

Environment, Food and Rural Affairs Committee

Oral evidence: Brand Britain: Promoting and Marketing British Food and Drink, HC 1039

Wednesday 9 January 2019

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[Watch the meeting](#)

Members present: Neil Parish (Chair); Alan Brown; Kerry McCarthy; Mrs Sheryll Murray; David Simpson; Angela Smith; Julian Sturdy.

Questions 1 - 95

Witnesses

I: Dagmar Droogsma, Director of Industry, Scotch Whisky Association, Katie Doherty, Policy Director, International Meat Trade Association, Sandra Sullivan MBE, Food and Drink Exporters Association, and Lee Holdstock, Trade Relations Manager for Soil Association Certification, Soil Association.

Written evidence from witnesses:

- [Scotch Whisky Association](#)
- [International Meat Trade Association](#)
- [Food and Drink Exporters Association](#)
- [Soil Association Certification](#)

Witness Examination

Witnesses: Dagmar Droogsma, Katie Doherty, Sandra Sullivan and Lee Holdstock.

Q1 **Chair:** Good morning. Thank you very much for attending our inquiry and happy new year. This is the first inquiry we have starting in the new year. It is very much about Brand Britain, very much about how we make the most of the great British products we have both here and in exports. I welcome you all this morning.

Starting with Dagmar, would you like to introduce yourselves across the panel and then we will start? Thank you very much for coming this morning.

Dagmar Droogsma: Thank you for having us. My name is Dagmar Droogsma. I am the Director of Industry at the Scotch Whisky Association. My normal day job is actually to focus on regulation in the UK and in Scotland. My colleague who is responsible for international is in the room next door doing the International Trade Committee on Australia and New Zealand, but I trust that I will have enough information for you as a Committee for your inquiry.

Lee Holdstock: I also thank you for inviting the Soil Association. Equally, I am here today as sadly we lost our policy director earlier on in the year, so it has fallen to me to follow up on our written submission. I am the Trade Relations Manager for Soil Association Certification. We are a subsidiary of the Soil Association and we are the largest UK organic food and farming body, so I do have some specialism around export and different areas of trade. Again, I hope to be able to answer questions around that.

Sandra Sullivan: My name is Sandra Sullivan from the Food and Drink Exporters Association. We are a trade association that does what it says on the tin. We work with UK food and drink companies purely in exports. We have around about 150 members that range from big brands that you would all know through to small SMEs just starting on their export journey. A big part of what we do is offering advice on a one-to-one basis, so training, workshops, export events. We take UK stands out to international trade shows, working with around about 300 companies in 12 shows in different markets each year. We are a DIT trade challenge partner for the food and drink sector.

Katie Doherty: Good morning. Thank you for the invitation to the International Meat Trade Association to attend this session. I am Katie Doherty. I am the Policy Director currently at the International Meat Trade Association and I will be taking on the role of CEO from March. IMTA represents both importing and exporting companies in the meat sector, covering beef, lamb, pork and poultry meat. We have SMEs from



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two people in the company right up to big multinationals. Our members are traders and they also represent the whole of the supply chain. We also have cold storage providers, shipping lines and levy bodies as part of our membership. Our members facilitate exports of products that are not readily consumed in the UK market, such as pig trotters. They have expertise around the world in exporting.

Q2 Chair: The first question is a fairly wide one: do you anticipate any big changes to food and drink exports over the next 10 years, and what are the growth areas either in terms of exports or markets? I suppose some of them are reasonably obvious but there might be some that are not. Let's start with Dagmar again.

Dagmar Droogsma: Yes, I am happy to start. In terms of the next 10 years, what we tend to do is first of all for each year set out priorities for markets. We have just set them for this year. There are 10 different markets spread out over the world, the Americas, Asia, Africa, and Europe we take as a block. What we are looking at in terms of those markets is a combination of factors. It is the potential for growth. It is the landscape in the markets. As an example, even if there could be some growth but the barriers are incredibly high, then you may think quite hard about it, but also the other way around. India is, for example, a priority market for us. The barriers are high, but if you can get a tiny percent of the India market then the gains are huge. We do that on an annual basis and I think it is fair to say that there is not a huge difference over the years in what our focus is.

Q3 Chair: I think I am right that the Indian market is quite protectionist, isn't it? They have quite large tariffs, don't they, and they subsidise food production quite heavily for obvious reasons?

Dagmar Droogsma: That is right and there are also differences per state. Therefore, you have multiple levels of barriers. Having said that, for a lot of our companies India is a really big prize to be had, as is China. I can give you an example. At the moment we have 0.1% of the spirits market in China; that is £64 million. If we could increase that to 1%, that would be half a billion pounds. You can start to see that even a small gain becomes extremely interesting for our members.

Q4 Chair: Yes, because it is a massive market, basically?

Dagmar Droogsma: Yes. Then, looking forward—and that is probably quite relevant for this inquiry—things will obviously change. We are leaving the EU. At the moment in a lot of our markets we are actually being helped a lot by the European Commission, particularly where we have trade agreements. What we would like to see going forward is that the UK steps into that space.

We are seeing positive developments, particularly with the appointment of regional trade commissioners. We also see in DIT that people are being hired on the market access side, and that is really our focus. It is about market access. As a trade association, that is where our role is. We do



not do trade promotion; that is what our members are best at. We focus on market access but also protection of the Scotch whisky category. That is a really big issue. As we speak, we have about 60 cases going on in the world to protect the Scotch whisky category. It is mainly through GIs and in some cases through trademarks.

Q5 **Chair:** Thank you very much for that. Lee, on the organic side, milk has been quite successfully exported, hasn't it?

Lee Holdstock: Absolutely.

Q6 **Chair:** What are the opportunities, do you think?

Lee Holdstock: In terms of a global market, we have seen terrific growth in organic. Through 2012 to 2016, for example, the global market grew from just over €40 billion to €80 billion, so there is significant growth. The growth is really being seen as a response to a changing global consumer, a consumer who is more mistrustful of food than ever. There are different markets emerging for us, such as China, where there are different motivations for buying into organic. In Asian markets, for example, it is really driven by a distrust of domestic food in terms of quality and contamination of food. Equally, in other markets, for example, the US is one of the largest markets globally at \$50 billion and that is growing at double digits, 11% year on year¹, and we are seeing not only a concern about industrial food production and quality of food, but positive health and conscious consumerism are also driving that forward.

Our own market is mirroring that in the UK. We are seeing 6% growth but we are effectively playing catch-up. We have had a very difficult period from 2008 through to 2012. We have a market that is structured very much around supply to multiple retail. During the economic downturn multiple retailers decided that organic is seen as a premium product and should be removed from the shelves. Sadly, we also have not been benefiting from the economic support many other EU countries have been giving to organic production base and the broader supply chain. We are playing catch-up but we see it as a huge opportunity.

Q7 **Chair:** Sandra, from the Food and Drink Exporters Association?

Sandra Sullivan: Our members typically are companies that are exporting branded products, so the products that you would typically find in retail. For us, there are the same issues that have been raised by both Lee and Dagmar, but equally we have to be targeting countries where there is a high disposable income. Typically, British exports of branded goods would be sold into multiple retailers in a high quality premium market, so for us that is really important that there is promotion in those markets to raise awareness of Britain and to sell our qualities. We are

¹ To clarify, this market grew by approx. 11% year-on-year from 2013 to 2015 and was estimated to be worth \$50B by 2017.



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known for having very high standards in the UK. Things like the GREAT campaign are very good at getting general awareness of Britain out there, but what we have to do within the food industry is to make sure that we are really pushing the quality, the safety and the traceability of our food so that we become first choice for a lot of these markets as they become more affluent.

Q8 Chair: With a brand, how much is it the responsibility of the brand to promote itself and how much is it for Government to help that? How do we link better together? Because in the end it will be the brand that has the most money, certainly when it comes to marketing. You probably want Government to facilitate this, do you, or what?

Sandra Sullivan: Yes, I think that Government's role is the overarching awareness and promotion. If you said to the average British consumer, "What do you think of French food?" they would have a pretty quick answer to that; the same with Italian food. When you take British food out to markets, they do not necessarily think of us because we do not have that heritage of a cuisine in the same way that the other countries have. Italy does very well because the whole world drinks wine and eats pasta. For us, we have a lot of very good quality products but, you are absolutely right, it is down to the individual companies to do their own marketing but that has to be assisted through in-market awareness on two sides. Commercially, I think that there should be people in market that are speaking to the trade. That is the only way people start thinking of Britain when they need a new dairy product, a new soft drink, whatever. Also on the regulatory side, where there are a lot of barriers in markets, making sure that we are in with the people in the market that are making those decisions is very key to being able to open up those markets.

Q9 Chair: Katie, as far as meat is concerned, I think that Britain is considered to have some pretty good meat so how do we export more of it?

Katie Doherty: Yes, Britain does indeed have some very good meat. Taking a step back from branding, in the meat sector we rely on market access. What I mean by that is veterinary approval. If there is growth in the Chinese market, currently we have access for pork to China but we do not yet for beef, lamb and poultry meats. We would be keen to get those products in so we can build our brand there because until you have consumers exposed to the product you cannot really do that so much. There is growth in the Chinese market, in east Asia, but also in African markets, and we need to make sure that there is enough resourcing in DEFRA in particular, also FSA and APHA, to support that.

Q10 Chair: On that, be quite open with us as to what you think is necessary. Listening to the processors in the meat industry, very often I do hear that they feel that the veterinary certificates are not ready, DEFRA is rather slow. I do not want to put words into your mouth but what is the situation? The whole idea of an inquiry like this is to go back to DEFRA



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and say, "I think you can improve these". What is your industry's experience?

