

Potato Statistics

Highlights

Overall, total frozen value shows a year on year increase of 6.6% and an increase of 3.2% by volume

In value terms, all categories show an increase except canned potatoes – down 11.8%. The largest increase is seen with chilled potatoes up 22.6% followed by crisps up 14.9%

In volume terms, chilled potatoes show the largest increase, up 43.5%, while canned potatoes are down 9.9%

POTATO PRODUCTS 52 wks to 17 May 2009	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Frozen Chips	331,671	7.3	322,282	3.3	1.03
Frozen Potato Products	196,422	5.4	137,383	3.0	1.43
TOTAL FROZEN	528,093	6.6	459,665	3.2	1.15
Recon. & Conven. Potato	30,597	2.6	14,838	-3.7	2.06
Chilled Potatoes	31,074	22.6	11,474	43.5	2.71
Canned Potatoes	11,936	-11.8	18,350	-9.9	0.65
Crisps	727,073	14.9	124,626	2.0	5.83

Highlights

Total fresh potatoes show growth of 6% by value and 2.9% by volume. Within this, total pre-packed shows a value increase of 7.7% and a volume increase of 5.5%, while total loose shows a value decrease of 1.8% and a volume decrease of 19.4%

In terms of value growth, the largest increase is shown by pre-packed baking at 11.4% with organic showing the largest decrease of 13.1%

Pre-packed new is the category showing the highest volume growth of 12.4%. Loose new and loose baking show the highest rate of decrease – 26.2% and 16.8% respectively

POTATOES by PACK TYPE 52 wks to 17 May 2009	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Pre-packed New	283,131	6.5	393,584	12.4	0.72
Pre-packed Maincrop	476,266	7.5	937,710	1.7	0.51
Pre-packed Baking	125,474	11.4	194,635	11.3	0.64
TOTAL PREPACKED	884,876	7.7	1,525,959	5.5	0.58
Loose New	67,873	8.5	51,404	-26.2	1.32
Loose Maincrop	21,029	-6.7	24,640	-8.8	0.85
Loose Baking	79,774	-8.0	59,417	-16.8	1.34
TOTAL LOOSE	168,676	-1.8	135,461	-19.4	1.24
Organic	25,098	-13.1	30,391	-11.1	0.82
Conventional	1,028,450	6.6	1,630,999	3.2	0.62
TOTAL FRESH (Retail)	1,053,552	6.0	1,661,420	2.9	0.63

Retail Detail



RETAILER SHARE OF FRESH POTATO MARKET 52wks to 17 May 2009 % change year on year	VALUE %			VOLUME %				
	Total Potatoes	Prepack Potatoes	Loose Potatoes	Total Potatoes	Prepack Potatoes	Loose Potatoes		
Tesco	28.7	8.4	30.1	21.5	30.1	1.9	31.0	19.4
Sainsbury	15.8	4.2	16.1	14.6	14.3	2.9	14.4	13.6
Morrisons	12.1	4.5	11.9	13.1	11.9	-3.2	11.8	12.5
Asda	14.7	12.2	15.6	10.0	17.4	-9.8	18.1	9.3
Somerfield	4.1	-3.1	3.9	5.3	3.4	-9.3	3.4	4.1
Co-Op Grocers	4.4	3.8	4.4	4.2	4.0	-0.2	4.1	3.5
Marks & Spencer	2.8	-14.2	3.0	2.2	1.4	-5.6	1.4	1.6
Waitrose	3.8	-0.3	3.2	6.9	2.4	-5.9	2.1	5.6
Aldi	3.2	37.6	3.8	0.1	5.1	46.8	5.6	0.1
Lidl	1.8	5.7	1.9	1.1	2.5	3.9	2.6	1.2
All others	8.6		6.1	21.0	7.5		5.5	29.1
TOTAL MARKET	100.00		100.00	100.00	100.00		100.00	100.00

DATA SOURCE—TNS

Retail News

22% down to 18%

Discounter growth slows

The latest data from Nielsen shows growth of the discounters has tailed off dramatically since its peak last year and Nielsen expect it too fall further.

Sales at Aldi, Lidl and Netto grew by more than 22% on average in 2008 but this growth had dropped to about 18% by June this year.

Nielsen predicted it would slip to 10% or below in the second half of 2009, a level it expected to be “on a par” with that of the big four retailers. Some 42% of British households shopped at a discounter in the 12 weeks to 13 June, helping them achieve a market share of 6.1%, said Nielsen.

