



OVERSEAS DEVELOPMENT ADMINISTRATION

Eland House Stag Place London SW1E 5DH

Telephone 01-213: 5477
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T R N Burberry Esq
The Argyll Mink Farm Limited
Appin
Argyll PA38 4BN

Your reference

Our reference LCP59/745/01

Date 22 December 1982

Dear Mr Burberry

Thank you for your letter of 17 December enclosing an earlier letter to John Reid on the subject of farming the arctic blue fox in the Falkland Islands.

2. I must apologise for the fact that you did not receive a reply to your earlier letter but in John Reid's defence I should mention that in the weeks and months prior to his taking up duty as Development Officer in the Falklands he was extremely busy not only answering a large volume of correspondence but also visiting a wide variety of enterprises all of whom had proposals, ideas and suggestions relevant to the commercial development of the Islands.

3. I have now written to Mr Reid enclosing copies of your letters requesting that he responds to the comments in your earlier letter. I am sure that although he is still very busy you will receive a reply but probably not until mid-January given the time mail takes to travel to and from the Islands.

R J Longstaff
Falkland Islands Department

Ly. H. Circulars Bureau file, also 10/1

(6)



OVERSEAS DEVELOPMENT ADMINISTRATION

Eland House Stag Place London SW1E 5DH

Telephone 01-213: 5477
or Switchboard 01-213:3000

A J Reid Esq
Development Officer
Government House
Port Stanley
Falkland Islands

Your reference

Our reference LCP59/745/01

Date 22 December 1982

Dear Jim

I enclose copies of letters received from a Mr Burberry of the Argyll Mink Farm in which he refers to the possibility of farming the arctic blue fox in the Falklands.

2. As you will see from my letter to Mr Burberry I have apologised for the lack of a reply to his earlier letter due to your heavy schedule prior to departure for the Falklands. I should be grateful if you could now consider Mr Burberry's remarks and let him have a reply in due course.

Yours ever

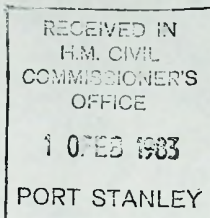
RJL

R J Longstaff
Falkland Islands Department

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RR PORT STANLEY

GRS 76
UNCLASSIFIED
FM ODA LONDON 101330Z FEB 83
TO ROUTINE CIVIL COMMISSIONER PORT STANLEY
TELEGRAM NUMBER MODEV 067 OF 10 FEBRUARY

FOR A J REID DEVELOPMENT OFFICER
HAVE RECEIVED FURTHER LETTER FROM T R N BURBERRY OF ARGYLL
MINK FARM LTD WHO WROTE TO US EARLIER. A COPY OF THIS LETTER
WAS FORWARDED TO YOU UNDER COVER OF LONGSTAFF'S LETTER DATED
22 DECEMBER. BURBERRY WOULD VERY MUCH APPRECIATE RECEIVING
A REPLY SINCE HE WISHES TO CONSIDER INVESTMENT IN THE
FALKLANDS.

PYM

NNNN

SENT/RECD AT 10/1839Z ISD/PD

LCP59/747/01

3rd February

83

T R N Burberry Esq
The Argyll Mink Farm Limited
Appin
Argyll PA38 4PN

Dear Mr Burberry,

Mr Longstaff of ODA has sent me a copy of the letter you wrote to me at St. Boswells in August about the possibility of farming Arctic Blue Fox in the Falkland Islands.

For some reason although a number of letters addressed to me at St. Boswells were forwarded to me after I moved to Banff on 15th August yours was not. This was particularly unfortunate as I was in Argyll on a number of occasions in September and October, and I would have been most interested to discuss the proposal with you.