Katie Doherty: It depends on the markets. Some markets like China are very much a multi-step process. It will take years, however much resource you put into that, although that does help. A ministerial visit helped to move that along, but it involves them sending their import conditions, us doing extensive questionnaires—it could be 50 questions or longer—involving lots of data that needs to be put together, and then there might be multiple inward inspection visits. There might be a systems visit where they come and have a look at the overall UK controls and the labs and that side of things. It is also a resource constraint on their side about their departments and markets that they are going to visit. They might also come over and inspect individual plants. China would want to see individual plants in order to list those for approval for China.

It is a multi-step process before you even get started on drafting the certificates and then our exporters having the certificates available from Carlisle and APHA. It is having staffing in DEFRA to be able to be completing those questionnaires to get the process started on different markets.

The poultry sector has an additional challenge with the fact that with avian influenza it is the same team in DEFRA that has to try to reopen markets when you have an outbreak as is opening new markets for the poultry sector. Resource really is key so you can get more questionnaires started and facilitate those inward inspections. With more markets being opened, the FSA then equally needs to be staffed in order to facilitate those inward inspections, not only for new markets but also to continue having access. China, when they come over and have a look again at UK controls a couple of years down the track—

Q11 Chair: You would say, sector by sector, that some sectors are perhaps a bit shorter in help than others? Would that be fair?

Katie Doherty: I just think that for meat globally, because of the need for veterinary approval, we do need that additional resource from Government. It is not something that industry can do because a lot of that is Government to Government discussions. There is industry support there and the Export Certification Partnership has a big role in driving and assisting that, but the actual Government to Government discussion needs to happen in order to move that access forward.

Q12 Julian Sturdy: Just a simple question on that: does DEFRA have enough resource to do that, yes or no?

Katie Doherty: No. Sorry to mention this very early on, but with Brexit obviously the meat sector has a concern about our ongoing access into the EU market. It is an urgent issue. We need more resource now so that we can be opening up other markets to ensure that—



Q13 **Chair:** You are most welcome to say that; that is what we are here for.

Sandra Sullivan: I think that dairy needs to be flagged up in the same vein. Basically, any animal product needs a certificate from the vet and there is a worry among the exporting community that the sheer scale of that has been underestimated in the need to get new vets because all the product that goes into Europe is going to need veterinary certification as well.

We had a major retailer at one of our events recently who is exporting thousands of lines weekly, and if he needs a veterinary certificate for every animal product, that is a problem. I don't think that the volume of individual transactions and the number of individual products that need a veterinary certificate—I do not know how that has been gauged by DEFRA in terms of taking on new vets. I think that there is a discussion about the vets not necessarily doing all of it, some of it moving over to Environmental Health.

Q14 **Chair:** That is right. We are going over to DEFRA on 7 February to look at some of their new systems that they are putting in place. This will be one of the key questions we can ask when we are there because everybody I talk to, and other members I suspect, are rather worried about making sure we have enough resource. I am sure we can do it, but it is making sure that it is done, isn't it? It is no good to wait until we get there and then say, "Oh, well, it is not happening".

Sandra Sullivan: We offered to DEFRA, just in a discussion yesterday, to do a survey of our members on the number of transactions and the number of SKUs that they export to Europe. Okay, we are only one section of the industry, but perhaps that needs to be done on a broader scale just to get a real number. It is just unknown at the moment because there is no equivalent.

Chair: Those are really good points between you.

Q15 **David Simpson:** To make the Committee aware, my family has an interest in the beef, pork, lamb and chicken industry, just in case you think I am lobbying.

The question that I have has basically been answered because of the detail that both Sandra and Katie have given. Katie, the question was put to you as to whether DEFRA has the proper resources. We are talking about the reputation and how we can improve the reputation of British food. If we look at what Germany and other countries have done within China, they would have a lot of advocates out there. We will use this as a figure: say they have 40 out there; Britain may have six. We need to up our game in that sense. I know China and Taiwan—

Chair: We will not talk about China because that is question 4.

David Simpson: Okay. We cross over very quickly here and get carried away. In relation to the countries, there are some countries that have opened up to fifth quarter animals, as you know, and in the dairy sector



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as well. I assume that you would agree that we need to have more feet on the ground in those countries. Yes, it is up to the companies to market and to use their strategy within organisations such as the Northern Ireland Meat Exporters Association or your organisation, which can promote, but we need feet on the ground and we need officials from Government. It is all about contact. It is about selling your product, but different countries like to have that touchy-feely; they want to see you there. I am sure you will agree with that.

On the other side, disease control and the veterinary controls and all of that, I had a conversation yesterday with the DAERA veterinary division in Belfast. They are saying that already we have licensing changes and approvals in the case—and we hope it doesn't happen—that there is a no-deal Brexit where the movement of cattle and the movement of sheep and other goods will just be the norm but tariffs will be a different issue. We do not know what will happen there.

From a reputational point of view, from a disease point of view, Katie, specifically to you, do you still think that British beef, pork and even poultry still has a stigma or a reputation of BSE or whatever in some other countries?

Katie Doherty: It is always part of the discussion when there is veterinary market access work. It is key part of the discussion and that is part of the process in challenging that. Yes, it is still a challenge for the beef and sheep sector. That is a key part of it.

Q16 **David Simpson:** When we talk about marketing, I know that the Northern Ireland Meat Exporters Association has discussed putting someone out in different countries to try to make its case because there are not enough Government officials. Although the Government will argue the case that they have, we know that they do not as compared to other European countries. Has your organisation thought of that, of trying to fund one or two people to go out and do that marketing and promotion?

Katie Doherty: We haven't as an association because we aren't as involved in the marketing and promotion, we are more on the prioritisation of market access. Karen Morgan out in China, which I think was partially funded by industry, has been an excellent example of how it is a positive, helpful thing to have somebody on the ground and expanding that, not only in China but also in other markets.

It is also a question not only of brand and promotion, but where maybe there is a media article about something, being able to respond very quickly and talk to the officials in market to alleviate concerns to protect the British brand is key. I agree with you that there are not enough feet on the ground in markets and we need to do more of that. Australia and New Zealand have some very good examples where they use veterinary counsellors. In Brussels they have veterinary counsellors and they are able to talk to the Commission on any ongoing issues and have those relationships.



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Q17 David Simpson: As regards the promoting of British goods, of course we have the Red Tractor and we have a number of those marketing tools. Do you see any negativity with using the British flag as part of the British goods? We had an incident, you may be aware, in the Irish Republic where products, including dairy products, were labelled with the British flag and there was a bit of protectionism and a bit of push-back from that. Maybe that is deeper political stuff there as regards that, but do you see any negativity with doing that or should we look at some other way of marketing?

Katie Doherty: AHDB did a really interesting report on consumer insights and looking in market and looking at the fact that different markets have different consumer feeling about the flag or about Red Tractor. Red Tractor, as you mentioned, doesn't necessarily have recognition around the globe. I think that we should maybe be looking, like AHDB has done, at what the consumers in markets want—and quality and food safety were key in the nine markets that they looked at—and then work back from there rather than looking at how we promote in the UK, looking and segmenting. Global consumers are not homogenous. We need to look in market at the particular consumer groups and then work back.

Q18 Chair: AHDB and the farmers pay a levy, don't they, every time a lamb is slaughtered or every time a cow is slaughtered? There is quite a lot of money there. Do you think enough of that money is being used to facilitate exports?

Katie Doherty: I think that AHDB do a fantastic job in trade shows and they are extremely involved in the market access work. AHDB is one of the biggest funders of the UK Export Certification Partnership as well as the devolved levy bodies, and they work going out to markets and providing information like the consumer insights report to provide exporters with information about consumer trends in market. I think that they are doing a lot on that front. They are doing a good job.

Q19 Chair: Sandra, from the exporters' point of view, repeating slightly my original question, when is it that exporters should be pushing their exports and how is it we integrate more the help from Government? In the end, it is you as exporters who are going to get that export market but you need Government to help you facilitate that. How do we make that work better?

Sandra Sullivan: Yes, I very much agree. There are some stats around that say only one in five food and drink companies are actually exporting. That is a good starting point. There is a lot of advice and knowledge that needs to get out to these companies to give them the confidence to be able to export. That is one thing.

The problem in the UK is that it is not standard across the UK. Scotland, Wales and Northern Ireland all have very strong national promotional events and plans around food and drink. England is dependent on which



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region you happen to be in. Some of those have ERDF funding. The south-west at the moment, for example, has ERDF funding, which I am sure you know. Therefore, the companies in those regions are getting more financial support in terms of getting them export ready. Having something that is more of a level playing field across the country would be a good starting point.

Companies do need to be encouraged to start exporting. The UK retail scene is so concentrated and so demanding of time of companies that they end up getting all their resources and everything in place to suit the UK retailers and then are saying, "Hang on, we have a small order in Hong Kong. That means changing all the factory, changing the labelling and doing this". Some of them will not do that because it is too risky for them to divert everything. Giving them the support to build their capacity and to build their knowledge is a vital starting point and then more support to get them out to market to see what it is all about. You can go to as many seminars, workshops, webinars and whatever on a country, but until you have actually been out to that country and seen it for yourself it is a completely different picture.

Unfortunately, the budget for the TAP scheme—you may know the Tradeshow Access Programme, which is a grant scheme to assist companies to go out to trade shows—has been declining rapidly year on year.

Chair: We are going to talk about that in question 5.

