

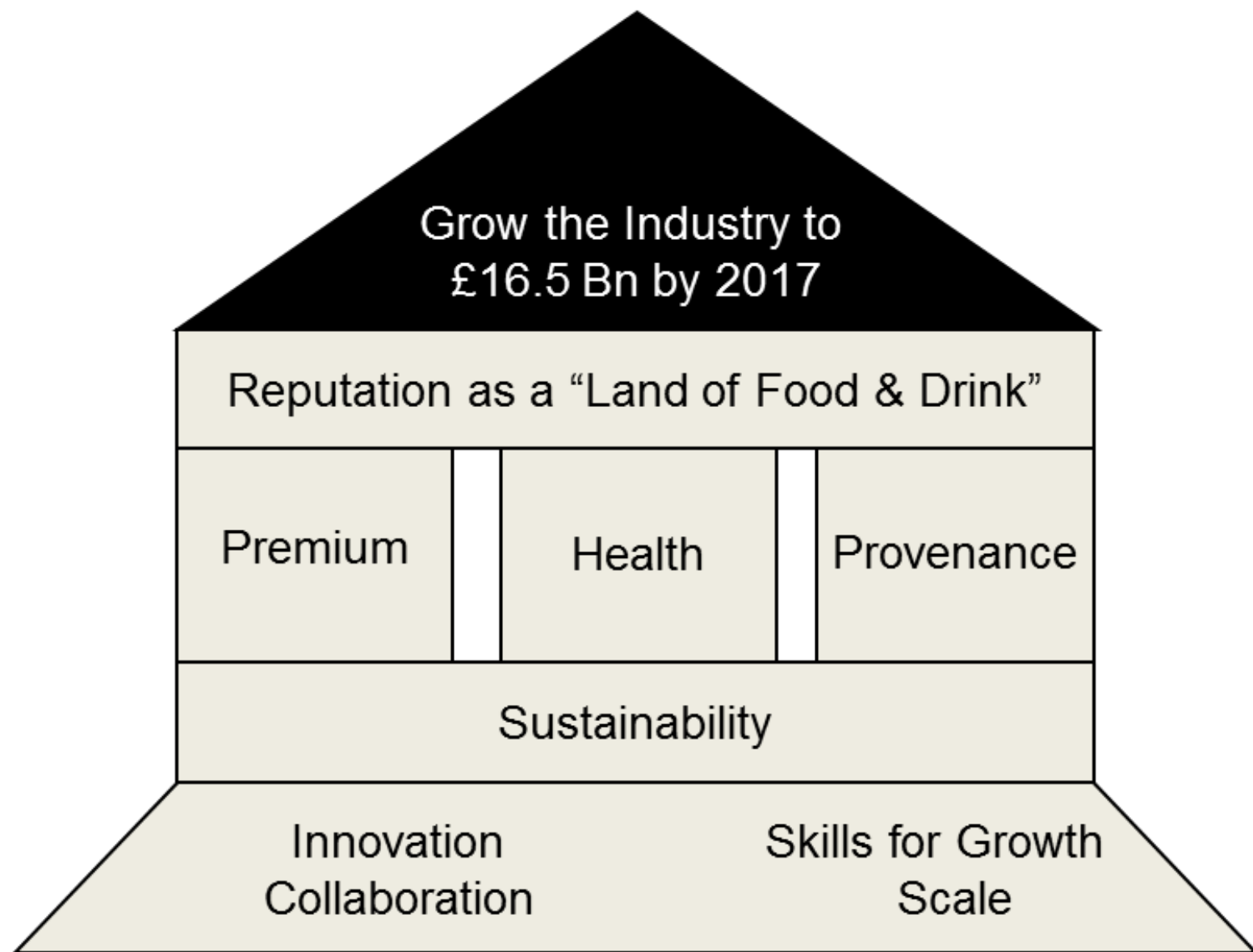


Scotland

A LAND OF
food and drink



*Graham Young
Industry Development Director
Scotland Food & Drink*



Priorities to Stimulate Growth

Build Scotland's reputation as a 'Land of Food & Drink'