Your suggestion would seem, as you say, to be a very suitable one for the Falkland Islands. I can foresee a few snags, the most important of which is the reaction of farmers and landowners, who will no doubt take some convincing of the harmlessness of the animals after their earlier experience with the Patagonian Fox. We could expect substantial opposition from the wildlife and conservation lobby who are implacable opponents of the introduction of exotic species. The ideal location would be a small island which has no important bird or other wildlife colony. It would, however, have to be both easily accessible and owned by someone who is willing to sell or lease it, and may not be easy to find.

There will also be the question of finding an experienced operator and financial backing. You may have some ideas about this, and meanwhile I will talk to Steve Whitley. He intends not to renew his contract here as Veterinary Officer but nevertheless to stay in the Islands. For all I know he might be thinking of doing something like this himself.

I should be grateful for your further views or any more detailed information which would be useful to me in assessing the prospects of such a venture.

Yours sincerely

John Reid
Development Officer

File No.

OUTWARD

Security Classification

UnclassifiedDepartment **CSO**

TELEGRAM

Precedence

RoutineDrafted by
(Block Capitals) **DO**

Tel. Extn.

DESK BY Z

FOR
COMMS. DEPT.
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(Time) Z

POST BY Z

PREAMBLE

(Time of Origin) Z(G.M.T.)

(Restrictive Prefix)
(Caveat)(Security Class.) **Unclassified**

(Privacy marking)

(Codeword)

(Desk by) Z

TO **Routine** ODA
(precedence) (post)

Tel. No. of

AND TO (precedence/post)

AND TO SAVING

INFO

INFO SAVING

Distribution:—

[TEXT]

FOR ODA LONDON**YOUR TELEGRAM MODEV 067 OF 10 FEBRUARY. REID SENT ENCOURAGING
REPLY TO BURBERRY 03 FEBRUARY.**

Copies to:—

HUNT

15th February

83

T R N Burberry Esq
The Argyll Mink Farm Limited
Appin
Argyll PA38 4BN

Dear Mr Burberry,

Further to my letter 23rd February, I have now spoken to Steve Whitley. He has apparently looked into the economics of this proposition much more thoroughly than I was aware, and is of the opinion that the advantages of not locating on an island would more than compensate for the high cost of fencing on a mainland site near the Stanley abattoir. He also believes that one could cope with the kind of objections I raised in my first letter.

With that established, subject to confirmation by a further breakdown of costs and potential returns, the question of the best way of furthering such an enterprise arises.

The project, though potentially very profitable, calls for a relatively high initial investment. Were we to work this up in some detail and issue a prospectus we might well attract an overseas investor to provide both capital and management. However, that is not necessarily what we are seeking, and I would infinitely prefer to see something set up with local and perhaps FIDA capital, and a minimal contribution from overseas - perhaps from the marketing or end manufacturing side.

If we were to proceed in this way it would be necessary to have expert management, probably by appointing an experienced salaried manager in the first instance and training local people. The alternative, suggested by Steve Whitley, of a local entrepreneur (himself?) gaining experience in a fox farm elsewhere before setting up in the Falklands, does not appeal to me. We could well be approached in the interim by an outside developer whose proposals we might find it difficult to refuse.

I shall be interested to have your views on this.

Yours sincerely

John Reid
Development Officer

B1 16 February 1983

AS/1/1
The Argyll Mink Farm Limited

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Postal code PA38 4BN
Telephone (Appin) 063 173 261

Directors
M. S. Burberry CHAIRMAN
T. R. N. Burberry MANAGING
L. M. Burberry SECRETARY

John Reid Esq
The Secretariat
Stanley
Falkland Islands
SOUTH ATLANTIC



Dear Mr Reid

Thank you for your courteous letter dated 3 February. I am sorry both my first letter and, since, others to Mr Longstaff have been chasing you round the world: I am sorry also that we missed the chance of seeing you last autumn.

Of course you raise the two obvious prejudices from sheep-farmers and conservationists: I recognise these but hope that sheer weight of evidence might break them down, as it has in Scotland to the extent of receiving considerable financial assistance from the Highlands & Islands Development Board.