Sandra Sullivan: Is that coming up? Okay. I think from a Government perspective that is definitely something that could be done, and just being more joined up. You see there are four of us here as associations. We go to a roundtable association with trade associations and there is probably 30 people around that table working in food and drink. You then have all the Government Departments. You have the regions. You have DEFRA and DIT, which do work together but they are two Government Departments both with an interest in food and drink promotion. There is lots of great resource out there, but it is how we channel it into something that is more joined together that I think is the biggest challenge.

Q20 **Chair:** Dagmar, you want to come in.

Dagmar Droogsma: Yes, it is to pick up on one point that Sandra made. As the Scotch whisky sector, we are slightly different. Everyone exports, 90% of our product is being exported, and we sit in the same rooms as Sandra with lots of trade associations together and business. I think that there is a drive now also with the help of the Food and Drink Federation to bring associations and businesses together and to learn from each other. There is definitely from our sector an offer to help with that. Obviously, businesses have their commercial interests, but at the same time there is definitely a sharing of knowledge that is possible and that is happening through some of those initiatives.



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I would want to say, therefore, it is not just about relying on Government only, there is a lot that we can do ourselves and that we are doing.

Chair: That is interesting. Angela, and then I think Lee wanted to come in.

- Q21 **Angela Smith:** It is just a question relating to something that Sandra said. Sandra, the ERDF funding, of course, will disappear if we exit the European Union so we will be dependent on decisions made here in Whitehall as to whether or not that funding will continue. Could you perhaps indicate whether or not there is support for evening out that funding across the regions in the event of a departure? Is there lobbying in place to make sure that that funding does not disappear?

Sandra Sullivan: Yes, it is a risk because clearly it has been very useful to the companies that have benefited from it. It is a tricky one. I think that England gets a bit lost in everything. For example, when we do trade shows we use the GREAT branding, which is Great Britain and Northern Ireland. Within it would be a Welsh pavilion, a Scottish pavilion, and everything else is branded Great Britain and Northern Ireland. England does not have anybody fighting for it as a country, which means that it is all regional support, so that is why you have so much diversity.

Yes, I do not think it should be a postcode lottery, it should be standard. If there is a scheme, it should be a national scheme, it should not just be dependent on where you are located.

- Q22 **Angela Smith:** Would it be possible to provide us with written evidence relating to the detail of the ERDF funding to the regions that currently enjoy it?

Sandra Sullivan: Yes. I do not know the level of funding but I know the support they offer to exporters, the package of support that people could get.

Angela Smith: Yes, it would be very useful to have that.

- Q23 **Chair:** Yes, that is an interesting point. Lee, I think you wanted to make a point.

Lee Holdstock: Yes, just coming back to the Chair's point around how we encourage businesses to export and who should be pushing that, within the organic sector we have a large collection of quite small businesses, certainly within the SME area. Typically, food and drink exports are around 19% we understand from DIT. Within organic it is only about 8%. It is climbing up slowly and businesses are recognising the opportunity. In fact, a survey we recently did of 100 businesses showed that 25% of those businesses had increased their exports by more than a quarter. It is very encouraging.

We do provide the kind of support and knowledge that Sandra and the FDEA have mentioned in terms of getting them initially started with that capacity building, giving them the knowledge and the initial information



they need to start to form an export plan. Beyond that, what we are told by our members is that it is that intelligence, that in-country knowledge, that they are really short of. They are not clear on who could make a potentially reliable partner in-country, and that is incredibly important to them, or indeed what the routes to market are and where the opportunities are.

I return to this point around production. Critically, we very much import to export in the organic sector in the UK, so that is a real concern, particularly when we look at other European nations. For example, in France, Agence Bio is putting approximately €8 million of funding up to 2022 for organic production. It is a real concern. We will not be able to compete with that and it will block our access to markets, which will be taken by other European countries.

Q24 Kerry McCarthy: I will ask about China in a minute, but can I just follow up on that, Lee? I was thinking about this during the previous answers, that the organic sector is very small in this country by comparison with some of our competitors, I think I am right in saying. It was your colleague at the Soil Association who gave me these figures, so hopefully they are correct. At the moment it is 1.5% of market share, 3% of UK land. France is aiming for 22% by 2022, Germany has a target of 20%, so we are way below the Europeans, 27th in the EU ranks. If we are not producing the organic food in the first place, as you say, it seems slightly premature to talk about how we can export the British brand if we are not even catering for the domestic market. Just in the last few sentences you said that we are basically importing to export. In terms of where the Government focus should be, it seems to me that we need to be putting efforts into boosting organic production in this country first before we are looking at where the exports go. Is that right?

Lee Holdstock: Absolutely. I think that is going to be a real threat to the continued growth of exports from the organic sector. There are two things that we could be looking at. First, there is exactly that production support. I am quite disappointed to see at the moment that the Agriculture Bill is not specifically calling out a method of agriculture that we feel does deliver the public good that the Bill talks about considerably and can evidence that. We are surprised that that is not specifically in there. I think that a mention of that would be incredibly encouraging, and some sense of where the long-term support for organic farming or any agro-ecological approaches would be.

A healthy organic supply chain in the UK is a prerequisite to healthy export. There are other ways in which we can ensure the health of that supply chain; public procurement, for example. We have done a lot of work at the moment to improve public procurement of ethical food, ethically certified food. Our Food for Life scheme currently serves 1.8 million meals every day in the UK. Ministers have four different places within this particular estate to eat a Food for Life meal at lunchtime, and that is an incredibly powerful scheme. We would like to see an ambition



to double the number of Food for Life meals and some further support for that, because that is one of the key ways that we can encourage domestic sourcing, and that also helps to give us the strength for the UK market and puts us in a better position to export. Primarily, yes, we would like to see support for organic farming.

Q25 Kerry McCarthy: This inquiry is very much about Brand Britain and British produce. Is there a specific British organic brand? There is an EU certification scheme, so is there a way of differentiating or is it just that if something is organic it is promoted as organic? Do you see what I am saying? If you are meeting an organic standard, can we say that British organic apples are better than French organic apples?

Chair: I think that it is considered that our standard of organics is pretty good, isn't it? I think that it is considered to be so. Some organic food that is imported it is sometimes argued is not as organic as ours, so how do we make sure that we promote that?

Lee Holdstock: There are various certification agencies and bodies in the UK. We are quite unique in that we have some private standard setters such as the Soil Association Certification, whose job as an advocacy body, as a policy body and NGO is to drive those standards up. In some areas we would exceed the European standard for current organic farming.

I think that it is really important to differentiate, first of all. There are different labels and different standards. In terms of promoting UK organic, one identity for that could be quite challenging. What we tend to find is organic is a supportive proposition often to other propositions. Whether that is free from or geographical indications, organic is often that assurance behind that and gives a sense that the consumer in overseas markets can be sure of the safety and quality of that food.

There are so many different reasons that people will sell organic products and bio-organic products in our domestic market and overseas. I think that it will be quite challenging. We do currently have one UK standard and one UK mark, for example. That is something that I understand is currently open for discussion as we move to leave the EU.

Q26 Kerry McCarthy: Moving on to China, you mentioned Karen Morgan, who I think has just moved on to a new post in China, but she has had this role for a few years as the Agriculture and Food Counsellor. You seem to be suggesting, Katie, that she had quite a positive impact. I have two questions. One is it was almost like a little hobby of mine for a while to keep asking the Government questions about how the pig trotters protocol was doing, just because it seemed to me to be an ideal example. I think that we first started talking in 2008 about selling pig trotters to China, and then David Cameron announced it again with a big fanfare after he took this huge trade delegation out there. I chased up every six months and we still have not started selling pig trotters to China. I just thought it was a perhaps slightly humorous example. If it



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was so slow making progress on an export of one tiny by-product—basically, something we do not tend to eat in this country—what has gone wrong with a system that something like that takes so long? Has the fact that Karen Morgan has been in post helped smooth things over? How do we get around those sorts of delays?

Katie Doherty: Absolutely, having someone like Karen Morgan in place to navigate between the industry and DEFRA over here and understand what the import conditions are and what the Chinese requirements are is definitely helpful. Having more people like her on the ground would definitely help smooth things along.

Q27 **Kerry McCarthy:** Can you point to things that she has helped with, concrete outcomes?

Katie Doherty: I do not have anything to hand, but when there have been media stories in the UK that might say something about UK food and it has not necessarily been true, then she has been able to go in and talk to officials and say what the facts are, to make sure that the UK brand is not hit by that. It is just being able to have that relationship, which is absolutely key in a market like China, to be able to respond.

Q28 **Kerry McCarthy:** You seem to suggest that it is reacting to problems rather than proactively—

Katie Doherty: It is both. It is definitely both. Where there might be certain import conditions, she would be able to go in and talk to the authorities over there to understand better. She plays a role in facilitating some of the inward inspections that China has over in the UK, so it is a conduit and facilitation role and that is very beneficial. Market access is not a quick process because it is multistep and it does also rely on resourcing in the other markets to come over and do the inward inspections, particularly with China where there are a number of countries that want to get access for all of their range of products, so that is part of the picture as well.

Q29 **Kerry McCarthy:** A broad question for everyone is: should we be looking to replicate that post in other countries and, if so, where? Should we be looking to the US, for example? Also, are the Government too focused on things like big infrastructure deals in other countries and not looking enough at food and drink export opportunities?

Dagmar Droogsma: The good news is that the Government are going to replicate that. It is done through DEFRA. The latest information we have from DEFRA is that they have made a bid for a lot of resource in post, so specialist people with additional diplomatic skills that you need when you work overseas. That process is now set in motion and there will be similar posts to Karen Morgan in a range of priority markets.

Q30 **Kerry McCarthy:** You said DEFRA has made a bid. How does this work? These are FCO employees, are they?



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Dagmar Droogsma: No, they are specialist people in market so they will be people with DEFRA knowledge, because let's face it—

Q31 **Kerry McCarthy:** Who funds them?