Return our **primary** sectors to growth and profitability

Build Supply Chains which can exploit growth market opportunities at **home** and **abroad**

Improve food **productivity**

Growth through **sustainability**

Accelerate market focused **innovation**



Highlands and Islands Enterprise
Iomairt na Gàidhealtachd 's nan Eilean



SCOTLAND
OF FOOD & DRINK



SAC





Scotland's natural beauty and fertile soil and rich traditions have made it a major producer of fresh produce, and the finest quality and most nutritious food. From the mountains to the coast, Scotland's food and drink is a true reflection of the land.

Scotland

A LAND OF food and drink

From the mountains and valleys, to the rich coastal lowlands, Scotland's food and drink is a true reflection of the land. From the mountains to the coast, Scotland's food and drink is a true reflection of the land.

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A LAND OF food and drink

The great outdoors, the rolling hills and valleys, the rich coastal lowlands, Scotland's food and drink is a true reflection of the land. From the mountains to the coast, Scotland's food and drink is a true reflection of the land.

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Scotch

beef and lamb

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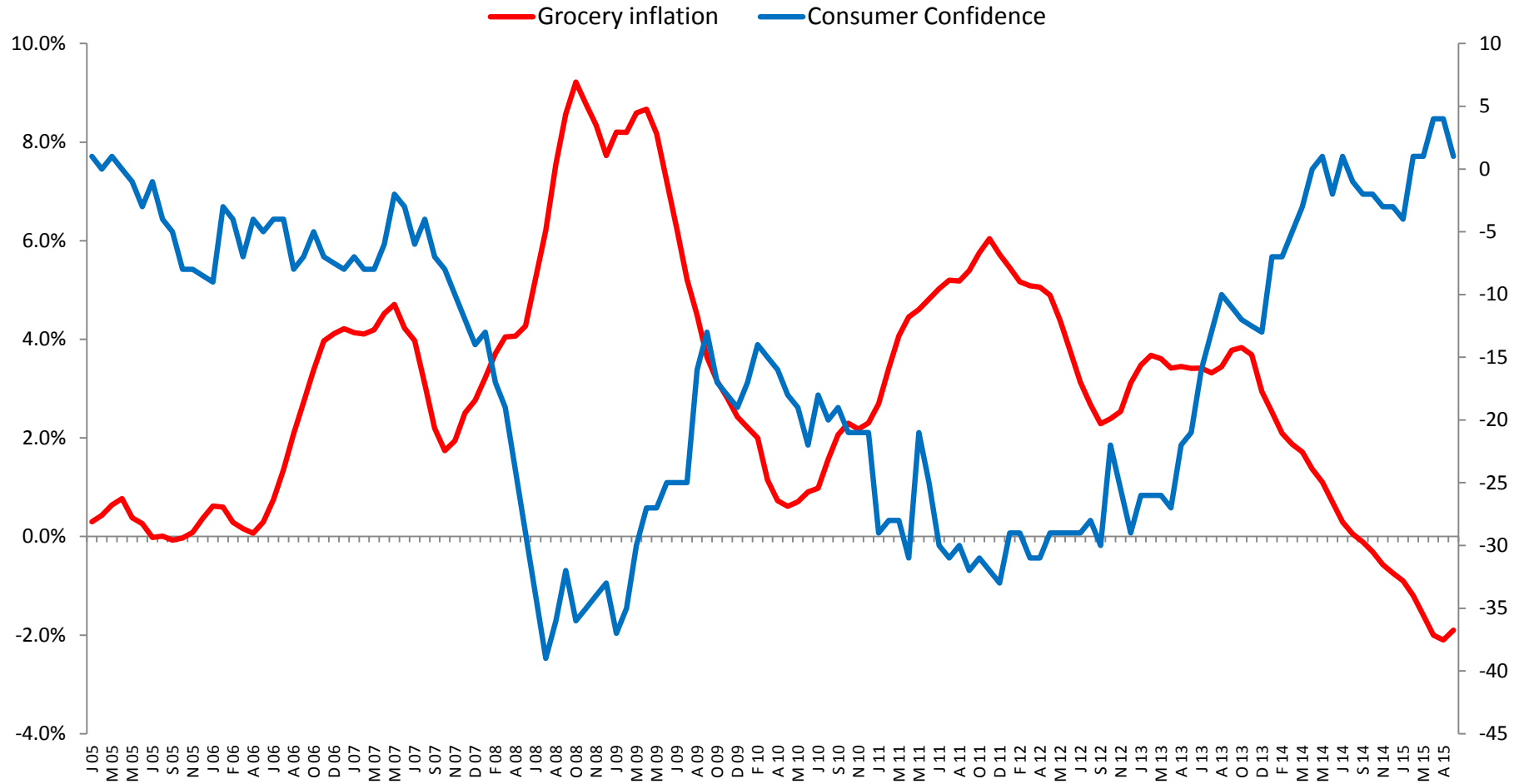
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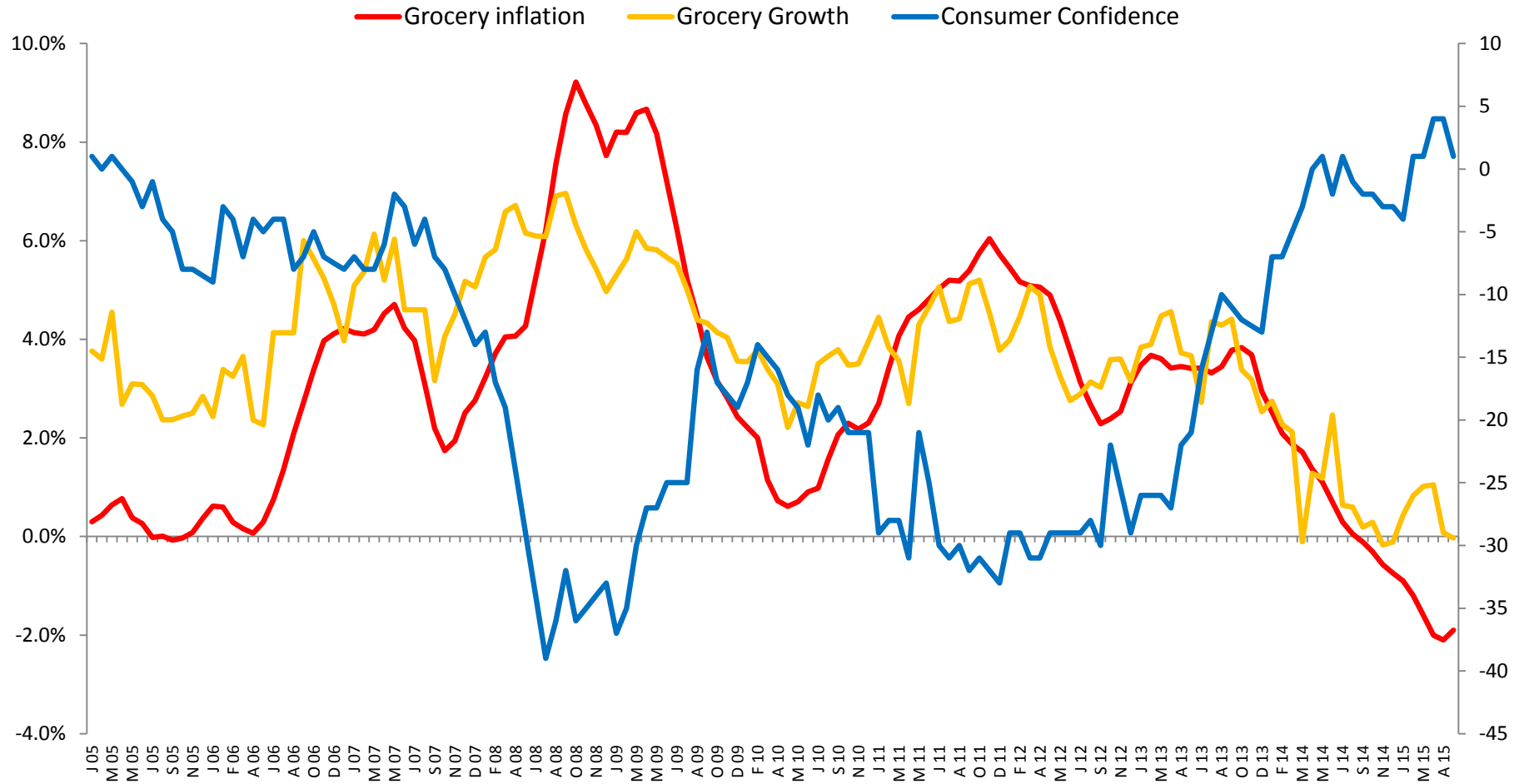
A LAND OF food and drink

