



BPC Retail Report

Issue 50

October 2007



Potato Statistics

Highlights

Overall, total frozen value shows a year on year increase of 9.6% but a decrease of 2.8% by volume

In value terms, all categories again show an increase. The largest increase is seen by chilled potatoes up 14.1%, followed by frozen chips up 13.7%

In volume terms, only recon. & convenience potatoes and chilled potatoes and crisps show an increase, up 8.7%, and 6.4% respectively

POTATO PRODUCTS 52 wks to 9 Sep 2007	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Frozen Chips	303,446	13.7	304,414	-1.9	1.00
Frozen Potato Products	178,305	3.3	127,879	-4.9	1.39
TOTAL FROZEN	481,752	9.6	432,294	-2.8	1.11
Recon. & Conven. Potato	27,971	2.8	13,849	8.7	2.02
Chilled Potatoes	19,061	14.1	6,239	6.4	3.06
Canned Potatoes	15,071	4.6	21,767	-12.6	0.69
Crisps	596,306	5.9	118,267	1.7	5.04

Highlights

Total fresh potatoes show growth of 16.2% by value but a small decrease of 0.2% by volume. Within this, total pre-packed shows a value increase of 17.8% and a marginal volume increase of 0.9%, while total loose shows a value increase of 9.9% but a volume decrease of 7.7%.

In terms of value growth, all categories show an increase but with organic showing the highest growth of 20.9%, followed by pre-packed maincrop and loose baking with 19.8% and 17.6% respectively

Organic is the category showing the highest volume growth at 16.8%, with pre-packed new at 6.0% and pre-packed new at 5.8%. Loose maincrop at 15.2% and loose new at 13.1%, show the highest rate of decrease.

POTATOES by PACK TYPE 52 wks to 9 Sep 2007	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Pre-packed New	259,261	15.8	326,870	6.0	0.79
Pre-packed Maincrop	419,615	19.8	893,995	-1.7	0.47
Pre-packed Baking	112,107	15.0	166,708	5.8	0.67
TOTAL PREPACKED	790,998	17.8	1,387,580	0.9	0.57
Loose New	68,532	2.0	79,800	-13.1	0.86
Loose Maincrop	25,647	9.0	33,858	-15.2	0.76
Loose Baking	85,463	17.6	77,675	2.9	1.10
TOTAL LOOSE	179,642	9.9	191,332	-7.7	0.94
Organic	28,914	20.9	34,601	16.8	0.84
Conventional	941,726	16.1	1,544,312	-0.6	0.61
TOTAL FRESH (Retail)	970,640	16.2	1,578,913	-0.2	0.61

Retail Detail



RETAILER SHARE OF FRESH POTATO MARKET 52wks to 9 Sep 2007	VALUE %			VOLUME %		
	Total Potatoes	Prepack Potatoes	Loose Potatoes	Total Potatoes	Prepack Potatoes	Loose Potatoes
Tesco	28.2	29.5	22.5	29.9	31.1	21.7
Sainsbury	16.3	16.6	15.2	14.7	14.7	14.3
Morrisons	12.2	12.4	11.3	12.6	12.7	11.6
Asda	13.7	14.7	9.3	15.8	16.8	9.2
Somerfield	4.4	4.1	6.1	3.8	3.7	4.7
Co-Op Grocers	4.5	4.8	3.4	4.3	4.5	3.0
Marks & Spencer	3.4	3.6	2.5	1.5	1.5	1.5
Waitrose	4.1	3.4	6.8	2.7	2.4	5.5
Aldi	2.1	2.5	0.1	2.8	3.2	0.1
Lidl	1.8	2.1	0.8	2.9	3.1	1.0
All others	9.3	6.3	22.0	9.0	6.3	27.4
TOTAL MARKET	100.00	100.00	100.00	100.00	100.00	100.00

DATA SOURCE—TNS

Retail News

'more superspuds in store soon'

Functional potatoes on shelf soon

More selenium enriched products are likely to hit supermarket shelves by 2010, with crop nutrition experts expecting increasing consumer recognition of their health benefits. Sainsbury's is launching selenium enriched baby salad potatoes this month after a successful introduction of a larger version under the 'Be Good To Yourself' brand earlier this year. M&S is also participating in a four year research programme with crop breeders, likely to lead to a variety of new baked goods containing selenium enriched flour.

According to crop nutrition expert Nutrilaw, selenium is proven to boost fertility, cardiovascular and immune system health and believed to reduce the risk of several cancers. UK consumption is, incidentally, well below recommended levels.

Store expansion

Several retailers have recently announced expansion programmes. Waitrose is finalising an ambitious £800m investment programme which is likely to result in 50 new stores over the next five years, as well as rolling out its new look store format – recently tested at its Marylebone High Street branch – across the rest of its 183 stores.

