

Press release with immediate effect:

Investing significantly in agriculture

Quantech Solutions has recently undertaken an analysis of the innovation intensity of agriculture, i.e. how much does agriculture invest in innovation relative to other sectors. "Innovation fundamentally is everyone being creative to seek new business, do things better and do different things", says Dr Sam Hoste of Quantech Solutions, "To innovate, be creative, does not only reside in the R&D department: it is everyone's responsibility."

The increasing awareness of the need for innovation has come from the National Farmers Union's recent campaign 'Why Science Matters for Farming'. Significant support for this campaign has been made by Sir Don Curry and also Tim Rymer (Chairman of JSR Genetics).

"Pig breeding companies punch far above their weight in terms of R&D expenditure and at a similar relative level compared with other industries that are perceived as investing in science and technology" reports Dr Sam Hoste. "An example of the level of investment by agricultural companies is demonstrated by one of the major pig breeding companies, JSR Genetics.

Analysis by Quantech Solutions reveals that JSR has an R&D spend as a percentage of operating profit of 79%. The average is 13.4% for the top 850 UK companies (2007 DTI benchmark R&D Scorecard). JSR ranks 4th from the top in comparison (based on R&D as a percentage of operating profit) with other UK sector averages: behind Technology Hardware (158%, e.g. Nokia & Motorola), Software and Computing (152%, e.g. Sage & Misys) and Aerospace (124%, e.g. BAE and Rolls-Royce)!

This sort of incredible investment in animal breeding has been a long-term commitment by UK pig genetic companies; an example of agriculture investing in R&D very similarly to other 'high-tech' sectors. However, Government funding of and support for agricultural science and science relevant to farming such as plant and animal genomics and animal health has declined significantly in the last 20 years. This is at a time when societies' needs (climate change, environment, food

safety, animal health and tackling human obesity) are probably greater than ever before. Government support for agriculture is important as farming companies are generally small, the issues to tackle are large (e.g. climate change) and large funds are required for genomics and other science. Additionally there is a gap between research and practical on-farm implementation of applied research that urgently needs Government funding.

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Notes to editors

Quantech Solutions provide consultancy to the food chain and bioscience sectors. We work with clients in agriculture, local food supply chains, breeding and processing companies and retailers.

We have practical experience of corporate and business strategy, change and knowledge management. We have implemented continuous business improvement processes, such as Lean and Six Sigma, within agriculture companies and the food supply chain. We promote "Total Innovation" and the leadership of innovation to improve firm productivity.

Quantech Solutions help companies develop their innovation strategy. Innovation comes in many forms and should be a creative mix throughout a company, not solely within an R&D function. Dr Sam Hoste of Quantech Solutions has been R&D manager and Director for a number of companies and currently provides talks, workshops, and consultancy with companies to enhance their innovation strategy.