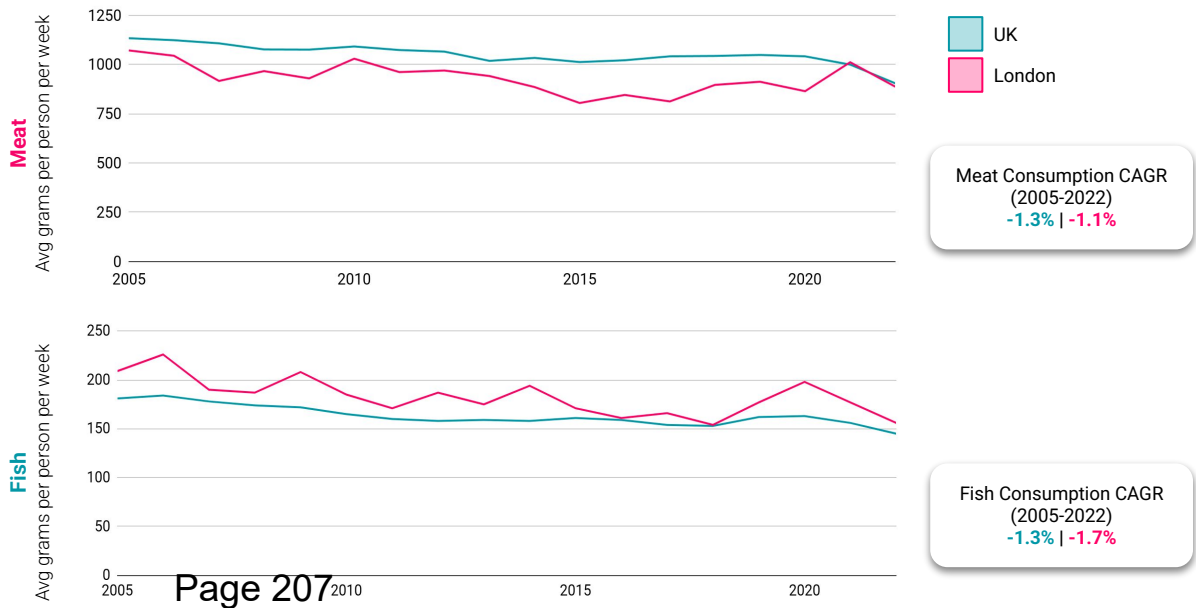


London's meat consumption lower and fish consumption higher than the UK average, both in long-term decline.

A

Meat and Fish Consumption the UK and London (2005-2022)
Comparison of Average Grams per Person per Week



Over the past 17 years

-17% Per capita **meat** consumption in London

-25% Per capita **fish** consumption in London

- **Londoners eat less meat and more fish** compared to the national average
- This is likely driven by greater health and environmental awareness, as well as higher average incomes that make fish, a more expensive protein, more accessible

Source: Defra Family Food Survey (2023)

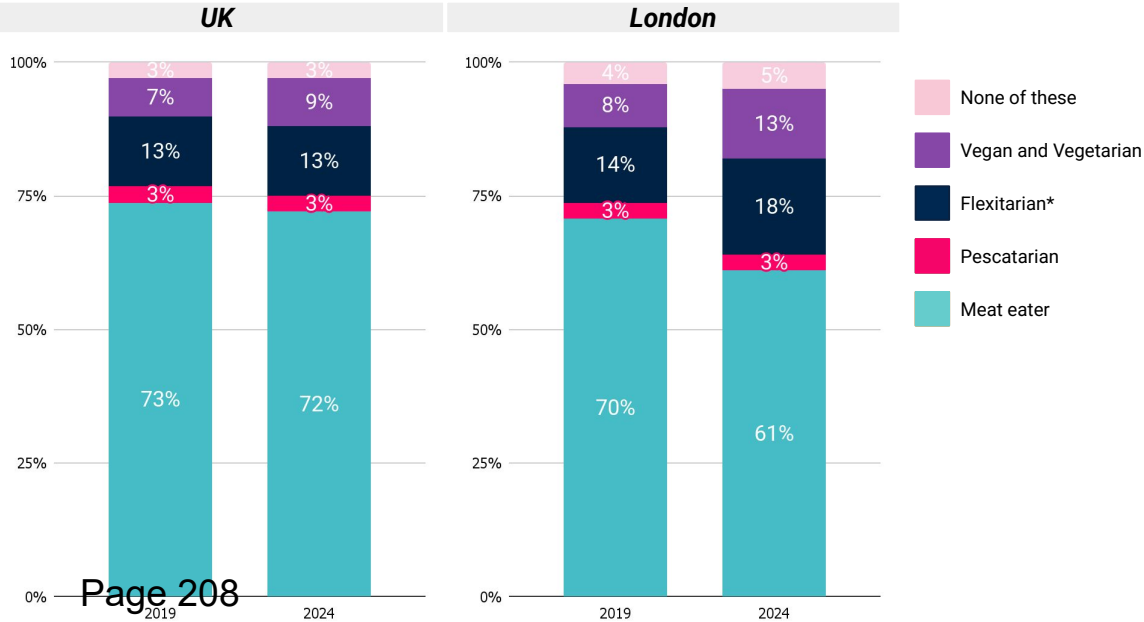
*From 2015 onwards, DEFRA transitioned to reporting data in financial year ending (FYE) format. For consistency and ease of calculation, we have used the ending period of each FYE in our analysis.

The UK is experiencing a progressive shift away from meat, with Londoners driving a stronger move toward vegan and vegetarian diets.

B

Dietary Choice Trend

In %, YouGov Survey (2024)



- London shows a stronger shift away from meat and fish compared to the UK overall, with rising vegan and vegetarian (5 p.p increase), and flexitarian populations (4 p.p increase) and a notable drop in meat eaters (9 p.p decrease)
- Number of **vegan or vegetarian restaurants** in London increased from 319 to 417 in 4 years (2018-2022) resulting in a **30% increase** ¹
- This shift toward plant-based diets are potentially driven by **increased awareness of environmental and ethical concerns** and greater accessibility to plant-based options

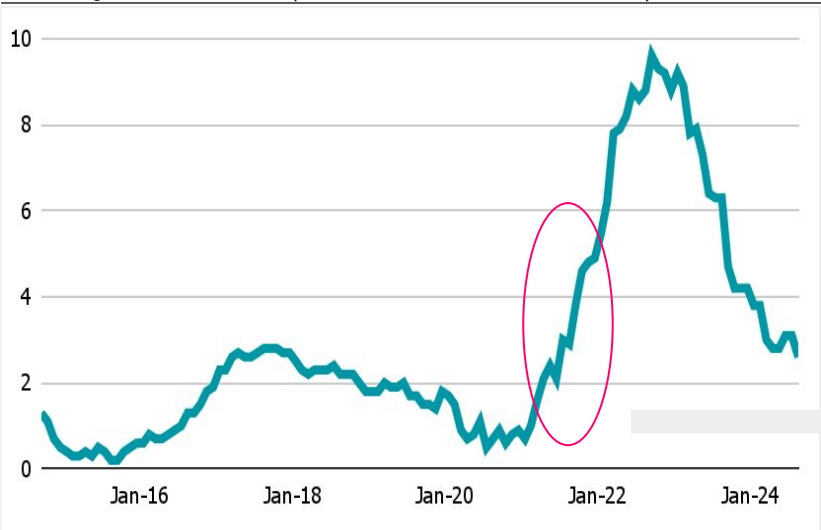
Cost-of-living crisis has further exacerbated the reduction in meat and fish demand as price-conscious consumers scale back.

B

Rising inflation and price sensitivity are driving down demand for meat and seafood as consumers prioritise affordability

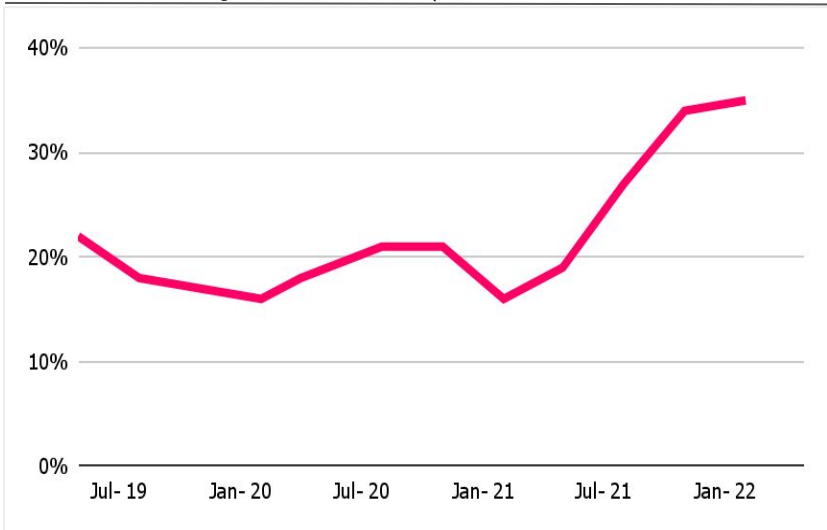
Food Inflation in the UK

% change over 12 months (Office Of National Statistics, 2024)



"It has become more expensive"

Reasons for cutting back on red meat (AHDB/YouGov Consumer Tracker, 2022)



Page 209

CPPI Consumer Prices Index including owner occupiers' housing costs)

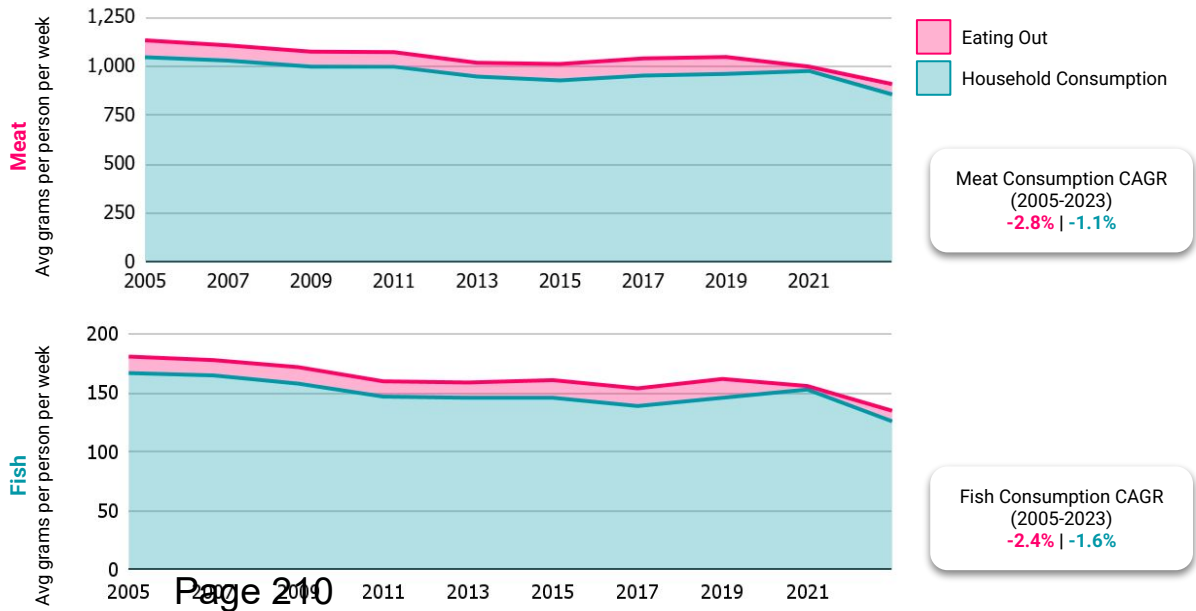
% citing "it has become more expensive" as a reason for reducing red meat consumption

End consumer consumption of meat and fish is much higher at home versus eating out; sources of household consumption has little linkage to the Markets.

