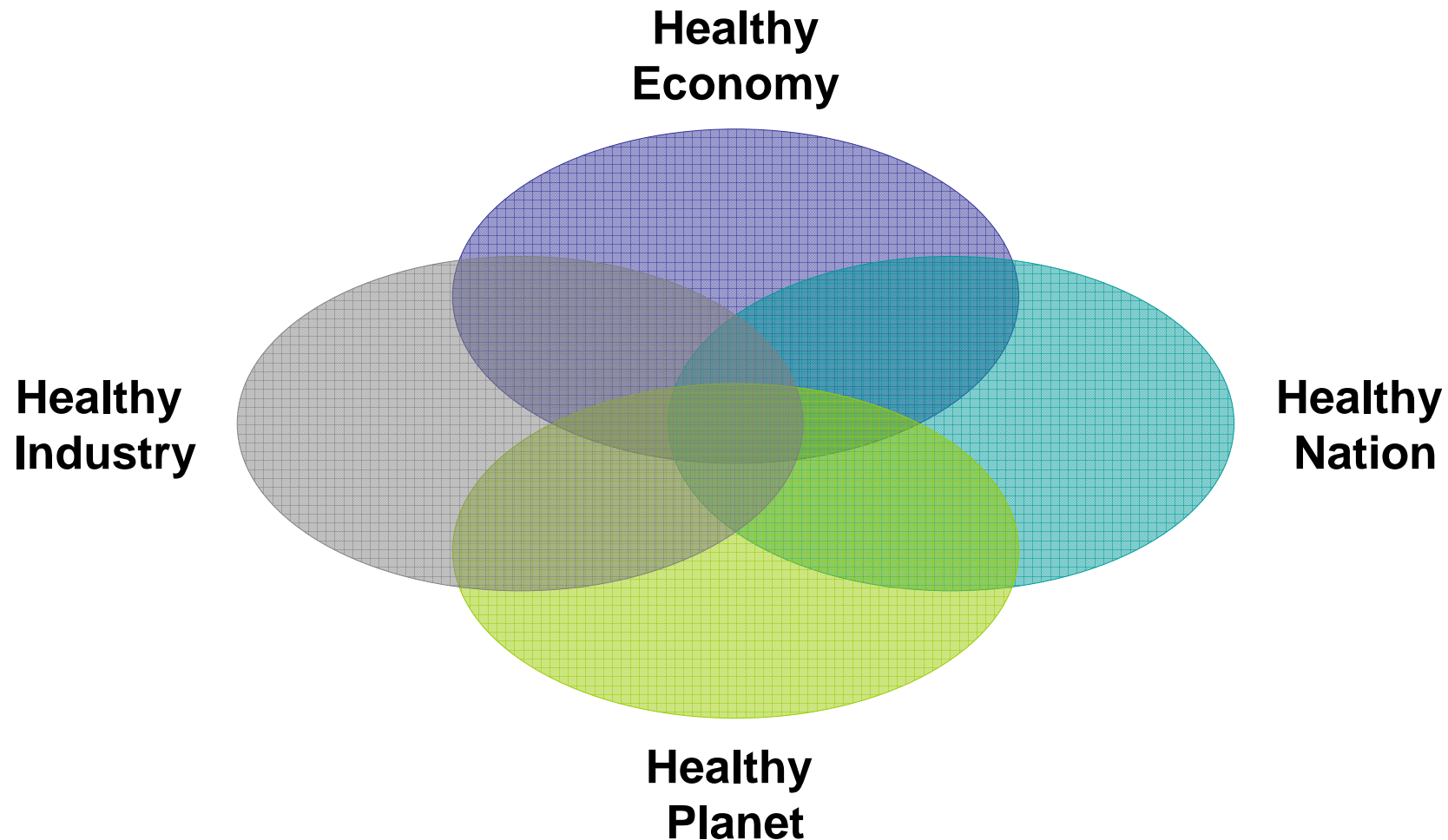


Industry's positive contribution

Julian Hunt, Director of Communications, FDF

There are other challenges too!