It may well be possible that Mr Whitley is considering some such venture. When he was here his interests were primarily mink but I tried to persuade him against this animal for a number of reasons, of which nutrition would be the most significant. The blue fox is much less demanding in this respect.

You ask me for more details so that you may assess further the prospects of such a venture. The costs of materials to construct the buildings may be a major factor and to help you assess this particular area I am sending you by separate cover detailed plans of breeding sheds and cages. At least 2 breeding foxes and their young will be covered by 8 lineal feet of shedding.

Preparation of foodstuffs will require some mincing and mixing equipment. The cost of the two basic machines would not be more than £10,000 in UK, less in USA.

Lastly, of course, the breeding stock. If one started a venture with, say, 200 vixens and 50 dogs, the FOB cost would be in the region of £20,000.

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VAT Reg no. 265 4063 65

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John Reid Esq
The Secretariat
Falkland Islands

Results in the first year are, traditionally, poor with production unlikely to be more than 3-4 pelts per vixen. In the second season one sees a significant increase to 6-8 pelts. However, we would be working a little in the dark with the change from Northern to Southern hemispheres and I would need to take further advice on this subject.

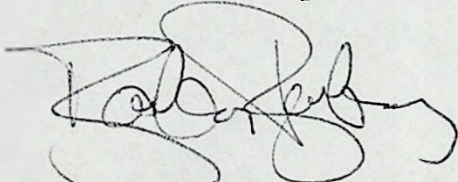
Pelt prices are depressed at the moment but an average of £25 could still represent a return on investment with the projected low feed cost in the Falklands. And by 1986/87 I would predict a sharp increase in price, if history is anything to go by.

I have written in very general terms but nevertheless I hope my remarks may be useful. The next step would need to be a detailed plan and this must involve time and cost.

NR Finally, I do not see it as impossible that my company might like to make an investment in such a venture.

Thank you again for your courtesy.

Yours sincerely



Dictated by Newman Burberry
and signed in his absence.

1 March 1983

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Telephone (Appin) 063 173 261

Directors

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T. R. N. Burberry MANAGING
L. M. Burberry SECRETARY

John Reid Esq
The Secretariat
Stanley
Falkland Islands
SOUTH ATLANTIC



Dear Mr Reid

Many thanks for your letter dated 15 February. I tried to telex you my reply in the hope of speeding up communication but although we got through to Stanley we never received an answer-back, so I assume you never received it. Perhaps airmail is more reliable!

Herewith the contents of my telex:

Heartened your first para.

Interested + slightly surprised you prefer project largely locally financed. We are happy to approach either way.

Again we are flexible re management: can train in Scotland or provide skills in situ during critical seasons. If latter obviously some negotiation necessary.

Not really understand yr comments re outside developer. If such present + interests already fox farming then must originate Scandinavia. If not presently involved then specific lack of experience must jeopardise chances success. If I understand this correctly outside development necessitates chain at least 3 links. Our involvement requires max 2 links.

Propose outline costs now be calculated on unit basis - each unit to comprise:

200 Breeding Vixens
50 Ditto Males
1,200 Cubs

Suggest minimum viable project to provide significant employment in area 1,000 - 1,500 breeding vixens. In this context my letter and plans airmailed 16/2 hopefully useful.

Re production costs useful rule of thumb indicates 100 kgs prepared food to produce one pelt (incl parents). Present cost 100 kgs in Scandinavia in excess £18 sterling. Scotland £12.

Happy to continue answering queries without any obligation present time.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Newman Burberry'. The signature is fluid and cursive, written over the typed name.

Newman Burberry

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VAT Reg no. 265 4063 65

OUR REF: DEV/54/2 Fildl

THE SECRETARIAT,

13

It is requested that
the number and date
should be quoted.

STANLEY, FALKLAND ISLANDS,

SOUTH ATLANTIC.