Dagmar Droogsma: All funding comes from the Treasury, ultimately.

Q32 **Kerry McCarthy:** It is not that you have to go to the FCO and they have to decide one of their teams—

Dagmar Droogsma: I understand it has been agreed, so basically they are now starting to recruit people and those posts will be replicated and it will obviously take some time.

Can I come back to your previous point, though? You said something about are we doing something wrong abroad, and I think what Katie said is very true. Market access always takes a long time. It is about patience, lots of hard work. There are no quick deals to be had, and that is the experience of probably every industry. We have been successful abroad, but that is also the history since the 1920s. It is about working with Government in post, but also with Governments abroad.

If I see the investment we are making as the SWA in markets, that is huge. Take China as an example. Everyone talks about intellectual property problems in China. We are doing pretty well in the Scotch whisky sector but not because we just rely on what happens there. It is because we have made relations and it is even the case now that it is sometimes the Chinese authorities who point out that the brands are being used fraudulently. It is a huge investment. Trade does not just happen. That is sometimes underestimated and it is in discussions with trade associations where new exporters sometimes think, "That looks like a nice market, let's go there" but that is not how it works. It is a huge investment.

Q33 **Kerry McCarthy:** Is that difficult for you? You have an incredibly strong brand and it is like one product, but then if you are trying to replicate it, as Lee was saying, there are lots of small businesses that are involved, and I am sure Sandra is involved in businesses of all shapes and sizes. If it is difficult for you, then it is going to be very difficult for others.

Dagmar Droogsma: Yes, but it is a worthwhile investment and ultimately as a sector or an individual company you make a choice as to where you want to achieve your growth. For our sector we see that our growth is abroad. Our market in the UK is steady and that will remain quite similar, but the growth is abroad so, therefore, we invest. This sounds quite simplistic, but that is what it boils down to.

Q34 **Kerry McCarthy:** When you said that DEFRA has put in this bid to be able to get other counsellors, has there been any talk about where they want to send them, or where do you think they should send them?



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Dagmar Droogsma: Yes, I think they have already decided on markets but I do not know that off the top of my head. I do know that they coincide with a lot of our priority markets, so that is good news.

Sandra Sullivan: I could give you some background to that, if it helps. I think what Dagmar is referring to is a sector deal or a proposal that has been submitted by the Food and Drink Federation on behalf of the food and drink sector.

Dagmar Droogsma: This goes beyond that.

Q35 **Kerry McCarthy:** So there is a proposal and DEFRA has put in a bid from that?

Dagmar Droogsma: There is a DEFRA initiative for people in post and separately there is a sector deal proposal from the Food and Drink Federation for the food and drink sector for additional people in post as well, so that is working together with the sector and DEFRA, but DEFRA itself goes beyond that.

Sandra Sullivan: The markets that were identified in that one—I have the list here—were China, India, Japan, the US and the UAE as their preferred starting markets for differing reasons.

Q36 **Chair:** Katie?

Katie Doherty: I wanted to come back to your question about whether it is worthwhile if it takes so long. For the meat sector, particularly because of carcass balance and, as you mentioned, pigs trotters, certain things are not consumed as readily in the UK market. It is absolutely key that we have those markets opened so that the producer can get a better return, because they are able to find markets for all parts of the animal rather than having to pay a cost to send it for rendering. They are able to find value for all parts and that helps producers.

Q37 **Chair:** There are chicken feet as well that we should be able to get into China. I think that they pay more for chicken feet than they do for chicken breast, so it is fascinating. It is getting them in there, isn't it?

Katie Doherty: Absolutely. Poultry meat to China is a big priority and we would like to see that.

Q38 **Chair:** Are we pursuing chicken feet at the moment?

Katie Doherty: We are pursuing chicken into China. There was an inward inspection looking at the live side, because that was part of this multistep process, so it is in train but it is a few years off, probably, because of those steps.

Kerry McCarthy: I know when I was in China I bought my little niece and nephews all these little sweets from a store. Then I realised in my basket it included a little package of chicken feet to chew on, so I had to put everything back because I did not have a clue what I had bought for



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them.

Chair: They must be very crunchy, I would think, chicken feet. I do not necessarily fancy them myself, even though I am a great meat eater.

- Q39 **Julian Sturdy:** To lead on from what Kerry said, and going back, Dagmar, to what you said at the very beginning of this session, you talked about India as a priority market but then you talked about the barrier is high and state differences. With all that in mind—and India was mentioned, Sandra, on the list that the Government have currently put forward as one of the countries—are we doing enough? Each country has differences. You talk about China. We know the time that it takes to get things through China. Katie, I think you went through that in great detail earlier on. India is very different and we are talking about other countries. Nigeria is another possibility coming forward as a big, growing market. Do we understand enough and are the UK Government really doing enough to get through these barriers? I am concerned that Government talks about trade deals and, “Yes, we are going to get these trade deals signed up in 12 months, two years, it is not a problem” yet you come here and you talk about all these difficult barriers to get through and the two seem very far apart, if I am honest.

Dagmar Droogsma: More could be done. For example, you mentioned Nigeria. It is one of our priority markets. There is a huge possibility for growth there, but indeed there are barriers. Our legal team went there recently to talk about legal protection, but those are initiatives that we do ourselves. It may well be possible for our Government to talk about getting a much wider sense and paving the way for lots of business sectors, not just the food and drink sector but also others. Obviously, I do not know what they do behind the scenes. Perhaps it is happening, but on the face of it we would welcome more interaction in a whole range of markets.

- Q40 **Julian Sturdy:** You talked about India. Do we understand the fact that probably, and I do not know the answer to this, we need to be going on a state by state basis rather than a country basis?

Dagmar Droogsma: Yes, we start at state level, but then our business will focus on specific states because some of the Indian states are dry, so you do not even need to try. That is information that we have in-house, and that is also where we are working together with Government, sharing that information, and there is a use for interaction so it is not, therefore, Government officials trying to reinvent the wheel. They do use the information that we have found out but we definitely welcome more of that interaction.

- Q41 **Julian Sturdy:** Do you feel that the Government understand this and are on top of this or are they chasing their tail a little bit at the moment?

Dagmar Droogsma: I find that hard to judge. I think that the officials we talk to do understand it. They are the people in DIT and DEFRA and



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the Foreign Office that are specialised in those matters. I cannot say to you that overall that understanding exists.

Lee Holdstock: I will add that I think China would be a great example for us in the organic. We know that there is enormous growth and interest in organic in China, on the back of food scares, melamine being a classic example. Unsurprisingly, consumers in China are very interested in UK organic. Again, just to echo Dagmar, it is quite hard to get a picture of what is happening in terms of current trade negotiations when we look at it from a regulatory perspective, but currently China as a market is largely off the board for us in organic purely on the basis that their regulation requires an audit of UK farms. It requires audit of the entire supply chain right back to farms. We have had one or two businesses that have been successful with our help in making that happen, but if you have a multi-ingredient product with ingredients from all over the world, then to ensure that all of your supply chains have Chinese certification right back to source is incredibly difficult. We only see that being resolved as part of a unique regulatory acceptance with China of our own standards, and that is the piece we have been looking for for many, many years.

Q42 **Julian Sturdy:** You as the Soil Association have some very high standards, so is it about you getting the Soil Association's standards recognised by China so that it does not have to go right down to farm?

Lee Holdstock: No, it is about a current lack of recognition between EU regulations and Chinese regulations on organic, so it is quite a fundamental piece.

Q43 **Julian Sturdy:** Right, so that means all EU countries are suffering from this, not just the UK?

Lee Holdstock: Yes.

Kerry McCarthy: If we leave without a deal we are out of the EU scheme, so we then have our own battles to fight on that front as well.

Q44 **Julian Sturdy:** Will that set us back time-wise?

Lee Holdstock: I think that there is an opportunity there, depending on whether we can make the organic regulatory equivalence path trade deal. If we can, that would significantly open up opportunities for UK businesses in China.

Q45 **Kerry McCarthy:** In terms of the time lag, what happens? We are not going to get a trade deal in place that recognises that overnight. That is why I am obsessed with the pig trotters protocol, because if that takes that long, how long does a whole trade deal take? In the interim, what would happen to organic exports once we are out of the EU scheme?

Lee Holdstock: We are hopeful that some of those existing countries currently that accept our products on the basis that we are a member



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state will continue to do so. We have not seen the final detail from DEFRA on that. We understand that is progressing well.

Our main concern is, in the event of a no deal, that we have a couple of contingencies for organic that we cannot enact until 30 March, one being to have individual approval for the Soil Association in Europe to certifying in our own country. Currently, we have this so-called 1235 approval for some of the international work that we do, but we understand that we cannot start until 30 March and we could be looking at a nine-month process. This will be nothing short of catastrophic for the organic sector as we are exporting largely to these other EU countries.

Chair: We have to have our eyes open on this one.

Sandra Sullivan: Linked to that, something that needs to be said is that we are talking about growth and where growth is coming from, but our exporters are saying to us that if they manage to maintain current exports in the year ahead they will have done well. I think that there are huge risks; 70% of what we export pretty much goes to Europe. It is our biggest market. There are lots of opportunities in the world, but with food and drink you have cultural issues. A lot of products just do not translate into different markets. You have regulatory issues, you have shelf-life issues, so yes, it is all very good that the Government are talking about India and China and, yes, certainly for meat, whisky and certain products there is huge potential, but for a lot of the exporting companies that we are dealing with on a day-to-day basis who are selling confectionery, biscuits, soft drinks, the bulk of what they do goes to Europe. There are huge concerns that that is going to be impacted heavily over the next 12 months.

