

Food for Thought

A Covid-19 update from the Food and Drink Wales Industry Board



18 May 2020

"The Food and Drink Wales Industry Board exists to champion food and drink in Wales and the current unprecedented crisis caused by Covid-19 has shown that role to be more vital than ever. The aim of this update from the Board is to signpost businesses to the information that is needed right now in a concise format.



We recognise that many businesses have slowed or stopped production or furloughed staff, while for others production is at or above pre-crisis level. It is vital that we identify the key challenges and work with Welsh Government to tackle these issues.

There will be many aspects of the industry to consider in the future including the role of finance and technology, which markets we target and capitalising on any beneficial new ways of working that have resulted from this crisis.

But for now, we recognise that times are extremely difficult for many, many businesses in the sector. I encourage you to connect with the Board and share your concerns and insights so that we can provide the best solutions for your business and the sector at large. It is our mission, in partnership with Welsh Government, to work closely with food and drink businesses to ensure we continue to have a sustainable, resilient and profitable industry. We would also like to thank you for taking the time to read our newsletter. We hope this newsletter provides the information, resources and support you are looking for during this time."

Andy Richardson, Chair of the Food and Drink Wales Industry Board

Key actions from the week

*some but not all actions

- We have hosted weekly, in-depth conference calls with our Board members and senior Welsh Government colleagues to identify the challenges and opportunities presented by Covid-19. We have invited sector experts into these meetings to provide additional insight to these issues.
- We are continuing to work closely with the Business Innovation Centre (BIC) on the Investor Ready Programme to ensure businesses are prepared for the future.
- The Board is continuing to gather data and evidence regarding Welsh food and drink businesses and markets to present to Welsh Government ensuring the food and drink industry in Wales remains a priority in recovery planning.
- We continue to coordinate closely with the Food and Drink Federation to ensure we gain the best possible insights from a UK perspective and to represent the interests of the Welsh food and drink industry.
- We have engaged with all Cluster groups for sector-specific insight and actions.
- The Board met with key representatives from the dairy industry and government to gain insight into the continued crisis affecting dairy farmers and to focus discussions on practical solutions for the industry.
- We continue to engage with both Welsh and UK Government regarding the timing and impact of Brexit, in light of the many food and drink businesses already suffering hardship following the coronavirus crisis.
- We are in dialogue with Government regarding the future of the furlough scheme and the impact of any changes to the scheme on the food and drink sector in Wales.
- We've continued to share links to information, support and toolkits via [Twitter](#) and [LinkedIn](#) as well as supporting with social media toolkits.

Top news stories of the week

- [Campaign to boost consumer demand for milk gets underway](#)
- [Waitrose in steak promotion push to address beef carcass imbalance issue](#)
- [Food supply chains need a rethink](#)
- [Welsh snacks firm donates stock to feed frontline work](#)

COVID-19 support

Click through for additional information on resources available



Access to finance during COVID-19



DIT UK Government support webinars



Manufacturing guidance, including microbusinesses



Funding to support Welsh dairy farmers



Advice for business and employers



Welsh food and drink workforce collaboration

Voices from the industry

With Alan Wyn Jones, Managing Director, South Caernarfon Creameries



South Caernarfon Creameries (SCC) is Wales's oldest and largest dairy farming co-operative, born in 1938 following a pioneering campaign by founder John Owen Roberts to bring farmers together to market their milk.

In recent years SCC has invested £12m in a new state-of-the-art cheese production and redevelopment of the packing plant at our original base near Pwllheli. This is the first major cheese production new build in the UK for 40 years and has allowed us to invest in a host of technological and operational improvements. Sales reached a record high of £52 million for the year to March 2019 and are set to hit over £60 million in the current year.

The Covid19 crisis has meant we have had to operate on a reduced workforce as some staff have needed to self isolate, but we have still collected and processed all 135 of our member farms' milk, which has meant introducing extended shifts for some staff. In the early days of the crisis retail volume demand increased by 100 per cent overnight due to panic buying, and this demand also had to be met with a reduced workforce and extended shifts.

We have introduced safeguarding measures for our employees throughout the business from on-farm collection to production and packing, and set up remote working and virtual meetings for non-production staff.

Outside of retail, business has seen a reverse in demand with food service and b2b markets reduced by around 50 per cent. The liquid milk sector outside of retail is in crisis, which has impacted the whole market. From an SCC perspective, we have put two major capital projects put on hold when work had already started. We are eager to restart these projects as soon as Welsh Governments guidance says it's safe to do so.

Our number one priority remains our staff's safety and welfare as well as a commitment to collecting and processing 100 per cent of farmers' milk, while also achieving the maximum value possible to the farmers.

Businesses in the food and drink sector will carry on facing huge challenges once lockdown measures and government support is eased, so it's vital that schemes such as the [Food Business Investment Scheme](#) continue, both now and in the future.

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