‘new range launched’

Tesco make buying potatoes easier

Tesco has introduced a new range of potatoes to help consumers who have lost the art of cooking them and feel ‘overwhelmed’ when shopping the aisle. The ‘Ideal For’ range consists of five brightly coloured bags of specially selected potatoes, with easy cooking instructions and their usage clearly displayed on the packaging. They are described as ideal for roast, wedged, mashed, boiled and baked respectively.

An initiative that echoes the findings from our own PCL research.

‘whole meal in one place’

Sainsbury’s new ready meal zones

Sainsbury’s has reorganised its chilled ready meals section into eight distinct zones and introduced chilled vegetables, ambient lines and drinks to the zones so that shoppers can pick up an entire meal in one aisle. Following the grouping of Indian products in a dedicated zone in May, it is now doing the same with Italian, Oriental and family meals such as shepherd’s pie. The meals will be cross-merchandised with chilled vegetables, breads and in some cases, drinks.

Is bread back on the menu?

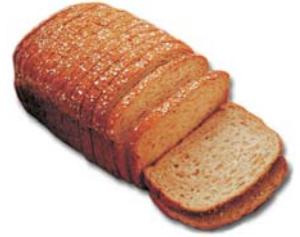
After three and a half decades of falling sales bread has recently seen an increase. So are British consumers renewing their love affair with the loaf? According to analysis by independent retail experts TNS, sales of loaves rose by 0.5% over the last 12 months, the first year-on-year increase since 1974.

It might seem only a modest rise, but for the nation's bakers it offers hope that after years in the doldrums their fortunes are about to change. Statistics gathered by the Department for Environment, Food and Rural Affairs show that in 1974 the average Briton ate 1,029g of bread a week. By 2007 this had fallen to just 677g a week - a 35% decline.

But last year the average consumer ate a little over 700g a week as the recession altered the nation's eating habits. "The credit crunch has led to a huge return in the popularity of the packed sandwich, with more of us now likely to take them to work or make them for our kids to take to school in a bid to save money," said Scott Clarke, bakery director for Tesco.

Other supermarket chains confirm the vogue for people to make their own packed lunches. Last year J Sainsbury plc reported a 36% rise in sales of plastic lunch boxes.

Industry experts said the return of the loaf was part of a wider trend. "People are returning to staple products, particularly white bread," said Gordon Polson, director of the Federation of Bakers. "Bread is good value and healthy, and it's pretty cheap." But Anthony Kindred, director of the National Association of Master Bakers, said: "In the supermarkets, the cheap stuff is on the bottom shelves and all the space is now given to the premium brands. It's that which is selling well."



Bread, along with potatoes and other carbohydrates, has benefited from the recession as consumers move toward filling, staple food groups seeking more value driven options.

New frozen food research

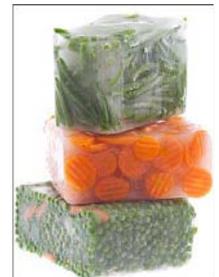
New research has confirmed that frozen food could save the foodservice industry millions of pounds a year. Commissioned by The British Frozen Food Federation (BFFF) and conducted by the Manchester Food Research Centre (MFRC), a new 'Cost Comparison' study concluded it was more cost effective for foodservice establishments to buy in prepared frozen alternatives, rather than manufacturing identical dishes on site. In nearly all cases during the research, dishes made to a duplicate recipe from scratch cost more than 24% more than their frozen counterparts. This rose to 66% with more labour intensive dishes which involved a high skill level.

Brian Young, director general of the BFFF commented: "We have long known that frozen offers a better value option for the caterer. We now have independent research to statistically support this belief."

The Cost Comparison study investigated the overall cost of making frozen versus 'fresh' dishes commonly served within

pubs, restaurants and hotels. It compared six dishes; two starters - canapés and breaded camembert, two main courses - lamb shank and salmon en croûte, and two desserts - strawberry cheesecake and profiteroles. Each frozen and 'fresh' dish was made to exactly the same recipe and specification with cost implications also taken into consideration:

Young added: "In this tough economic climate there is a compelling business case for using frozen food. Buying frozen will save money because of competitive and stable food prices, the ability to control portion sizes and wastage, plus the opportunity to cut kitchen labour costs. This will help businesses reduce their overheads, produce more accurate pricing models and protect their profits."



Sainsbury's boss calls for smarter shopping

According to a recent article in the Sunday Times, if there's one thing that infuriates Justin King, the Sainsbury's chief executive, it's green hype. "The environmental agenda has been hijacked by vested interests," he complains.