Katie Doherty: I just want to reiterate that and say for the meat sector, for all the meats, EU is the key market, particularly for sheep meat. In terms of shelf life, that is a good point as well because with chilled poultry meat with a 10-day shelf life the EU is the natural neighbouring country.

Q46 **Chair:** Yes, we did quite a big inquiry on the chilled poultry meat and the kill date and how long it has before it should be consumed.

Katie Doherty: The likes of New Zealand have done a lot to invest in extending their shelf life for chilled sheep meat. We would need to compete against that for our sheep meat going further afield, so the EU market and maintaining that is key for that sector.

Chair: There is a lot to be done. It can be done, but it needs to be eyes open, doesn't it?

Q47 **Mrs Murray:** Lee, you mentioned 30 March. Is there any particular reason? I notice from our brief that the Soil Association stated that for our farming and food industries the fastest growing markets by far both inside and outside the EU are for organic food. Clearly, we are already exporting outside of the EU and it is a growing sector, so where does 30



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March come in? Very clearly you have said that could hamper our exports inside the EU, but what is the reason for that? Why is it going to take nine months and why can work not be done to be ready before 30 March?

Lee Holdstock: We would have to apply to the body that is appointed by the EU Commission, the International Federation of Organic Agriculture Movements. They have a body called the IOAS, the International Organic Accreditation Service, and it would be down to them to vet the Soil Association Certification as an individual certifier to ensure that we are capable of delivering the EN834 regulation for organic farming.

Q48 **Mrs Murray:** We already comply at the moment, don't we, so there should not be any problem with that because clearly we already comply with the regulation?

Lee Holdstock: Absolutely. We are quite comfortable with working to it. We already do it. The concern is the length of time that it will take to deliver that vetting and accreditation of us as the certification body. The nine-month figure is a figure we have been given by both DEFRA and IOAS. Clearly, there is an anxiety about—

Q49 **Mrs Murray:** Have they given you a contingency to fill that nine month gap?

Lee Holdstock: Not as yet, no.

Q50 **Mrs Murray:** You are hoping they will?

Lee Holdstock: We are hoping that it will not be nine months and we are hoping that there will be a specific agreement around organic regulatory equivalence so that we do not have to face that nine months. I would say that, again to echo the other witnesses here, there are non-EU markets for organic. I have explained some of the challenges around China, which is limited to us, and there are markets such as the US, very large and growing very fast, but to quote one of our licensees, who in fact was our first licensee, from 1973, you have to have incredibly deep pockets, a lot of patience and a very strong stomach.

Q51 **Mrs Murray:** That was from 1973?

Lee Holdstock: For the US market, and it is a very expensive market to enter, very layered. The majority of our business and business that is relatively easy to get is within Europe.

Q52 **Mrs Murray:** Very quickly, obviously all Departments are preparing in case we leave without a deal. Has DEFRA indicated to you that one of the problems you have flagged up is being looked at in them preparing in the event that the UK leaves with no deal?

Lee Holdstock: Absolutely, and I will be back at Nobel House next Monday to be part of a meeting with DEFRA specifically around an organic contingency for no deal, so we are being kept updated.

Chair: Thank you. That is something that we did not cover in our report.



Thank you for that, Sheryll.

Q53 **Angela Smith:** How well does the Government work with trade bodies to promote British food and drink overseas?

Dagmar Droogsma: Scotch whisky has not been part of the GREAT campaign so far and we do not know why. It is a product with huge potential for growth and, therefore, as it is all made in the UK huge potential for the UK market in terms of jobs. I do not need to explain that to you.

Our goal for this year is indeed to make it possible that our businesses are part of the GREAT campaign. We are working with DEFRA on that so we are hopeful. DEFRA's priority markets for food and drink in the next two years are Japan, US and China and these are markets that are on our priority list, so we hope to see that things materialise.

Q54 **Angela Smith:** What is the perception in the industry as to the reasons why whisky has not been included in the campaign so far? What do you think the reasons are?

Dagmar Droogsma: I honestly do not know. We do not know and it would be helpful to understand what the decision making is behind choice for certain sectors or products. If we were in charge, we would perhaps make different choices, but obviously we are not. We do not know.

Lee Holdstock: I echo that. In the past it has been quite difficult to understand why, for example, products such as organic, which respond to, as I mentioned earlier, that change in the global consumer and the desire for more conscious consumers in environmentally friendly product, has not really been—I very recently met with the newly appointed DIT food and drink specialist who has informed me that there will be now five focal areas for food and drink, of which organic is one of them. That is quite exciting for us and we are interested in where that will take us, but generally we have found interaction with DIT to be very positive. There has been a lot of interest in the support that we have been given, but I think so far it has been very much DIT being supportive of the support that we are delivering to our paying licensee members, who we feel obligated to support.

Sandra Sullivan: Yes, where we work together we feed into Government a lot. Particularly in the last two years we have been feeding a lot of our exporters' feedback into both DEFRA and DIT, so that is a very close relationship. However, I think that it is what Lee said, they listen to what we are doing. I do not think we are particularly doing things together and in some cases we do end up treading on each other's toes a bit. For example, we might take a UK national pavilion stand with DIT support out to a show in China to then find that there is a mission visiting the show with a whole programme that is completely different to what we are doing, and clearly that does not make sense.



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We made the point earlier that there could be a lot more working together to make life easier and sharing resources, and I think that is something we do need to push.

Q55 **Chair:** Do you mean different Departments are doing their own thing rather than co-ordinating?

Sandra Sullivan: I think it is regions, to be honest. I think it would be that the north-east might suddenly decide that they are going to take a group to China or India or whatever, so they would not necessarily think that they have to tell anybody within the food and drink team. I do not think it is anyone's fault. I do not think anyone thinks they are doing anything wrong, but it is finding a way of getting it all joined up.

Q56 **Angela Smith:** It seems to me you are describing a lack of a strategic approach to this really, which is the point that you made earlier.

Sandra Sullivan: Yes, the food and drink team have a strategy. They have markets and they have a programme, but I think the regions are, or can be, autonomous to that, which is what creates the issue.

Q57 **Angela Smith:** There is no overarching Government strategy, in other words?

Sandra Sullivan: Indeed.

Katie Doherty: In the DEFRA international food action plan, published in 2016, they did recognise market access was key, so that was important for us. I guess, repeating my point earlier, the need for resource for market access is key. We work with other trade associations in providing business cases and prioritisation of the markets that we want to open, but we would like to see more work than those that we have prioritised already. The CVO is an important part of how we work, so the CVO will go over to different markets and build relationships and that is something also to mention.

Going forward, the relationship between DEFRA and DIT will become even more important. If the UK is in a position in future to have its own trade negotiations, a free trade negotiation is useless to the meat sector if you agree zero tariffs into China for beef. At the moment for us that is worthless because the SPS, the veterinary access, is not there, so we need that to be joined up and co-ordinated so that the benefits can be had in the future.

Chair: Angela, you can come back again, but I would like to bring Alan in.

Angela Smith: I have two other questions.

Chair: Yes, I am going to bring you back again, if that is all right, or you can carry on and do them, then. I do not mind.

Q58 **Angela Smith:** I was going to ask how useful the Tradeshow Access Programme is to companies looking to break into new markets. Does it



provide enough funding and attendance opportunities for businesses?

Sandra Sullivan: No is the simple answer. I think the TAP scheme years ago was more generous. I looked up a couple of statistics. In 2002, as far back as my records go, I think the TAP budget was £21 million. Last year it was £8 million. It is now more restrictive. You used to be able to get six supported participations at European shows and then six in developing markets. That has been taken away and I think that has had a very negative effect on getting people out to these markets where the new growth opportunities are. They are using up their lifelines quite quickly at the major European shows and then do not really have that incentive to go out and take a look at some of the new markets.

I think that there is a lot more that could be done. People say, "Oh, it is only £1,500" or, "It is only £2,500" but that is a big part of a company's spend. They are spending £15,000 to go out to these trade shows. It is an incentive to say that the Government support you, the Government want you to go, and for the scheme itself we are concerned at the lack of priority it is being given at the moment within DIT budgets because it proves its own worth. We have companies that come out to trade shows for the first time. They make use of the grant. They have built their export business. They still come to the shows, but they recognise now that that grant funding should be going to new SMEs, but there is not the volume of growth that lets enough of these people come through.

Q59 **Angela Smith:** Do you think there is enough political priority given to this work? In other words, we have heard in previous inquiries that countries such as China really appreciate our ambassadorial presence and that that helps to build a platform for the work that we are looking at today.

Sandra Sullivan: I totally agree. I think that is a role that the Minister should be playing. Being out, being seen in the market with senior Ministers is priceless. We do trade a lot on the back of our British traditions and an invite to the ambassador's residence to meet a high-ranking UK official carries a lot of clout in the market. Other countries do that very well. We are often at the major trade shows in Europe and we see VVIPs from different markets being paraded around the shows and we struggle to get anybody to come out at all. We would definitely support that.

Q60 **Chair:** I wonder if there is a role for the House of Lords there in some respects. China in particular, even though a communist country, really does like status, and status of individuals. They also like people to stay in post a long time. They do not understand us changing Ministers every five minutes.

Angela Smith: Well said, Lord Parish.

Chair: I am not there yet. I can think of a role but it is not there.

Q61 **Alan Brown:** Dagmar, you raised a point—and obviously we want to maximise every opportunity to grow exports—about Scotch whisky being



involved in the GREAT campaign. Clearly, Scotch whisky is all about coming from Scotland, the GI is important, but do you think it is a double-edged sword, with branding being a UK-wide or a Great Britain? I know there was some concern raised in Scotland that Bell's had a product with the Union Jack label on it. Clearly, they did that because they thought there was a market, but is there not in the long term risk of confusion to consumers when they are looking at heritage?