YOUR REF:

19th May 1983

Mrs G Busher
Thickets House
Bishops Waltham
Southampton SO3 1DR

Dear Mrs Busher,

Thank you for your letter to the Civil Commissioner about mink farming. There was a mink farm at Stanley some years ago but it failed, due, I understand, to the fact that the animals did not thrive on the local offal. The question has been reexamined recently by our Veterinary Officer in consultation with breeders in UK, and they are satisfied that it would be unadvisable to try to repeat the experiment with the same diet.

Unfortunately we have, as yet, no fishing industry and it is likely to be some years before one is developed to the extent that appreciable quantities of offal are available, and it may even turn out that all processing and freezing are carried out at sea so that there is none at all.

However, we have a current proposal, from a breeder in Scotland who has experience with both mink and Arctic Blue Fox and who is confident that we shall not encounter the same difficulty with the latter species, to develop a Fox Farm. There is still a lot of preparatory work to be done but I believe there is a good prospect of this actually being set up.

Please do not hesitate to write to me again if you have any comments of your own to make about this proposal. We are always glad to hear from people who can make constructive suggestions about development.

Yours sincerely

John Reid
Development Officer

LC

By Al Cic & Bu an new file. FIS/1/1A. "A ~~Blue~~ Fox Farming" C/d 10/2/86.

GRASSLANDS TRIALS UNIT

Port Stanley, Falkland Islands, South Atlantic.

23rd June.....1983...

Your Ref.

Our Ref. 0358/RSW.....

Mr J Reid,
Development Officer ,
Stanley.



Dear John,

Thank you for your letter of June 20th about Arctic Blue Fox Farming. Following recent developments, you may assume that I have no private investment intentions but I still believe the project should be thoroughly investigated as I am sure it has great potential.

A few of my thoughts may be of help to you? At present there are roughly 20,000 sheep disposed of one way or another each year. The methods of disposal vary from being spread on the land to being thrown over a cliff but all are limited by the hydatid eradication campaign. In my opinion, it is very unlikely that any project to economically fatten these animals will ever succeed and a more logical idea would be to try to turn them into a low volume - high value product such a fox or mink skins.

These skins require minimal processing (cleaning and drying) can be baled, require no special storage facilities, are easily shipped and have a high value - at present about £25 each but probably rising to £40 in the near future. Skins are produced from young foxes and waste adults. The females would be mated in September and October to produce cubs 56 days later. These would be pelted in May/June.

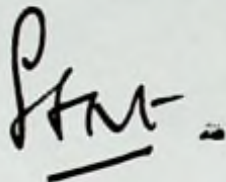
At present the butchery in Stanley slaughters between 6,000 and 7,000 sheep per year (130 per week). These "generate" about 10kgs of waste each (heads, offal, intestines ect) which is thrown away. This on its own - if foxes didn't require any additional food - would theoretically be sufficient to produce 600 pelts per year. (In other words, it is sufficient to feed the adults which produce the young and the young themselves until the time of pelting).

Foxes can be fed a diet based very largely on sheep: 67% sheep meat, 14% sheep offal, 5% fish meal, plus other ingredients which could include kelp, geese, vegetable oil and vitamin supplement.

Putting all this together, one possibility is to have a fox farm near Stanley to utilise the waste from the butchery. Sheep discarded from other farms on the East would be driven over land to the farm and slaughtered to provide food for the animals. Sheep could be shipped from the West as well. Some facilities for preserving food would have to be available to last over the summer but, of course, at this time of year the farm would only hold its minimum number of animals. The time of greatest demand from February to June is when supply of live sheep is also greatest.

As far as I can see just about everything point to the success of the project.!

I hope these points may be of some use. Please let me know if I can be of any further help.

A handwritten signature in dark ink, appearing to read 'R.S. Whitley', with a horizontal line drawn underneath the name.

Yours Sincerely.

R.S. Whitley.

30 June 83

N Burberry Esq
Argyll Mink Farm Limited
Appin
Argyll PA38 4BN
Scotland

Dear Mr Burberry

I must apologise for what must seem an inexplicably long interval since you last wrote to me, and assure you that this does not indicate any loss of interest in a fox farming project on our part.