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Grocery Price Inflation, Spend Growth, & Consumer Confidence



Grocery Price Inflation, Spend Growth, & Consumer Confidence



Higher confidence means increased spending across the economy



People want to have a good look, be fashionable when they exercise.

Total Fragrance juices over 75cl :
treat via lower (<£40) or higher price range (>£60)



Retail Market (12 wks ending 16 Aug 15)

Total Till Roll - GB Consumer Spend					
	12 Weeks to 17 August 2014		12 Weeks to 16 August 2015		% Change
	£millions	% **	£millions	% **	%
Total Grocers	24,740	100.0%	24,964	100.0%	0.9%
Total Multiples	24,229	97.9%	24,443	97.9%	0.9%
Tesco	7,122	28.8%	7,056	28.3%	-0.9%
Asda	4,256	17.2%	4,150	16.6%	-2.5%
Sainsbury's	4,060	16.4%	4,063	16.3%	0.1%
Morrisons	2,718	11.0%	2,689	10.8%	-1.1%
The Co-operative	1,589	6.4%	1,607	6.4%	1.1%
Waitrose	1,219	4.9%	1,264	5.1%	3.7%
Aldi	1,187	4.8%	1,401	5.6%	18.0%
Lidl	897	3.6%	1,012	4.1%	12.8%
Iceland	485	2.0%	502	2.0%	3.4%
Other Multiples	694	2.8%	699	2.8%	0.7%
Symbols & Independents	511	2.1%	521	2.1%	2.0%