Dagmar Droogsma: It brings it back to something that came up earlier in the discussion. As a trade association we do not take a view on how our companies want to brand, but they do take a view based on the markets they are in. In some of the markets, the Scotland label will be well recognised and in others it will not, and they may use the UK brand. I think that is very much a commercial decision that we will not advise them on. We do hear anecdotally from our members that it really varies as to how you need to brand yourself. There is an anecdote from one of our bigger companies to say that in some of their markets the brand of the UK and Scotland is just not recognised, so they really have to go on the strength of the whisky brand. There is no generic answer to that, I think.

Q62 **Mrs Murray:** Can I just turn to the Food is GREAT campaign? I notice that it is an area where Government have increased the funding for this year, albeit by just £250,000. Has it been successful in raising the profile of food and drink? In your opinion do you think it has been successful?

Sandra Sullivan: I can make a general comment on the GREAT campaign. I think what that has done is it has been a very strong device to make branding Britain quite easy for those of us who have a presence in markets. I think that it is restrictive because of the products it covers. Some of the imagery does not quite work. For example, Food is GREAT has an awful lot of branded products on it, which we find really difficult to use because it looks like we are giving favouritism to one particular brand. Getting generic food photography when you are trying to promote the fact that we are good at innovative retail products is clearly a tricky one.

Where it has been tricky is going back to the point that Alan just made, which is on the regional and national branding. I know that Scottish and Welsh pavilions do not—

Q63 **Mrs Murray:** I am coming on to that, so I may as well ask you now. Is it better to focus more on British or on Scottish, Welsh, English and Northern Irish provenance? I should also perhaps mention Cornish, but is it better to focus on the individual devolved regions or do you think it should be looked at as British as a whole?

Sandra Sullivan: I think as a national campaign it is correct because it does state the full country name on the branding, so in my opinion that is correct. I think that where it lacks the flexibility is to incorporate the



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strength of those national and regional brands. That is a designer's dilemma as to how they have some brands within the main brand.

Certainly, when we go to a trade show it very much stands out. I think that it is done very well. I struggle to know whether it is a consumer-facing promotion at all, to be honest. To me, it is only ever seen in what we use it for, in the Food is GREAT, in the B to B environment. I might be mistaken because I do not know a lot about what they do in the UK market with it, but internationally it is certainly a symbol that has recognition. How you make it more flexible is a challenge that only the designers can come up with.

Lee Holdstock: Within the organic sector we struggle to understand where something like an organic green environmental high-welfare offer would sit within that branding, similar problems to the problems or frustrations that Sandra has covered in terms of creative and photography. I am minded to look at Ireland's Bord Bia's Origin Green campaign, which I think absolutely from our perspective is right on the money in terms of pushing the Government backing, the environmental credentials and purity of product. That is clearly at a much higher level in their minds, and I note that the members of Origin Green have moved their exports from £1.9 billion in 2012 to £9.1 billion in 2015. Clearly, that is working very well for the Irish Government.

Q64 **Mrs Murray:** Do you have anything to add? I notice that the British Meat Processors Association has already submitted some comments.

Katie Doherty: The British Meat Processors Association probably does have some comments on this, but from our perspective the focus is more on the market access side, so I probably do not really have anything to add on this.

Dagmar Droogsma: I think that the point that Sandra made is a very valid one. In terms of how you promote yourself, it is always a design dilemma if you want to break it down because, and I think it was mentioned here as well, that could cause confusion. As such, the generic label is probably right. I think as an alcohol sector where we have a specific design problem is that you are not going to go into some markets with a big poster saying, "Alcohol is great" because in some markets alcohol is not necessarily seen as a great product. That tension will simply be there, so I think from that perspective we would quite like the generic marketing type of thing and then you can break down when you are somewhere with your campaign and focus on the specific areas. That is just being utterly practical.

Sandra Sullivan: Can I just add one quick point to that? On the level of funding, you mentioned that the GREAT campaign is, I don't know, £60 million or something now, and then the Food is GREAT—

Q65 **Mrs Murray:** It had £1.25 million in 2017-18 and that has gone up to £1.5 million for 2018-19.



Sandra Sullivan: A point that I know other trade associations, not just food and drink, feed into Government as well is that you say that is a small amount of money. The value of the grants that we get for food and drink companies to go to trade shows last year was £230,000. We are spreading that across 12 trade shows, 300 companies. There is no Government investment at all into the branding, but we are expected to do it. Part of our commitment as a Trade Challenge Partner is we must use the Food is GREAT branding and our frustration is when they have a very big budget for the whole programme nothing is fed through to the trade show programme, which gives them a lot of visibility and a lot of recognition.

Q66 **Mrs Murray:** Who is responsible for that?

Sandra Sullivan: It is the TAP team who insists that we do it, so the Tradeshow Access Programme team within DIT insists that we use the branding. The DEFRA team controls the Food is GREAT pot, but the two sit side by side and we have to go asking, "Could we have a bit of money for an advert somewhere in the foyer?" or something like that, whereas that is frustrating when it does not need a huge amount of money. We are a not-for-profit trade association. The exhibitors are the ones that have to pay more money because we want to have a strong brand.

Chair: It is only £20,000 per show, isn't it? It is not enough, really. If we are going to promote it like other countries it is not enough. That is something we will drill down on. Alan, you wanted to ask a supplementary.

Q67 **Alan Brown:** I am just trying to think through some of the earlier comments on this. Is there any way you can quantify the question about how successful it has been? There is anecdotal evidence—your views—but is there any way to quantify where there has been any marked increase in exports directly associated with the GREAT campaign?

Sandra Sullivan: For the GREAT campaign I do not know. I guess that is within the DEFRA team who manage it. We use it as a device, but we are not measuring anything against it. It is purely a display for us. We could give you evidence on the grants.

Q68 **Chair:** Is it DEFRA or is it DIT that run it?

Sandra Sullivan: Good question. I think that Food is GREAT is controlled by the team at DEFRA.

Q69 **Chair:** The whole idea of Food is GREAT or Britain is GREAT is very much a Liam Fox sort of DIT thing, isn't it? My next question will be: how do they link together? It is fascinating to know how it works. Alan, I think that you wanted to finish off something.

Alan Brown: No, Chair, I was just wondering if it was possible for the Committee to write to DEFRA just to see how they assess what value they are getting and the return on their expenditure.



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Q70 Chair: Yes, that is a good point, Alan. That leads me very neatly into question number 7 because I am not convinced. I am not criticising DEFRA because it is DEFRA, but is DEFRA the organisation that is necessarily going to promote British food? Is it designed to promote British food? I suspect in the past it has not been. I am not saying it cannot be, but the question to you is quite direct: is it DIT that should be doing this? Is it DEFRA? How can they do it better? I am not convinced, not because I am criticising DEFRA, it is just that I do not think historically they have ever really done much of it. How do we get them geared up into Brand Britain, to sell British food? How do we do more of that?

Sandra Sullivan: Yes, it is a big challenge. There is a bit of history because DEFRA used to fund a non-departmental public body that was called Food From Britain. That was directly from the DEFRA pot and Food From Britain was responsible for exactly what you have just described. That was closed in 2009 and there hasn't really been a replacement. I think that is why the Food and Drink Federation currently is leading very much on pushing for the sector deal to try to get some sort of central focus back into food and drink, which has become a little bit disparate since Food From Britain was closed.

Q71 Chair: What I would like to see and a lot of members would like to see is the industry very much working with Government. The Government in themselves cannot deliver, industry in itself cannot deliver, but together we can. It is always easy to say let's all work together, but are we all working together? Are DIT and DEFRA working together and then are we properly working with industry? Sometimes, with some parts of Government, there is always this, "Government know best". I do not think that Government do know best in this particular area. How do we do it better? This is your opportunity to tell us what we can get them to do better and we will put it in our report then.

Dagmar Droogsma: Perhaps to start, I do not feel that we as a sector experience the Government saying, "We know best". For example, on market access, one of our specialists in SWA, Martin Bell, is, I would say, integral to the work in DIT and they see that because he has that expertise built up over years. They are working together on all sorts of things. I feel that there is a healthy relationship in terms of working together.

The challenge, though, always is resources, let's face it, and in a world where there were unlimited resources we would probably all say that we would like Government to do a lot more on market access and on promotion, but at the same time that is not necessarily the world we are in. If we then start to talk about the different priorities, I think that we, if there are limited resources, would want to see more on market access because ultimately that is quite important in getting into markets. Yes, the promotion is also very important, but that is also probably about starting to see the UK as an individual trade partner because at the moment it is not and we start from scratch. That is probably where



Government can do a lot through campaigns and what have you. If push comes to shove, in a world of limited resources we probably would favour more market access.

- Q72 **Chair:** It has been mentioned before this morning that, for instance, the Danes and the Dutch are always considered to be doing a lot more in getting those markets in China and beyond. Can we learn something from them? Is it just about resource? I really think it is the point of Government to open the door, but it is for you guys to walk through it, if you see what I mean, in order. What I am trying to get to is are Government facilitating enough of the political and the administrative drive to be able to get you guys to be able to get food into all parts of the world? I know it is a very wide question, but can we learn from the Dutch and the Danes what they are doing? Can we learn from the New Zealanders and others? What can we do?

Dagmar Droogsma: As it happens, you will have heard that I do not have a British accent; I am Dutch. I used to work for the Dutch Government. There is a different philosophy, so it goes a bit further than simply taking a decision about wanting to do more. The philosophy in countries like the Netherlands and Denmark is much more about the power of Government to help business and to facilitate and to support, and traditionally that has been less the case probably in the UK. It is a different market model.