Steve Whitley was at that time interested in promoting - or at least becoming involved in - such a venture himself, and as he was due to return to UK at an early date we felt that the best plan was for him to consult with you rather than for us to try to make progress by correspondence. However, his departure has been repeatedly postponed and his replacement may not now arrive much before the end of the year in addition to which he now has other irons in the fire.

The past three months have not been entirely wasted, since both Steve and I, having gone over the plans and other information you provided, are convinced that this is potentially a viable and profitable proposition, and one which I would be prepared to recommend the Development Corporation to assist financially by way of grant, loan or investment.

Starting from this premise, and the assumption that your company would still consider participating as an investor or joint venture partner, the best way forward would be for you - as the experts in the business - to prepare a detailed proposal incorporating capital and operating costs and cash flow projections as a 'prospectus' for appraisal by the Corporation.

This would not necessarily have to include plans of buildings and other installations at this stage, and the following assumptions would be appropriate:

- 1 Site: A site will be available conveniently related both to the existing and proposed new Stanley abattoirs.
- 2 Land Cost: Negligible - say £50 per acre or long lease at nominal rent.
- 3 House: Allow £30,000 (imported and erected).
- 4 Power: a) It is probable that the site would be connected to the public electricity supply (price 9.5p per unit), but
b) a contingency allowance should be made for a diesel generator (diesel price 16.5p per litre).

N Burberry Esq

30 June 1983

- 5 Local Working Capital: Overdraft facilities will be available from Standard Chartered Bank, who will be operating in Stanley later this year, at commercial rates.
- 6 Freight: Freight rates from Gravesend to Stanley vary from £49/m³ for a vehicle to £100/m³ for personal effects. There are special cheaper rates on items such as timber and grain, and special rates (approx half price) apply to containers which can be shipped on deck. You are advised to discuss this with the Falkland Islands Company (94a Whitechapel High Street, London E1, Tel 01-377-0566) and they would give you fuller details.
- 7 Local Rates of Pay: I attach a copy of the basic rates of pay which range from £1.11 per hour to £1.57 per hour.

Having regard to the various factors to be taken into account over procurement, construction, recruitment of staff etc, it will be necessary to include information on any critical relationship between the provision of facilities and seasonal phases of the breeding cycle.

I look forward to hearing your reactions to my suggestion and shall be glad to answer any queries which may arise in the course of the exercise. I should say that although Steve is unlikely to be connected with the project he is still very interested in seeing it come to fruition and has offered his advice and assistance in his professional or other capacities.

Yours sincerely

J Reid
Development Officer

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cc D Hawless ODA

2 August 1983

The Argyll Mink Farm Limited

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Telephone (Appin) 063 173 261

Directors

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T. R. N. Burberry MANAGING

L. M. Burberry SECRETARY

J Reid Esq
The Secretariat
STANLEY
Falkland Islands
South Atlantic



Dear Mr Reid

Many thanks for your letter dated 30 June.

This is just a brief acknowledgement to assure you that I have put work in hand to produce a detailed prospectus. Obviously this will take time but I would expect to have something in your hand by late September or earlier.

Can you give me a contact, maybe in the Falkland Islands Company, who can give me answers to local environment questions. For example building regulations affecting adequate strength of structures, weather conditions including monthly mean, maximum and minimum temperatures, any local wheat crops or any crops and so on. Obviously I do not want to bother you for these details apart from the time it takes.

I shall make further enquiries here and may well get the sources of information but if you have the time to suggest a useful guide it would be most helpful.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Newman Burberry". The signature is fluid and cursive, with a long horizontal stroke at the end.

