MIDLANDS ENGINE

MIDLANDS ENGINE FOOD AND DRINK SECTOR AND SUPPLY CHAIN

DECEMBER 2022

DEFINING AND QUANTIFYING THE FOOD AND DRINK SUPPLY CHAIN

The definition of 'Food and Drink' is critical because the traditional 'farmgate' divide in the sector is increasingly blurred and the success of the supply chain is intimately linked to the success of the agricultural supply base. **The UK food chain is the UK's largest manufacturing and service sector:**[1]

- It has sales of £235billion and GVA of £127billion (2019);
- But only 8% of the GVA and 11% of the food chain workforce works in agriculture. Thus, for every £1 in value created in agriculture, a further £11 is created in the rest of the food chain and for each agricultural job, a further 8 jobs are found in the food chain.

The food chain includes all those businesses and employees who support:

- Agricultural and horticultural production;
- Food and drink processing;
- Food logistics and storage, including those services associated with international trade;
- Marketing and wholesaling of food and drink;
- Engineering and machinery suppliers who support food chain production, packaging and distribution;
- Energy, water and waste businesses who deliver services to the food chain;
- Professional services including technical food services (QA and testing), marketing, accountancy, legal, banking and finance. These businesses play a key role in cluster development and innovation diffusion across the food chain.

All of these activities are considered **as part of this report, which profiles the scale and opportunities for the Midlands Engine (spanning 65 local authority areas across the UK's central belt) food sector and supply chain.** It has been **co-produced by Midlands Engine Observatory (MEO) in partnership with the Midland Future Food Alliance**, a collection of industry representative bodies, businesses, universities, LEPs and other organisations, formed to maximise the potential of the food sector in the region. The Food Alliance's industry expertise is recognised as a key contribution to this report, supported by data and intelligence provided by MEO.

This document is a linked but more detailed report to the Midlands Engine Food and Drink Factsheet; while the underpinning evidence base and data can be shared on request.

KEY FACTS AND FIGURES

- There are an estimated **857,000 jobs linked directly to the food chain** in the Midlands Engine region, equal to **17.6%** of all employment.[2] This is a larger proportion than the Great Britain average **(16.2%)** for the sector, while reflecting that the Midlands Engine accounts for 17.3% of food and drink jobs in Great Britain.
- Jobs are estimated[3] as being broken down into the following activities:
  - **214,000 jobs in core commercial production & supply chain**: agriculture, food and drink manufacturing and packaging. (21% of the Great Britain total).
  - **485,000 jobs in consumption:** the retail and catering/hospitality of food products. (16% of the Great Britain total).
  - **159,000 jobs in relevant enabling activities**, such as freight, engineering services and professional/business services. (19% of the Great Britain total).
- There are an **estimated 66,000 food and drink sector businesses across these activities in the Midlands Engine**, 16.1% of all businesses in the Midlands Engine. Comparatively, the sector makes up 15.1% of all UK businesses.[4]
- In 2020, **the food and drink sector is estimated to have contributed around £32bn GVA** to the Midlands Engine economy, over 13% of the total.[5]
  - **£10.7bn worth of GVA is within the core commercial production and supply chain** aspect of the food chain, including over £2bn in agriculture and fisheries and over £6bn in food manufacturing.
  - **Food consumption contributes £12.3bn GVA to the region's economy**, driven by retail (£5.5bn GVA) and hospitality / catering (£3.9bn) mostly, and underpinning the visitor economy sector.
  - **£9.9bn further GVA is added by enabling activities** such as logistics and warehousing of food products (£3.5bn) and other supporting services like recruitment and professional services (£3.8bn).

Taking advantage of key opportunities and overcoming barriers in the sector will require further investment and beneficial policy across the food chain, including support for efficient and sustainable UK production and innovation.

By providing the support required for the ecosystem across the Midlands Engine, we can fuel and harness this potential future growth through innovation and sustainability, delivering a more resilient, self-sufficient and continually growing food chain in the Midlands for wider UK benefit.

- One of Midlands' biggest strengths is exports, with the Midlands being the second highest exporting region for food in 2021 with **£1.8bn food goods exports** – the second highest region, behind London **(£2.5bn)**; confirmed by the Food and Drink Federation.[6] The existence of multiple Protected Designation of Origin (PDO) products supports the region's international USP – for example **Stilton cheese, Bramley apples and Melton Mowbray pork pies** – as well current and future opportunities in **food tourism**.
- Since 2014/15, the **Midlands Engine has received at least £13.4m in Innovate UK funding for food and drink relevant innovation activities**, **including more than half a dozen awards in 2022 already.** Major awards over time have included:
  - £975,000 awarded to Ubiqutek for an Electrical Weeding Solution for Arable Agriculture
  - £250,000 to the University of Lincoln for Advanced Cooking and Cooling Technology
  - Funding for the creation of a "Hands Free Farm" through the Hands Free Hectare project, run by Harper Adams University and Precision Decisions. The project accelerates the development and showcase of agricultural automation with the world's first fully autonomous cropping cycle.

[1] Agriculture in the United Kingdom 2020 - GOV.UK (www.gov.uk)
[2] ONS BRES (2020)
[3] Proportioned to estimate scale of activity relevant to the food chain
[4] ONS Business Counts (2021)
[5] Proportioned using jobs / GVA per employee data at sector grouping level
[6] HMRC Regional Trade in Goods Statistics: Based on SITC section 0, 1 and 4.

