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## **From Field to Restaurant – the View from the Middleman Championing Local Food**

I always say that it is a privilege to be a buyer and not a role that should be taken for granted.

It's a key component in the chain in getting a product to market.

For me personally it's role that I have enjoyed being part of - where I have been able to do my bit for championing local food.

So to many it may seem surprising or incongruous to be speaking about sourcing truly local food in the same sentence as words like Tesco - the Worlds 3<sup>rd</sup> largest retailer or Sysco who are the Worlds largest food service operator.

What's even more stark perhaps is much of this happens from my desk at my family farm in the far North East of Scotland near a wee village called Methlick.

So how and why did a farm girl, committed to farms and the farmers, the land and its produce, come to work for corporate giants such as Tesco and Brakes?

The common denominator across the piece for me is Local food and the understanding of where our food comes from.

A farmer's daughter and always keen to farm it became clear that I enjoyed buying and selling –Perhaps what gave me a taste of this was buying store lambs and selling them finished at the local mart.

Or perhaps it was the saying - "Farming – it's the only industry where you buy at retail, you sell at cost and you pay the transport both ways" that I thought we need to get closer to the customer.

However, fast forward a few years, a Nuffield Scholarship, working part time for a game dealer which led to a role buying beef at Safeway and which 6 years later resulted in buying local food for Tesco initially in Scotland before heading up their local sourcing offices across the UK.

And now today where I am farming on our family farm in Aberdeenshire and running my own freelance business which is continuing to champion the sourcing and promoting of local food – which includes work for Brakes as their Procurement Director for Scotland as well as for other non competing businesses.

And it's the spectrum that I love –  
the understanding of farming,  
the fine balance of nature and nurture,  
the inputs and outputs,  
the love of livestock - and the loathe of deadstock  
the obsession and wonder of the weather and its dictation on timings as well as  
its effects on our grass, our crops, our harvest, our tractor work  
right through to the buzz of helping an entrepreneurial local supplier get their  
product launched on a Supermarket shelf and watching a customer putting it into her  
basket or making that product available for hotels and restaurants to order.

Being able to understand local products - the names - like Mealie pudding, tablet, skirlie, Arbroath smokies, petticoat tails, Finnan Haddie, Beremeal, Black bun, Clottie dumpling, which can at best seem unfamiliar, at worst alien - to a centrally based buyer.

Brakes - as an example are based in Ashford in Kent, from there they are as close to Barcelona as they are to their most northerly customer in Shetland. I give them credit and also to the Supermarkets for acknowledging that they need local people in the local areas to understand what their customers needs are locally.

So I guess on one hand I am the middleman and am fortunate enough to be able to see aspects from “both sides of the fence” – literally from the grass roots to the supermarket shelf or restaurant table - so what are my views?

Firstly I should say that these are **my** opinions - and whilst my procurement work is currently more food service driven I can also where there are differences and similarities between food service and retail.

Secondly my experience and what I enjoy most is helping local food and currently and in particular- Scottish food suppliers – bring their product to market. I wouldn't be qualified to comment on huge multinational global supplier businesses.

So I thought today it would be good to explore

- What local food is
- Some of the aspects of the food service side but also
- Where I see that there are similarities and differences between food service and retail

But before we get into the detail perhaps we should consider what “local food” means? Whilst there is no “Oxford Dictionary” or right or wrong definition - I think there is a broad brush - customer viewpoint approach which helps explain... and I have broken my definitions into 3 parts

1. A truly local product is one that is produced in a region and is recognised in that area almost as part of your daily lives. Some locals might not even appreciate how unique this product is - they have grown up with it and its part and parcel of living in that town or region.

I come from Aberdeenshire and for me this would be Skirlie or the Aberdeenshire Buttery.

Legend has it that the buttery was made for the fishermen sailing from [Aberdeen](#)'s harbour. The theory is that they needed a bread that would not become stale during the two weeks or more that they were at sea. The salt in the buttery helped preserve it and the high fat content meant the bread also provided energy.

2. However, compare this to "Tablet" - another "local" product in Scotland but this time it is not particular to one county or town but known throughout the whole of Scotland. This could also be said of Scotch Beef, Scottish shortbread or Irn Bru
3. Then there are the products that are made in an area and sold as "made in Aberdeenshire" or "Made in Scotland" - these can be great quality products but the recipe could be recognisable anywhere in the country or the world - a good example would be someone making "chocolate brownies".