FDF: the voice of the industry

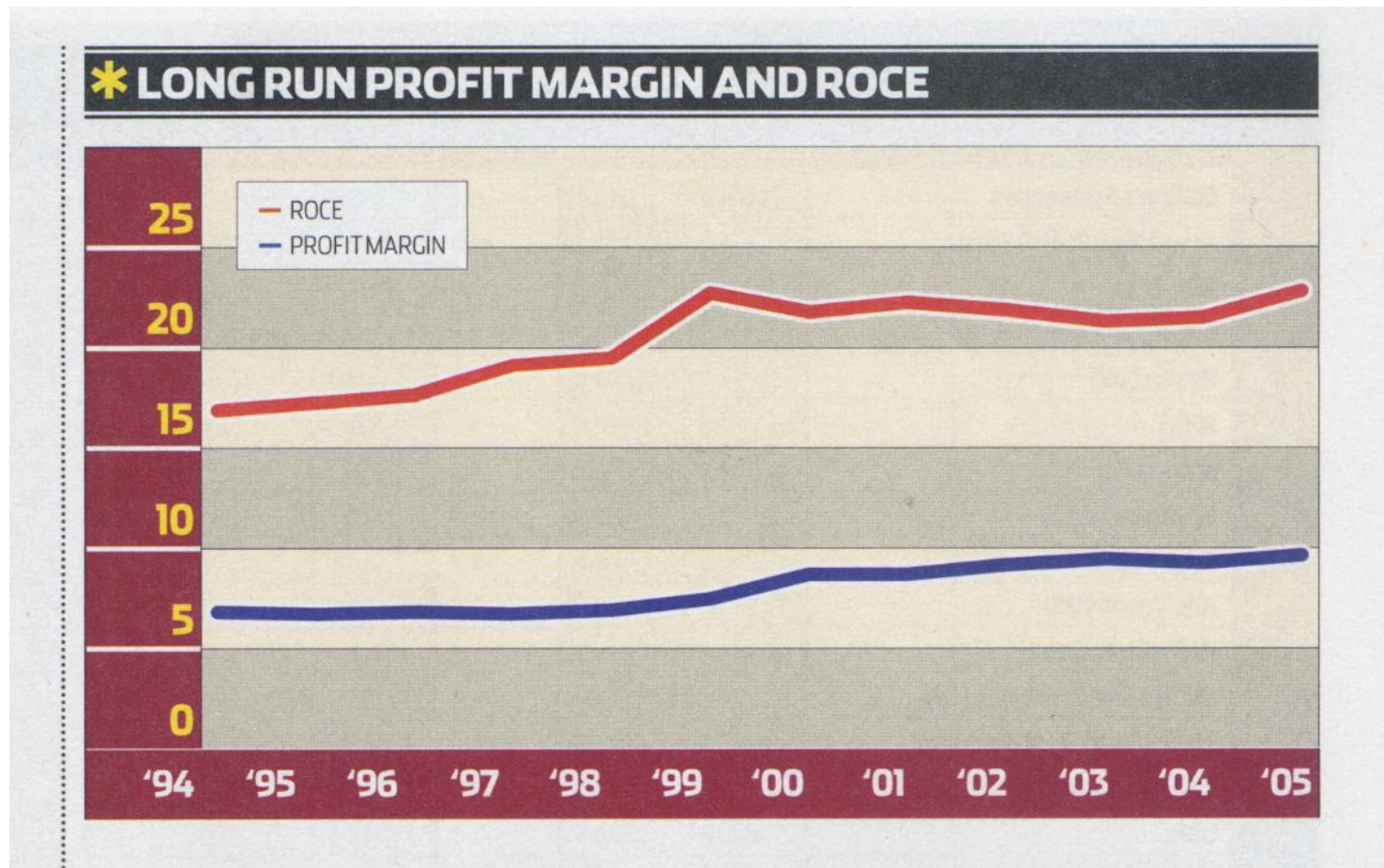


Our industry...

- Represents 15% of the UK's total manufacturing sector
- Is the fourth largest food and drink manufacturing industry in the world.
- Directly employs about 500,000 people
- Is an important trading partner with Europe...
- ...and a key partner for UK farmers
- Comprises 6,500 companies, the majority being small, medium or micro enterprises



An industry in good shape?



Source: The Grocer/OC&C Index 2006

A reputational issue

“Obesity has become a political and social issue; consequently, food and beverage companies are going to be under rising pressure from governments, health organisations, consumer associations and the media to behave as very good corporate citizens.”

