

## FDF's Response to FISS Report on Food Transport

**Recommendation 1** – That the food industry focuses on the big six initiatives detailed in the report. These are:

- Greater capacity vehicles,
- Out of hours deliveries,
- Engine specifications,
- Vehicle telematics,
- Transport collaboration,
- Logistics systems redesign.

The Champions' Group believes that these offer the greatest opportunity for reducing the external cost of food transportation.

FDF supports a focus on the big six initiatives detailed in the report as those most likely to deliver a reduction in external costs associated with domestic food transport by the food industry and thereby achieve the 20% target by 2012. However we consider that road to rail has much potential to deliver 'friendlier' miles for the industry and as such should be included amongst the 'big hitting' initiatives.

**Recommendation 2** – That further work is carried out through the Rail Freight Group ([www.rfg.org.uk](http://www.rfg.org.uk)) to identify the possible benefits from further transfer of food transport from road to rail.

FDF believes that the benefits of switching from road to rail are already clear. Further work should therefore focus on looking at the barriers to achieving a greater modal shift from road to rail and how these might be overcome. This should include how to enable greater access to rail by for example improving communications to identify synergies/networks/backloads and to generally make the rail freight industry more flexible could be usefully examined.

**Recommendation 3** – That Efficient Consumer Response (ECR)/ Food and Drink Federation (FDF) work together to identify specific activities that will help to deliver the benefits offered by the "big six" initiatives, and communicate this best practice to the industry.

FDF understands that IGD is currently leading work on two of the "big six" initiatives – transport collaboration and logistics systems redesign – under its Efficient Consumer Response Programme. Some FDF member companies are already involved in this project as IGD members. FDF as a whole is also getting involved in this work.

In terms of the remaining four "big six" initiatives, FDF would propose that Defra coordinates action on these in consultation with relevant food chain organisations including FDF, BRC, CSDF and the Freight Transport Association. Defra's role should be an enabling one, making these initiatives happen by providing supporting legislation, standards and encouraging infrastructure, leaving the trade and specialist organisations to effect collaboration and cooperation. This broader approach is needed since food manufacturers alone cannot deliver

the benefits offered by these initiatives especially as around 95% of their food transportation is carried out by third party hauliers.

**Recommendation 4** – ECR/FDF to review the barriers to the use of “greater capacity vehicles” and to await the outcome of the Department for Transport (DfT) Longer and Heavier Goods Vehicle Study: the affects if Longer Heavier Goods Vehicles (LHVs) were to be permitted in the UK. – Due for completion in summer 2007.

It is our understanding that “greater capacity vehicles” is not currently being dealt with under the IGD-led ECR programme of work. Therefore FDF proposes that Defra coordinate the action on this issue in consultation with the relevant food chain and specialist organisations as detailed in our response to Recommendation 3. The focus should be on getting agreement on an action plan for the take up of such vehicles and ensuring infrastructure (e.g. docks/equipment) is compatible.

**Recommendation 5** – ECR/FDF review the current guidance on, and barriers to, removing delivery restrictions; establish a dialogue with the Defra/Local Authorities Coordinators of Regulatory Services (LACORS) with a view to reviewing the usage of recent DfT guidance on delivery restrictions and Freight Quality Partnerships.

Removing restrictions on out of hours deliveries is not a major issue for food and drink manufacturers as most trunking is to and from facilities in industrial locations rather than residential. As per our response to Recommendation 3, we would again suggest that Defra coordinate the action on this issue in consultation with the relevant food chain organisations to remove such restrictions.

**Recommendation 6** – ECR/FDF and Government develop incentives for investment in vehicle telematics to remove the perceived cost barriers to adoption.

FDF supports the need to develop such incentives but would question why this is limited to telematics as most if not all of the other ‘big six’ initiatives including road to rail could also benefit. As per our response to Recommendation 3, we would also suggest that Defra coordinate this activity in conjunction with the relevant food chain organisations.

**Recommendation 7** – Within the next three months specific ownership of the actions at recommendation 3, 4, 5 and 6 is established by Defra, ECR and FDF.

FDF considers that it is most appropriate for Defra to coordinate the actions relating to Recommendations 3, 4, 5 and 6 in consultation with the relevant food chain and specialist organisations, including FDF, BRC, CSDF and the FTA. Defra’s role should focus on enabling these initiatives to happen by providing supporting legislation, standards and encouraging infrastructure. For the specific activities on transport collaboration and logistics systems redesign these should continue to be taken forward by IGD under the ECR programme.

**Question 1** – Which of the recommendations do you regard as the most likely to have a positive effect on reducing the external costs of food transportation by the food industry?

From a food manufacturer's perspective Recommendations 3 and 6, in so far as they relate to identifying opportunities for greater uptake of larger capacity vehicles, vehicle telematics and transport collaboration. Also Recommendation 2 in terms of identifying and addressing the barriers to further transfer of transport from road to rail.

**Question 2** – Is there any further survey or research work that you consider might be useful in helping to reduce the external costs of food transportation by the food industry?

FDF would encourage further research around rail use in order to identify the opportunities for and encourage growth in intermodal shift.

**Question 3** – How can Defra better work with a wide range of sectors (such as small and medium enterprises and the catering sector) on food transport?

By going through the representative trade bodies and perhaps also local authorities for catering outlets. In particular Defra should concentrate on simplifying communications, improving administrative efficiency, removing barriers, facilitating access to businesses on the fringe or without critical mass and dedicated specialists/purchasing power.

**Question 4** – Are there any other issues that have not been addressed by the report that you think Defra and the industry should consider?

The influence that the industry has over truck manufacturers and ancillary suppliers over matters such as new vehicle design, development of alternative components etc. Such issues as tractor trailer ratio, fleet replacement policy, routing including identification of higher impact drop points and vehicle maintenance are also relevant considerations. Also reduction of empty running, although listed in Annex 3 of the report, is seen to offer much potential in the food manufacturing sector for reducing external costs.