Breakfast

12%

Late Evening

8%

Free WiFi

Mid-morning

39%

Dinner

13%

Lunch

35%

Mid-afternoon

37%

Summary – the UK Foodservice Sub-Channels Spectrum

Ranked on Forecasted Spend Growth - 2016

Stagnant

QS Fish & Chips

QS Ethnic

Café/Bistro

Non-Commercial

Status Quo

FS Ethnic

FS Pizza/Italian

Retail/Supermarket

FS Traditional

Growth

QS Bakery

Pubs

Vending

QS Sandwich

Travel & Leisure

Stars



Casual Dining

QS Chicken

QS Pizza/Italian

Hotels

QS Burger

QS Coffee

■ Less

■ More

Local or regional foods

3%

37%

Foods with high animal welfare claims

4%

34%

Fairtrade foods

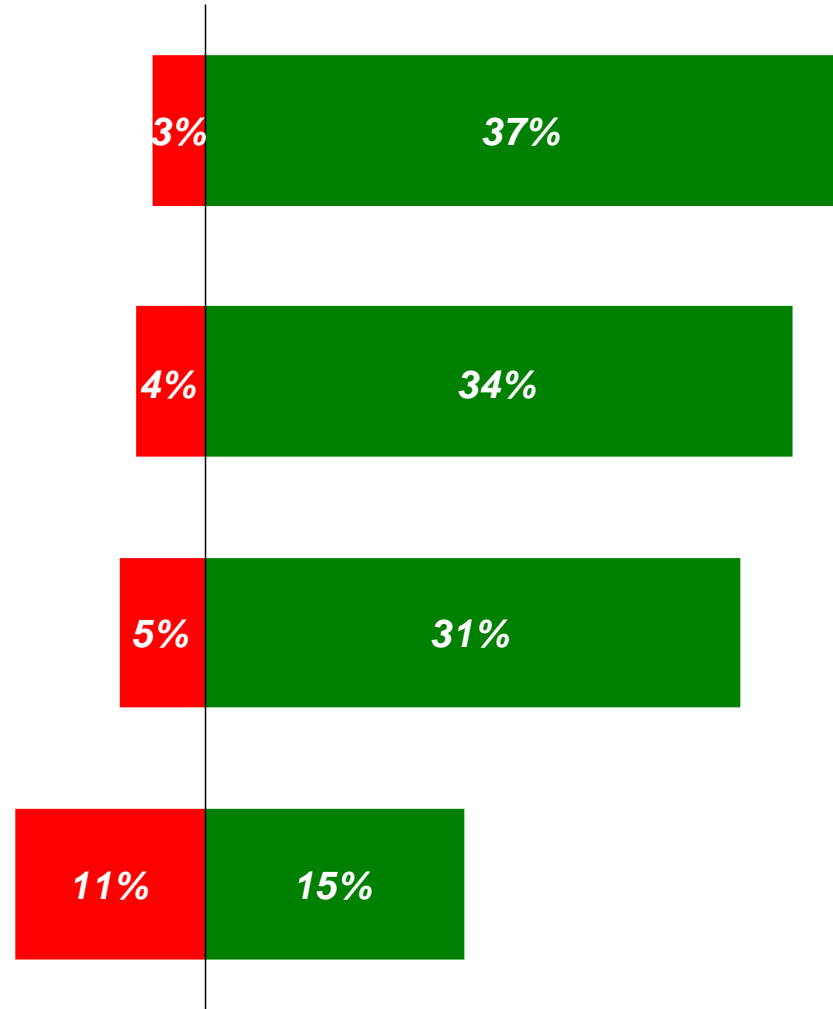
5%

31%

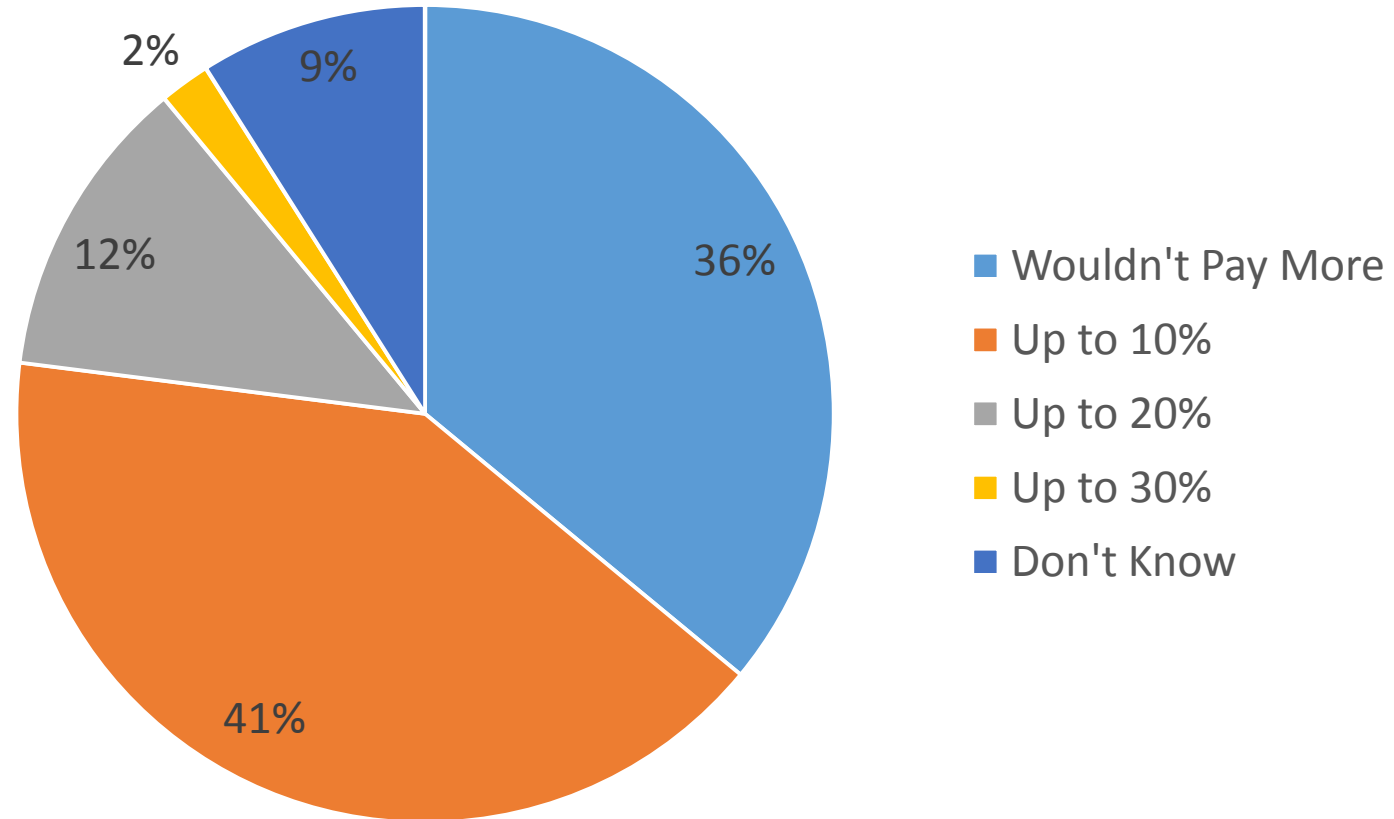
Organic foods

11%

