



Unwrapping the food industry

The UK food and drink sector is a great British success story. It is a high value manufacturing sector offering world class capabilities in areas of production, logistics, sales, marketing and innovation – which combine to create annual Gross Value Added of £21.8bn.

With the food security debate racing up the political agenda, it's worth remembering that a strong UK manufacturing base has a key strategic role in providing resilience in the food chain. Food and drink manufacturers buy three-quarters of what UK farmers produce. Without us they would lack a ready market for their products and be less able to exploit their comparative advantage in the face of the challenges posed by climate change.

Did you know that:

- Our sector is the UK's biggest manufacturing sector, employing 440,000 people directly and indirectly accounting for a further 1.2 million jobs in the food chain. That's the equivalent to almost 2,500 jobs in every Parliamentary constituency.
- We are an incredibly diverse sector: there are 7,000 businesses – the overwhelming majority of which are small or medium-sized enterprises – together generating £72.8bn of turnover.
- Our industry accounts for 15% of the UK's total manufacturing output and is the fourth largest food and drink manufacturing industry in Europe.
- The UK industry is highly innovative – spending £350m on R&D and launching 8,000 new products every year.
- Despite the credit crunch, our exports continue to grow. We export more than £9bn worth of food and non-alcoholic beverages every year – the majority processed in some way – with Europe a key destination for our products.

The Food and Drink Federation represents the interests of the UK's food and non-alcoholic drinks industry, which is the country's largest manufacturing sector. Our membership comprises manufacturers of all sizes – making everything from breakfast cereals to organic yogurt – as well as trade associations and groups dealing with specific sectors of the industry.