- **Up to 30% of the English vegetable crop** is picked in Lincolnshire, and **70% of all consumed fish** in England is processed in Grimsby. **While Worcestershire and Herefordshire have expertise in soft fruit, together with Warwickshire making up over one-fifth of the value of England's fruit industry activity.** Livestock is an important part of the food chain across the Midlands, particularly in Lincolnshire, Staffordshire, Leicestershire, Shropshire, Herefordshire and Derbyshire.[7]
- The Midlands' strength is not limited to agriculture though, with **major food and drink manufacturing facilities present in the region and concentrated locations of cluster strength**. These include **parts of Lincolnshire such as South Holland (over 7,000 food and drink manufacturing jobs), North East Lincolnshire (6,000) and North Kesteven (3,000), as well as elsewhere,** including **Melton (3,000), Bassetlaw (4,500) and Leicester (6,000)**. Annex 2 maps out the specific areas of strength in the core food chain activities of agriculture activities and food & drink manufacturing; reflecting the different places of strength depending on the stage of processing required.
- There is key food manufacturing / processing sites across the Engine, including **Marmite, Pilgrim's UK, Walkers - which produces over 11 million bags of crisps a day** in its Leicester site - and **Cadbury, which produces 1.5m Cadbury Creme Eggs a day in Birmingham**. See Annex 3 for a list of major companies across the food chain.
- The Midlands **has the highest farmed area out of all English regions at 2,136,00 ha**; the East Midlands has 1,203,000 ha whilst the West Midlands has 932,000 ha.[8] Some areas remain particularly reliant on the agricultural economy, for example **in The Marches LEP area (including Herefordshire, Shropshire and Telford & Wrekin), farmed land makes up three-quarters of total land.**
- The Midlands has both the **highest crop and livestock output out of all English regions**, with £2.2bn crop output and £2.5bn livestock output in 2020 at current prices.
  - Crops: Including £472m of fresh vegetables, £375m of wheat, £201m of barley and £44m of protein crops.
  - Livestock: Including £867m of poultry, £603m of milk and £326m of cattle.
- The Midlands Engine has further strengths in critical enabling activities, such as **being home to the "Golden Triangle" of logistics**, as well as engineering and professional services. There is also a distinct visitor economy and hospitality offering across different places in the Midlands.

[7]DEFRA: Agriculture in the English Regions
[8]DEFRA: Areas are taken from 2016 June Survey of Agriculture and Horticulture.

FOOD ACTIVITIES AND SUB-ACTIVITIES	MIDLANDS ENGINE JOBS	ME % OF SECTOR TOTAL	GB % OF SECTOR TOTAL
CONSUMPTION: RETAIL AND CATERING	**484,455**	**56.5%**	**63.0%**
Hospitality & Catering	257,200	30.0%	35.6%
Retail Activities	176,305	20.6%	22.1%
Wholesale Activities	50,950	5.9%	5.3%
CORE COMMERCIAL PRODUCTION & SUPPLY CHAIN	**213,701**	**24.9%**	**20.4%**
Agriculture and Fisheries	89,155	10.4%	9.8%
Chemicals Manufacturing	1,600	0.2%	0.2%
Drinks Manufacturing	8,550	1.0%	0.9%
Extraction of Products	40	0.0%	0.0%
Food Manufacturing	89,710	10.5%	7.6%
Packaging	13,530	1.6%	1.0%
Wider Manufacturing	11,116	1.3%	0.9%
ENABLING ACTIVITIES	**158,651**	**18.5%**	**16.6%**
Engineering and Testing Support	9,173	1.1%	1.2%
Logistics & Warehousing	70,116	8.2%	6.3%
Supporting Services	67,973	7.9%	7.5%
Waste Services	11,390	1.3%	1.6%
FOOD CHAIN TOTAL	**856,806**	**100.0%**	**100.0 %**

Source: ONS BRES 2020; some activities proportioned for food chain relevance.

CHANGING FOOD PRODUCTION FOR GOOD

CASE STUDY

SmartParc
Food Production Reimagined

SmartParc SEGRO Derby is an exciting new type of food park, which is reinventing food production for the 21st Century. It represents an entirely new asset class in the commercial property sector, bringing together world-class purpose-built food production facilities and support services, all on one site. It has been developed jointly by top quality partners: SmartParc provides in-depth food industry knowledge and manages park operations; and SEGRO is one of Europe's largest and most successful property management companies. They are supported by: CBRE - the world's leading commercial real estate agent; and TSL - leaders in technical construction for food.

SmartParc is regenerating the old Celanese 150-acre brownfield site in Derby. The new Park will deliver commercial, operational and environmental benefits to tenants, the local community and the regional economy. It will create 5,000 new jobs, and deliver regional GVA of £430m (based on forecast turnover of £1-1.5bn). Shared non-competitive services will deliver benefits to the environment, reducing operating costs by 20% and energy costs below market rates against a sustainable green road map. Tenants range from: major international food brands; to ambitious start-ups; to vertical farms; to R&D, service and support organisations. Hello Fresh is already operating on site, with several others in the pipeline.

INDUSTRY TRENDS AND CONTEXT

The period from February 2020 to now has been marked by major political, economic and societal changes, which have impacted the food chain at every level, and most extremely within micro and small businesses. The major changes are:

- Brexit, which changed how food trade operates for circa 70% of food imports and exports, i.e. the share of food and drink exports and imports which were with the EU; and the employment of foreign workers;
- The impacts of Covid-19 on how food is produced and consumed;
- The war in Ukraine which disrupted global food chains leading to major rises in food prices and the costs of key inputs including energy (gas, oil, electricity), feed costs and fertilisers.