C

Meat and Fish Consumption Trends in the UK (2005-2023)

Comparison of where consumption takes place - household vs eating out



On average, from 2005 to 2020,

92% Of **meat** consumption is through **household consumption**

91% Of **fish** consumption is through **household consumption**

- During Covid-19 (2020-2021), eating at home surged, with meat at 44 times and fish at 51 times higher than eating out consumption volume
- By 2023, eating at home fell below pre-pandemic levels, with meat down 11% and fish down 14%, while eating out remains below full recovery

Household consumption purchasing channels

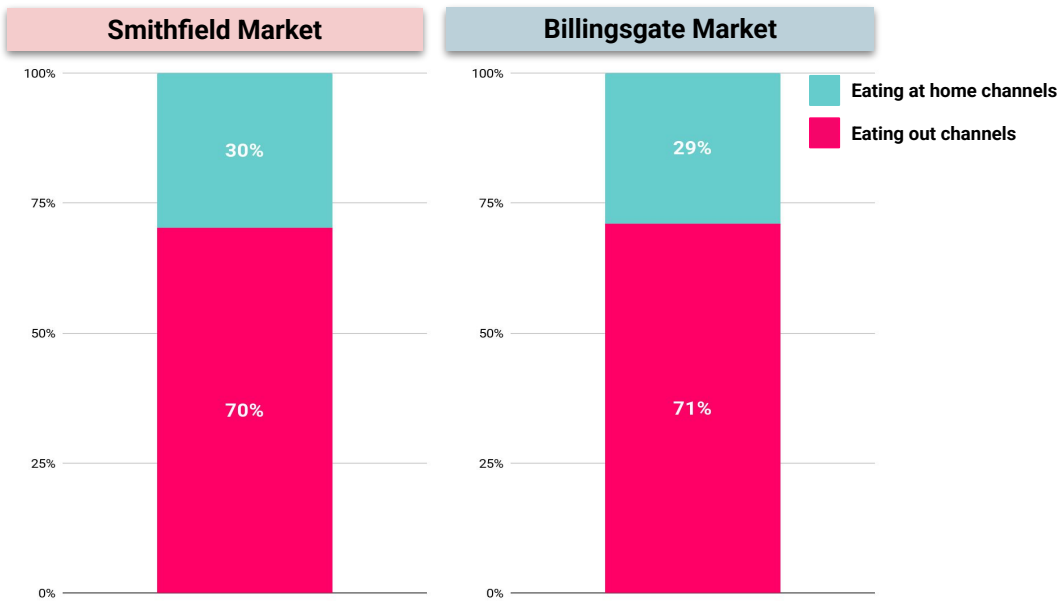
- End consumers buy their meat and fish for household consumption through various channels
- **77%** of UK consumers **buy meat and fish from supermarkets**, highlighting their dominance as the primary source for at-home consumption

Source: DEFRA Family Food Survey (2023), YouGov survey (2024)

*From 2015 onwards, DEFRA transitioned to reporting data in financial year ending (FYE) format. For consistency and ease of calculation, we have used the ending period of each FYE in our analysis.

Current Market trader customer group analysis shows that the Markets by tonnage serve household consumption much less than eating out channels.

Domestic Customer Distribution by %, Weighted Tonnage, Survey (2024)^{1, 2}



Eating at home channels

- Customers of the Markets that reach the end consumers in the form of household consumption
- Includes: General passing public, Supermarkets, Independent retailers (butchers, fishmongers), Other retailers (mini-markets, local ethnic stalls)

Eating out channels

- Customers of the Markets that reach the end consumers in the form of eating out consumption
- Includes: Catering services, Restaurants, Hotels, Institutional buyers, Other wholesalers, Processed meat or fish manufacturers

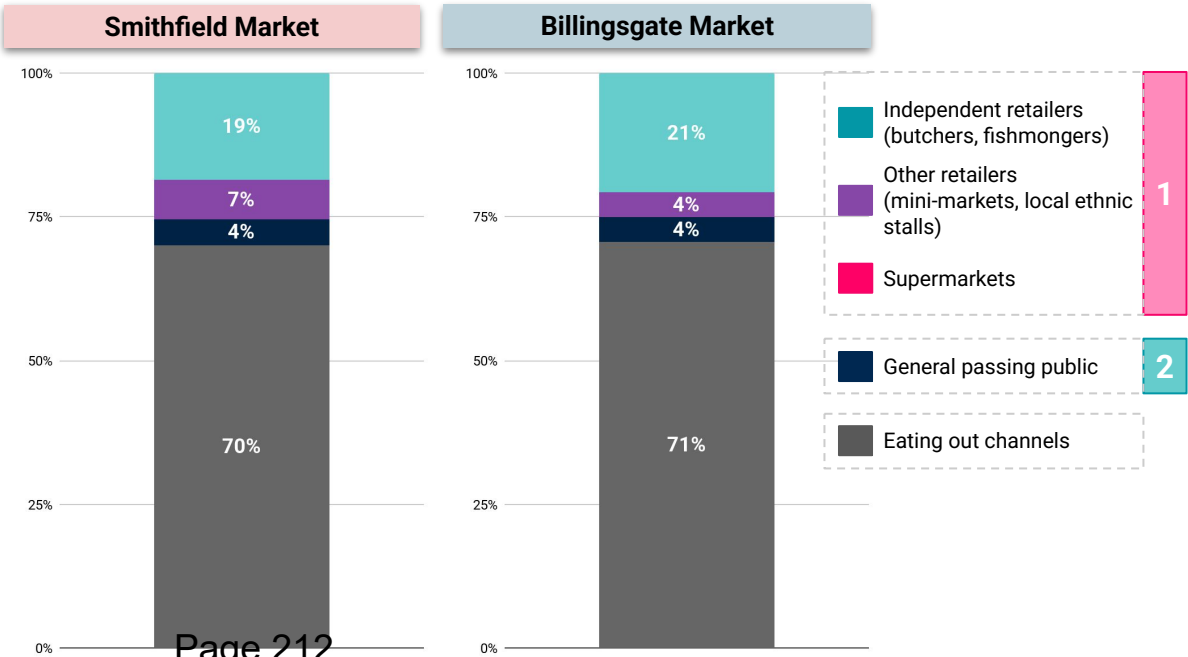
This highlights a significant mismatch, as **the Markets predominantly cater to “eating-out” channels in the foodservice industry**, whilst overall meat and fish consumption remains substantially higher within household environments.

Source: Artefact interviews, research and analysis
1. Artefact 2024 survey of Smithfield trading principals represents c.65-70% of the total declared tonnage for 2023
2. Artefact 2024 survey of Billingsgate trading principals represents c.60-65% of the total declared tonnage for 2023

NB: The proportions for each channel should be considered indicative, as they may vary in reality. This is due to the inherent uncertainty surrounding the final destination of products supplied to independent retailers, other wholesalers, and processed product manufacturers. Their end customers could ultimately include domestic households for retail consumption or the food service industry geared towards dining out.

Independent retailers account for the largest share of “eating at home” tonnage of the Markets, direct retail is minimal and supermarkets nil.

Domestic Customer Distribution by %, Weighted Tonnage, Survey (2024)^{1, 2}



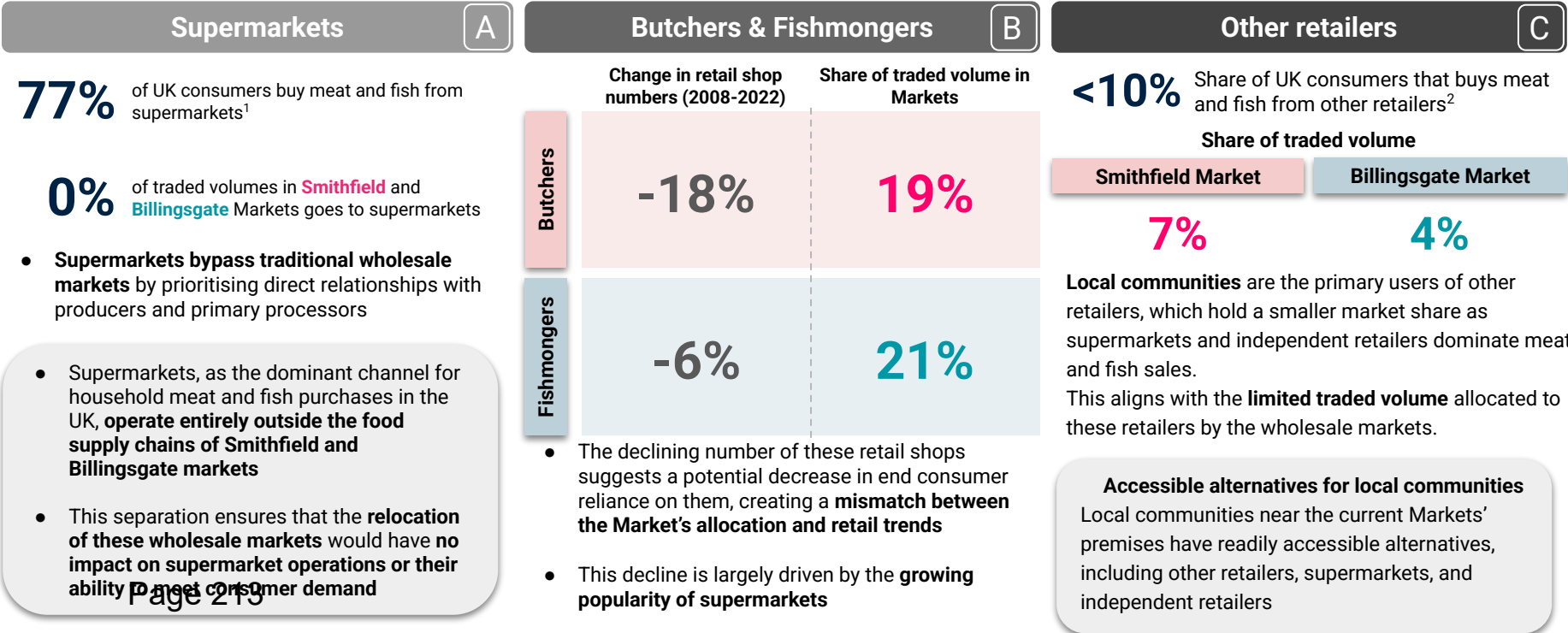
Smithfield & Billingsgate markets play a very limited role in directly supporting household consumption

- UK household consumption of meat and fish is significantly higher than eating out
- However, survey data suggests **wholesale markets primarily cater to niche or localised segments**, such as independent and other retailers, **rather than mass-market channels like supermarkets**
- **Independent retailers**, such as butchers and fishmongers, **account for the largest share of the "eating at home" channel served by the Markets**
- This highlights the relative importance of smaller, decentralised outlets, whilst Market traders report **0% of their traded volume reaching supermarkets**
- The **general passing public represents only 4%** of the Markets' customer base by traded tonnage, further emphasising the markets' minimal direct engagement with household consumers

Source: Artefact interviews, research and analysis
1. Artefact 2024 survey of Smithfield trading principals represents c.65-70% of the total declared tonnage for 2023
2. Artefact 2024 survey of Billingsgate trading principals represents c.60-65% of the total declared tonnage for 2023

Domestic consumption of meat and fish is principally via supermarkets, which does not utilise the Markets; remaining consumption via smaller retailers.

1



1: Supermarkets includes supermarket chains and local supermarkets
2: "Other retailers" refers to YouGov survey respondents who did not name supermarkets or specialist shops as their primary source for meat and fish
Sources: YouGov Survey (2024), Artefact interviews, research and analysis, Office for National Statistics (UK, 2022)

Vertical integration allows supermarkets to bypass the Markets, thus their role as the prime source of household meat and fish is unaffected by relocation.

1A

91-92% of **meat** and **fish** consumption in the UK is through household consumption

77% of UK consumers buy **meat** and **fish** from **supermarkets**

0% of traded volumes in **Smithfield** and **Billingsgate** Markets goes to **supermarkets**

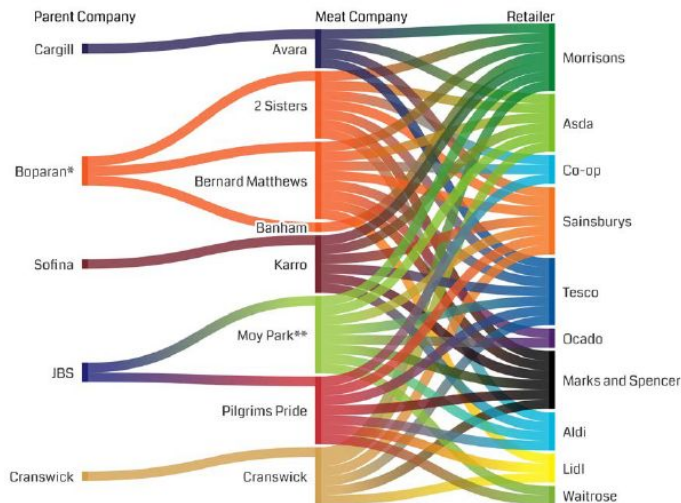
Vertical integration allows supermarkets to bypass the Markets

- Supermarkets bypass wholesalers by using their market power to **establish direct relationships with producers and primary processors**
- These direct partnerships enable supermarkets to achieve significant **economies of scale**:
 - By bulk sourcing from large suppliers, supermarkets optimise their supply chain operations to **maintain low prices and sustain high consumer demand**
- This vertical integration also supports the growth of own-brand ranges by ensuring consistent quality and tighter control over sourcing

Page 214

Operational links between UK supermarkets & meat producers

Friends of the Earth / Sustain analysis (2024)



"....Large retailers and supermarkets now hold more power than processors. It's the processors who pitch their products to the retailers, not the other way around..."