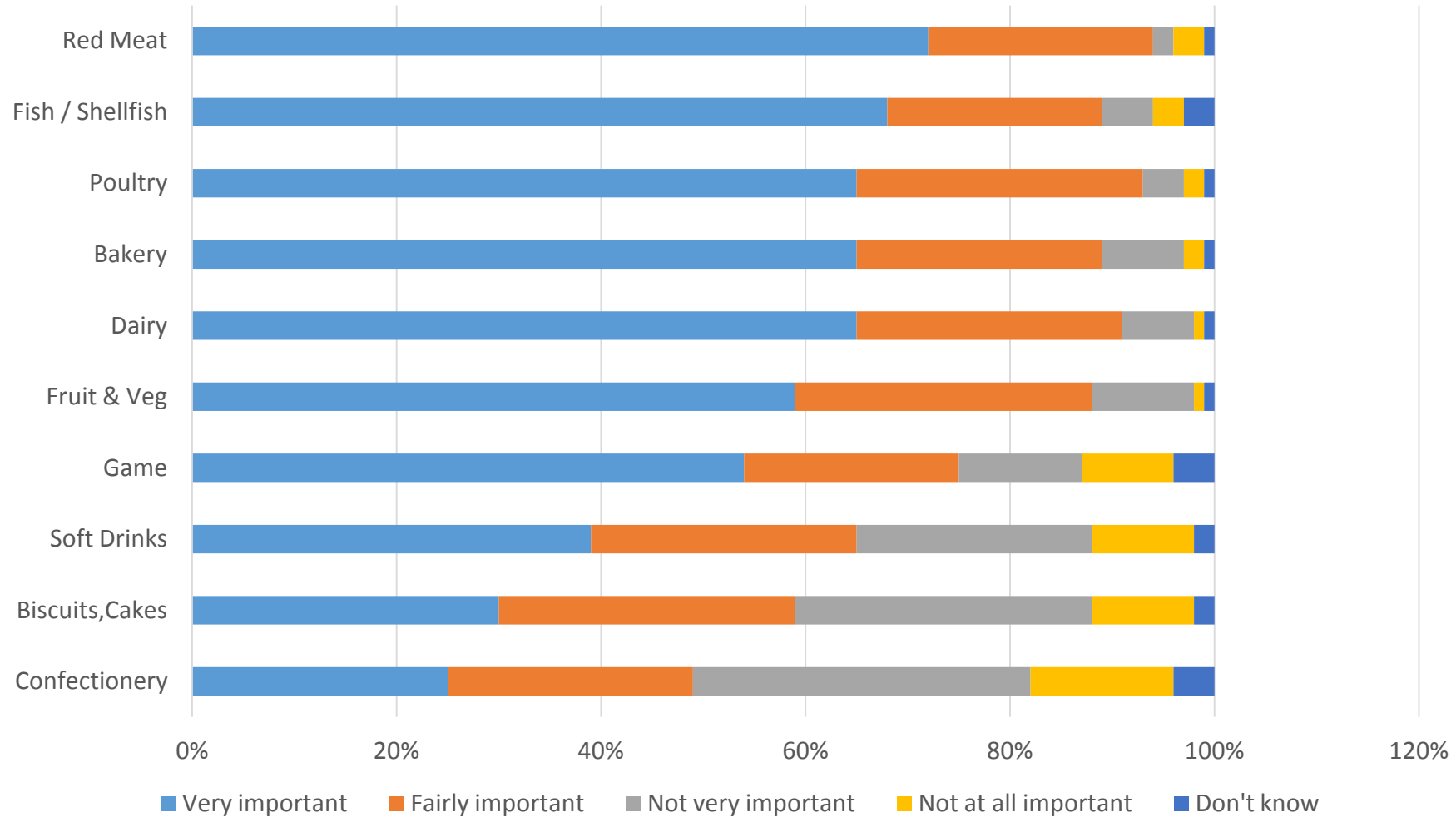
15%



Likelihood to Pay More for Scottish Products:



Importance of Availability of Scottish Food and Drink:





Scotland voted best place to eat and Drink in the world



Outside, one of America's leading magazines - has selected Scotland in its annual Best of Travel awards for its "miles of coastline", "abundant mushroom and strawberry harvests" and "massive beef industry".



Our reputation is growing



“Getting better at putting our best food forward”

*“...two sectors in Scotland have been both ambitious and strengthening: **tourism** and **food and drink**....as we mark Scotland’s Year of Food & Drink, we’re seeing increased collaboration.”*

Collaboration - Growth

£1 in every £5 visitors spend in Scotland is on Food & Drink
£2.5 million every day









YEAR OF FOOD & DRINK SCOTLAND 2015



GLENEAGLES
SCOTLAND 2014

Growing value, growing reputation

SCOTLAND
OF FOOD & DRINK

Collaborative Groups

Collaborative Exports Solutions



Scottish Craft Distillers Ltd



Fine Cheese Makers of Scotland



ASAP Smokies



THE **BREWERS**
ASSOCIATION
OF SCOTLAND

Scottish Rapeseed Oil Group



Scottish Artisan Tea Producers



Scottish Chocolatiers Network



Ice Cream Alliance



Scottish Farm Venison



Scottish Bakers



Opportunities

- Much work has gone in to make suppliers fit for public procurement – still evolving
- Budget challenge – best value vs cheapest price
- Whole supply chains solutions
- Scale through collaboration