Here are some of the companies that we represent: AB Mauri Products; AB World Foods; Accord Tea Services; Agrico UK; Ahmad Tea; AL Simpkin & Co; Alara Wholefoods; Allied Bakeries; Allied Milling & Baking Group; Allied Technical Centre; Almarr Seafoods; Alpro UK; Antonelli Bros; apetito; Associated British Foods; Aunt Bessie's; Avana Bakeries; Axive; Barentz UK; Bart Spices; Baxters Food Group; Bel UK; Bennett Opie; Big Oz Industries; Birds Eye Iglo Group; Blueprint Foods; Bonbon Buddies; Border Biscuits; Bowman Ingredients; Boynes; Britannia Tea Co; British Bakeries; British Pepper and Spice Co; British Sugar; Britvic; Brodie Melrose Drysdale & Co; Buchanan Butlers Warehousing; Burtons Foods; Cadbury; Cafédirect; Cambridge Health and Weight Plan; Cambridge Manufacturing Company; Camellia; Campbell's Europe; Cargill; Cauldron Foods; Cereal Foods; Cereal Partners UK; Cereform; Champagne Foods; Charnwood Bakeries; Chivers Hartley; Clipper Teas; Coca-Cola Great Britain; Coldwater Seafood (UK); Colgate-Palmolive; Dailycer; Dairy Crest; Dalziel Ingredients; Daniel's Sweet Herring; Danisco (UK); Danone UK; Danone Waters (UK and Ireland); Dawnfresh Seafoods; DCL Yeast; Deans of Huntly; Delifrance UK; Derysel; Derwent Lynton Co; Devro (Scotland); Diamond Seafoods (UK); Direct Tea Supplies; DJ Miles; Dorset Cereals; Dr. Oetker (UK); Duchy Originals; Duncan MacNeil; Dundee Cold Stores; East Anglian Food Ingredients; East End Foods; Elizabeth Shaw; Eniti; European Oat Millers; F Duerr and Sons; F Smales & Son (Fish Merchants); FR Benson & Partners; Fage UK; Fane Valley Co-op Society; Farmhouse Biscuits; Fastnet Fish; Ferrero UK; Findus; Fine Foods International; Fine Lady Bakeries; Finlay Tea Solutions UK; Firmenich UK; Fleming Howden; Food Design; Foodmaker; Frank Roberts and Sons; Fribo Foods; G Costa and Co; Gala Coffee and Tea; GB Ingredients; General Mills UK; GlaxoSmithKline Consumer Healthcare; Global Tea & Commodities; Gold Crown Foods; Golden Wonder; Goodlife Foods; Gordon Rhodes and Son; Gordons Fine Foods; Grampian Oat Products; Greencore Group; Greggs; Griffith Laboratories; Hagesud Bosse (UK); Hamlyn's of Scotland; Haribo UK; Hayden's Bakeries; Hazeldene Foods; HO Short and Sons; Holgran; Image on Foods; Imporiant UK; Innovate Foods; International Fish Cannery Scotland; Jackson Bakery; James Ross & Son (Edinburgh); Jelly Belly Candy Company; Jing Tea; John Hill Foods; John Hogarth; John West Foods; Kavli; Kealth Foods; Keddie Saucemasters; Keith Spicer; Kellogg Supply Services (Europe); Kerry Foods (Yellow Fats); Kerry Foodservice; Kerry Ingredients; Kettle Foods; Kildorough; Klinge Foods; KP Snacks; Kraft Foods UK; Kudos Blends; Kwoks Foods; Lavazza Coffee UK; Lipton Tea Supply; London & Scottish; Lyons Seafoods; Macphie of Glenberrie; Macrae Food Group; Macsween of Edinburgh; Manor Bakeries; Marlow Foods; Mars Chocolate UK; Mars Foods UK; Matthew Algie and Company; Matthews Foods; Maxons; McCain Foods (GB); McCormick UK; McDougalls Foods; MCM Select Foods; McNeil Nutritional; McVitie's UK; Meade-King Robinson & Co; Middleton Seafoods; Moguntia Food Ingredients UK; Moray Seafoods; Morning Foods; Muller Dairy (UK); Nairns Oatcakes; Nairobi Coffee & Tea; Napier Brown Foods; National Food Ingredients; National Starch and Chemical; Nespresso UK; Nestlé Nutrition; Nestlé UK; New England Seafood International; New English Teas; Newby Teas; Newly Weds Foods; Northern Tea Merchants; Nutrition House Co; Orkney Herring Company; Parrapak Foods; Pataks; PepsiCo UK & Ireland; Perrier Vittel UK; Pillsbury; Pinneys; Premier Foods; Princes; Procter and Gamble UK; Quaker Oats; R&R Ice Cream; RD Blackwood; Rachel's Organic; Rank Hovis; Rannoch Smokery; Reading Scientific Services; Red Mill Snack Foods; Reginald Ames; RF Brookes; RGB Coffee; RHM Frozen Foods; RHM Technology; Ringtons; Ripon Select Foods; Robertson's; Ledbury Preserves; Rockall Seafoods; Roquette UK; RR Herring; RR Spink; Ryvita Co; Sara Lee Coffee and Tea UK; Scholler; Sco-Fro Group; Scot Trout; Sea Products International; Seachill; SFH Tea; Sharp and Nickless; Silver Spoon Co; Silvery Tweed Cereals; Slimfast Foods; Small Planet Foods; Solae Company; Speedibake; Spicemanns; Storck; Strathaird Salmon; Summerdown Farms; Syral UK; Tan Y Castell; Tate & Lyle; Taylors of Harrogate; Tayto (NI); TCI International; Tetley GB; TGP 182; The Enjoy Organic Co; The Seafood Company; The Windmill Tea Company; Thomas Tunnock; Thompson Lloyd & Ewart; Thorntons; Three Cooks; Tivall; Total Greek Yoghurt; Tregoes Waffle Bakery; Tropicana; TW Laycock; Twining and Co; Typhoo Tea; Uin Foods; Unibond Trading; Unilever UK; Uniq; United Biscuits Holdings; Versteegen Spices & Sauces UK; Virnto; Virani Food Products; W Jordans (Cereals); Walkers Nonsuch; Walkers Snack Foods; Wallingford Tea & Coffee; Warburtons; WD Irwin and Sons; Weetabix; Westmill Foods; White's Speedicook; Whiteheads (1858); Whittard of Chelsea; Wilkin and Sons; William Jackson Food Group; William Santus & Co; Williamson and Magor; Witwood Food Products; Wrigley Company; 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Food and Drink Federation



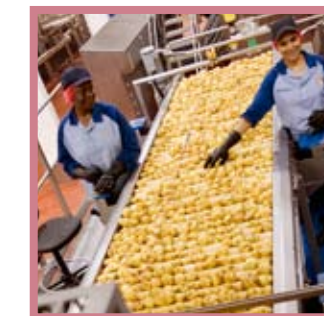
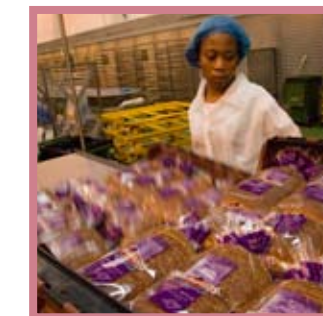
Making a real difference

6 Catherine Street, London WC2B 5JJ
tel 020 7836 2460
email generalenquiries@fdf.org.uk
web www.fdf.org.uk

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Support a British success story

Food and Drink Federation **fdf**
Making a real difference



A vision for UK food production

As the main trade association for the UK's food and drink manufacturers, we believe the facts speak for themselves: FDF members play a vital role in underpinning the UK economy and helping to feed the nation.

