

## Imports force Alford business to announce spring closure

One of the oldest egg-producing co-operatives in the North-east, the Don Valley Packing Association, are to close within the next few months. The Alford-based co-operative, which was formed in 1940, is being forced out of business by a combination of the dramatic amount of imported eggs on the market and the consequent drop in prices.

Association chairman, Mr James Gordon, said they would close some time in late spring and that four full-time and six part-time employees would become redundant. The Don Valley Egg Unit, who supply the association, and the Donside Buying Group, both of whom are dependent on the survival of the co-operative, will also go out of business.

Mr Gordon said: "It is simply that the prices we receive for our eggs are well below the production costs. Our hands are tied and the Government do not really seem interested." He added that several "scare" stories in the media recently and the comments made by Junior Health Minister, Mrs Edwina Currie, had not helped the situation.

"We can't really compete with the mass market any more. We gave it better service, but people are not that loyal nowadays. Rural industry has been knocked for six in the last 10 years. The amount employed in farming activities has dropped by about 50% during the past decade."

Mr Gordon said the loss of 10 full and part-time jobs was quite significant in a place like Alford, which has only 1200 of a population, and where few alternative jobs are likely to be available.

The association's eggs are sold exclusively to Glasgow-based Homestead Eggs, whose managing director, Mr Bill Wilson, warned yesterday that many other similar co-operatives would find themselves forced into closure. "The closure of the Alford packing station is indicative of the state of the egg producing business throughout the UK this year.

"One of the problems is imported eggs and Scotland can no longer afford to be used as a dumping ground for eggs from England, Ireland, Holland and other parts of Europe. These eggs always act as a depressing factor on prices and it will be the small producers who are the first casualties. Sadly, there will be many others going down the same road as Alford."

He said that those producers who were not integrated and solely dependent on eggs had sustained heavy losses over the past year. "It is a shame because it's a business where the small man can have a stake. Alford has been a very well-run packing station and I am very sorry to see them going, but I can understand the sort of losses they are incurring."

"What will happen is that as more and more people go out of the business, then in six months those that are left will be in a much stronger position. However, it is a case of survival of the fittest, and it's the small people who are going to get hurt along the way."<sup>1</sup>

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<sup>1</sup> Imports force Alford business to announce spring closure, *The Press and Journal*, Thursday, December 8, 1988, p. 11.