- Q73 **Chair:** Successive Governments have not had this same approach here, have they?

Dagmar Droogsma: No, and so the Dutch Government have made a choice that for certain sectors, for example, the water services sector, they will always be the first to be on the location to promote Dutch business and they will, therefore, always get the contracts. That goes quite far and if the British Government were willing to do that we would probably see a benefit in that, but it takes probably a different approach.

Lee Holdstock: One of the advantages, I suppose, of DEFRA being responsible for some of this goes back to my earlier point about supporting supply chains. One thing we see, for example, in Denmark is an integration of approach. This is not just about export, it is about public procurement. We need to deliver those producers of the goods that we want to export confidence. If they are to have the confidence to step up and invest in growing their business internationally, then they need to be sure that there is a good, strong domestic market as well. The Danes are very good on public procurement, and equally the Swedes are a very good example of a nation who have set targets in our industry of 100% organic procurement in public sector in Gothenburg, Malmö and Stockholm by 2025². All these things work together collectively as an integrated strategy to build strength.

² Note from witness: the cities of, Malmö Lund and Gothenburg (not Stockholm) set this target of 100% procurement of organic public canteens by 2020. The target for



Q74 Chair: Naturally, the kickback from a lot of the Departments will be on cost and things, but of course sometimes organics do not need to be a lot more expensive, do they? It is just getting the production and the market right. Sandra, what do you think we can do more to get Government to work more with you? We can brand Britain—I think that we have a great brand—but if we are going to go out into this big wide world on our own, then surely we are going to need to do more to promote it, aren't we?

Sandra Sullivan: Yes, I think so. A lot of what needs to be done has been covered in different aspects today. I agree it has to be a Government-industry partnership. Whatever goes forward, it is up to Government to open doors but it is up to industry to deliver.

The sector deal proposal that we mentioned that is on the table at the moment as part of the industrial strategy has three core focuses, one of which is the representative in markets that we talked about on both a regulatory and a commercial vein. There is also a request for support to fund a proper centralised market research unit that is accessible to all food and drink companies. A lot of companies have market failure because they do not necessarily do the right research before they go. Interestingly, some very large companies say it is probably easier to fail than it is to do the research before they go. I think that research is key. I know, for example, in Northern Ireland, Invest Northern Ireland has a library that companies can go into and access absolutely everything, and again this comes back to the differences across the UK.

The third suggestion was to make it easier to access the information that is needed. A food and drink export portal has been suggested because there is a lot of information out there but it is still quite tough to find. People that know of us as trade bodies know to talk to us, but companies starting out on their journey are not necessarily sure where to go to start. I think that is where the Government could do something in terms of education.

Q75 Chair: Especially if you are a small company?

Sandra Sullivan: Yes, where do you start and who is going to help you? We have a Five Steps to Exporting Guide, for example, which is a good tool to use with new companies, but if we do not know the companies they are not going to find us. It is how we work together to get those bigger messages out that the support is there and then make it easy to find the support that is available.

Chair: Meat sector?

Katie Doherty: You mentioned Denmark, but I would also cite Ireland. They are out there in markets constantly. There are constant media releases about them being over in the markets.

Chair: How happy their cows are and everything else, yes.



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Katie Doherty: That is Government and industry going together on these missions, and that is important in terms of not only opening markets but building relationships ready for when you are able to export there. That is a good part of collaboration and doing more.

Q76 **Chair:** Yes, you are right about the Republic of Ireland because it is a very big meat producing area, isn't it? They are huge in the processing industry, aren't they? They are very big. Do you think we could learn one or two lessons from them?

Katie Doherty: Yes, we could look at what they are doing.

Chair: I had better be careful what I say to David here, but I am sure on that particular sector you could agree, couldn't you, David?

David Simpson: Yes.

Q77 **Alan Brown:** Back to geographical indications, obviously the UK at the moment benefits from GI protection through the EU trade deals. Is there any concern that post-Brexit we will not have that clout of the EU so we might only be able to prevent misuse of GIs in the UK? Could you also explain what you think the impact might be on British businesses that benefit from GI status and, I suppose, any differentiation between coming out with no deal in March or if there is a deal what you would need to see in a deal? I will start with yourself, Dagmar. I think that the rest of you are quite relaxed about it.

Dagmar Droogsma: Geographical indications are extremely important to Scotch whisky and it is part of the success story. There is a lot of work to protect the Scotch whisky category in 180 markets, so that is a lot of work. It is interesting because I mention in all markets, so by virtue of the EU GI obviously we have a protection in the EU and through the EU trade agreements where GIs are often also recognised. Interestingly, GI is becoming the world standard. At the moment it is only the US and Australia who are not necessarily recognising GIs. The latest we have heard is that Australia will also move to recognising them, although I caveat that a bit still.

As an example, just very recently we agreed with the Indonesian Government a Scotch whisky GI. That is not an EU GI; that is simply by virtue of the strength of that brand of GI. On the one hand, we are, therefore, hopeful that the recognition it has attained will continue because of the strength of the brand, but at the same time there is also a risk and the risk particularly is with the EU. It is still our biggest market and if there were anything in terms of the relationship between the UK and the EU that could jeopardise our protection in the EU we would be extremely worried.

You may have seen, or not, that in the run-up to the withdrawal agreement conclusion we have lobbied hard on GIs with the UK Government because we were worried that that was going into a direction where the protection could be jeopardised. To finalise that, we have not



always necessarily felt that some of the UK Ministers understood how far-reaching GI protection is.

Q78 **Alan Brown:** Does that mean no deal would be an issue then?

Dagmar Droogsma: The GIs are recognised at the moment in the EU scheme. If the EU would want to take that recognition away it would have to change the EU scheme. Therefore, it does not fall away in a no-deal scenario unless the EU changes their scheme. Our assessment is that it is not that likely that they would do that because it could undermine the credibility of their scheme.

Q79 **Chair:** Who else wants to add to that, on GIs and things?

Sandra Sullivan: Yes. From our perspective, it is a difficult one in terms of consumer awareness. In the UK it is probably not that high, but what it does do as a mark is reinforce all the strengths of the UK industry that we have been saying are important in export markets. In terms of quality and safety and traceability, it is another device that stamps the UK as a good quality food producer. In markets like Italy, they seem to have much more marks and it adds a bit of value to the particular product that gets it. Ultimately, it still comes back down to an individual brand has to compete to sell on its own quality and price. Any device that helps to reinforce that—

Q80 **Chair:** It is interesting about GI food. If you take Scotch whisky, that is probably internationally recognised across the world. We might even recognise Cornish pasties. There are interesting things we do not necessarily recognise. In Britain we would recognise the value of Yorkshire lamb, West Country lamb, Welsh lamb, but how much does that resonate across the rest of the world? I suppose it just varies, does it, from indicator to indicator? That must be the biggest difficulty with them: they are very valuable but some must be more valuable than others. How do we increase the value of those GIs that are not so recognised? That is a tough question.

Katie Doherty: For the meat sector, I think that it would be quite interesting if AHDB do any further follow-ups on their consumer insights to look at the different marks, and the different GIs and regional marks, and how that is recognised in different markets and whether there is traction in having greater value in those.

Q81 **Angela Smith:** I do feel quite strongly about this, as somebody who loves Stilton cheese and Scottish malt among other things. In terms of the point made by Dagmar about the EU scheme, I wonder whether the issue will be future decisions to ascribe to a product or a brand a geographical indication and whether or not we will have problems with that recognition because we are no longer members of the EU. I would like to see the scheme expanded; I would like to see more British products with that branding.

Dagmar Droogsma: The EU scheme is open to any product in the world.



Angela Smith: I did not know that, okay.

Dagmar Droogsma: Therefore, if you mention a product in Peru and you want to apply for a GI, you can. You have to meet the standards of the GI scheme, but you can then become a recognised GI in the EU. Even in the absolutely worst case scenario where the EU would say, "We now stop with the 80-odd UK GIs", we would reapply right away, we would meet a standard and we would be confident we would get a GI again.

Q82 **Angela Smith:** The issue is the commitment of our country and our country's Government to ensuring that we get those brands in the scheme post-EU and also a commitment from the Government to doing more for getting more products, more brands?

Dagmar Droogsma: That is right. What a free trade agreement does is, for example, in the free trade agreement that is on the table with Canada, CETA, Canada recognises an amount of the EU GIs. Therefore, the protection awarded in the EU then moves also to Canada. Therefore, for us it is important that the UK continues to recognise the EU GIs as we are an EU GI. Obviously, we will be part of a UK GI system as well, but you can then start to see where trade politics could come in. If the UK would not want to recognise certain EU GIs, the EU could say, "Well, we do not want to recognise certain UK GIs".

Angela Smith: Then the whole deal globally starts to unravel.

Q83 **Chair:** I suppose, and this is what you were talking about earlier. It is how much we brand the food British and then we brand it with the regional label, if you like, without winding Alan up too much. To what degree is that the process? I am thinking the answer was it probably depends on the market, but surely British food and the British emblem resonate in some places. Can we link the two together? It would be much more difficult sometimes, I would have thought, just to put food into a far-off land with a GI label that may only be recognisable here. How do we promote the two? Can we promote the two together or do you promote them separately? How is it done?

Sandra Sullivan: There are two stories there, isn't there? There is Brand Britain, and we keep saying the same things: quality, safety, traceability. That is Brand Britain. That is what we are saying. Then we are saying we have a food culture and look at the products that are special. There is room for two.