- Fishery #4; Scottish aquaculture company

"....Retailers have the power to go straight to the fisheries to get their fish, and that gives them a lot more control over how their supply chains run..."

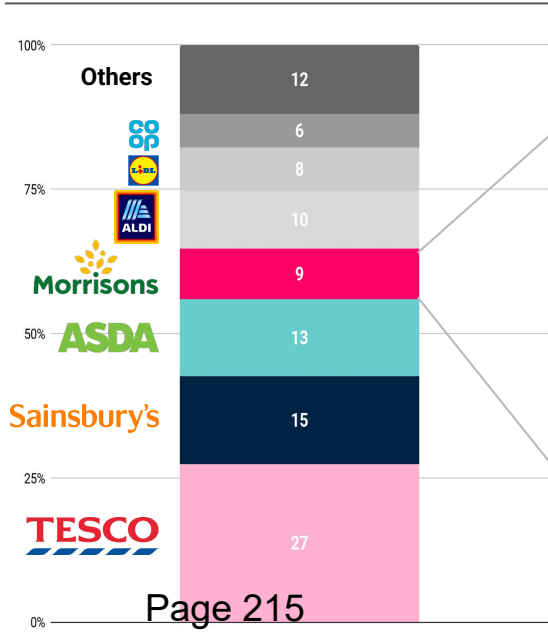
- Fishery #3; Scottish white fish farm

ARTEFACT

Morrisons, the 5th largest in the UK by market share, serves as an example of a supermarket leading the vertical integration charge.

1A

Market share of grocery stores in the UK
Average of Jan 2023-Nov 2024 market share, in %



Case Study: Morrisons Integrated Supply Chain

Production:

- Sources from **2,200+** meat and fish **farmers** across the UK

Processing:

- **2 abattoirs** acquired (2005, 2008)
- **1 meat** processing site (2012)
- **2 seafood** processing sites (2016)
-  Woodheads acquired (1991) &  Farmer Boys opened (1980)

Wholesale:

- **7** Distribution Centres built (1988 - till present)
-  Falfish **fish wholesale** supplier acquired (2021)

Consumption:

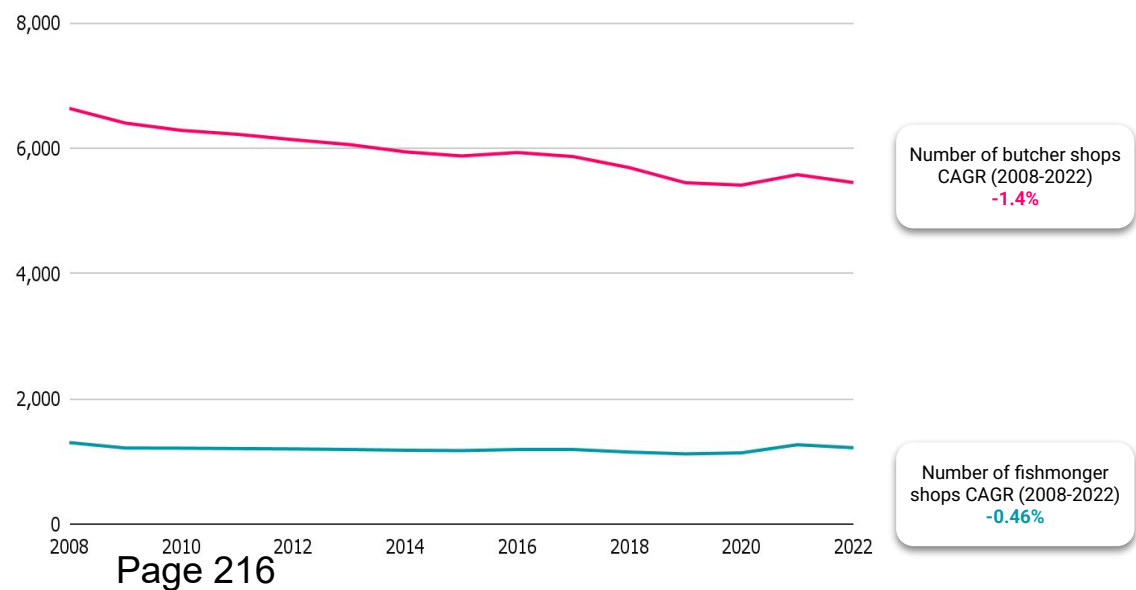
- **1,735** Morrisons stores
- Exclusive commercial relationship with **StarStock**, selling over 1,800 SKUs to **Ho.Re.Ca.** (2021)



Despite Markets allocating a fifth of trade to independent retailers (fishmongers, butchers), the decline in these stalls reflect shifting channel preferences.

1B

Number of butcher shops and fishmonger shops* in the UK (2008-2022)



On average, from 2008 to 2022,

-18% Change in the **number of butcher shops** in the UK

-6% Change in the **number of fishmonger shops** in the UK

During Covid-19, there was a modest resurgence in specialty retailers, as their focus on quality and provenance allowed them to justify their higher prices compared to supermarkets

- For fishmongers, endorsements by celebrity chefs further boosted their appeal

However, the overall number of specialty shops remains limited, as **consumer price sensitivity** and the **dominance of supermarkets** continue to pose challenges

- Supermarkets, with their pre-packed options, in-store counters, and one-stop shopping convenience, have been the primary driver behind the decline in independent retail shops

Sources: Artefact interviews, research and analysis, Office for National Statistics (UK, 2022),

* Data from ONS: butcher shop numbers are based on Number of butcher shops is based on 'Retail sales of meat and meat products in specialised stores,' and fishmonger numbers are based on 'Retail sales of fish, crustaceans, and molluscs in specialised stores.'

The general public (direct retail trade) accounts for a very small share of traded tonnage, with traders preferring to focus on wholesale post-relocation.

2

Share of traded volume for **general passing public**

Smithfield Market

4%

- **Retail sales to the general public represent a small share of traded volumes at the Markets**, as most household meat and fish consumption occurs through supermarkets, which have 0% trading volume with the Markets
- **Early trading hours and congestion charges discourage the general public** from using the Markets as their primary source for meat and fish
- The Markets' general public are **occasional shoppers or nearby residents**, with **declining footfall**. Relocation could be supported by nearby **alternative shopping options**

Billingsgate Market

4%

Greater details
overleaf

Shift to exclusive wholesale trade

Through Artefact interview, the Market Traders expressed a **preference to focus exclusively on wholesale trading post-relocation**, leaving retail sales to individual retailers like butchers and fishmongers

"...**The Markets need to return to being strictly wholesale, not a public market**. Right now, it feels like we're competing with fishmongers and taking their business. A new setup should focus solely on wholesale, while the public goes to fishmongers for retail purchases..."

- Billingsgate Traders #2, #4

General passing public are local residents or occasional shoppers

- The general public visiting the Markets, especially Billingsgate, are primarily **local residents** or those travelling specifically for **competitive pricing** and fresh meat and fish
- Visits are typically **infrequent**, driven by **one-off or seasonal needs**, such as home cooking for special occasions
- Both Markets see peak retail activity during **Christmas**, with traditions like **Smithfield's Christmas Eve auction** being major highlights

"...This is only the second time we've come here to pick up fish. It can be quite cheap, but **it's so early in the morning...**"
- Billingsgate Visitor #6; South Asian couple visiting for second time

"...I am partial to hosting the occasional dinner parties at home, when steak is on the menu, I quite **enjoy the theatre of an early morning visit to Smithfield to buy the meat at a good price** before cooking myself at home..."
- Smithfield Visitor #1; occasional visitor to buy for dinner parties

"...**I only use the market to buy exotic fish** as I wouldn't trust ordering them unseen. This is only a very small % of what I cook though..."
- Billingsgate Visitor #4; food content creator (500k+ followers), visits occasionally for exotic fish

General passing public footfall has been constantly decreasing

- The Markets have experienced a **gradual decline due to alternative purchasing channels**, with the **Covid-19 pandemic** causing a sharp 75% drop in shopper footfall for both Markets between 2019 and 2021
- **By 2023, footfall remained below pre-pandemic levels**, with a 16% decrease at Smithfield and 25% at Billingsgate compared to 2019, reflecting a **reduced reliance on traditional wholesale markets for food purchases**

"...Smithfield originally had 90% wholesale and 10% retail, but since Covid-19, **retail has fallen away and did not come back**, now the split is more 95/5...even on busy days, now our shutters shut earlier as there is less public visiting..."
- Smithfield General Manager

"...Real money [general public] customers have **dwindled and dwindled...**"
- Smithfield Trader #5; c.40 yrs of experience

"...**Footfall is almost rare these days...**"
- Billingsgate Trader #2; c.30 yrs experience

Page 2 of 7

Local community near the current Markets' premises have readily accessible alternatives for retail purchase.

1C, 2

Other retail options for end-consumers

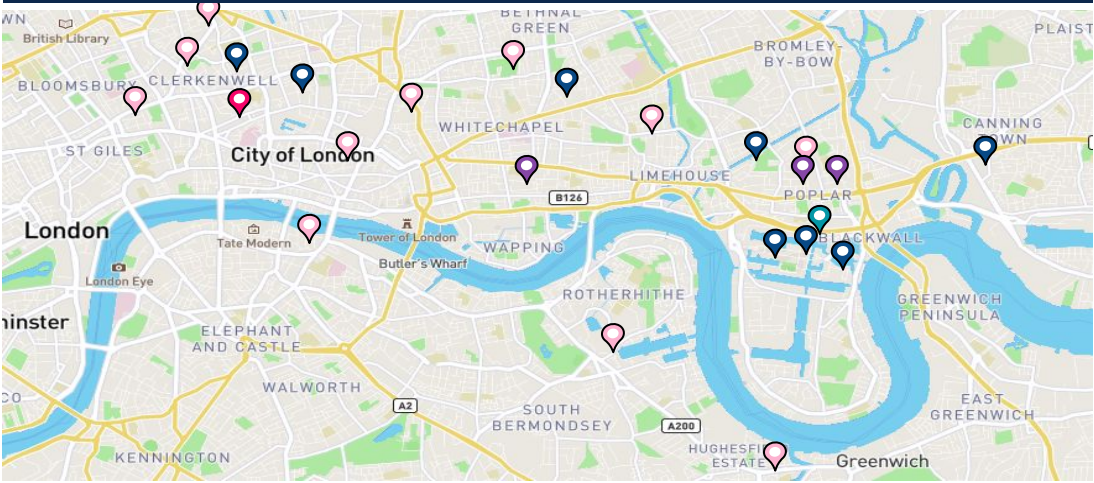
Other retail stores are mostly used by **local communities** including:

- 1. **Mini-mart stores, local ethnic shops**
 - Due to their proximity and ability to cater to specific ethnic or cultural needs in the area
- 2. **Local street markets**
 - They attract some consumers who value their unique atmosphere, local charm, and the opportunity to purchase meat and fish in a traditional market setting
 - *Examples: Brixton Market, Ridley Road Market (Dalston), Tooting Broadway Market, Chrisp Street Market (Poplar)*

Nearby alternative retail options

- Including other retail options, there are alternative retail outlets nearby the current Markets' premises that can **effectively serve as replacements should the markets relocate**
- These alternatives offer **more accessible trading hours** for retail customers and are conveniently located to cater to the needs of the local community.

Nearby retail alternatives to the current market premises



This diagram is illustrative and does not represent an exhaustive list of alternative retail shops nearby

Smithfield Market Billingsgate Market Supermarket Independent retailer Other retailer

- *Concerns about alternatives relying on Markets for stock and facing challenges if they relocate can be mitigated, as they have access to other traditional wholesalers or large full-service wholesaler*

Existing independent retailers serving household consumption anticipate minimal disruption from Traders relocation, though nervousness is inevitable.

