mark; the voice of Government has many times the carrying-power of that of private citizens. A point to note is that, in the National Mark, advertisement and standardization are linked together. Standardization needs advertisement as a platform; on the other hand, advertisement without standardization is ineffective. The National Mark affords, therefore, a basis on which to build a sane, legitimate, business-like sales' campaign for home produce as a whole.

(4) The Organization Aspect

Fundamentally, the National Mark scheme can be regarded as the beginning of a movement which, in various ways and in various forms, will be the counterpart for home agriculture of the general reorganization now proceeding in the world of industry outside it. In Germany, for example, the "pulsing inspiration" to-day is rationalization, which began with coal, iron, steel and chemicals, and is now extending to transport and agriculture. Already proposals have been put forward for establishing a National Mark (in the form of an eagle) for German agricultural products graded to national standards—products destined almost wholly for a domestic market.

It will be appreciated, of course, that a policy of standardization of product and package and its accomplishment through the packing-station system is but a necessary preliminary to the formulation of a common marketing policy for the egg industry as a whole. As has been truly said, the day of "petty-packet marketing" is over; a random diffusion of marketing effort no longer meets business needs. One of the big constructive ideas in the Egg-Marketing Scheme is, therefore, the provision that has been made for the various packing stations, co-operative and non-co-operative, to form themselves into regional associations, and ultimately into some form of central organization. The formation of

associations of packing stations is primarily desirable for reasons of self-discipline on the lines of, say, the cheese-control and butter-control stations in Holland. It also envisages a forward policy in regard to collective advertising on, at any rate, a regional if not a national scale. But latent in the idea are still larger possibilities in the direction of eliminating not only overlapping in the producing areas but also internecine competition between packing stations in the markets of the large consuming centres, and of a co-ordinated policy of market-feeding and storage to iron-out price fluctuations due to the disorderly flow of supplies to market. In this way the Egg-Marketing Scheme will ultimately bring to the individual producer the marketing advantages of large-scale business, with its expert market knowledge and mass-selling methods.

(5) The Cash Aspect

The annual value of the total home production of eggs in Great Britain exceeds £16,000,000, and this exceeds the value of the home wheat crop. In the county of Hertfordshire, alone, the annual value of the egg output approaches £250,000. A very moderate improvement in the net returns of producers as a whole would mean, therefore, a considerable sum of money to the industry; by superior organization on packing-station lines, as provided for in the National Mark scheme, farmers' returns can be improved without disturbing the level of consumers' prices.

Then, again, as a keen demand is built up for National Mark eggs in the large consuming centres, so supplies will be steadily drawn off, in an orderly manner, from the areas of surplus production. The producer will feel confidence in the ability of the market to absorb all that he can produce, and a free, healthy and accelerated expansion of productive activity may

be expected to ensue.

If, through better marketing organization, the home-egg industry can rapidly increase its share of the total trade, then not only will the industry be advantaged, but a definite contribution to national well-being will be made.

(6) Conclusion

Up to the present, 110 applications from packing centres have been received for permission to use the National Mark. These include some of the largest businesses of the kind in the country. There is no virtue in numbers—it is turnover that counts—but it is already clear that the scheme will succeed, and henceforward develop with its own momentum. The fact that the National Farmers' Union has undertaken the work of preliminary organization in connection with the scheme, and is closely cooperating with the Ministry of Agriculture in working out other National Mark schemes, is, of itself, the best possible augury for the ultimate success of this and similar reforms. At the same time, it is probable that relatively

few producers are alive, as yet, to the real significance of the National Mark movement. It is important, therefore, that no opportunity should be lost of explaining to producers generally the larger purposes of the scheme, its meaning in relation to the general reorganization of the industrial world and the immense changes in outlook and business technique which are necessary in the future if the egg industry is to move forward with the times and direct its marketing activities to definite ends.