Arnaud Langlois, JP Morgan

Credit at last?

“The UK is leading the world on salt reduction – many of our food manufacturers should be congratulated on the effort they have made to reduce the amount of salt they add to our foods.”

**Professor Graham MacGregor, Chairman,
Consensus Action on Salt and Health**

Consumers drive change

“Low-fat, low-sugar and low-salt products have been pushing up the brand charts, as well as premium quality and convenience, but a new ingredient for success has emerged – naturalness.”

**Mary Carmichael, Brands Editor, The Grocer magazine,
December 2006**

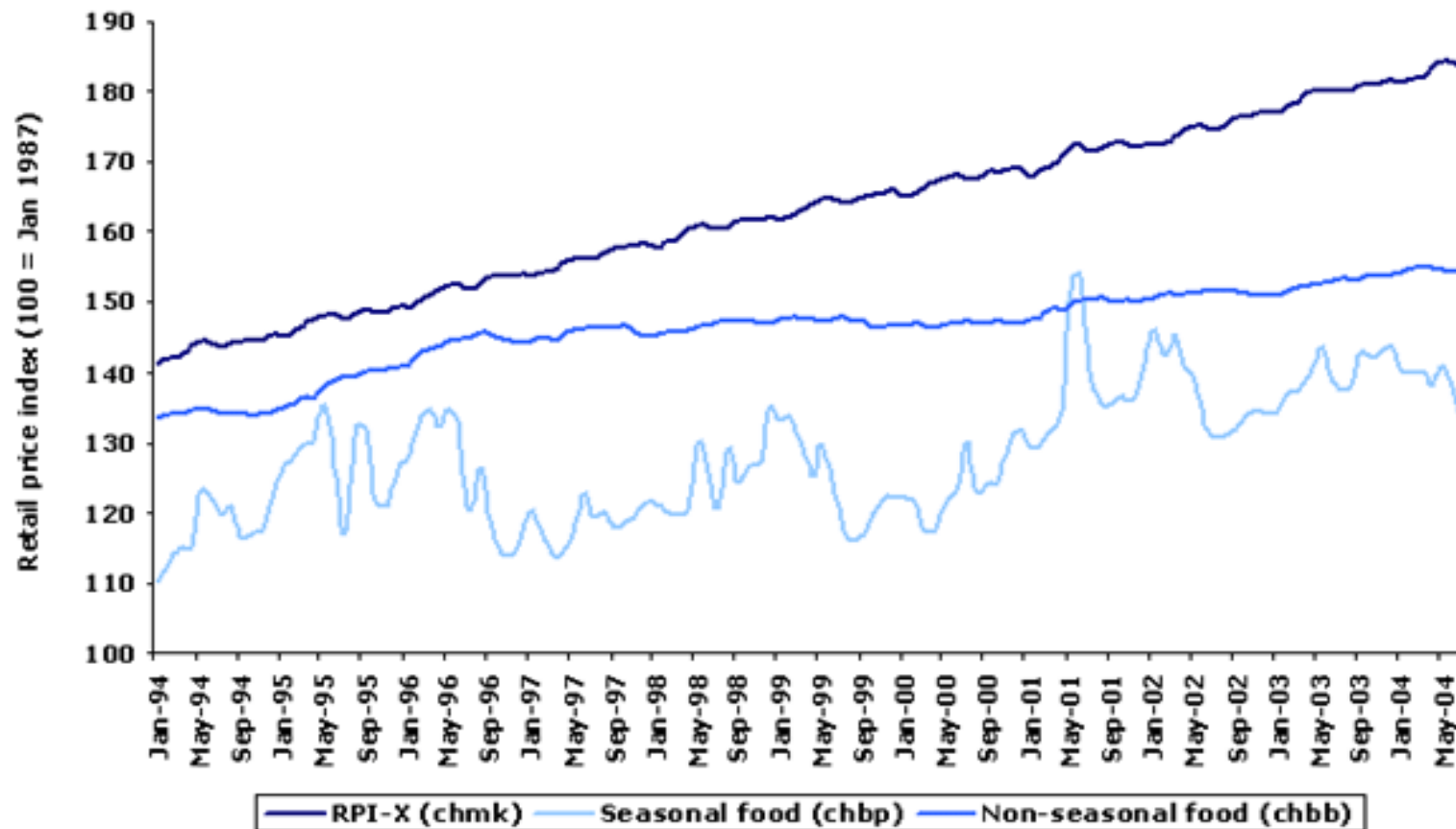
“In almost every product category – bread, soft drinks, yogurt, cereal and even crisps and snacks – the grocery brands that are selling well are those with a healthier product proposition.”