Butcher

- Butchers use the Markets for **specialty and low-demand cuts** (e.g. offal, veal) that are not always available through direct suppliers or large wholesalers
- Often **source indirectly from the Markets** via secondary wholesalers who aggregate products and deliver smaller volumes

"...85% of our meat supply comes from Smithfield but the location of Smithfield traders makes no difference as goods are delivered and the relationship will continue wherever the market moves to..."
- Butcher #2; based in Buckinghamshire

"...The only thing they lose is the heritage and everything, but at the end of the day, it's not designed for for your modern day vehicles...I mean other than that it's a great market. It serves a great purpose, got a lot of good people there, but it has outgrown its location..."
- Butcher #3; based in Kent

Fishmonger

- While **most of their orders are pre-arranged**, it is not unusual for fishmongers to conduct **regular visits to the Buyers' Walk** for physical inspection, allowing them to spot and purchase high-quality or unexpected fresh stock available that day

"...It won't really affect us, we order over the phone and the suppliers deliver to us the next day..."
- Fishmonger #5; based in East London

"...Billingsgate looks so out of place, I think everyone agrees it needs to be developed into flats or office space..."
- Fishmonger #2; based in Kent

Share of off the shop floor* orders



This highlights the **minimal reliance on physical presence**, as customers already utilise efficient remote ordering methods

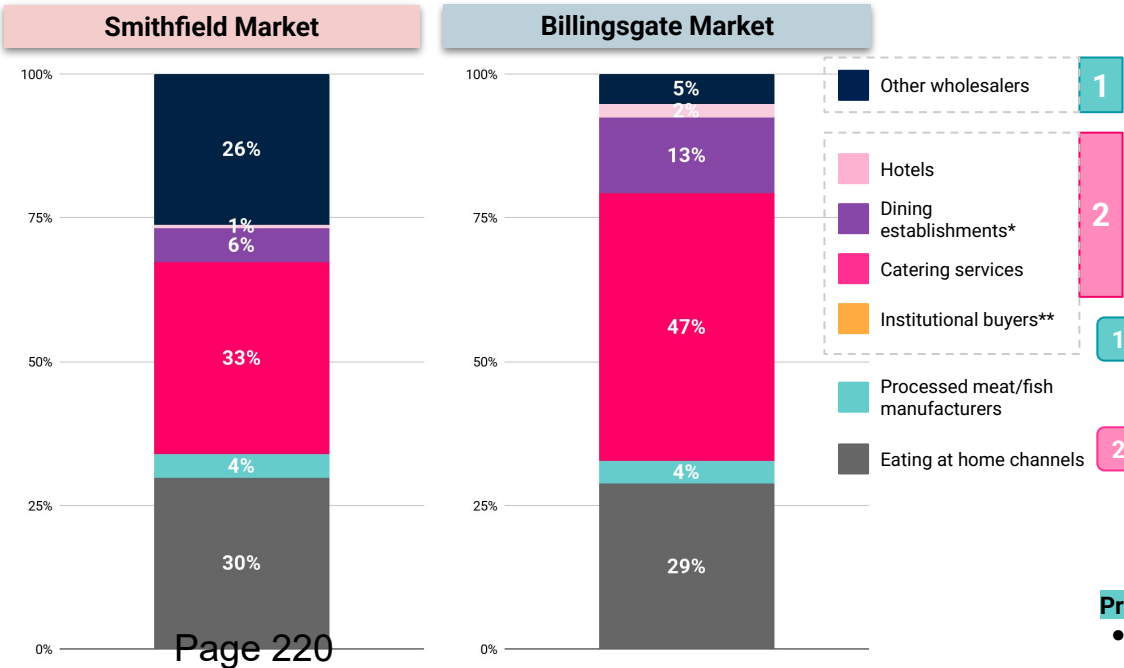
Trader Mitigations

Market traders acknowledge customer concerns and have implemented proactive measures to mitigate them:

1. **Securing new premises well in advance of 2028/9** - statements from [SMTA](#) and [LFMA](#)
2. **Active communication with customers and suppliers** - Traders are engaging in open dialogue to reassure their commitment to continued trading from improved locations designed to meet modern need

Food service industry dominates the eating out channel, with catering services leading and Smithfield supplying significant tonnage to other wholesalers.

Domestic Customer Distribution by %, Weighted Tonnage, Survey (2024)^{1, 2}



On average, from 2005 to 2020,

8-9% of **meat** and **fish** consumption in the UK is through **“eating out” consumption**

c.70% of traded tonnage in both Markets goes to **“eating out” channels**

This highlights a **significant mismatch**, as the Markets predominantly cater to “eating-out” channels, whilst overall meat and fish consumption remains substantially higher within household environments

- 1 Other wholesalers** include trade with other meat and fish wholesalers within and across wholesale markets, facilitating food supply chain efficiency (*Further detail on customer group overleaf*)
- 2 Food service industry** dominates both Markets, with procurement preferences shaped by their specific needs (*Further detail on customer group in upcoming pages*)
 - Institutional buyers** had **0% of traded volume** from both Markets as they tend to source directly from upstream suppliers

Processed meat and fish manufacturers

- Processed products like sausages or breaded calamari are typically **sourced directly from upstream suppliers**, resulting in **minimal tonnage passing through the Markets**

Source: Artefact interviews, research and analysis

1. Artefact 2024 survey of Smithfield trading principals represents c.65-70% of the total declared tonnage for 2023

2. Artefact 2024 survey of Billingsgate trading principals represents c.60-65% of the total declared tonnage for 2023

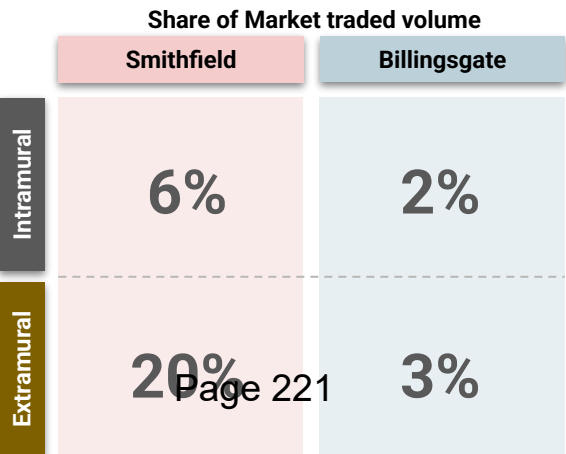
* Dining establishments include restaurant, pub, cafe, etc. ** Institutional buyers include hospital, prison, education, etc.

A significant part of the Market customer base is formed by other wholesaling groups; reasons for this trade vary and it is more pronounced at Smithfield.

1

Two types of trade between wholesalers:

- Intramural trade:** occurs within the same Market
(e.g. transactions between Smithfield Trader A and Smithfield Trader B)
- Extramural trade:** Market traders supplying third-party wholesalers based outside the Market premises



Trade with ‘other wholesalers’

“Intramural” wholesale trade

- The close proximity of traders within the Markets allows them to **quickly source products from neighbouring traders**, ensuring flexibility and maintaining service levels without external delays
- Traders can **efficiently procure surplus or specialised items** within the Markets, minimising waste and promptly fulfilling customer needs
- Serving as **centralised hubs**, the Markets streamline the delivery, storage, and redistribution of bulk goods like pallets and box meat, enhancing supply chain efficiency

“Extramural” wholesale trade

- Secondary wholesalers** engage in extramural trade to **aggregate products from the Markets to serve small businesses** that cannot meet the volume requirements of direct suppliers or Market traders
- By **consolidating deliveries from multiple Traders**, secondary wholesalers offer logistical convenience to smaller food service operators, enabling efficient handling of orders without the need for them to directly engage with the Markets
- Smithfield’s higher share of tonnage to other wholesalers reflects the larger volumes of meat traded, the need for further processing handled by intermediaries, and its fragmented customer base of smaller buyers

Beyond Market Traders, there are a significant number of meat and fish wholesale businesses with strong distribution networks.

1

Full-service grocery wholesalers as alternatives

Large full-service grocery wholesalers, with **extensive product ranges** and **value added services**, are a preferred choice for **multi-site chain food service establishments** seeking streamlined operations and high-volume sourcing solutions

These wholesalers are increasingly **consolidating to cover a wider range of customers nationally** - e.g. Kitwave acquired two wholesale businesses (Creed and Total Foodservice) in 2024 alone

Further, many large wholesalers are now **building their own or acquiring existing specialised meat and fish wholesale brands** to expand their offerings and appeal to different customer segments

Company*	Revenue	Parent company	Associated specialised wholesalers
BOOKER	£5,927 M	TESCO	<i>Black Gate: Premium catering butcher brand in Booker Group</i> BLACKGATE
brakes	£4,193 M	Sysco	<i>M&J Seafood: Fresh seafood wholesaler acquired by Brake Bros in 2000</i> 
 Greater details of Bidcorp overleaf	£1,424 M	Bidcorp	<i>Direct Seafoods: Online wholesaling fishmonger brand in Bidfresh which is a fresh produce wholesaler under Bidcorp</i>  <i>Campbell Brothers: Premium catering butcher brand in Bidfresh</i> 

Meat and fish specialist alternatives

In 2022, there were approximately **~1,900** wholesalers for meat and meat products and around **~1,700** wholesalers for fish, crustaceans, and molluscs across the UK

Among these, some meat and fish specialised wholesalers **operate outside the Markets**, either (i) **associated with full-service grocery wholesalers** or as (ii) **independent businesses**

Non-exhaustive example list of **independent meat and fish specialists**:

Meat and poultry		Premium catering butcher for white-table cloth foodservice
		Catering butcher in London
Seafood		Meat processor and wholesaler for UK beef
		One of the largest independent seafood wholesaler in London
		Importer and wholesaler of premium grade seafood

These types of businesses do not rely on the Markets as their main supplier and already serve customers across London and the South East. Hence, they **can accommodate the Markets' clientele, offering viable alternatives** for the Market relocation

High consolidation in full-service wholesaling and specialised distribution enhances customer reach and supply chains: a case in point with Bidfoods.

1

Wholesale subsidiaries under Bidcorp Group

A



Bidfood
Large full-service grocery wholesaler

Further details on the **extensive product range and value-added services** offered by these wholesalers can be found on [page 67](#)

Supplier	Directly from producers or large primary processors, as they handle substantial order volumes
Customer	National accounts in the food service industry; require high-volume orders, often consisting of frozen meat and fish products

B



Bidfresh
Fresh food wholesaler

Multiple fresh food wholesale brands were acquired by Bidfresh but continue to trade under their original names to better appeal to local or high-end food service establishments

Supplier	Directly from producers or large primary processors, leveraging the combined order volume of all brands under Bidfresh
Customer	National and independent customers in the food service industry; often demand high-quality fresh meat and fish products

Meat and Fish specialists under Bidfresh

As part of a large full-service grocery wholesaler, these specialist brands benefit from **streamlined logistics and efficient supply procurement**

However, they often **maintain independent branding**, which is more appealing to **local or high-end food service establishments** seeking smaller volumes or higher-quality fresh meat and fish



Meat Campbell Brothers

Premium catering butcher serving UK food service industries from their depots in London and Edinburgh



Fish Direct Seafoods

National brand for the 11 fish businesses in Bidfresh including Daily Fish Supplies, Kingfisher, Channel Fisheries, Murrays, etc.