Despite these challenges, the food supply chain has continued to grow with only a small very short dip at the start of the first Covid lockdown, with agriculture and food and drink manufacturing bouncing back within under a month. Both have since grown as demand for UK sourcing increased. Food retail has grown as consumer shopping habits changed and people socialised at home more. Food service was badly impacted by Covid with over 80% of staff furloughed in May 2020, but by early summer 2022 food service sales were above their pre-pandemic level.

The future growth potential for the food chain is complex and multi-faceted, but the Midlands is well placed to respond to most of the major trends, given the breadth, diversity and scale of its agri-food supply chain and serving of major multiple markets (retail, wholesale, independent stores, hospitality, export). The region has UK leading concentrations of agricultural production, food processing and is the UK's largest logistics and distribution centre for food and drink supply chains.

The core food chain is supported by UK and world leading academic research and innovation, which builds on historic Midlands strengths in automation and mechanisation, a growing reputation for novel and healthy foods and companies at the forefront of sustainability and clean growth.

CHANGING FOOD PRODUCTION FOR GOOD

CASE STUDY

International food group, Princes Limited, a subsidiary of Mitsubishi Corporation (Japan), employs 7,000 staff globally, including 2,500 in the UK. Long Sutton in Lincolnshire is the firm's largest UK food production site, manufacturing a range of canned products including peas, pulses, baked beans, fruit and canned ready meals. It is one of the largest employers in the area and its operations support hundreds of regional jobs in businesses and industries that provide raw materials and services.

Princes has recently invested £80m in the site, with a new pea processing plant, raw material warehouse, ingredients processing kitchen and a high-speed canning line at the facility, making it the company's biggest ever capital investment. The new canning line and warehouse will see a high level of automation with 6-axis and 2-axis robot technology while the sites existing Manufacturing Execution System will also see upgrades to software accommodating the new investments.

Barry McDonnell, Group Operations Director at Princes, said: "This is very significant investment for us and is a major commitment to our UK manufacturing and providing long-term, high-quality employment opportunities in the area. Our development programme includes state of the art automation, better energy efficiency, green energy generation and increased capability and capacity".

Opportunities

The food chain has major opportunities for growth, with a focus on Levelling Up by using new technology and investment to deliver higher value, higher skilled and better jobs. The food chain provides the opportunity for young people and older workers to join a sector which is truly global, where global demand continues to rise steadily by 1-2% per annum and value by 5-6% per annum. The Midlands is well placed to respond to this by focusing on key drivers including:

- **Clean Growth** - the food and drink sector, from farm to fork, is embracing low carbon supply chains, building on UK significant clusters of renewable energy and new technology. The post pandemic push to build back better and deliver green growth also includes work on single use plastics, food waste reduction, regenerative agriculture, and the development of the circular economy, all areas in which the Midlands food and drink sector have leading companies and research centres.
- **Diet and Health** - the long-term trend for consumer demand for healthy food to increase was reinforced by the Covid pandemic. With UK and world-leading companies and an academic base focused on healthy foods, the region is well placed to exploit this trend. The region has already seen major investment in plant proteins, healthy manufacturing and food reformulation.
  - Customers now actively seek to reduce their meat intake with 31% more adults planning to eat more meat-free than in the previous year, and 43% of UK consumers changing their habits to help the environment.
- **Trade, Import Substitution and Inward Investment** - the UK demand for domestically sourced food is rising providing opportunities for agriculture and food and drink processors to deliver, shorter, more resilient supply chains. UK food and drink has a global reputation for high quality with world leading food QA systems, which create substantial export potential for UK food and drink

manufacturers. This also ensures a resilient offer for attracting greater inward investment into the UK food chain; with DIT identifying multiple High Potential Opportunities across the Midlands Engine specifically, and including relevance to food:

- Food processing automation in Greater Lincolnshire
- Sustainable farming systems in Telford and Wrekin
- Precision agriculture in Telford

- **Automation and Digitalisation** to drive productivity - food chain productivity has been growing faster than for UK industry as a whole and the leading cluster for food chain automation and digitalisation in the UK is in the region. This capability builds directly on the Midlands' historic engineering base, its strength in agritech and provides a large market for technology translation between sectors by utilising expertise developed, in a new high value market.
  - The region is the UK and European leader for Agri-robotics and automation, supported by industry and government, to develop world-leading, long-term solutions to labour supply constraints. Industrial application to these technologies presents significant growth opportunities for investing businesses.
  - There is significant demand for Industry 4.0 technology solutions required by the food chain whether it would be transport and logistics such as 5G, blockchain, automated loading systems, driving modernisation of storage and warehousing or supplying the demand for cool chain technology.

AGRI LIVING LAB

CASE STUDY

The Satellite Applications Catapult and Harper Adams University have been working on an exciting new initiative, the Agri Living Lab, which aims to use satellite technology to revolutionise the agri-food supply chain. The 'Agri Living Lab', which will be fully launched later in 2022, will have facilities for testing, training and demonstrating tech at the Harper Adams University campus in Shropshire.

The vision for the Agri Living Lab is to transform the use of terrestrial and space data and communication systems across the agriculture and food and drink sector. The Agri Living Lab network will bring together stakeholders from across the whole supply chain, to create an ecosystem where innovation, knowledge exchange and practical real-world solutions can be taken from concept through to market.