King, who has run the supermarket chain for five years, is known for passionate tirades but plastic bags, food miles and carbon labels are his pet subject. "People bang on about the number of plastic bags, but that totally misses the point. What's important is the environmental impact of the bags, not how many bags you have."

The same goes for carbon labelling. "Why would I put a picture of an aircraft on a package of strawberries? If my customer reads on a package that the strawberries came from the US, it's pretty obvious to them that the strawberries got here by plane."

Counting food miles is also a waste of time in the grand scheme of the environment, according to King. "Food miles have become iconic but, if you focus on them, you completely miss the point.

In a speech at London's Imagination Gallery, King urged supermarkets to focus on helping consumers to waste less food through smarter shopping and cooking. He also outlined plans to reduce Sainsbury's own waste as part of a goal to cut its carbon dioxide emissions per square metre of retail space by 25% by 2012.

A year ago there was speculation that Sainsbury's middle-class image might be its undoing in a recession. "Everyone thought consumers would go on this headlong rush to buy food as cheaply as they could and we would lose out, but that didn't happen," King says. "Yes, people are buying cheaper food, but they want value."

Food manufacturers keep up the drive for health

'UK had more healthy products than any other EU country'

Recession hasn't slowed the food sector's drive to make its products healthier, new research from Mintel and the FDF reveals.

Health experts had warned the economic downturn could create a "health crunch" with companies halting NPD to reduce salt, sugar and saturated fat in response to consumer concerns.

But in January to June this year, 250 reformulated products were launched in the UK, Mintel's new products database reveals, taking the total to more than 700 since January 2007. This equates to nine reformulated products every week for the past two years.

"The amount of work still being undertaken suggests there is no immediate sign of a health crunch in the UK," said Mintel director of insight and innovation David Jago. "Even if things slow down in the second half, it is clear from our global research that UK manufacturers and retailers are still leading the way on reformulation."

The UK has more new healthy products than any other EU country, he added. Sales of healthier eating options have now topped £8bn a year, despite sales of specific healthy-eating ranges falling year-on-year, according to Mintel.

The research showed the sector was still working hard on R&D in a difficult climate, said the FDF.

"The recession is forcing companies to reprioritise investment decisions, and the government does need to be realistic about the pace at which members can be expected to deliver new innovations in such competitive conditions," said director general Melanie Leech. "Nevertheless, our report clearly shows members remain totally committed to helping people eat more healthily."

The report singled out for praise initiatives such as McCain's switch to sunflower oil for its entire range, which cut saturated fat by 70%. Efforts by Nestlé to remove hydrogenated fats, and Premier Foods to reduce sugar content in some ranges by up to 49% were also highlighted.

British Potato 2009

British Potato 2009, takes place at the Yorkshire Event Centre, Harrogate, on November 25-26. Plans are now coming together for the industry's biggest biennial gathering. Stand space is already filling up fast, with some exhibitors increasing their event presence and some new companies joining the trusted favourites.

Taking place over two days, the two halls of the Yorkshire Event Centre will be bustling with trade stands, while bigger machinery will be on display outside. Aside from the trade show there will be the industry dinner, on the evening of November 25, during which the industry awards will be presented. The latest research-related news and developments from the country's leading authorities will be delivered from the heart of the Potato Council stand in Hall Two.

For more information, go to www.potato.org.uk/bp2009



It must be true, it's in the media

Spotted in the Daily Mail:-

The North-South obesity divide may have nothing to do with genes and everything to do with what is in shopping baskets. Generations of larger people have blamed their family history for the fact they put on weight, but a new nutrition map of Britain reveals that families in areas with the lowest life expectancy spend least on healthy food and most on artery-clogging junk food.

Shoppers in the North-East spend 22 per cent less on fruit and vegetables than those in London and the South-East.

At the same time, they spend 23 per cent more on crisps and snacks. A study published earlier this week found men living in the South-East had a 71 per cent chance of living until age 75 while those living in the North-East of England had a 63 per cent chance of surviving until that age.

Spotted in the Orlando Sentinel:-

A southwest Florida woman was arrested after deputies said she assaulted her 71-year-old common-law husband after he complained about her cooking. A Lee County Sheriff's Office arrest report shows 66-year-old Meredith Hart Mulcahy was charged with battery on an elderly person Tuesday night.

Deputies said the man got into an argument with her about undercooked potatoes. He went to the bedroom and began eating, and authorities said the woman then threw a phone at him.



Potato Council's Head Office has now moved - our new address is - Potato Council, AHDB, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2TL. The AHDB switchboard number is 0247 669 2051