



National Chip Week
15th-21st February 2010

Retail Report

Issue 75

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Potato Statistics

Observations

Overall, total frozen value shows a year on year increase of 5.8% and an increase of 1.3% by volume

In value terms, all categories show an increase except canned potatoes – down 13.6% and recon. and convenience potatoes – down 7.4%. The largest increase is seen with crisps up 12.1% followed by chilled potatoes up 11.2%

In volume terms, chilled potatoes show the largest increase, up 17.1%, while canned potatoes are down 14.3%

POTATO PRODUCTS 52 wks to 4 Oct 2009	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Frozen Chips	339,491	6.6	326,930	2.2	1.04
Frozen Potato Products	200,745	4.4	137,520	-0.9	1.46
TOTAL FROZEN	540,237	5.8	464,450	1.3	1.16
Recon. & Conven. Potato	29,192	-7.4	14,193	-11.3	2.06
Chilled Potatoes	143,267	11.2	42,341	17.1	3.38
Canned Potatoes	11,529	-13.6	17,394	-14.3	0.66
Crisps	754,360	12.1	127,030	1.4	5.94

Observations

Total fresh potatoes show a decrease in value of 1.3% but growth in volume of 1.6%. Within this, total pre-packed shows a value increase of 1.3% and a volume increase of 4.0%, while total loose shows a value decrease of 14.3% and a volume decrease of 21%

In terms of value growth, the largest increase is shown by pre-packed baking at 5% with organic showing the largest decrease of 25%

Pre-packed baking is also the category showing the highest volume growth of 8.9%. Loose new and organic show the highest rate of decrease – 31.9% and 25% respectively

POTATOES by PACK TYPE 52 wks to 4 Oct 2009	VALUE (£000s)	VALUE CHANGE % Yr on Yr	VOLUME (Tonnes)	VOLUME CHANGE % Yr on Yr	AVERAGE RETAIL PRICE (£ per kilo)
Pre-packed New	279,647	0.5	384,291	3.5	0.73
Pre-packed Maincrop	521,108	0.9	1,046,541	3.3	0.48
Pre-packed Baking	82,357	5.0	121,464	8.9	0.68
TOTAL PREPACKED	884,633	1.3	1,555,921	4.0	0.57
Loose New	59,407	-14.7	42,123	-31.9	1.41
Loose Maincrop	20,698	-6.2	25,059	-3.7	0.83
Loose Baking	73,305	-16.1	55,831	-17.6	1.31
TOTAL LOOSE	153,411	-14.3	123,013	-21.0	1.25
Organic	21,844	-25.0	26,077	-25.0	0.84
Conventional	1,016,197	-0.7	1,652,835	2.2	0.61
TOTAL FRESH (Retail)	1,038,044	-1.3	1,678,935	1.6	0.62

DATA SOURCE—TNS

All potatoes—GB & Imports

Retail Detail



RETAILER SHARE OF FRESH POTATO MARKET 52wks to 4 Oct 2009 % change year on year	VALUE %			VOLUME %				
	Total Potatoes	Prepack Potatoes	Loose Potatoes	Total Potatoes	Prepack Potatoes	Loose Potatoes		
Tesco	28.4	N/C	29.8	20.4	29.2	-3.0	30.0	18.1
Sainsbury	15.7	-1.3	16.0	13.9	14.1	0.5	14.2	12.6
Morrisons	12.1	-2.1	11.8	13.4	12.2	3.2	12.1	12.6
Asda	14.7	3.9	15.6	9.6	17.3	6.0	17.9	8.9
Somerfield	3.5	-21.4	3.3	4.4	2.9	-22.0	2.9	3.4
Co-Op Grocers	5.5	0.5	5.5	5.4	5.0	1.5	5.0	4.5
Marks & Spencer	2.8	-15.7	2.9	2.3	1.5	-1.0	1.5	1.7
Waitrose	3.8	-5.5	3.2	7.2	2.4	-4.3	2.1	5.6
Aldi	3.2	20.4	3.8	0.1	5.5	50.7	6.0	0.1
Lidl	1.8	5.9	1.9	1.1	2.5	12.8	2.6	1.4
All others	8.5		6.2	22.2	7.4		5.7	31.1
TOTAL MARKET	100.00	-1.3	100.00	100.00	100.00	1.6	100.00	100.00

DATA SOURCE—TNS

Retail News

'they will appeal to busy staff'

M&S opening in hospitals

Marks and Spencer is planning to open its Simply Food franchises at hospitals in the next five years with 20 planned. Sales of the first M&S hospital franchise, which opened in March at St. Georges Hospital, Tooting, had exceeded expectations. Tony Keating, CEO of the retailer's franchise partner, said, "I think the stores will be successful because they will appeal to busy staff who work shifts and want good quality food at reasonable prices. Also, patients and visitors can buy food to take back to the wards."