The initial collaboration between Satellite Applications Catapult and Harper Adams University will be followed by the development of a wider network of Agri Living Labs nationwide.

- **Supply Chain Reconfiguration** - the Midlands is the UK centre for food warehouse and distribution centres serving UK and international food markets. Its strategic location at the heart of the UK on major transport arteries means this role in distribution will grow as the UK and global food chain embrace the need for streamlined supply chains and the transition to new distribution models such as online sales accelerates. Online sales depend on warehousing and cold storage rather than retail and high street infrastructure, and the region's pre-eminence in distribution centres and logistics expertise positions it for substantial further growth. The Midlands has significant potential to utilise reshoring which will both reduce carbon emissions and allow for greater exports across the world.

However… Barriers to Overcome

- Food and drink producers persist their struggle with negative effects of **EU-exit and red-tape in the form of new trade agreements causing significant** delays; **significantly** reducing competitiveness of the UK food chain and inflating costs from insufficient cold chain technology and new administrative costs.
- In the same vein, **COVID recovery has caused a significant disruption to supply chains which were already reorganised due to EU-exit.**
- Surging costs due to the **cost-of-living crisis**, particularly utilities like fuels and wages, with businesses lagging behind households in government support.
- Another challenge is to meet the constantly **growing global demand for food and drink products whilst increasing the UK's own food security**, with the UK importing 46% of its food consumed in 2020.
- Reducing energy consumption and the **environmental impact** of food production, processing and distribution.
- **Reduction in meat, sugar, fat, and calorie intake.**
- Meeting the constantly growing global demand for food and drink products.
- The conflict **in Ukraine has provided further pressure on large parts of the industry**, particularly related to price rises and access pressures for key commodities (including food) and critical inputs (energy, fertiliser).

- There is a trade in food goods deficit of £2.3bn in the Midlands Engine, reflecting that the region (and wider UK) remains reliant on foreign imports of foodstuffs.
- The sector continues to **grapple with finding a suitable workforce to fill roles**, be it within seasonal agriculture, advanced manufacturing, or R&D. This can be attributed to **demands for higher wages, flexibility, reduced number of seasonal workers, and a lack of skills**. With average salaries below the economy average in many aspects of the sector, attraction of workers to the sector is an ongoing challenge.
- There is a **lack of food manufacturing facilities for SMEs and micro business to grow** – i.e. food grade premises, development kitchens and innovation space.
- **The vast majority of food chain companies are small, lacking the capacity to absorb** the perfect storm of yield-affecting issues identified, and to compete on such things as adopting technology. **98.4% of food chain businesses in the Midlands Engine are micro or small (less than 9 employees);** many of these increasingly need support to progress and grow through the current economic headwinds, with local areas requiring greater resources to meet this demand effectively.

Key Assets / Centres of Excellence:

'Future Food Processing' is identified as a key priority activity in the Midlands, underpinned by the enabling technologies of Advanced Manufacturing & Engineering, Digital Technologies & Data, and Systems Integration.

The Midland Future Food Alliance has been formed – comprising Midlands, LEPs and industry spanning multi-nationals to SMEs to maximise the potential of and for the region. The Higher Education Institution asset base is well placed to tackle the challenges of a 'zero waste food chain' and 'food product innovation' with a focus on 'Net Zero – Zero carbon emissions and tackling wider adverse environmental impacts' and 'Health and Wellbeing – Sustainable healthy human life, including nutrition and healthcare', and with further adoption of digitalisation and creating and benefitting from advances in technology spanning the agri-food technology industry will help forge new products,

integrated systems (production, manufacturing, storage and distribution) and new markets.

Since 2016 Universities spanning the whole of the Midlands have had a research portfolio of £65.1m, with current projects valued at £87.2m and a future projection of £60m (projects in the pipeline). The internal HEI investments made in food and drink capabilities since 2016 have been ~£60m (developing the Sutton Bonington (University of Nottingham), Brackenhurst (Nottingham Trent) and Riseholme and Holbeach (University of Lincoln) campuses and the creation of the School of Sustainable Food and Farming (Harper Adams University, in partnership with Morrisons)) and with 1,400 interactions with companies through schemes such as Enabling Innovation Food Project (ERDF funding), Driving Innovation (ERDF funding) and developing a Centre of Excellence in Agri-food Technologies (Greater Lincolnshire LEP, ERDF and the University of Lincoln funding).

Some of the research funding has been at a multi-million-pound level (EPSRC Centre for Innovative Manufacturing in Food, University of Nottingham Future Food Beacon, EPSRC Internet of Food Things, EPSRC Centre for Doctoral Training in Agri-Food Robotics), enabling the development of cross-institutional interactions but too frequently funding is opportunistic as single projects. The region also hosts research centres in brewing sciences and dairy innovation, as well as The Centre for Formulation Engineering (University of Birmingham) which looks at zero waste food processes, and The Centre for Agroecology, Water and Resilience (CAWR) (Coventry University) driving innovative, transdisciplinary research on the understanding and development of resilient food and water systems internationally.

Furthermore, home to the National Centre for Precision Farming, the Agricultural Engineering Precision Innovation Centre at Harper Adams University (Shropshire) provides a hydraulics lab, research labs for tractors and machines, and a mechatronics lab. In July 2022, The Marches LEP area also announced funding awarded from UK charity the Dixon Foundation for a Marches Regional Food Hub. It will bring together councils in Monmouthshire, Powys, Herefordshire, Shropshire and Telford & Wrekin to create an innovative food procurement partnership.