Fiona Briggs, Editor, Checkout magazine, March 2007

“To the best of their ability, consumers want products that are healthful and beneficial to them, and that make their lives easier...
all offered at a good value.”

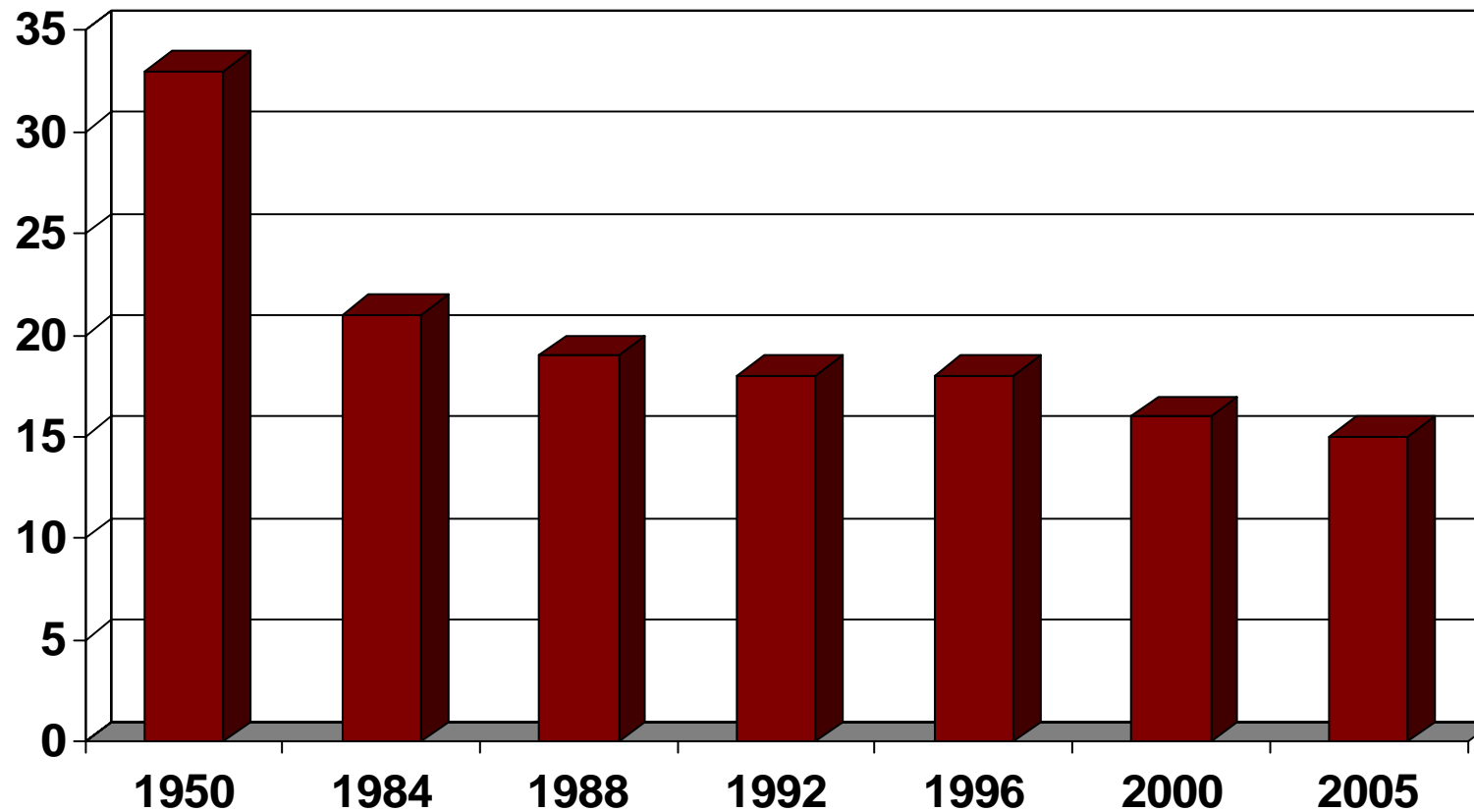
ACNielsen, What's Hot Around the Globe, 2006