National promotion does vary by market. In markets such as Japan, for example, there is a lot of affinity to our traditional heritage-type products, whereas the newer, more affluent Asian markets, as Lee said, are now looking very much at organic as being a safety stamp in its own right. It is hard to generalise, but the two are quite different messages that need to find a way to sit side by side.

Q84 **Chair:** I imagine China probably would just accept from a country, wouldn't they, more than breaking it up into regions, or would they not?



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Sandra Sullivan: Yes, it is awareness, going back to the point about assuming everyone understands our country, but do they really. That is the problem.

Dagmar Droogsma: For the consumer, say in China or Japan, I am not sure they even know what a GI is, so for them it is still the brand of, in our case, Scotch whisky. The reason we find the GI so important in our companies as well is because it allows us to protect the product. When there are products on the market, what we see a lot in countries is that they would love to use the Scotch whisky label, or they call it a malt. With a GI, it allows us to go to court and we will win the case. Without that, we have nothing to do and that is therefore—

Q85 **Chair:** There is a lot of whisky produced in the world, isn't there, but it is not all produced in Scotland, is it?

Dagmar Droogsma: No. I would say for any product that has a GI, it has that ability to protect it and that in itself then pushes also the quality argument because then you know as a consumer at least that you get a product that is real.

Q86 **Julian Sturdy:** We have touched on this assurance scheme quite a bit already. We have touched on the importance of quality and traceability and Britain first. I cannot remember who mentioned this, but one of you also mentioned that Red Tractor does not have the recognition around the globe, and then we have just gone on about GI. I will rephrase my question. Is the British assurance scheme and the Red Tractor where we should be going in the global marketplace or is it becoming a little bit outdated now? Should we be looking at something that is more regionally branded? Is that better for us globally? I understand about standards; I am not talking about reducing quality or standards. That is very important and the Government have been banging the drum about that as well. I am talking more about how we market ourselves globally because some of you have said Red Tractor is just not recognised. Should we be doing something different?

Lee Holdstock: One of the strengths in the UK is that we do have, from the perspective of quality, particularly the area that we specialise in, integrity and environmental standards. We have a good basket offer. We have some very strong standards re stewardship, fair trade, organic, of course, and it is a similar answer to the answer to the previous question. It is about the marketing mix and which markets, which of those are most important to the consumers there.

I would say that when we talk to our members about things like Red Tractor, when you look at Red Tractor, it does not stack up particularly well in benchmark tests against some of those other standards. They are stronger, they are tougher, they are more robust. There is a sea of accreditations. We know that that is causing some consumer confusion in our own country, but what it comes down to is—



Q87 **Julian Sturdy:** Does that mean we have too many, then?

Lee Holdstock: I think that we have, but the issue is we have too many if it is confusing the consumer, but having a lot has caused some competition and that in itself has driven up standards. What is important is that they are robust and they have integrity, and we need to focus on the ones that we genuinely benchmark as having that robustness and make that part of our basket offer.

Q88 **Julian Sturdy:** For my constituency, your constituency—Yorkshire, quite a big brand name—would my farmers be better saying, “I am not going to Red Tractor, let’s go into a Yorkshire brand that has the same standards or even higher standards”? Would that be a better offer globally going forward?

Dagmar Droogsma: It is really hard to just make that a generic point. If you would ask our members, they would probably say that what attracts people to the product is that it is a premium product, it stands for high quality, it stands indeed for heritage. It is all those combinations. If you are an emerging market and you aspire, then you want premium brands. They may say that is more important than necessarily where it comes from. Frankly, in some parts of the world they do not know where the UK really is and they have not heard of Scotland. It is more about that story. I think that Sandra mentioned something about it in the beginning, that that is where our strength can be, particularly in food and drink. We probably will not compete on volume but we will probably compete on quality.

Sandra Sullivan: There is a danger that there are too many schemes that it just gets so confusing. Some people are working with quite a small package. Imagine selling a confectionary line, for example. You are not going to have the opportunity to put too many different things on that. There is a danger that you do too much.

The thing that we use as a selling point in export is the UK retailers’ own standards. For an exporter to say they are supplying one of the major UK multiples ticks all the boxes for the importer in the export country because they know that the UK retailers have such high standards that if you pass those tests from a trade perspective the person in the other country will want to deal with you. When it goes down to the consumer level, I am not an expert, but that is a different message.

Q89 **Julian Sturdy:** That is the retailers’ own standards. Sometimes they might take part of the Red Tractor or farm-assured scheme and then they add other bolt-on elements to it as well, don’t they?

Sandra Sullivan: Yes. From a trade perspective, supplying the retailers is considered enough to open export markets. From a consumer perspective, and speaking myself as a consumer, yes, I get confused looking at things. You do not really know which supersedes which, do you, and that is the problem if there are too many. Yes, I do not have an opinion on Red Tractor in terms of trade.



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Q90 **Chair:** Katie, Red Tractor?

Katie Doherty: Referring back to the AHDB consumer insights report, it was them that said that with these types of schemes the challenge is communicating this with export countries where there is likely to be little or no concept of these particular schemes. Going back to the other key part of that report where quality, food safety and health are the key things that consumers want in those markets, it is looking at the consumers in those markets and maybe testing whether Red Tractor meets that requirement and the messaging that you want to get across with Red Tractor. Does that meet what the consumers in that particular market want and having more nuance around different markets rather than necessarily looking at just—

Q91 **Julian Sturdy:** Yes, because different markets will want different things as well, won't they?

Katie Doherty: Yes.

Q92 **David Simpson:** Just on the identification issue, Northern Ireland has found that for many years, because when you go to do business in China they do not understand the concept of Northern Ireland and the south of Ireland. It is an island of Ireland; how are you part of the United Kingdom? All of the branding issue has been very difficult. The Red Tractor has consolidated that a lot across the UK. We are part of the UK. Some licences would say GB, which causes a difficulty, instead of the UK, so that is confusing. It is important that there is some kind of identification, whether it is Red Tractor or something that covers the whole of the United Kingdom, which identifies with standards, branding, husbandry of animals, whatever. I think that it is important that we do that, but we have had that difficulty even up until this very day where people are confused because of the north and the south. It is difficult, but it is important that we have an umbrella approach across the UK. Yes, the different regions will have different branding, Scottish beef, Northern Irish beef or whatever the case may be, but it is important that we have some kind of an overarching label or standard to work to.

Chair: Can I add to David's supplementary? Is the Red Tractor only a tool for the UK and marketing in the UK or is it an international label? I think that it could be, but I am not sure that it is at the moment. Where is it? Sainsbury's does not even use it here, do they?

Angela Smith: Sainsbury's does.

Chair: They do now? I know there was a dispute about it. The Red Tractor is good but I think that it could be a lot better. I know that we cannot necessarily make it international, but how can we up the game with Red Tractor? Does anybody want to comment on that? Katie, you look like you might have something to say.

Katie Doherty: Just going back to the point I made earlier, it is I guess looking at what the consumers want in market and seeing how maybe



the Red Tractor meets those particular points that the consumers in that market want and testing it with consumer groups in those markets and whether AHDB has a role to play and whether it has traction.

Q93 **Chair:** It is an assurance scheme, I accept that, but it could also be a marketing tool, or are we asking too much of Red Tractor?

Sandra Sullivan: My comment would be that Britain is not a reason why people would buy a particular product. I think that we have to be a bit careful that we expect a trademark to suddenly make people go, "Oh, Great Britain, let's buy it" because it has a Union flag on it. There may be sensitivities in some parts of the world where that has a more negative impact. It may be applicable to some categories, but my gut feeling is that it will be a tricky one to put across all brands to expect business to grow just on the back of it.

Q94 **David Simpson:** Surely it depends on who is driving Red Tractor. Is it going to be Government-driven or is it going to be industry or individual companies? Surely we have to establish, if it is going to be international, whether it is Government-driven because at the minute we are not sure. It is a convenience at the minute and it helps, but in order to drive that out internationally we need more Government backing. It is a bit confusing because you have Brand Britain, you have others, and we have to establish what we are marketing our food product under. That is my view.

Chair: It is a National Farmers Union label and logo, isn't it? That is how it all started. I imagine they still have control over it, don't they? I know sometimes the Red Tractor labels were being dished out to all sorts of products to start with. I am just very interested in how we can take it and make it better, or do you think its time has run out? What is your view?

Lee Holdstock: Going back to Sandra's point, it depends on the market, as Bord Bia has discovered. I have used them as an example once already. Their own MD has said that it does help the credibility, particularly in China and other south-east Asian markets, to have a Government endorsement of products, and I think that is the point we are reaching. In other markets that is not necessarily helpful. In our experience in organic, independent third-party marks in the US market are far more powerful than the federal mark, which in the domestic market is not particularly well trusted. It very much depends on your target market mix.

Q95 **Chair:** Yes, because Sandra made an interesting point. I think that it is recognised across the world that our major retailers are probably some of the toughest in the world, if not the toughest. Therefore, they are obviously recognised as, "If it is good enough for them, it is good enough for us". It is interesting, isn't it? We have that recognition, but we need to build on that and we need a label that resonates.



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Sandra Sullivan: Maybe it is a development of the Food is GREAT brand. There is a lot of effort being put into Food is GREAT as a campaign, but it is just pure headline promotion and advertising. Maybe an evolution of that is to amalgamate that somehow with a Red Tractor type device that is then used.

Chair: Yes. Thank you very much. What has been really good is it has given us some good ideas to start putting our report together. We very much want to call everybody in, see what is out there and see what we have. Can we do it better? Can we change things? What has come loudly and clearly is that there is support from Government but perhaps there needs to be a bit more, and also perhaps a bit more targeting and getting people working together. There have been some really good ideas here this morning from you all, so we very much appreciate your time. Thank you very much.