A strategic and sizeable funding mechanism to integrate the Midlands' Innovation and Enterprise Universities is required to harness these foundations. While Building an Innovation Ecosystem in the Midlands: The UK Future Food Processing Accelerator, incorporating multinationals to SMEs and start-ups, through interaction with e.g. the Food and Drink Forum and The Mallows Company (links to food parks in Nottingham, Leicester and Moulton Park), and the wider HEI network will promote knowledge exchange, increase productivity growth through food chain automation, provide healthy and accessible food through developments in manufacturing, create sustainable supply chains, uncover new markets and products through collaborative innovation, and educate and train the next generation of innovators and skilled workers through ever-deepening interactions between HEI and industry providing a foundation stone for the future.

Other key current assets include:

- National Centre of Excellence in Food Engineering
- Loughborough University's Centre for Sustainable Manufacturing and Recycling Technologies
- RCUK Centre for Sustainable Energy Use in Food Chains
- National Centre for Food Manufacturing (NCFM)
- Lincoln Institute for Agri-Food Technology (LIAT)
- Lincoln Centre for Autonomous Systems (L-CAS)
- Refrigeration Research Centre
- Food Enterprise Zones
- Warwick Crop Centre
- Shropshire Food Enterprise Centre
- Ni Park, Newport, Telford

GBS LEP / GROWTH HUB & WINNY'S KITCHEN

CASE STUDY

Growth Hub

Dedicated business support by Midlands Engine partners is provided to businesses across the food chain, not least by local Growth Hubs. Greater Birmingham and Solihull (GBS) LEP's Growth Hub has a dedicated food and drink business account manager, which links into the LEPs on the West Midlands Food and Drink Forum - represented by small and large organisations (both private and public) in the food sector.

Winny's Kitchen is one company example that demonstrates the advice, guidance and leveraging of funded support provided to businesses in uncertain times. The company is a nationwide healthy meal prep delivery company that sought help from GBSLEP Growth Hub after concerns about Covid.

Winny's Kitchen were supported to apply for the Small Business Grant of £10,000, of which the director Shaun Sookoo stated "will help massively, and will still allow us to proceed with certain investments that need to be made within the business to continue to grow and achieve targets."

The Growth Hub also assisted with Shaun's business growth plans for Winny's Kitchen. The company was signposted to receive a grant for digital marketing, while helping Shaun get in touch with the University of Birmingham, who will help him explore the most suitable food packaging for his meals. On this, Shaun stated "I was blown away with the research element with the universities. I have been put in contact with one of the guys from Birmingham University and they have just started two projects with us…this kind of scientific backing and knowledge that we'll get will put us in a pretty unbelievable position."

EAST MIDLANDS COLLABORATIVE BUSINESS SUPPORT

CASE STUDY

Partners in the East Midlands have worked collaboratively in delivering successful food and drink manufacturing support activity over many years to enable business growth and create jobs in the sector.

Projects include the Food and Drink Innovation Network (iNet) (2007 to 2015) that brought together The Food and Drink Forum (lead), University of Nottingham, Nottingham Trent University, Lincoln University and Loughborough University to respond to an innovation deficit in the sector and raise the number and quality of interactions between them and businesses to drive economic performance.

Working at the heart of the food and drink sector, the iNet developed an effective network that provided funding to bring businesses' ideas and academic expertise together to drive innovation. The Food and Drink iNet engaged with over 1,000 businesses and delivered over 400 instances of one-to-one advice.

Innovation support continued from 2016 through the University of Nottingham's Food Innovation Centre, working with the Forum to deliver the ERDF-funded Enabling Innovation and the Driving Research and Innovation projects These have resulted in over 250 sector SME businesses receiving scientific/technical support and accessing knowledge, which will continue through to June 2023.