Delivering more for less



Source: ONS

Better value than ever



Food and drink spending as a % of total household expenditure; source: ONS

Evidence of change



Carbonates:

+3%

Mineral water:

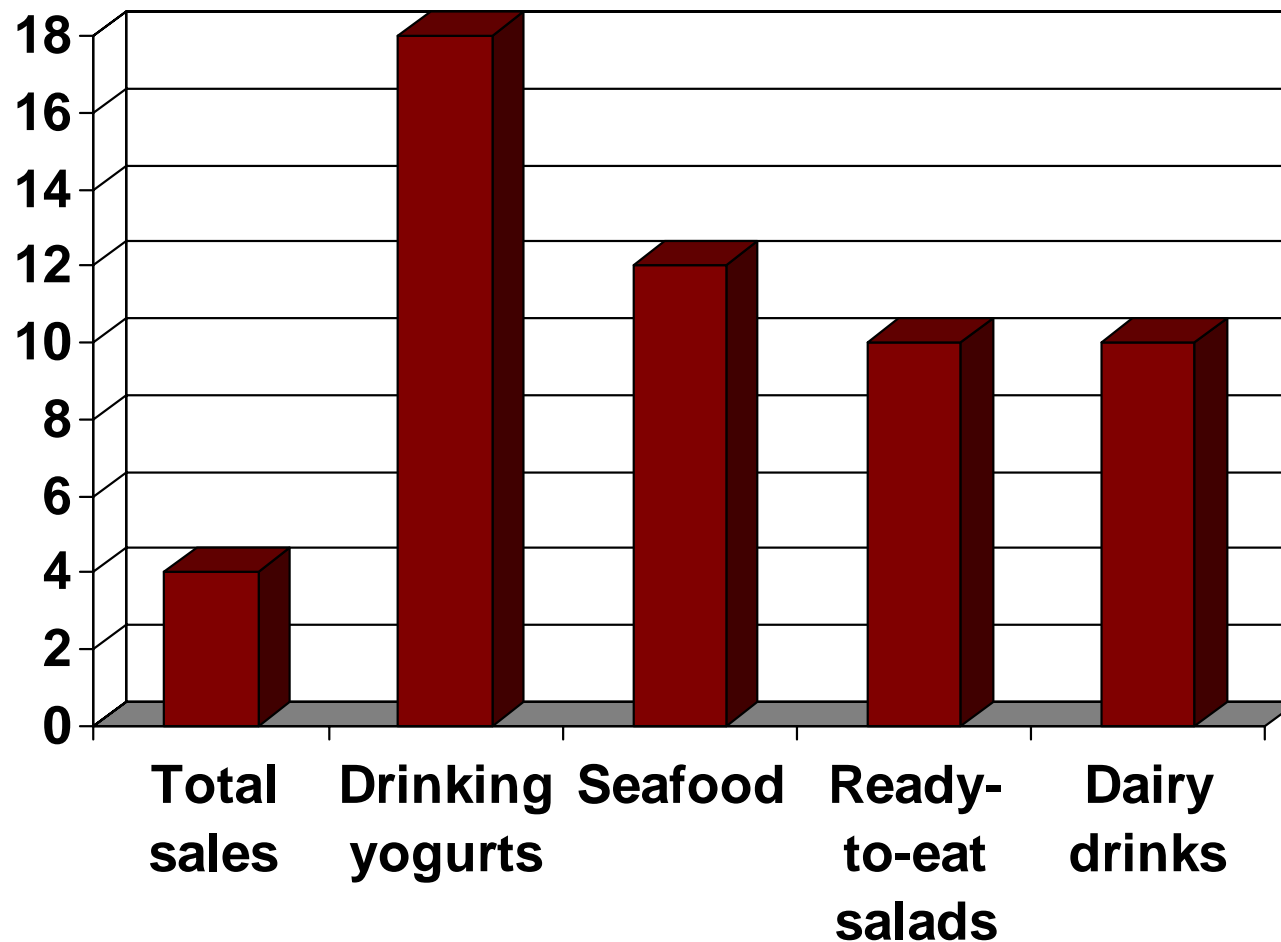
+10%

Juices & smoothies:

+19%

Source: The Grocer Top Products Survey 2006

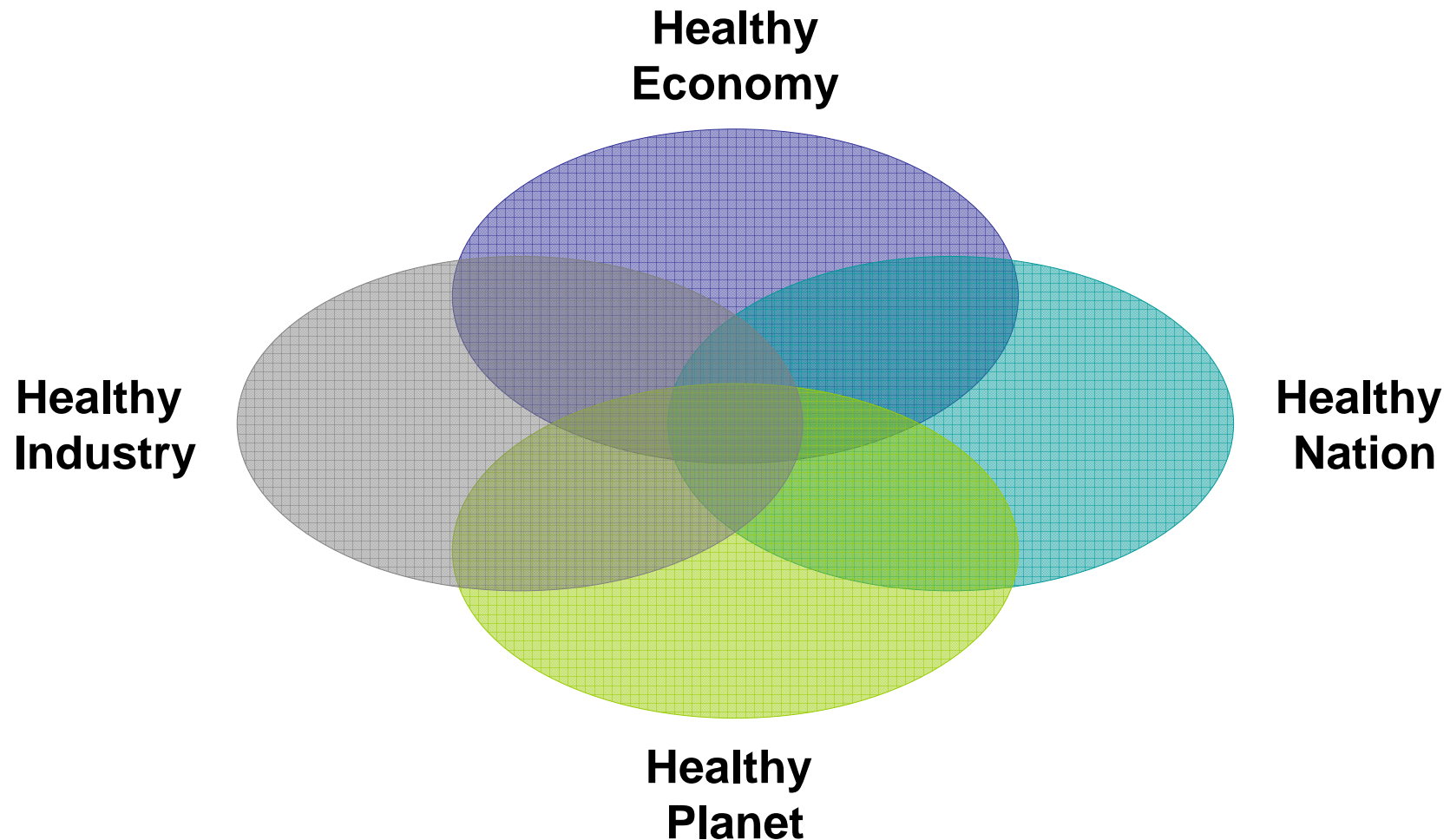
Evidence of change



GDA labelling: industry in action



Can we have it all?



Thank you