Sainsbury's is due to complete the acquisition of 15 former Kwik Save stores in the very near future. This is a part of their longer term goal of opening 100 new convenience stores over the next three years.

Aldi is also gearing up, following a successful trial of a more centrally located supermarket in Manchester. The discounter is targeting an increase in its UK and Ireland estate from 350 to 1,500 stores.

Starting from a smaller base but with equally ambitious plans, discount retailer 99p Stores has set its sights on opening as many as 500 shops, a huge increase on its current 52 stores.

Meanwhile, Tesco continue their global expansion to the extent that the ratio of their selling space in the UK to that abroad has shifted further in favour of the retailer's international operations. International now accounts for 60% of the company's total selling space.

'Tesco's international space now exceeds its UK space'

Online grocery market set to rocket

IGD are predicting that the UK's online grocery market will grow from £2.4bn to £5bn by 2012. That would make it larger than Waitrose, which had annual sales of £3.7bn in the year to January 2007, and Somerfield with sales of £4.4bn to April 2007.

'online market to double'

Taking a closer look at satiety

Satiety is defined as 'the state of being full and unable to take on more' and is a word we are likely to hear a lot more about in the near future. Why? Because it is believed that potatoes fare well when it comes to measuring foods for their satiation factor. If proven, this clearly has positive implications for the role of potatoes within our diet, and in helping people with dieting in general. It backs up what we have been saying for years – that potatoes are one of the best 'filling' foods you can eat!

Both ourselves at the BPC, and our colleagues in the United States Potato Board (USPB) in America are conducting further research into this area.

The USPB study is in its final stages and is looking at satiation (during the meal) and satiety (post meal) of potato meals in relation to the Glycaemic index. Specifically they are studying Idaho potatoes prepared in

two ways – mashed and baked – and comparing them against rice, pasta and white bread.

We, on the other hand, have commissioned research with Oxford Brookes University to look into the short term effect of different starch based meals on subsequent food intake by adults. In layman's terms, this will examine how 'full' potatoes make the subjects feel in relation to pasta and bread based alternative meals.

Results from both studies will be shared in a joint effort by the USPB and the BPC to build a body of evidence that supports key nutrition messages.

We are very excited by the research as we believe that satiety is a positive nutritional message with great potential for the whole potato industry. Working with the USPB will complement our research efforts and together we can build a stronger case for potatoes.

Watch this space!

Can eating potatoes really make your brain larger!

Man's ability to digest starchy foods like the potato may explain our success on the planet, genetic work suggests. Compared with other primates, humans have many more copies of a gene essential for breaking down calorie-rich starches, Nature Genetics reports. These extra calories may have been crucial for feeding the larger brains of humans, according to the University of California Santa Cruz authors.

Previously, experts had wondered if meat in the diet was the answer. However, Dr Nathaniel Dominy and colleagues argue this is improbable.

"Even when you look at modern human hunter-gatherers, meat is a relatively small fraction of their diet. To think that two to four million years, small brained, awkwardly

bipedal animals could efficiently acquire meat, even by scavenging, just doesn't make a whole lot of sense."

They discovered humans carry extra copies of a gene, called AMY1, which is essential for making the salivary enzyme amylase that digests starch.

However, professor John Dupré, a professor of philosophy of science at Exeter University urged caution when interpreting the findings. He said it was impossible to conclude that the introduction of starchy foods into the diet lies behind the emergence of larger brains in humans.



Origins of the Sunday lunch

Further to last month's article on the Sunday lunch, a recent article in the Observer explains its origin.

The family Sunday lunch was as traditional as going to work in a bowler hat. Today, however, statistics show the tradition is on the wane, especially in the north where, records suggest the ritual began.

It is believed that during the Industrial Revolution it was families in Yorkshire who first realised that if they left a cut of meat in the oven before going to church on a Sunday morning, it would be crisp and juicy by the time the family arrived home at lunchtime.

It also became a tradition for less well off households, whose fireplaces were too small for a roast, to stop at their local baker on the way to church. Bread was not

cooked on a Sunday, so the families put their joints in his empty brick oven as it cooled down.

These Sunday joints were often destined to last all through the week with hot on Sunday, and then reheated or cold in hash, bubble and squeak, rissoles and cottage pie.

In the fifties, the Sunday lunch became only second to the Christmas dinner as a symbol of the perfect nuclear family and its cosy, domestic rituals.

More recently the meal has become increasingly politicised with its decline seen as a metaphor for the break-up of family life.

The government has even suggested that bringing back the tradition could help combat child obesity.

A diet for life

People are confused about what foods they can eat and are not sure what a healthy balanced diet looks like, reveals a new survey by the Food Standards Agency (FSA).