Newman Burberry

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28 September 83

N Burberry Esq
Argyll Mink Farm Ltd
Appin
Argyll PA38 4BN
Scotland

Dear Mr Burberry

Since I wrote to you on 30 June there have been a few developments here which have enabled us further to clarify the question of food supplies for a fox farm. In addition the Chief Executive of the Development Corporation, Mr David Taylor, has been appointed and will join us in November. It is also possible that I may be returning to London for consultations on fishery projects when it should be possible to arrange for both of us to meet you.

The present throughput of the Stanley abattoir is 6,500 sheep a day, which will each produce some 10kg of waste in the form of heads, offal, intestines etc. We are now negotiating a contract with the military to supply hindquarters and chops from heavier carcasses which will increase the throughput by a further 5,000 sheep each of which will make available the same amount of waste plus some 7kg of meat. This works out at some 125,000kg of meat and 92,000kg of offal, which since it would have no economic use could be secured for a negligible price. Fishmeal could be obtained from the Polish factory ships.

Having no idea of processing costs and being unable to relate your 100kg of prepared food per pelt produced to an annual figure per animal I cannot estimate what sized unit the available meat supply could support, or to what extent this could reduce the feed cost per pelt compared with the comparative figures in your earlier letter.

This additional information will perhaps allow us to move towards putting a project together.

Yours sincerely

John Reid
Development Officer

jem

PS Just after signing this letter I received yours of 2 August. I can supply most of the information you want myself and will write shortly.

A1

14 October 1983

*Re Reid's letter on 15/1/14.
CWD/p 15/12*

The Argyll Mink Farm Limited

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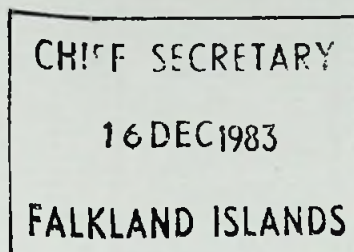
Directors

M. S. Burberry CHAIRMAN

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L. M. Burberry SECRETARY

John Reid Esq
The Secretariat
STANLEY
Falkland Islands
South Atlantic



Dear Mr Reid

Thank you for your letter dated 28 September.

Should you return to London in the near future I would be very pleased to have a meeting, do please let me know.

Thank you for the useful data on likely mutton products passing through Stanley abattoir. My proposals which will be detailed in the 'prospectus' are based on breeding stock of 500 female foxes (+ 125 males) and 500 female fitch (+ 100 males). I will comment on the fitch. This total breeding stock should result in approximately 3000 fox pelts and 3,500 fitch pelts per annum. My statistic of 100 kgs of food covers the blue fox pelt together with the parent stock and the same rule of thumb statistic for a fitch pelt is 50 kgs.

Both figures are based on 'wet' food, that is a dry matter percentage no greater than 35%. I mention this because if one used fish meal (perfectly acceptable) the dry matter would increase substantially and therefore the kgs per pelt would reduce correspondingly. However, taking the 'wet' feed basis I see mutton products being used at a level of 40-50%. On the numbers quoted this comes remarkably close to the present throughput of Stanley abattoir.

Processing the raw materials requires grinding and mixing by some machine similar to a Supercut 160 as described in the attached leaflet.

The sudden mention of the word fitch may surprise you. 'Fitch' is the fur-trade name for the pelt of the polecat ferret and is the newest of the farmed furs. The attraction of this species is that it can adapt immediately to the time and light changes imposed by a move from the Northern to Southern Hemispheres. Whereas I would expect a delay of at least 18 months before any revenue could be generated from the blue fox I would expect to see some return from the fitch in 6-9 months.

The/

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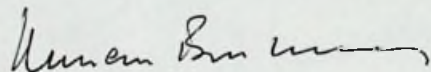
John Reid Esq

The fitch would be housed in only 20% of the total shedding as their pen requirement is very small compared to the fox but the sheds themselves would all be standard.

There have been inevitable delays in putting the 'prospectus' together mainly because I am still waiting for some expert opinion on diet and the problems involving moving blue foxes from North to South.

I look forward hearing from you again in response to my letter of 2 August.

Yours sincerely



Newman Burberry