Fish Kingfisher, Channel Fisheries

Fresh fish wholesalers strategically located near ports and Brixham fish market



Fish Daily Fish Supplies

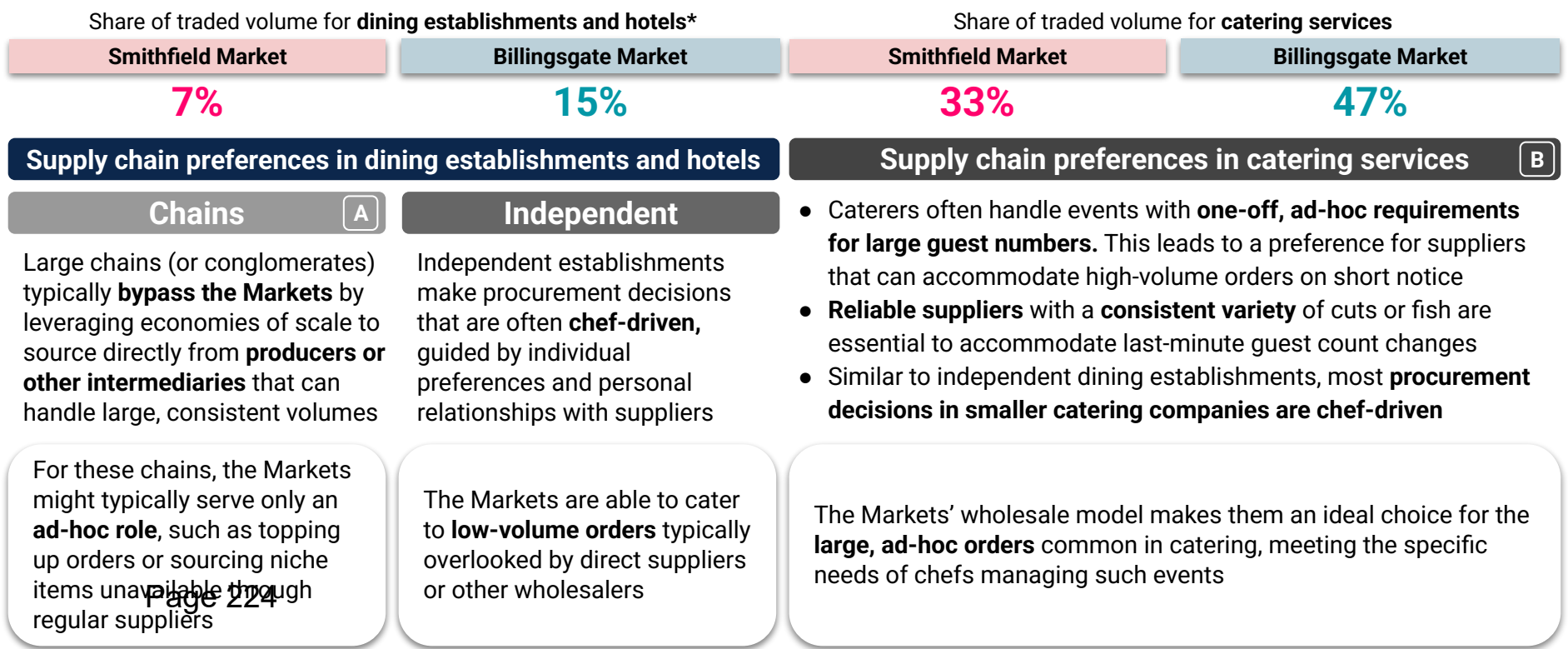
Seafood wholesaler serving Greater London



In addition to Bidfood's national coverage, Bidfresh brands have a wide geographical reach, enabling them to serve a broader range of customers

Within the food service industry, independent dining establishments and catering services are the primary customer types of the Markets.

2



Alternative full-service wholesale intermediaries provide value-added services to eating-out establishments which may not be fully available through Traders.

2A

Extensive and comprehensive product range

Alternative intermediaries offer a **broader range of products** beyond fresh meat and fish, including dry pantry goods, dairy, frozen items, and non-food essentials



Extensive product catalogue of Bidfood spanning over 350 pages, showcases their diverse offering

Simplified procurement process

Intermediaries **streamline sourcing** by consolidating ordering, delivery, and invoicing, acting as a **"one-stop shop"** for restaurants

This visual from highlights their streamlined procurement process, offering over 9,000 products across diverse categories like meat, seafood, fresh produce, bakery, and supplies



Value-added support

They **provide additional value** through menu planning tools, expert advice, and nutritional information showing calories and allergens to help restaurants optimise their offerings

BOOKER allows customers to create menus by entering an ingredient to instantly get a recipe



Page 225 offers access to expert chefs and advisors for tailored seafood menu support

Shared logistics network

Leveraging shared logistics networks ensures consistent delivery, reduced costs, and efficient distribution



UK's largest shared multi-temperature food distribution network, delivering to major chain dining establishments



- These offerings are becoming **increasingly valued by customers** and procurement decision-makers
- Beyond food ingredient supplies, many of these wholesalers also provide non-food goods or catering equipments, further **streamlining procurement**
- Experts suggest a **generational shift**, with younger chefs preferring digital platforms that offer flexible ordering hours and integrated support services within the procurement process

"...It's a generational shift. Chefs today rarely visit markets to hand-pick ingredients. They want digital solutions that offer **convenience, and transparency** to streamline their operations...there is less need or desire amongst younger generations to press the flesh"

- Full-service wholesaler #2; Senior Manager

Strong purchasing power, owing to substantive scale, enables some dining out establishments to go direct to processors and producers.

2A

- For dining establishments with substantial order volumes, **engaging directly with upstream suppliers** such as producers and processors can **streamline supply chains, reduce costs, and ensure greater control over product quality and consistency**
- A prime example of this approach is **J D Wetherspoon**, which sources key ingredients like **meat, fish, potatoes, and burgers directly from producers and processors**
- This direct sourcing not only supports product quality but also allows for more flexibility and responsiveness to customer demand, enabling a more efficient operation across locations

Case Study

wetherspoon

- Established in 1979, also known as "Spoons" has grown into one of the most popular pub chains in the country
- As of September 2024, J D Wetherspoon operates **809 pubs across the UK**
- The company has also expanded into hospitality, with **over 50 hotels across the UK and Ireland**

Product	Company	Type	Detail
 Beef steak	 Foyle Food Group	Processor	Supplies British and Irish beef steaks, sourced from Red Tractor and Bord Bia-accredited farms
 Pork Sausage	 Loughnane's of Galway	Producer	Produces sausages using 100% fresh Irish pork, natural ingredients, and traditional Irish recipes
 Fish	 Lyons Seafoods	Processor	One of the top five seafood processing companies in the UK by market share

Whilst inevitably commercials do drive most procurement decisions, some food operations place more emphasis on aspects like provenance and sustainability.

Non-commercial factors considered when making sourcing decisions



Ethical and sustainable practices

- Customers prioritise suppliers with ethical practices like organic farming and sustainable fishing
- Certifications such as **Red Tractor Assurance** for meat and **Marine Stewardship Council (MSC)** for seafood ensure high welfare standards, traceability, and responsible sourcing
- They prefer having **direct relationships with producers** to ensure their suppliers uphold these values

*"...Our chefs determine who we should be working with, then the supply chain backfills them by making sure they are the right fit and that all **food safety accreditations and regulations are met...**"*

- Catering Partner, catering company serving London and nearby, specialising in luxury events



Provenance

- Customers increasingly value suppliers with **clear and traceable origins**, ensuring transparency about where and how ingredients are sourced
- This aligns with growing consumer preferences, as **76% of UK diners** find dishes and ingredients sourced within the UK particularly appealing
- Supporting provenance boosts the **local economy** by contributing to nearby communities and regional producers

*"...We take great pride in providing **full traceability** for our products. Transparency is something our customers increasingly value. Even our most affordable product lines come with this information..."*

- Full-service wholesaler #1, Business Development lead



Hyper-local supply

- Hyper-local sourcing focuses on **proximity**, prioritising suppliers located close to the establishment
- This trend reflects a combination of **provenance** and **sustainability**, emphasising reduced carbon footprints and responsible consumption
- By sourcing locally, restaurants support **regional economies** while aligning with principles of **sustainability and environmental responsibility**

*"...We keep our supply chains very local...our abattoir is a very small local one nearby, the carcasses are taken to a butcher based in another nearby farm...aside from the butcher the meat goes to local foodservice (pubs and restaurants) who really **value the local and grass-fed produce...**"*

- Farm #7; organic red meat farm in Cumbria

Caterers form the largest customer groups of the Markets; the level of usage is a function of the caterer's business model and offering.

2B

Number of enterprises across the UK

- There are significantly **more dining venues** (~101,000) compared to **catering businesses** (~13,000) across the UK, highlighting the larger presence of dining establishments in the food service industry

Share of Market traded volume*

- **Catering** businesses account for a significant share (33-47%) of the total traded volume from the Markets, whereas dining venues represent a smaller share (6-13%)

- The market traded volume percentages reflect transactions within the Markets, not the total number of UK enterprises
- Catering businesses, though far fewer in number across the UK than dining establishments, contribute a significantly larger share of the Market's trade
- This highlights a **clear disparity** between the number of enterprises and their dependence on the Markets

Typical supplier characteristics for catering services

Demand variability

- Catering services face **ad-hoc demand**, often requiring large, bulk orders with fluctuating guest numbers
- Requires suppliers capable of managing **high-volume orders on short notice**, with procurement often finalised days before

Product range requirements

- Catering services need a **diverse range of ingredients** to create custom menus for events
- Suppliers must offer a **convenient one-stop shop** for bulk and varied goods across multiple categories

Logistical convenience

- Catering services need suppliers capable of **on-demand delivery**, often to multiple locations
- **Streamlined logistics**, including consolidated delivery and invoicing, are essential to simplify managing large, varied orders

Given the specific procurement needs of catering industry, combined with non-commercial factors, **wholesalers often emerge as the preferred suppliers of choice**. Bulk ordering allows catering companies to secure **favourable pricing through volume negotiations** while ensuring dependable support to **meet their large-scale and dynamic demands effectively**

70 * Share of Market traded volume for each Market expressed in different font colours for **Smithfield** and **Billingsgate** Market
Sources: Office for National Statistics (UK, 2022), Artefact interviews, research and analysis

While Markets offer a strong proposition to catering companies, other wholesalers are well-positioned to vie for business should change be required.

2B

Based on the procurement needs of catering services, the Markets can stand out as a supplier choice:

Flexibility for ad-hoc orders	Direct interaction with traders	Access to specialty products
The Markets accommodate low-volume and last-minute orders , offering caterers the flexibility needed to handle dynamic and unpredictable event demands	Caterers can build direct relationships with traders , gaining better deals, priority access to premium stock, and insights into seasonal availability - especially valuable for smaller businesses	The Markets provide niche cuts and exotic seafood , making them ideal for caterers designing bespoke menus requiring unique ingredients

While Market Traders may fit the needs of some catering services, certain factors may lead catering businesses to choose suppliers outside the Market, driven by **the advantages other suppliers provide or by their specific preferences:**

The same unique strengths of large full-service wholesalers that attract restaurants (extensive product range, streamlined procurement, menu planning support, and shared logistics networks) also makes them an appealing choice for caterers over the Markets	Preference for advanced planning Large-scale ethnic wedding caterers often prefer single distributors to lock in orders in advance, ensuring consistency for pre-selected menus and high guest numbers Commitment to sustainability High-end caterers prioritise suppliers with traceable supply chains that align with their focus on sustainability and ethical practices
---	--

Trader Mitigations

- Securing new premises well in advance of 2028/9** - statements from **SMTA** and **LFMA**
- Active communication with stakeholders** to reassure them of their commitment to continued service from modernised, improved locations

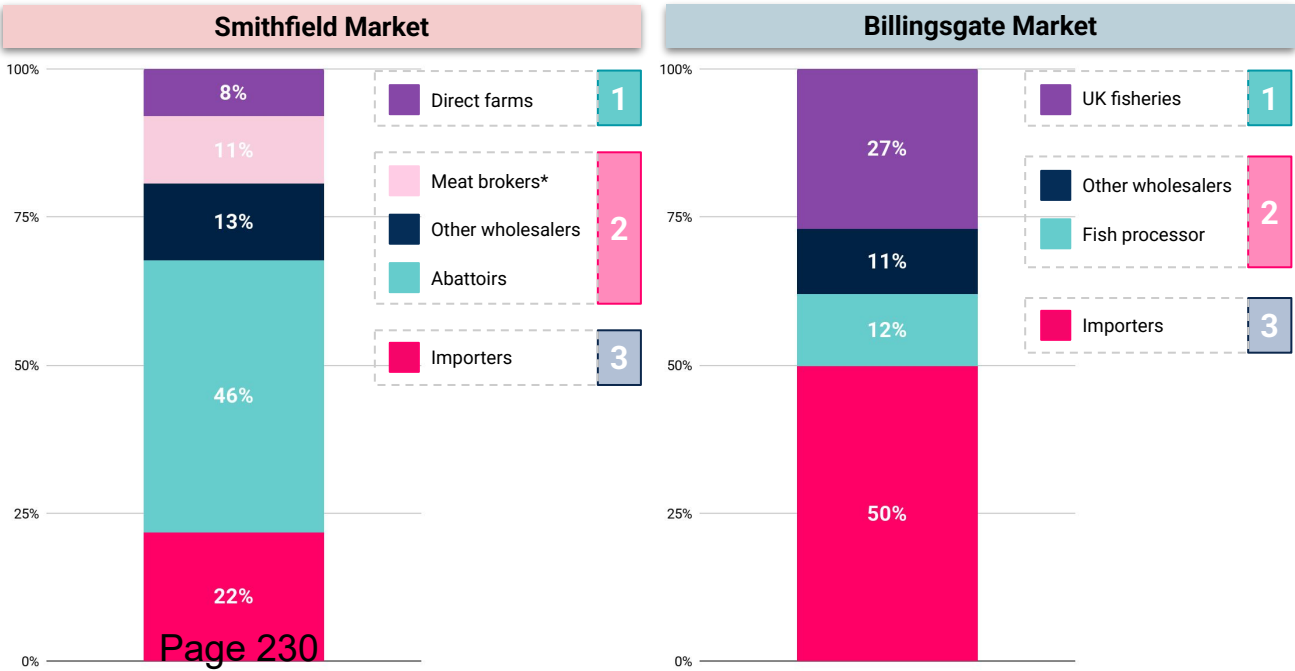
Alternative solutions

Caterers trading with the Markets can **transition to other wholesalers**, such as the large full-service wholesalers, benefiting from their wide selection of suppliers and low switching costs

For instance, **Booker Group**, the UK's largest meat wholesaler, **reported a 26.7% surge in catering sales in 2022-23**

With respect to the Markets, the upstream supply chain is characterised as more intermediated for meat and more direct for fish.