In this instance customers / consumers who buy these Brownies are wanting to buy them not just because they are delicious but to support local businesses and *support the local economy*. A level of loyalty and patriotism kicks in.

**That patriotism is tested though if the selling price becomes too far removed from its competitive set.**

*As HFW said Local foods are by their very nature, simple things. This is folk cooking with a nose to tail approach that uses whatever's available and makes it go as far as possible, our predecessors had an abhorrence to throw away anything that may have seemed at best, quaint at worst laughable. But as we begin to come to terms with the consequences of our "have it all: culture it has becoming clear that ethical production, good husbandry, environmental responsibility and kitchen thrift all go hand in hand. The frugal culture that gave birth to trifle, lorne sausage, scotch pies, chitterlings and lardy cake, Bath chaps and bread pudding is something we should be proud to belong to. To re-embrace it can only do us good.*

Perhaps with this approach our food waste issue of today would never have arisen.

We have seen popularity of farmers markets, farm shops and the increasing number of cookery programmes on TV and all of this momentum is encouraging consumers to be more savvy and aware about where their food comes from and interested in food in general.

Going back even over 10 years with the continuing popularity of supermarkets and the desire from customers to buy all that they want in one place has encouraged supermarkets to source - what could generically be described - as Local foods.

The recession didn't abate the interest in local food and indeed at that stage insight told us that customers wanted to buy local as it supported local businesses.

Particularly evident in Scotland Tesco deserves credit for being the first retailer to really get behind local sourcing and what they started has now been followed by other retailers. More

recently and impressively I would say the likes of Morrisons, Aldi and Lidl have followed suit in the quest to satisfy local tastes.

If I go back to my Tesco days we were selling over £380M of Local food in different regions across Great Britain.

This momentum behind having local food available has proven to be a force for good for local suppliers.

I mentioned Butteries earlier on - We launched butteries in a few stores in Aberdeenshire from a local family baker run by brothers Cameron and Graeme Ross. In the Inverurie Store we regularly would sell over 1000 packs per week. That was one of the highest volume selling lines in any store across the entire business.

*Supernature and Macintosh of Glendaveny rape seed examples... - Thinking more of a direct farming example - another product that we launched in Tesco was rapeseed oil from Gregor McIntosh. A young entrepreneur who at Agri college studied rape seed oil and when he graduated started pressing his own on the family farm in Aberdeenshire. Because of the local sourcing momentum he gained listings in Tesco, JS, Asda and today turnover xxx with the retailers.*

So recapping on the building blocks –

- The continuing popularity of traditional foods - which as locals we take for granted from our areas.
- the rise of farmers markets and farm shops,
- the increase in local sourcing in multiple retailers,
- the interest in food through food programmes on TV and media

have all played its part so that local sourcing is becoming increasingly important part in our food choices...

and now we are seeing this trend increasingly in food service.

That's not to say that it wasn't relevant before but I see it as becoming an increasing part of chefs or menu choices.

So appreciating and comparing the 3 main markets for food and drink being -

- Retail
  - Food service and
  - Export
- 
- Currently the retail market is worth £111bn – interestingly - and most likely due to recent deflation - recent figures show that this has been declining at -0.1%
  - On the other hand compare this to the food service market which is worth £85bn and growing at 3%.

- Filling the gap are Exports which are worth £18bn (and from a Scot on the platform Whisky is £4bn of that!)

Having had many years thinking about retail where there can be a huge amount of cross over between the segments of discounters, the core such as Tesco, JS, Asda and top end like M&S and Waitrose I am now seeing Food service industry with some clear differentiated sectors from

Pubs to restaurants,

Fast food to Fine dining to

Food for prisons, hospitals, care homes and schools,

Coffee shops on high streets to Food for oil rigs.

But also some common themes and one of them is definitely an increasing interest to have local or regional products as part of their offer.

From a middleman's perspective its interesting to see how the shape of "eating out" has changed over the years - it now accounts for 42% of all food purchased in the UK and this is predicted to rise to over 50%... It might seem a large figure but everyday we can see the factors which are contributing towards this... For example, the

SM to  
check  
%

- rise and rise of coffee shops
- the decline in pubs, hastened especially in Scotland perhaps - by the drink drive laws but the rise of pub grub and gastro pubs
- the acceleration of the food to go culture / eating on the hoof
- The rise of fine dining
- The continuing popularity of fast food.