That's why Government must put our sector at the heart of future economic thinking. More than that, national policy must reflect the key strategic role food and drink manufacturers will play in ensuring the nation's future food security against the combined effects of climate change, higher global demand and increasing pressure on finite resources.

All of which requires Government to develop both a long-term vision and a strategy for food production that takes full account of the economic, strategic and social importance of processors and manufacturers to the UK.

We recognise the complexities. Food issues cut across virtually every aspect of Government policy. Nevertheless, in July 2008 the Cabinet Office Food Matters report highlighted the need for a stronger and more integrated approach to Government policy.

Now it is time to turn words into action. And in developing a new strategic approach to food, Ministers should focus on one simple priority: what must we do to maintain a thriving and sustainable food system here in the UK?

It is only by articulating a clear strategy for the future success of the supply chain that Government can be confident farmers, food processors and manufacturers, working with their customers in retail and catering, will in future be able to keep supplying UK consumers with food that is safe, nutritious and affordable – with the lowest possible environmental impacts.

Given our sector's relative size and economic importance, we clearly recognise that the food and drink industry has a responsibility to help tackle many of the complex issues facing society.

Our sector is already leading the way and our commitment has been undiminished by the current economic challenges. For example: our members are working under FDF's Five-fold Environmental Ambition to make a real difference to the environment by setting themselves stretching targets in areas such as carbon emissions, water efficiency and waste reduction. We are also helping to improve the health of the nation through our groundbreaking work to change the recipes of favourite British brands and introduce clearer nutrition labelling on food packs.

So what do we want to see from a future Government? A clearer, more coherent and consistent approach to food policy right across Departments would be a good start. We also want a public commitment that Government will in future support a successful food manufacturing sector as a top strategic priority in its own right. And we want an appropriate regulatory environment

here in the UK so that our industry can remain competitive – particularly against other European manufacturers.

We are playing our part. The next few pages articulate 20 ways in which we think the next Government should support our industry. All of our ideas are cost neutral for taxpayers. But we believe they will help to safeguard the future success of UK food and drink manufacturing – a sector that has an excellent track record of generating wealth for the nation, providing employment opportunities nationally and responding responsibly to societal concerns about diet, health and the environment.

“ The country needs a clear long-term vision for the UK food industry. It is time for Government to turn words into action ”



Our checklist: how you can help

CREATE A VISION FOR FOOD

- Develop a food chain vision that makes our sector a strategic Government priority in its own right
- Ensure that there is coherence and consistency in all policy areas affecting the farming and food manufacturing industries
- Put the UK's biggest manufacturing sector at the heart of Government efforts to rebalance the economy

BACK US IN GOING GREEN

- Help us to invest in low carbon technologies: provide a stable framework which promotes business confidence and long-term planning, such as extending the existing Climate Change Agreements beyond 2015
- Ensure that any new environmental policies are fully costed and promote and protect UK industry's competitiveness
- Prioritise and co-ordinate Government funds to help us transform our sector
- Provide the necessary infrastructure to enable us to cut waste and maximise resource efficiency through recycling and technologies such as anaerobic digestion
- Support industry to optimise and effectively manage the use of water resources throughout the supply chain

CUT THE RED TAPE

- Propose new regulations or voluntary codes only if they are evidence-based, proportionate and consistent with the strategic objective of promoting a strong UK food sector
- Ensure regulatory impact assessments take full account of compliance costs and apply to voluntary initiatives, codes of practice and other forms of quasi-regulation

- Don't goldplate EU Regulations: delay implementation of the EU Directive on Temporary Agency Workers to not before December 2011
- Help us through the economic downturn: introduce a moratorium on further social and employment burdens on employers and keep the UK's default retirement age
- Work better with the EU institutions to shape the regulations that have the biggest impact on our sector

SUPPORT MANUFACTURERS

- Extend the existing trade credit insurance scheme beyond December 2009 and similarly support the efforts of UK exporters
- Establish an ombudsman to oversee and enforce the new Grocery Supply Code of Practice, particularly for small and medium-sized enterprises
- Provide real clarity about – and a long-term commitment to – future funding for skills programmes, particularly apprenticeships and modular training
- Make a long-term commitment to partner with manufacturers on joint strategies to make our sector a 'career of choice' for school leavers and graduates

PROTECT INNOVATION

- Work with industry and universities to reverse the dramatic decline in the availability of suitably qualified food scientists
- Remove potential barriers to innovation such as the Food Standards Agency's nutrient profiling model
- Show leadership in the debates about the use of new technologies such as GM and nanotechnology – and support sustainability principles in biofuel production