Supplier Distribution by %, Weighted Tonnage, Survey (2024)^{1, 2}



Smithfields' supply chain is more fragmented, with a wider range of upstream supplier types. **Billingsgate** focuses on **direct sourcing from fisheries and importers**, which suits the perishable nature of seafood and its need for more direct supply chains.

- 1 Domestic primary production:** Billingsgate sources heavily direct from UK fisheries based at ports on the coast
- 2 Processors: abattoirs, fish processors**
Intermediaries: brokers, other wholesalers For Smithfield, it accounts for 70% of its supplier volume as there are strict regulations on on-farm slaughtering - making this group the dominant supplier
- 3 Importers** The UK is a net importer for both meat and fish, reflected in the high traded tonnage with the Markets

Source: Artefact interviews, research and analysis

72 1. Artefact 2024 survey of Smithfield trading principals represents c.65-70% of the total declared tonnage for 2023

2. Artefact 2024 survey of Billingsgate trading principals represents c.60-65% of the total declared tonnage for 2023

* Meat broker follows the definition of food brokers from FSA: (meat brokers) take legal ownership of the food and not physical possession

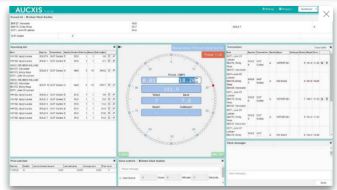
Direct supply from UK fisheries via a handful of major ports is a significant medium of supply of fish into Billingsgate.

1

27% Share of traded volume from **UK fisheries** to **Billingsgate Market**

Illustrative Journey of Fish: From Sea to Market

- Fishing at Sea:**
 - Fishing vessels in UK waters commonly catch fish such as cod, haddock, mackerel, along with shellfish like scallops
- Landing at Ports:**
 - Fish are landed at major UK ports like **Grimsby, Brixham, and Newlyn**, where they are immediately sorted and graded
 - In 2022, it was estimated that between **60-80% of UK domestic landings are being exported**
- Online Auctions and Sales:**
 - Fresh fish is increasingly sold via **online auction platforms** e.g. KOSMOS, enabling real-time bidding, rapid distribution to markets like Billingsgate, and improving traceability, transparency, and buyer access
- Storage and Cooling:**
 - Fish are stored in **temperature-controlled facilities** or iced directly on boats or at ports to ensure freshness during transportation
- Transportation and Distribution:**
 - Refrigerated transport** delivers fish quickly and in optimal condition to wholesalers, retailers, restaurants, and food service businesses



Screenshot of Brixham Fish Market's online auction through KOSMOS

Direct supply from UK fisheries via ports ensures a shorter supply chain for fish, with **refrigerated articulated lorries** playing a critical role in maintaining freshness during **overnight journeys** from ports to **Billingsgate Market**

The **minimal processing of fish** reflects its perishable nature and the emphasis on delivering it in its freshest form

- 2/3** Share of traded volume of **fresh seafood** in Billingsgate Market
- 1/3** Share of traded volume of **chilled seafood** in Billingsgate Market

Once at Billingsgate, the **Market functions as a central hub** where incoming fish shipments are **unpacked, sorted, and repackaged** by Market traders to meet their specific customer requirements. This hub functionality facilitates efficient redistribution to customers, ensuring a **seamless flow from fisheries to end customers**

For Smithfield, direct supply from farms is rare; abattoirs and other secondary processors are the largest supplier group and they are scattered nationwide.

2

8%

Share of traded volume from **UK direct farms** to **Smithfield Market**

46%

Share of traded volume from **abattoirs** to **Smithfield Market**

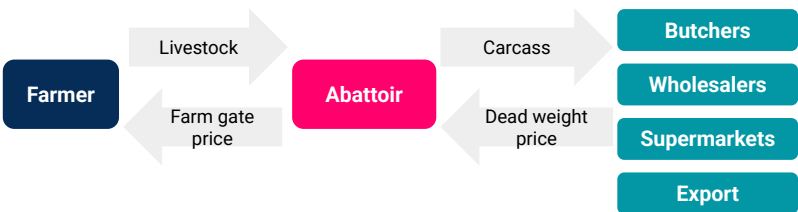
Regulatory constraints limiting farms as direct suppliers

Direct supply from farms to Smithfield is rare, as strict regulations on on-farm slaughtering mandate inspection and marking at licensed abattoirs

This regulatory framework makes **abattoirs and secondary processors the dominant suppliers to Smithfield**

Smithfield Market **relies on efficient refrigerated transport to connect widely dispersed UK slaughterhouses**
Transport companies ensure timely, temperature-controlled deliveries, maintaining safety standards and meeting the demands of Smithfield's traders

Role of abattoirs in the meat supply chain



The abattoir slaughters and classifies the livestock based on their conformation (shape) and fat level, using the EUROP grid¹:

- **Large abattoirs dominate the meat supply chain**, supplying supermarkets with high volumes of consistent, desirable cuts like R4L classification² in long term contracts
- In 2021, nearly **90% of beef cattle** and **98% of sheep** were processed by **57 medium or large abattoirs**, respectively, while smaller abattoirs handled only 5.4% of cattle and 0.7% of sheep
- Abattoirs supply **Smithfield** with a mix of products, including some R4L meat, while also redirecting meat that does not meet supermarket standards



Illustrative map showing the broad geographical spread and distributed nature of slaughterhouses across the UK

74

Source: Artefact interviews, research and analysis, Food Standards Agency (FSA) report, Agriculture and Horticulture Development Board, Oxford Sandy and Black Pig Foundation Charity website, Sustainable Food Trust website

1: A classification system for carcasses in the UK, grading conformation (E-P scale) and fat levels (1-5 scale) to predict meat yield, as per EU standards

2: A classification based on the EUROP grid, indicating optimal conformation (R) and fat class (4L), highly preferred by supermarkets for its balance of quality and yield

ARTEFACT

Existing domestic suppliers serving the Markets anticipate minimal disruption from Traders relocation beyond logistics, where upside gains might be apparent.

1, 2

Smithfield Suppliers

- Suppliers see **Market relocation** away from congested Central London as **potentially beneficial**, with **reduced transport costs** and **improved accessibility**
- Emphasised the **importance of Traders being located close to each other**, as it enables consolidated delivered through haulage companies

*"...We work through a **haulage contract**, but the **Market's central location creates challenges** like congestion charges. Moving the Market outside central London would be a positive change, with **easier access, lower costs, and fewer delays when unloading** ..."*

- Smithfield supplier #1

*"...The current setup works because **haulage companies can consolidate deliveries to one location**, making transport efficient and cost-effective. If the Market moves to a satellite model with multiple drop-offs, it would drive up costs and complicate logistics for suppliers..."*

- Smithfield supplier #2

Billingsgate Suppliers

- Suppliers **anticipate minimal impact from Market relocation**, as haulage companies handle logistics and any changes in transport costs are typically passed on to customers
- Many believe that a move **could present an opportunity for lower haulage expenses**, benefiting traders and suppliers alike, although this is **highly location dependent**

*"...We **just load the produce**, and the **haulage companies handle everything** else. The Traders cover the transport costs, so the location of the Market doesn't really affect us. Honestly, if the Market moved further out of London, I think traders might actually benefit from lower haulage costs..."*

- Billingsgate supplier #1

*"...**We've been told not to worry by the Traders**. We use haulage companies, and they set the prices. It's hard to say exactly how Traders relocating further out of London would affect everyone, but I don't see it being a problem. In fact, it **might even reduce haulage costs**..."*

- Billingsgate supplier #2

Since suppliers **rely on temperature-controlled logistics companies** for Market deliveries, and transport costs are typically passed on to customers, **relocation is unlikely to impact the suppliers**; provided the locations of the **new premises are thoughtfully planned to minimise delivery disruptions**



To further mitigate potential challenges, **Market Traders are actively engaging in open dialogue with suppliers** to reassure their commitment to continued trade from improved locations. Additionally, through **joints statements** by **SMTA** and **LFMA**, Traders have publicly **expressed their intent to continue trading** beyond current locations, and to where possible to **relocate collectively**, thereby helping to ensure consolidated operations and smooth logistics at the new premises

Logistics companies are central to maintaining freshness, quality, and safety of produce arriving at the Markets.

1, 2, 3

Temperature-controlled logistics in UK

33% of the UK freight road transport sector's revenue came from **retailers and wholesalers**

Logistics companies are vital for maintaining product freshness, quality, and safety during **overnight deliveries**

They are involved in both **inbound distribution** from ports / farms and **outbound delivery** to customers, supplementing Traders' own delivery efforts



Examples of temperature-controlled logistics companies serving the Markets

Suppliers to wholesale markets interact **exclusively through haulage and logistics companies**, which act as intermediaries in the supply chain

Transport costs are passed on to customers, making the physical location of the Markets less critical for suppliers

Through the Market relocation, the focus will be on traders securing premises that **minimise delivery disruptions by transport companies**

Current Logistics Situation	
Smithfield Market	Billingsgate Market
- Given the dispersed nature of domestic suppliers, inbound deliveries to the Market are typically managed by third-party logistics firms - The current premises are increasingly unsuitable for efficient logistics, with urban pressures such as pedestrianisation plans for St John Street, limited parking, and Congestion Charges further restricting accessibility for delivery vehicles	- Given the dominance of UK fisheries via ports as the domestic supplier, refrigerated transport, often articulated lorries, play a critical role making overnight journeys from the coast - Once at Billingsgate, the Market functions as a central hub where incoming fish shipments are unpacked, sorted, and put on ice awaiting repackaging and outbound transit
Logistical Opportunities Arising from Relocation of Market Traders	
There is a unified consensus among traders, customers, and suppliers that relocation of Market Traders could be beneficial: Addressing logistical challenges of current premises, especially in the case of Smithfield, with the opportunity to improve accessibility and efficiency of wholesale Markets - Providing the opportunity to better accommodate fresh products in modern, fit-for-purpose infrastructure, e.g. more modern ice-making facilities in case of Billingsgate - Potentially reducing transport and delivery costs with respect to both Markets, subject to final locations selected for post-2028/9 Traders have begun actively searching for new premises, with a strong focus on ensuring logistical efficiencies - Logistics providers are increasingly receiving inquiries from suppliers about the feasibility of delivering to new locations - These inquiries, driven by Traders, suggest that Traders are actively exploring relocation options while factoring logistical efficiency and service coverage into their decision-making process	

"...We're constantly being asked by suppliers about potential relocation: **'If we move here, can you still reach us?'** Traders inquire with their suppliers, who in turn consult us for answers..."

- Logistics Supervisor,
Temperature-controlled logistics company #2

Importers, with aid of international cold chain, play a key role in terms of Market supply by tonnage traded reflecting the broader UK consumer demand picture.