Now I can see that these sectors – the retail trade and catering market have some clear differences but also many common denominators

- the **cost price** of food has to be competitively priced – at its most extreme would be the cost of public sector purchased meals for Prisons, schools, hospitals
- Increased focus on reducing **Waste**
- **Capacity - Available space** – in retail - shelf space dictates how many products can be physically stocked compared to wholesale market where it is about ensuring the catalogue doesn't become unwieldy.
- **Depot space in retail and food service** however can create the bottle neck if the number of lines brought in escalates.
- **Visibility of product** is essential for sales – and this is far easier in retail where there really is that metaphorical "shop Window" compared to foodservice which can rely on a catalogue or a sales person to promote that product..
- **De-skilling** in the kitchen or speed of meal - in a retail world this is about ready meals or meal kits, in food service the popularity of sous vide or further prepped products which reduces the need for skilled chefs in kitchens.
- Everyone wanting a **point of difference** – M+S want to offer something different from Tesco just as Hilton group will want something different from the Marriot.

- and increasingly that point of difference can be but not exclusively about **promoting the provenance message**.

Specifically, on provenance

- 97% of menus claim to have some form of provenance message. \*
- Whilst this might be very general such as Scottish beef or British milk I believe that it is a sign that customers want to know a little bit about where their food comes from and that this will become increasingly less general and more about specific products. For farmers who are supplying restaurants with their products I think this is a great opportunity for their “story” to be an essential part of their marketing and that of the menu or restaurant.
- I can see and I hope that food needs **increasingly** to take centre stage on the menu - less about the chef and more about the fantastic food that people are about to enjoy. There are only a relative handful of celebrity chefs but yet 1000’s of catering establishments. Far easier to let the food to be the hero.
- I also love the statistic that I heard from Alastair Dobson from Arran Dairies and Taste of Arran. He quotes that desert sales rise by 20% when there is a named ice cream on the menu. Not necessarily ice cream sales rising 20% but total deserts. Surely this is another great example of why genuine provenance is a marketable resource.

I mentioned that there are also some clear differences between retail and restaurants... A couple in particular which stand out really could be summarised about 1. labelling and 2. Consumer attitude

Retailers try and convey the key messages to customers primarily via on pack labels. Research would tell you that consumers only want to read 2 or 3 headlines about the product – country of origin or a bit about the provenance, the Kcal, the fat %, salt%, the cooking time, the number it serves.

Much of the experience about eating out is a treat so kcal, fat, salt takes second place. Although perhaps Health is becoming a far bigger driver and a future trend which the catering industry is having to embrace.

However, when we go into a restaurant we want to read a little bit about some of the food on the menu but not every ingredient. We don’t want a Bartholomew road atlas trip round the world but snapshots of lovely stories about where food has come from plays a big part in our enjoyment of the whole experience.

Where there is no packaging there is a huge amount of trust that what is on the menu is what you are getting.

Many years ago I remember speaking to a farmer who sold burgers to a local restaurant. I congratulated him on seeing them listed on the menu. The farmers response was intriguing

when he said it had been some time since that restaurant had last ordered some – implying that it was difficult for him to be convinced that they would definitely be his that would be served up.

Today there is still no legislation that catering establishments have to show packaging to prove where meat has come from.

I am sure that there will be many consumers eating in those famous Black and red liveried Aberdeen Angus restaurants often found in London and automatically presume that the meat is from Scotland...

However look at MacDonalds – what a great example of xxxxxxxxxxxx Scot Beef...number of carcasses sold for burgers.

It's a great example of where scale can be a force for good.

Often the large corporates can be criticised but there are some great examples of where they are a tremendous route to market.

I know within Brakes now we have opportunities for local lines that I am launching for a small number of outlets in an area, to opportunities across Scotland or across the UK. Brakes are already selling £80M of Scottish product and have great ambitions to increase this.

Brakes are also part of a group called Constellation which are likeminded businesses operating in 8 different countries including Italy, Sweden, Germany, France etc. with a combined turnover of **£8Bn**.

I will be championing Scottish products to them in a couple of month's time and hope that there will be some genuine interest in opportunities to sell to these markets.

You may have read that Brakes have recently been bought by Sysco so whilst it is still early days - what an exciting opportunity there could be for some suppliers in having a foot in the door to that huge American market.

It's a great example of where Local products can be relevant in the locality but that quality products with provenance can be sought world wide.

And I for one look forward to continuing to champion the buying and selling of local food.

\* Technomics data where they analyse menu content