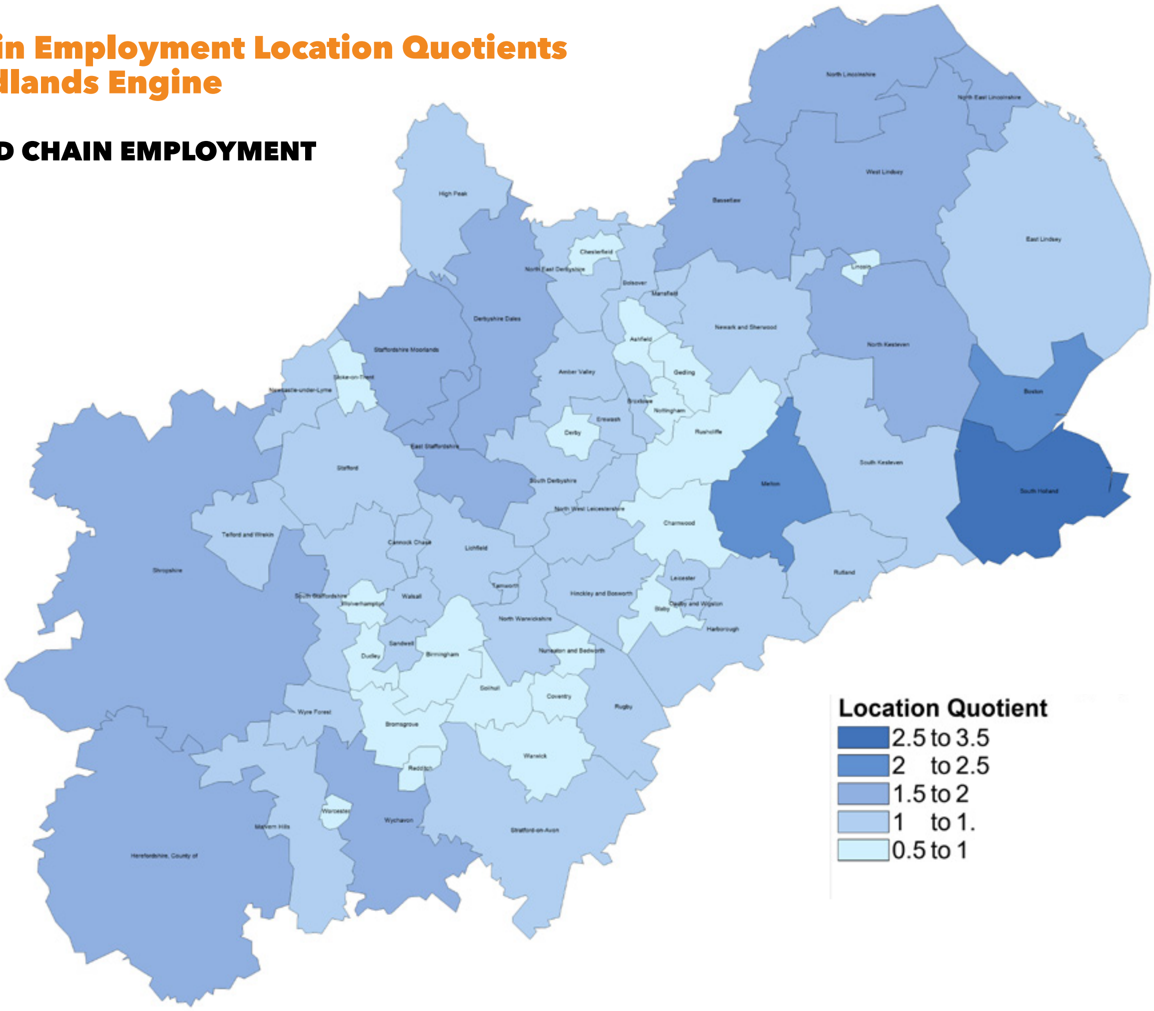
Other valued projects that focussed on competitiveness include the FEAST, FEAST2 and Collaborate projects, operated by The Food and Drink Forum and working with Nottingham University and other partners. These project offer a range of useful services to food and drink manufacturers, including grant funding, business mentoring, industry events and technical support.

Geographical Concentration

- Within the Midlands Engine region, **Greater Lincolnshire LEP (26.1%) and The Marches LEP (25.6%) have over one quarter of all their industry employment within the food and drink sector** – highlighting its importance within these places.
- This is supported by the map below, providing Location Quotient (the concentration of industries in places) data at the Local Authority level. **South Holland, Boston, Herefordshire, Shropshire, North Kesteven, West Lindsey and North and North East Lincolnshire** all have a strong concentration of food chain employment in these LEP areas.
- Additional places across the Midlands Engine have important clusters of food activity, including **Melton (Leicestershire), Bassetlaw (Nottinghamshire), Derbyshire Dales, East Staffordshire, Staffordshire Moorlands and Wychavon** (Worcestershire).

Food Chain Employment Location Quotients in the Midlands Engine

TOTAL FOOD CHAIN EMPLOYMENT



- These findings are reinforced on the table in Annex 1 and the maps in Annex 2 , demonstrating the high location quotients for food chain activities in these LEP areas, particularly within core commercial production and supply chain.
- The maps in Annex 2 provide an important breakdown of geographical strengths within important stages of the food cycle – namely agriculture and food & drink manufacturing. It reflects that the **strength of the sector across the Midlands is not uniform, with individual places having different strengths** and job reliance within the food chain; often reflecting their rural or urban / industrial nature.