3

The UK is a net importer of meat and fish to meet domestic demand, addressing seasonal variations in production and ensuring a stable supply
The significant share of traded volume for imports at the Markets reflects this dependency

UK demand for seafood imports

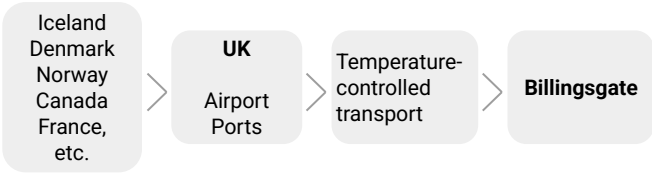
81% of the seafood eaten in the UK was **imported or farmed outside of UK waters**

Post-Brexit fishing quotas: limit the supply of UK fish while the demand remains high, increasing the need for imports

Tariff sanctions to Russia: Russia-Ukraine war led to the UK imposing tariffs on Russian goods, but Russian whitefish continues to enter illegally via China, which became the UK's top fish importer by volume in 2022

Billingsgate import

50% Share of traded volume from **importers** to **Billingsgate Market**



"...We supply traders in Billingsgate with imported fish, **we contract specialist transport companies to deliver to them...**"
- Fish Importer #1; based in Lincolnshire

UK demand for meat imports

	Import Share of UK Meat ¹	Imported volume
	36%	653,000 tonnes
	18%	626,000 tonnes
	15%	288,000 tonnes

While pork has the highest import share relative to domestic production, poultry and beef are also consumed meat in the UK, also sees significant import volumes

Smithfield import

22% Share of traded volume from **importers** to **Smithfield Market**

Market Traders' data mirrors the UK's import trends, with poultry-focused traders reporting over 50% of their products sourced from imports, compared to 10–20% import shares for traders dealing primarily with other types of meat. This underscores the differing levels of reliance on imports across various meat types within the UK supply chain

Similar to UK meat and fish producers, **importers primarily engage with the Markets via temperature-controlled logistics companies**

As with domestic suppliers, the relocation of the Markets will require traders to **prioritise premises that minimise delivery disruptions** and maintain seamless transport operations

77 Source: Artefact interviews, research and analysis, WWF Risky Seafood Business (2022), DEFRA (2023), Seafish
1: The proportion of the total meat supply in the UK that is sourced through imports, as opposed to being produced domestically

Concerns over food security due to closure of the present physical Market sites are likely to be overstated when considered alongside key mitigating factors.

Re-capping the food security context

Food security is a multifaceted topic, yet its exact meaning is often misunderstood

The **UK's Agriculture Act 2020** highlighted five themes that encompass the national **food security landscape**: (i) *Global food availability*, (ii) *UK food production*, (iii) *Supply chain resilience*, (iv) *Household-level food security*, (v) *Food safety and consumer confidence*

During prior discussions of the future of the Markets, the question of food security has arisen, yet the **Markets are only able to directly influence 2 of the 5 themes in the Page 236**

Household-level food security

- | | |
|----------|---|
| A | Dominance of supermarkets in UK household consumption of meat and fish, and their ability to bypass the Markets |
| | <ul style="list-style-type: none">• 91-92% of UK meat and fish consumption takes place at the household level, with 77% of consumers purchasing directly from supermarket• Supermarkets bypass the Markets, contributing 0% to their traded volumes and operating entirely outside the Markets' food supply chain• Number of independent retailers (fishmongers, butchers) serving household consumption have declined over the past decade as consumers increasingly shift to supermarkets• Since supermarkets are entirely outside the Markets' supply chain, their ability to meet the UK's meat and fish demand will remain unaffected by the relocation of Market Traders |
| B | Reduced reliance on Market Traders due to declining meat and fish consumption trends in the UK |
| | <ul style="list-style-type: none">• UK per capita meat and fish consumption has declined by 20% and 25% over two decades, driven by dietary shifts and economic pressures like the cost-of-living crisis• With this trend expected to continue, the declining demand reduces the Markets' significance in household-level food supply, mitigating concerns about their relocation |

Supply chain resilience

- | | |
|----------|---|
| C | Traders committed to relocating and upgrading operations for future growth |
| | <ul style="list-style-type: none">• Through joint statements by SMTA and LFMA, Traders have publicly expressed their intent to continue trading and where possible to relocate collectively, preserving the Markets' role as a hub for inter- and extramural trade while ensuring logistical efficiencies• Efforts to secure modern, fit-for-purpose premises are underway well ahead of the end existing leases at current Market premises in 2028/9• To address any uncertainty, Traders are engaging stakeholders to reaffirm their commitment to continued trade from improved premises• These measures will enable the Markets to maintain relationships with existing customers and suppliers, ensuring business continuity after relocation |
| D | Availability of alternative supply channels¹ minimises disruption risks |
| | <ul style="list-style-type: none">• Should any participants in the Markets' supply chain face disruption in their relationship with the Traders, alternative meat and fish specialist distributors, along with full-service providers, can ensure continuity through value-added services and a broader product range• For local retail customers potentially affected by the relocation, there are nearby alternatives that can effectively replace the Markets, offering accessible trading hours and serving their needs• These alternative channels mitigate potential disruptions, ensuring that supply chain participants retain reliable options for fresh meat and fish procurement |

When considered collectively, these factors effectively help to mitigate any perceived risks to food security



Appendix

Preparation of this report has leveraged extensive information from a broad range of market reports, government statistics and consumer research.

- Market Report
- IBISWorld report (6)
 - Food processing UK
 - Processed Meat UK
 - Total meat consumption UK
 - Seafood processing UK
 - Catering services UK
 - Freight Road Transport in the UK
 - Euromonitor International report (2)
 - Meat in the UK
 - Fish and Seafood in the UK
 - Statistics (2)
 - Statista
 - Kantar Worldpanel
 - Wholesale market research (2)
 - Milan Urban Food Policy Pact (MUFPP) report
 - World Union of Wholesale Markets (WUWM) presentation
 - UK Food industry report (6)
 - Friends of the Earth and Sustain report
 - UKRI report
 - Food Standards Agency report
 - The Food Foundation report
 - Bidfood report
 - Tesco annual report
 - UK Fish industry report (6)
 - Marine Conservation Society report
 - Seafish report (3)
 - Marine Stewardship Council report
 - WWF Risky Seafood Business report
 - UK Meat industry report (2)
 - Agriculture and Horticulture Development Board (AHDB) report (2)

- Government Report/Data
- UK government statistics/report (5)
 - UK Food Security Report 2021
 - Department for Environment Food and Rural Affairs (DEFRA) Family Food Data
 - DEFRA Animal feed prices
 - DEFRA Agriculture in the UK
 - House of Commons Library "UK Fisheries Statistics" report (2022)
 - Office for National Statistics (ONS) (3)
 - Food price inflation data
 - Population estimates for England and Wales
 - Annual Business Survey
 - Foreign government report (1)
 - Japan Ministry of Agriculture, Forestry and Fisheries (MAFF) Report

- Internal data
- Billingsgate (7)
 - Tonnage data (2013-2024)
 - Tenancy schedule data
 - Toll data
 - Chiller daily volume
 - CBRE Footfall data
 - Tenant financial data
 - Premises development plan
 - Smithfield (4)
 - Tonnage data (2016-2023)
 - CBRE Footfall data
 - Tenancy ownership chart
 - Premises development plan

- Website
- Wholesale market official website (4)
 - City of London (2)
 - Melbourne Markets website
 - Mercabarna website
 - Wholesaler official website (5)
 - Brake website
 - Bidfood website (2)
 - M&J Seafood website
 - Best Food Logistics website
 - Hospitality Chain website (1)
 - JD Wetherspoon Website
 - Press Article (3)
 - Financial Times (2)
 - The Guardian
 - Others (8)
 - World Bank
 - Dictionary of Victorian London
 - Morrisons Corporate website
 - Happycow
 - The Grocer Magazine
 - Food Standards Agency (FSA) website
 - Brixham Fish Market website
 - Sustainable Food Trust website
 - Oxford Sandy and Black Pig Foundation Charity website

- Consumer Research
- Consumer behaviour survey (4)
 - YouGov (3)
 - AHDB/YouGov (1)

In-depth interviews and surveys with Market traders, supply chain participants and industry experts has further facilitated findings (1/2).

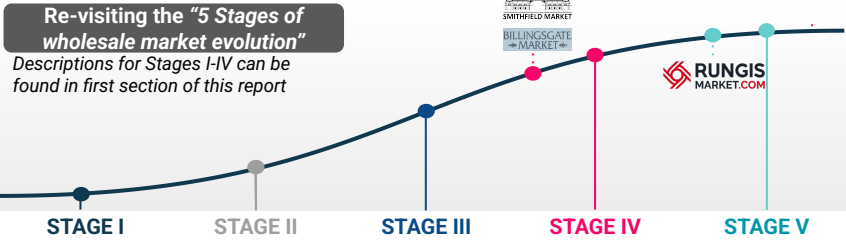
Wholesalers & Traders		Production	
Trader in Billingsgate Market • Trader #1; c.50 yrs experience • Trader #2; c.30 yrs experience • Trader #3; c.30 yrs experience • Trader #4; c.50+ yrs experience • Trader #5; c.40 yrs experience • Trader #6; c.40+ yrs experience <i>These Traders account for c.60-65% of the 2023 declared tonnage</i>	Trader in Smithfield Market • Trader #1; c.40+ yrs experience • Trader #2; c.45+ yrs experience • Trader #3; c.50+ yrs experience • Trader #4; c. 50 yrs experience • Trader #5; c.40 yrs of experience • Trader #6; c.40+ yrs of experience • Trader #7; c.50+ yrs of experience <i>These Traders account for c.65-70% of the 2023 declared tonnage</i>	UK Fishery • Fishery #1; present in 7 London farmers' markets • Fishery #2; present in 8 London farmers' markets • Fishery #3; Scottish white fish farm • Fishery #4; Scottish aquaculture company Fish Importer • Importer #1; based in Lincolnshire	UK Livestock Farm • Farm #1; sells through meat brokers • Farm #2; red meat farm • Farm #3; poultry farm in Somerset • Farm #4; a pedigree livestock farm in Sussex • Farm #5; poultry farm in Bedfordshire • Farm #6; pig farm in Herefordshire • Farm #7; organic red meat farm in Cumbria Meat Importer • Importer #1; poultry importer from Asia & Europe • Importer #2; poultry importer from France
Fish Specialist Wholesaler out of Billingsgate Market • Wholesaler #1; supplies fresh squid across the UK and Europe • Wholesaler #2; based in Aberdeenshire • Wholesaler #3; based in Lincolnshire • Wholesaler #4; based in Greater London	Meat Specialist Wholesaler out of Smithfield Market • Wholesaler #1; based in Essex • Wholesaler #2; based in Berkshire • Wholesaler #3; based in West Midlands	Processing Fish Processor • Processor #1; based in Devon • Processor #2; based in Aberdeenshire • Processor #3; based in Suffolk Abattoir • Abattoir #1; based in Cumbria, specialise in cattle and sheep • Abattoir #2; based in Edinburgh, specialise in cattle • Abattoir #3; based in Somerset, specialise in sheep and pigs • Abattoir #4; based in Norfolk, red meat	

In-depth interviews and surveys with Market traders, supply chain participants and industry experts has further facilitated findings (2/2).

Distribution and Intermediaries	
Meat Buyer: procurement specialist sourcing meat for fast-food chains	Temperature-controlled Logistics for the Markets • Transport Logistics #1; Senior Operations Executive • Transport Logistics #2; Logistics Supervisor
Meat Broker: supplies Northamptonshire, Oxfordshire, and South East England	
End consumers	
Billingsgate • Visitor #1; visits weekly • Visitor #2; first-time visitor, came to experience the Market after hearing about its closure • Visitor #3; first visit in 5 years • Visitor #4; food content creator (500k+ followers), visits occasionally for exotic fish	• Visitor #5; first-time visitor • Visitor #6; South Asian couple visiting for second time Smithfield • Visitor #1; occasional visitor to buy for dinner parties
Internal Stakeholders	
General Managers of the Markets • A former manager of Billingsgate Market • Billingsgate General Manager	• Smithfield General Manager Surveyor • Surveyor at Billingsgate; c.40 yrs of experience
Retail	
Fishmonger • Fishmonger #1; based in Fife • Fishmonger #2; based in Kent • Fishmonger #3; based in Suffolk • Fishmonger #4; based in South West London • Fishmonger #5; based in East London	Butcher • Butcher #1; based in Greater London • Butcher #2; based in Buckinghamshire • Butcher #3; based in Kent • Butcher #4; based in Greater London • Butcher #5; based in Greater London • Butcher #6; based in Hertfordshire • Butcher #7; based in East London
Local retail shop • Local shop #1; Asian supermarket chain with in-house butcher and fishmongers, 5 sites • Local shop #2; leading halal meat retailer with in-house butchers, 27 sites	
Food service industry	
Restaurant • Chain restaurant #1; seafood restaurant, 8 sites • Chain restaurant #2; fish & chip restaurant, 2 sites • Independent restaurant #1; based in Central London • Independent restaurant #2; based in Central London • Independent restaurant #3; fish & chip restaurant • Independent restaurant #4; high-end British cuisine restaurant	Catering Company • Catering #1; top-tier catering company serving London and nearby, specialising in luxury events • Catering #2; an ethnic-focused catering company

Stage V wholesale markets are few and far between; Rungis in France serves as a rare example though it has benefitted from very proactive government backing.