Of the 2,000 people surveyed:

- 73% recognised we should aim to eat a lot of fruit and vegetables, but only 11% said we should eat a lot of starchy foods – showing that people don't always realise the benefit of eating bread, rice, potatoes and pasta
- 97% recognised that fresh fruit and vegetables count towards the 5-a-day target – this figure dropped to about half for tinned (45%) and frozen

(54%) fruit and vegetables and dried fruit (53%), all of which do contribute towards our daily intake

The results coincide with the launch of the new eatwell plate. Rosemary Hignet from the FSA said, "The eatwell plate is a reminder of the essentials - the secret is simply knowing the proportions of a balanced diet and making it easy. It's not a 10 minute fad; it's a diet for life."



Market briefing – Functional Foods

'bone health and brain health are areas to watch for the future'

Last September, Vindi Banga, Unilever's president of foods, announced his ambition to transform as many of the FMCG giant's brands as possible into functional foods. A sure sign

that this growing sector has to be taken seriously. His definition of functional foods is those with 'clinically proven and claimable health benefits'.

Rapid growth of functional foods seems inevitable with the market for functional and fortified food worth £1.5bn in 2006 and Euromonitor predicts it will grow to £2.13bn by 2011.

Even Coca Cola has jumped on the Functional Foods bandwagon with the recent launch of Diet Coke Plus, a vitamin packed carbonated drink targeting young women. But it is the dairy and bakery sectors that have so far led the way.

Innovation will be critical in the next few years, according to Jonathon Thomas, principal market analyst at Leatherhead Food International. He predicts that areas such as bone health, through products with extra calcium, and brain health, in particular through the addition of omega-3, are the areas to watch. 'Enhanced waters' which are strong in Japan are also likely to see good growth in

the UK. But there are three distinct areas that have been earmarked as foods of the future

Mood Food

These contain chemicals thought to enhance mood and also sleep related products. The foods might include teas that help relax, milky drinks that help to induce sleep and chocolate with an added feel-good factor.

Satiety Products

Satiety is the state of being fully satisfied after eating. These products were developed in the US to fight chronic obesity, but now they are being seen as a way for anyone to manage their weight. Dairy, cereal and bread brands could make use of high fibre ingredients such as oats which are important in this area. Euromonitor predicts these products will attract men, usually difficult to reach with slimming products.

Brain Food

Based on the evidence that omega-3 is known to be beneficial to the brain, dairy, bakery and confectionery products will be best placed here. The European omega-3 market is already worth £135m and growing, according to Euromonitor.

It won't be long before terms such as probiotic, omega-3 and plant sterols are firmly entrenched in consumers vocabulary like low fat, low sugar and high fibre are now.

BRITISH POTATO 2007

British Potato 2007, organised by the BPC and sponsored by Branston Ltd, takes place on November 28th and 29th at the Yorkshire Event Centre, Harrogate and comprises a trade show, conference and an industry dinner. No other event offers such a comprehensive "seed to supermarket" approach and all of Europe's leading potato buyers, suppliers and advisers will be represented.

The BPC has a good reputation of finding the key criteria that chart the future and the BP2007 conference entitled 'a challenging future' is no exception. Leading industry experts on consumer attitudes and the effects of climate change will track a bold perspective, ideal for those who are keen to plan for the future and want their business to thrive.

If you haven't got your tickets yet please book online at www.potato.org.uk/bp2007 or call 0870 4294608

It must be true, it's in the media



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Spotted in the Daily Mail:-

M&S are selling tiny carrots the size of a 50p piece. Known as Parisienne carrots, from when they were grown in French window boxes at the turn of the century, they are particularly sweet tasting and the skin is so thin and soft they do not need to be peeled or chopped. They are also perfect for lunch boxes, particularly children's lunch boxes where they are not only a handy and novel size but also a good way of getting them to eat their five-a-day. *Innovation at its best!*



Spotted in the Grocer:-

So much for the domestic culinary revolution as highlighted in IGD research in last month's issue. New research reveals that ready meals still rule in UK homes. A report from Mintel shows that the UK remains Europe's largest market for ready meals, with sales reaching the £2bn mark, a total that is likely to grow 25% by 2011. Brits are also most likely among European consumers to eat ready meals more than once a week. However, once the preserve of the sedentary, Mintel predict that health will begin to drive the market with more 'better-for-you' lines appearing.

Spotted on Food Week Online:-

Where will the craze for caffeine end? For a generation already buzzing on energy drinks, there is now a new snack – potato crisps coated with caffeine. America's NRG Phoenix Fury Potato Chips taste like spicy barbeque chips, but they come with a caution label: "Not recommended for pregnant or nursing women, young children or anyone who is sensitive to caffeine".