'discounters can increase market share to 10%'

Is the discounter boom over or just started?

According to Mike Watkins of Nielsen, speaking at the recent Grocer Discounters Conference, the discounter boom is not over – it has only just begun. "The discounters are here to stay" he said. "One third of shoppers will still look for cheaper brands after the recession, according to our research. The discounters have changed the retail map and it's more than just a day in the sun. Build stores and the shoppers will come."

However, he admitted life has become tougher for the discounters because the supermarkets had moved into their territory by offering more promotions, £1 deals and discounter ranges. As a result the discounters growth had fallen from 31% at its peak at Christmas last year to 7% in October – only just above the big four's growth of 5.5%. Aldi, Iceland, Lidl and Netto currently have a combined market share of 7.9% but Watkins said they had the potential to grow this to a share of 10%.

'Tesco launch the BOGOFL'

Are BOGOFs back?

According to new research by Assosia in conjunction with the Grocer magazine, BOGOF (buy one get one free) promotions could be making a comeback. This time last year, multibuys, favoured by retailers and manufacturers alike for increasing total spend and volume sales, had dropped to less than 40% of the promotional mix. Latest figures show the trend has reversed. Multibuys, including BOGOFs, now make up 54% of featured space offers in supermarkets. Assosia suggest the shift back to multibuy promotions is a sign of the recession drawing to a close.

On the subject of BOGOFs, Tesco recently launched the 'BOGOFL' (buy one get one free later) promotion in answer to concerns that standard BOGOF deals lead to food waste.

On the menu tonight

Echoing the results from research that Potato Council commissioned a few years ago, a new survey by Merchant Gourmet found that most people rely on just nine dishes to feed the family, week in, week out.

Researchers found that hectic lifestyles, fussy kids and partners who work long hours mean mums are stuck in a rut when it comes to experimenting in the kitchen.

The nine most cooked meals in the survey include five dishes that you might expect to be served with potatoes – roast; Shepherd's pie; meat and two veg; casserole/stew and sausage and mash/chips. In the Potato Council survey there were six meals in the top nine that you would expect to be served with potatoes.

Other interesting findings from the survey include the following:-

- Nine out of ten mothers cook the same meals all the time, one in four of the 4,000 polled make the same meals on the same day of the week
- People are put off experimenting with new meals and ingredients as they're convinced it will be time consuming or expensive
- 81% respondents claimed they have to make two or more meals every night and 23 per cent said that they would stick to the same meals because their children are fussy eaters
- The survey also found that dinner time takes the average mum 35 minutes from start to finish, and four in 10 mums play safe by choosing meals they know their family like
- When it comes to dinnertime decisions, three quarters choose meals which are quick to make rather than those which seem healthier but take longer to prepare.

- But two thirds feel guilty that they don't make the time.
- The survey also revealed that food enjoyment was the most important factor for 30% of modern mums and dads when choosing what to cook, followed by taste (24%), whilst health was third (23%).
- Over half (55%) cook at least two meals to keep the whole family happy, with eight in 10 enjoying a sit down with their other half later in the evening.
- The research found that the average mum has eight cookery books in their house, but has attempted just five recipes from them. 39% of the cooks questioned also found that at least half of the recipes they try from these books do not turn out as they expected.
- And two thirds have at least four books that have never seen the light of day.
- Three in ten have the likes of Nigella Lawson and Delia Smith on their shelves just to impress visitors, and a third will only attempt a new dish at a dinner party.

Top 9 Meals
1. Spaghetti bolognaise
2. Roast dinner
3. Shepherd's/cottage pie
4. Pasta dish
5. Meat & two veg
6. Pizza
7. Casserole/stew
8. Sausage & mash/chips
9. Indian/curry

Family meals, cooking classes – must be French teenagers!

They had been depicted as a lost generation prone to British-style teenage contradictions — dreaming of a Kate Moss waistline while eating burgers, pizzas and chocolate bars. Instead, they want traditional home-cooked food — and the curves that go with it.

Whatever their social background, French teenagers like traditional dishes such as bouillabaisse, the fish stew from Provence, choucroute, the Alsatian sauerkraut, veal sauté and strong cheeses. According to the article in the Times the sit-down family meal also remains popular — particularly when cooked by the teenagers' grandparents — as opposed to Anglo-Saxon TV dinners, according to scientists who spent three years interviewing 500 adolescents.

Véronique Pardo, an anthropologist with the Observatory of Eating Habits, and the co-ordinator of the study, said: "There is a real difference with Britain in that socioeconomic factors are far less significant here.

"The idea of a structured family meal is very present for French adolescents from all backgrounds. Of course, the revenue of the family determines what they eat to an extent, but not in the same way that it does in Britain."

The study contradicts the belief that France was following the US and Britain on the road to obesity and eating disorders.