This slide serves to further the discussion of themes brought up on [page 14](#) in the first section of this report and focuses specifically on Stage V.



Stage V wholesale market characteristics

- Wholesale markets **regain prominence** by adapting to modern demands
- Markets modernise with warehousing, **e-commerce**, and urban **consolidation**

1.7M tonnes Every year, more than 1.7 million tonnes of food products are processed at Rungis

232 ha. Rungis covers 232 hectares, larger than the Principality of Monaco

12,000 Often referred to as a ‘city within a city’, Rungis employs 12,000+ people in 1,400+ companies

Page 241 Estimated initial French government investment in 1960s for establishment
€1.2 Bn

Rungis: An often cited example of a Stage V wholesale market

Rungis International Market, located in the southern suburbs of Paris, is the world’s largest wholesale market for fresh products, spanning 234 hectares. It offers a wide range of products, including seafood, meat, fruits, vegetables, dairy, and horticultural items.

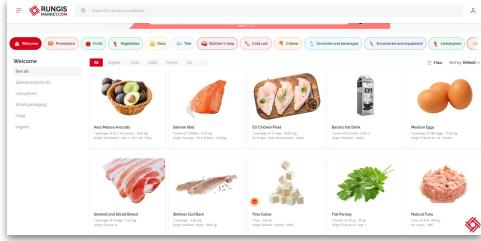
History and Location: Originally located in the **Les Halles area of central Paris**, the market dates back to the 10th century. By the mid-20th century, its limited space led to the decision to relocate. In **1969**, Rungis was chosen for its **strategic location** near Orly Airport and its access to major rail and highway networks.

Operations and Scale: Rungis handles over **1.7 million tonnes of goods annually**, operating mainly in the early morning from 1 a.m. to 11 a.m. The complex covers **232 hectares (570 acres)**¹, making it slightly larger than the Principality of Monaco. It supports **12,000+ employees** and accommodates 26,000 vehicles, including 3,000 heavy trucks. The market is equipped with refrigerated storage, loading docks, and logistics networks, facilitating efficient distribution to both local and international clients.

Governance and Investment: The French government invested **€1.2 billion** in the 1960s to relocate and develop the market’s infrastructure. This included the **construction of cold storage and essential transport links**. The government also oversaw **public-private partnerships** for its ongoing operation. In the 2000s, continued investments focused on **digital systems and sustainability**. The **Rungis 2025 initiative** has committed an **additional €1 billion** to expand the market’s infrastructure, improve green logistics, and modernise its operations.



Map of Rungis International Market



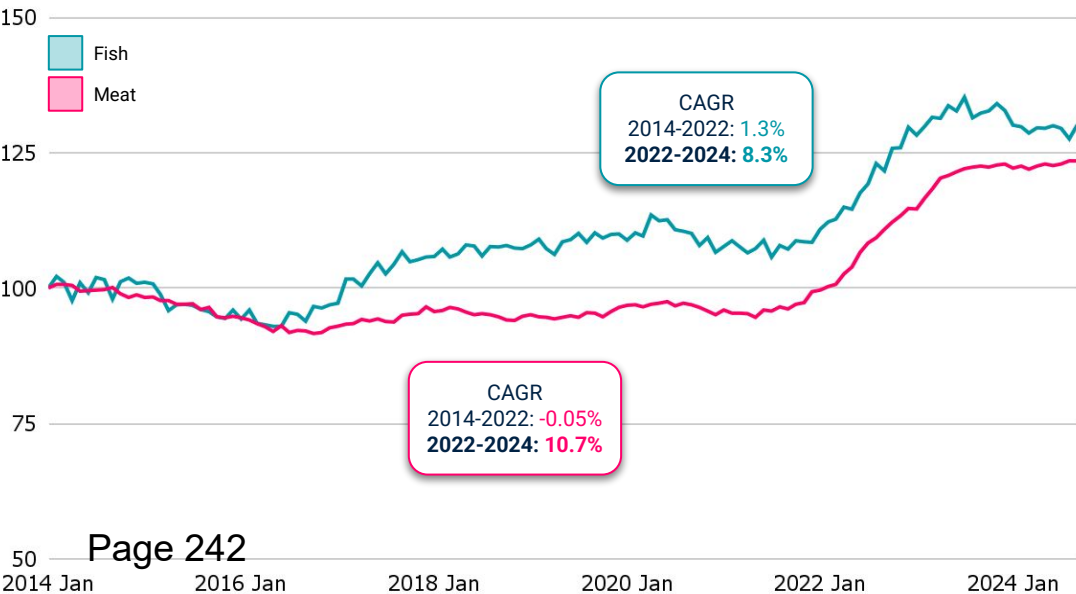
Integrated online marketplace of Rungis

Rising input costs, driven by global factors, lead to higher prices for livestock feed, meat, and seafood, ultimately impacting costs for the end consumer.

This slide serves as a supplement to the insights on [page 51](#), providing additional insights into the cost of living crisis in the UK, with a specific focus on meat and fish prices

Consumer Price Index (CPI) for Meat and Fish

Monthly from Jan 2014 to Sep 2024, Data indexed Jan 2014



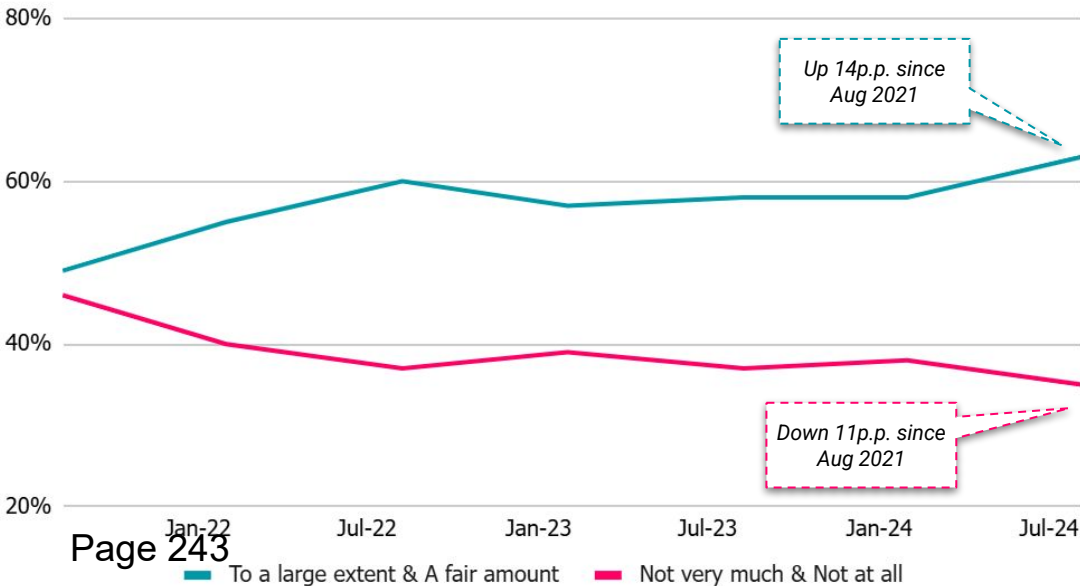
- Russia-Ukraine conflict has increased input costs, particularly affecting the supply and pricing of wheat, a crucial feed ingredient for livestock.
- According to the AHDB, input costs for UK meat farms have surged significantly, with a 54.0% rise for pig farms and 39.0% increase for beef and sheep farms since 2022.
- Input costs such as energy, fuel and feed has also increased for the Seafood industry. For eg: Marine fuel spend in 2022 increased by 75% from 2021.¹

Londoners show increased focus on sustainability in food, with over 60% prioritising eco-friendly choices and growing recognition of certifications.

This slide serves as a supplement to the analysis on [page 50](#), offering further insights into dietary choice trends

Impact of Environmental Sustainability on Food Choices in London

In %, YouGov Survey (2024)



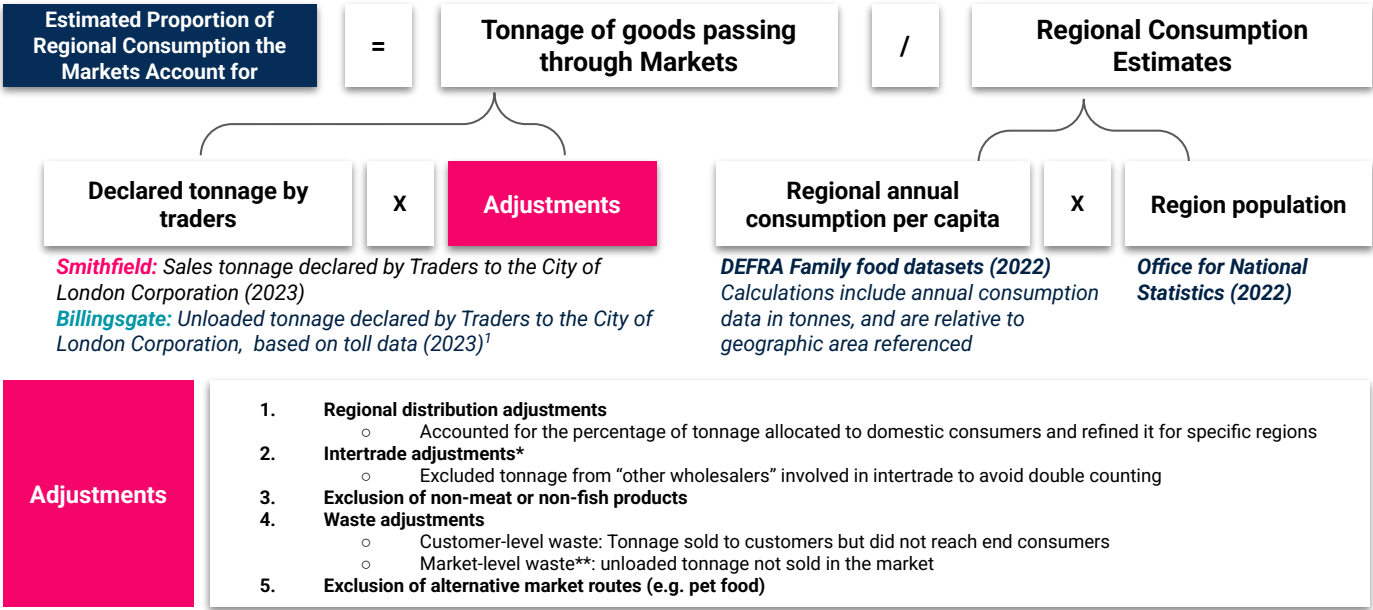
- Almost 2 out of 3 people in London now consider environmental sustainability in their food choices
- The percentage of Londoners prioritising sustainability in food decisions has steadily risen from 49% to 63%
- As more consumers recognise sustainability certifications (such as Red Tractor Certified Standard for meat and Marine Stewardship Council for fish), an increasing number of producers and processors are obtaining them
- Those indicating that sustainability plays little to no role in their food choices has dropped by 11% to 35% in Aug 2024

Methodology and data adjustments for estimating contribution of Smithfield and Billingsgate Markets to UK and regional consumption.

This slide serve as an accompaniment and explain the methodology utilised to calculate the figures laid out on page 17 of the first section of this report

- This analysis aims to **quantify the role of Smithfield and Billingsgate markets in meeting UK consumption**, drawing on data from Trader surveys, City of London data, and carefully considered assumptions
- **Adjustments** were applied to calculate the tonnage passing through the markets that reaches end consumers in each region, avoiding inflated figures through careful adjustments
- These proportions **could decrease further** when considering additional factors, such as traders supplying customers in London or the South East, whose products may **ultimately serve consumers outside these regions** (e.g. a catering company in London primarily supplying events in Manchester)
- While precise assumptions for such adjustments are complex, the current figures reflect a **conservative estimate of the markets' regional impact**

Accordingly, we estimate that today Smithfield and Billingsgate account for ~3% UK-wide consumption and ~9% of South East and Greater London consumption



1: The Billingsgate analysis uses incomplete data, with no frozen fish volumes reported since 2018. For 2023, total fish volume combines fresh fish data from LFMA (London Fish Merchants Association) and an estimated frozen fish volume

* Not applicable for Billingsgate Market, as unloaded toll data is recorded pre-trade and excludes intertrade volumes

** Only applicable for Billingsgate Market as Smithfield Market tonnage data is based on sales data

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REPORT END.