ANNEX 1: SECTOR EMPLOYMENT SUMMARY

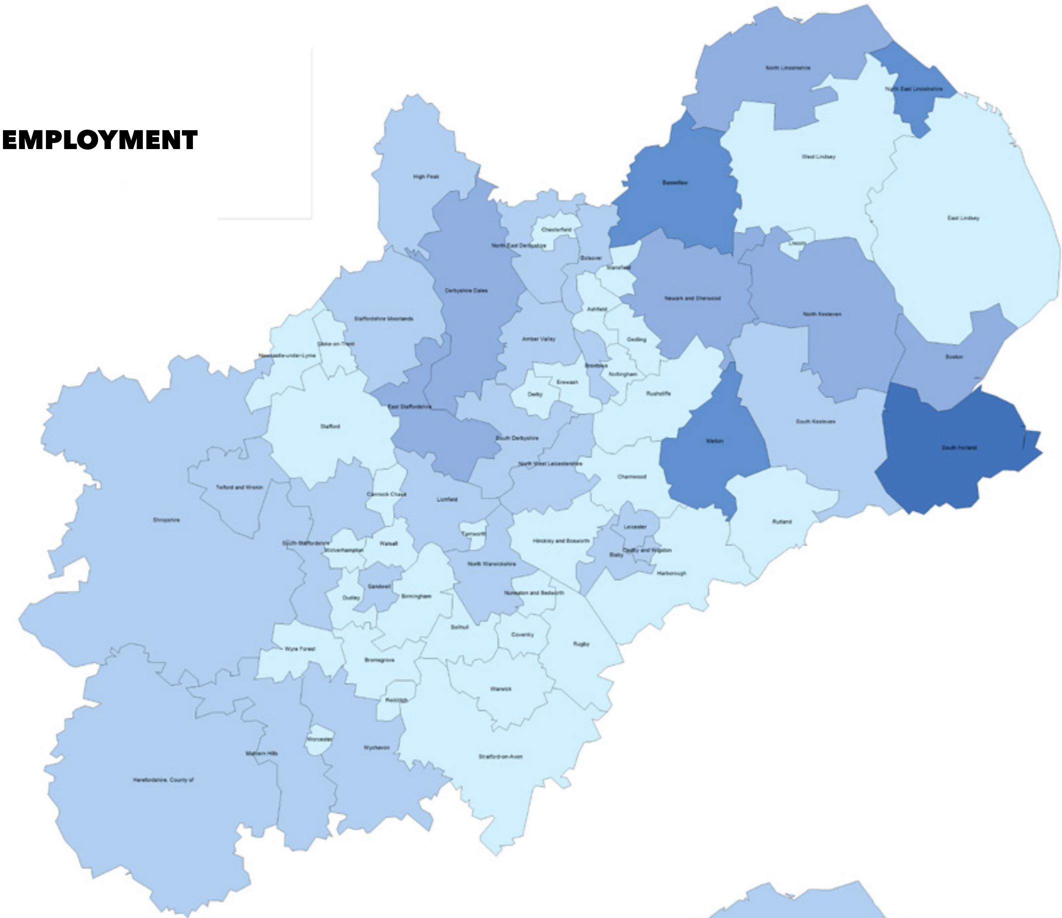
Total Employment for Food Sector - By Theme	Consumption: retail and catering		Core commercial production & supply chain		Enabling activities		Total		All Industries	Food as % of Total
	Number	Location Quotient	Number	Location Quotient	Number	Location Quotient	Number	Location Quotient		
Black Country	46,805	1.03	8,349	0.57	11,126	0.94	66,281	0.92	444,000	**14.9%**
Coventry and Warwickshire	42,765	0.89	11,653	0.75	14,888	1.18	69,307	0.91	469,000	**14.8%**
Derby, Derbyshire, Nottingham and Nottinghamshire	90,845	0.94	37,271	1.19	27,594	1.09	155,713	1.01	948,000	**16.4%**
Greater Birmingham and Solihull	98,005	0.98	14,095	0.43	33,003	1.26	145,104	0.91	981,000	**14.8%**
Greater Lincolnshire	50,575	1.06	54,164	3.51	16,971	1.36	121,714	1.61	467,000	**26.1%**
Leicester and Leicestershire	40,285	0.80	22,424	1.38	16,308	1.24	79,019	0.99	492,000	**16.1%**
Stoke-on-Trent and Staffordshire	51,040	1.04	20,828	1.31	20,392	1.58	92,262	1.18	482,000	**19.1%**
The Marches	35,585	1.12	34,245	3.32	10,139	1.21	79,973	1.58	312,000	**25.6%**
Worcestershire	28,550	1.04	10,673	1.20	8,230	1.14	47,455	1.09	269,000	**17.6%**
Midlands Engine	484,455	0.98	213,701	1.33	158,651	1.22	856,809	1.09	4,864,000	**17.6%**
Great Britain	3,115,750	1.00	1,010,075	1.00	818,293	1.00	4,944,120	1.00	30,547,000	**16.2%**

Source: ONS BRES; proportioned to estimate activity related to the food chain.

ANNEX 2:

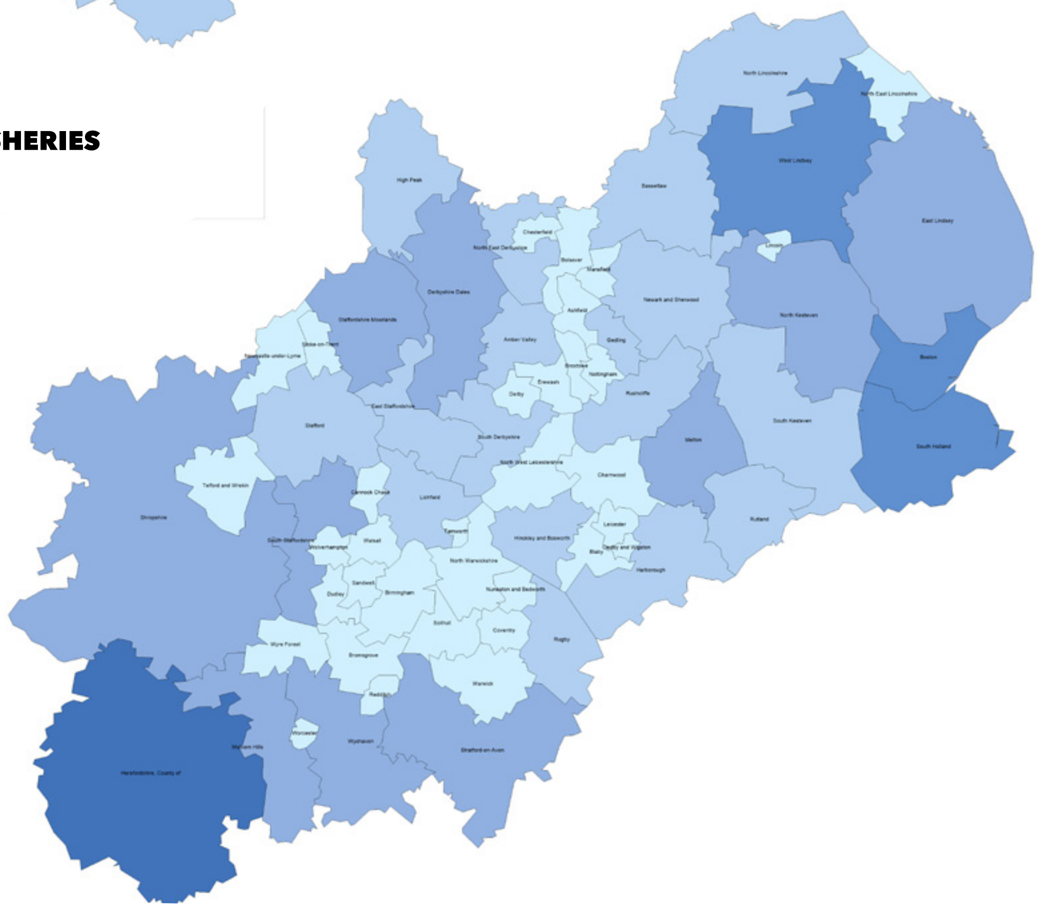
FOOD AND DRINK MANUFACTURING EMPLOYMENT

Location Quotient
10 to 13
6 to 10
3 to 6
1 to 3
0 to 1



ARGICULTURE & FISHERIES EMPLOYMENT

Location Quotient
7 to 8
5 to 7
3 to 5
1 to 3
0 to 1



ANNEX 3: MAJOR MIDLANDS FOOD CHAIN COMPANIES

1. 2 Sisters / Boparan Holdings Limited
2. Abbeydale Food Group
3. ABN: part of AB agri and ABF Plc
4. ABInBev
5. ACS & T Logistics part of Camellia group
6. AH Worth incorporating Emmett
7. Alltech UK Ltd
8. Americold REIT
9. AMP Rose
10. Anglo Beef Processing
11. Annyalla Chicks
12. Archer Daniels Midland Company, (ADM Agriculture Ltd)
13. Avara Foods
14. Aviagen Turkeys Ltd
15. Bakkavor
16. Beeswax Dyson Farming Ltd
17. Branston Potatoes
18. British Sugar Plc
19. Britvic Soft Drinks Limited
20. Burgess Farms (Produce World Group Ltd)
21. Caistor Seafoods Ltd
22. Cefetra Ltd part of BayWa group AG
23. Chandlers Farm Equipment ltd
24. Cherry Valley Farms Limited
25. Coca-Cola Enterprises
26. Countrystyle Foods ltd
27. Coveris UK
28. Cranswick
29. Cropwell Bishop
30. David Worldwide and Davis BV
31. Delifrance UK Limited
32. DGM Growers and Manor Fresh
33. Doubledays Group
34. Dutch Flower Group (Intergreen)
35. Dyson Farming
36. Elsoms Seeds Ltd
37. Fairburns Eggs
38. Fastnet Fish Ltd
39. FESA UK ltd
40. Flamingo Flowers ltd (Butters Group)
41. Flatfish part of Nissui Japan
42. Fold Hill foods Ltd
43. Fowler Welch Ltd
44. Freshlinc ltd
45. Frontier Agriculture Ltd
46. Garford Farm Machinery
47. GistWorld now part of M&S
48. Global Berry
49. Gousto
50. Greencell Ltd
51. Greencore
52. Greenyard Fresh/Frozen
53. Hain Daniels
54. Hilton Food Group/ Seachill
55. Heinken
56. Hovis Limited
57. J.O. Sims Ltd
58. JDM Food Group
59. Jepco Limited
60. Karro Food Group part of Sofina Foods
61. Karsten UK
62. Kerry Foods
63. KP Snacks Limited
64. Limagrain UK Ltd part of Limagrain Groupe
65. Lincolnshire Field Products Ltd
66. Lineage
67. Long Clawson
68. Magnavale
69. Marston's PLC
70. McCain Foods UK
71. Mondelez

72. Morrisons manufacturing
73. Moy Park
74. Mullers
75. Neame Lea / Bridge Farm Group
76. New England Seafood International
77. Noble foods
78. Nomad Foods
79. Northern Foods Plc
80. Nutrel Group part of the Synchemicals group (Vitax)
81. Omex Agriculture Ltd
82. Openfield Agriculture Ltd
83. Park Acre
84. PD Hook Hatcheries Ltd
85. PepsiCo International Ltd
86. Pilgrim Food Service
87. Pilgrim Prides Ltd
88. Piper's Crisps ltd part of Pepsico
89. Plant and Bean
90. Pork Farms Limited
91. Premier Foods Limited
92. Prince's Food and Drink Group part of Mitsubishi Corp.
93. Reflex Labels ltd
94. Refresco Drinks UK Ltd
95. Ripe Now
96. Sakata UK part of the Sakata group
97. Samsworth Brother
98. Sesvanderhave UK
99. Sleaford Quality Foods Ltd part of Jain Group
100. Staples Vegetables
101. Tayto Group Ltd
102. TH Clements
103. Thomas Bell and Sons
104. Thorntons Limited
105. Tropicana
106. TSC Foods (The Billington Food Group)
107. Tulip Ltd / Pilgrim's Pride Corporation
108. Ultimate Packaging
109. United Biscuits (UK) Limited
110. Unilever
111. Walkers Snack Foods Ltd part of PepsiCo
112. Warburtons Limited
113. Woldgrain Storage Ltd
114. WorldWide Fruit
115. XPO Logistics
116. Yara UK Ltd
117. Youngs Seafood part of Sofina Foods

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