With 13 per cent of French children deemed to be overweight — twice as many as in 1980 — the Government has started a series of campaigns to reverse the trend towards la malbouffe (junk food). One initiative urges the French to eat five portions of fruit or vegetables a day. A second says: "By eating fewer sweet or fatty products, you protect your health."

Mrs Pardo said that the campaigns risked creating unnecessary fears and overturning an otherwise balanced Gallic approach to food. Teenage cooking classes — which are in demand in France — were a better anti-obesity strategy than Anglo-Saxon-style health campaigns, she said. Nevertheless, Gallic adolescents are not entirely

averse to junk food or a meal in one of the 1,134 McDonald's restaurants in France, the researchers found. "But it was a real surprise to us to discover the attachment to family cooking as well," she said.

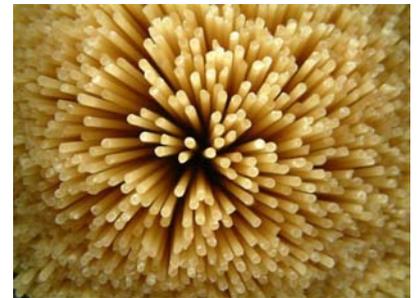


Carb watch - pasta

Pasta has grown 16% in value and 5% in volume

Data from TNS shows the pasta market is worth £297.1m and has grown by 16.1% in value and 5% in volume (TNS 52 w/e 9 Aug 2009). Much of the value growth has been driven by consumers paying more for their pasta, particularly dry pasta, which is up 23.8% in value and 5.5% in volume. The popularity of branded pasta - with its higher price point - is also contributing to the value growth. While pasta continues to be dominated by own label, brands are gaining market share. Fresh pasta has seen more modest growth of 5.1% in value and 2.9% in volume. Relatively low prices, coupled with the fact it is quick and easy to prepare and versatile are the key drivers of demand. A recent survey by Dolmio showed that almost half (48%) of consumers thought pasta was good value and convenient. The value of pasta sauce has grown by 11.5% to £346.6m (TNS 52 w/e 9 Aug 2009), which is largely

accounted for by price rises (from £2.69 per kg to £2.95), while volume is only up 1.8%. Ambient sauce is the main value driver, at 87% share, and with 13.6% value growth. A price rise in chilled sauce has been offset by a fall in volumes. Chilled sauce was in strong volume growth until the spring when there was a lot of trading down from chilled to ambient by consumers. Tesco remains the largest retailer of pasta sauces but has lost share, down from 31.5% to 30.5%. Discounters have had the strongest value growth this year (21.5%) while Asda has seen the best volume growth (13.5%).



National Chip Week 15th to 21st February 2010

National Chip Week 2009 generated an 8% increase in awareness and £3.6m of coverage for chips. 2010 will see another high profile campaign for National Chip Week, especially as 2010 is also the 150th anniversary of fish and chips. So, make sure your business benefits from all the buzz around chips!

Why not incorporate the National Chip Week logo on pack, promote a chip recipe or make use of our fun chip facts. For more information please contact Ellie King in PCL marketing on 02476 478775 or email eking@potato.org.uk



It must be true, it's in the media

Spotted in the Times:-

The calorie counts used as the foundation for diet plans and healthy-eating guidance for the past 18 years may be wrong, a report suggests. The recommended daily intake of calories could be increased by up to 16%, a draft report by the Scientific Advisory Committee on Nutrition said. Intake levels are currently 2,000 calories for women and 2,500 for men. But the panel stresses that people should only eat more if they exercise more, given rising levels of obesity.

The committee says its report provides a much more accurate assessment of how energy can be burnt off through physical activity. A 16% increase would mean that adults could safely consume an extra 400 calories a day, equivalent to an average sized cheeseburger. The proposals are due to go out for a 14-week consultation period. Final recommendations will then be made after that time.

Spotted in the Evening Standard:-

It was touted as the perfect way to entertain in recessionary times — the 'bring your own' dinner party with home-made food, but research for Tesco has shown that dinner party guests are swapping home-made for supermarket substitutes. Results showed nearly a third were sharing dinners with friends, with just over half saying they usually contributed a dish to the evening. However, a quarter of these bought ready made substitutes. A spokesman for the company that conducted the research said, "We've heard of hostesses hiding supermarket packaging in the bin, now guests appear to be doing the same."

Spotted in Global Potato News:-

Potatoes in space! According to Aurelio Padilla, Rector of National University of Engineering in Peru, it is likely that several types of Peruvian potato are going to be sown and harvested at the International Space Station in a few months time. "In Peru we have more than 3,000 varieties of potatoes, but the Andean variety is the ideal for this project because of its adaptation to high altitudes and it doesn't need additional watering. It is a highly valued product and could be a good food for cosmonauts," added Padilla.

