

Yvonne Adam, Marketing Director, Baxters Food Group speaking at the SFDF Parliamentary Reception 7 September 2011

Thank you Lewis. On behalf of the Scottish Food and Drink Federation, I would like to extend a warm welcome to everyone for coming along this evening. We wanted to bring you here this evening to celebrate innovation and creativity within the food and drink manufacturing industry.

To put this in context, what do we mean by the word ‘innovation’?

The definition of innovation is: **“The act of introducing something new”**

Tonight we want to introduce you to something new. To make you think differently about the contribution food and drink manufacturers make to Scotland and for us to celebrate and take pride in what this industry has delivered. We want to tell a story that goes beyond the headline and give you a glimpse into the world of food and drink manufacturers in Scotland.

Underpinning all the themes we will introduce you to tonight, is the contribution that our industry makes to the wealth of our country. Recent figures show that we remain the largest manufacturing industry in Scotland, increasing our gross value added from 3.4 billion in 2008 to 3.8 billion in 2009.

This is an industry that adds value through innovation and drives growth. We act as the lynch pin, using the produce from other primary industries to create high value-added products.

For example, new and exciting product development continues to drive growth — from Macphie with their brand innovation, to Macrae and their collaboration

with Waitrose and Heston Blumenthal, to Macsween who have developed an innovative approach to packaging to open up new markets.

But a common theme is that our industry is not afraid to take risks.

Despite the economic climate, our industry continues to invest in their infrastructure. Companies including Border Biscuits, Quaker Oats and Sco-Fro have all made significant investments that are enhancing their efficiency and are allowing them to diversify their product range.

We also continue to invest in our most important asset – our people. Directly employing almost 50,000 people, our industry offers many rewarding opportunities.

As an industry, innovation is extremely important – in a global market, competition is fierce. That is why innovation is so important to our industry – keeping us one step ahead of our competitors.

Much of what we achieve is done so in partnership and collaboration with others. This is a theme that runs throughout many of the examples you'll hear tonight.

For me, this evening cements our place not only as a major contributor to Scotland's economy but how we can deliver on key public policy objectives.

Our industry is a **responsible industry** and we work within the communities, of which they are a part of, at both home and abroad.

At home, to raise the profile of careers within the industry and to help schools to deliver key elements of the curriculum for excellence, you will see the work our industry has been undertaking as part of SFDF's national schools programme 'A Future in Food' from companies including Charcuturie. The approach of this programme is to use the food industry as a context for

learning. By doing this, we hope to showcase the wide variety of careers available – from food scientist to engineer.

Or abroad, where the Matthew Algie story illustrates the effective partnerships they are nurturing and sustaining in the developing world.

By attracting bright and talented people to our industry to drive future growth, we hope this will enhance our competitiveness. Other areas our industry has been working in order to boost further growth is in exports.

As an industry we export a vast array of Scottish produce and our brands are internationally renowned. This not only brings direct benefits to Scotland but encourages the promotion of our country through the food and drink we produce.

VC2 brands and Orkney Herring show that export success can deliver increased turnover – good for the company, good for the country.

Moving to **sustainability**, where again, our industry is demonstrating its commitment to being a responsible industry. Members across the UK are working collectively making solid progress on their Five-fold Ambition to achieve ambitious environmental targets including reducing CO₂ emissions, sending zero food and packaging waste to landfill by 2015 and achieving significant reductions in water use.

We have a number of examples of where our industry has pursued an innovative approach to sustainability. Rannoch Smokery, Coca Cola Enterprises, Matthew Algie, Macrae and Macsween all effectively illustrate the leadership our industry is delivering in order to make real progress on ambitious environmental targets.

Again, another area where our industry has delivered real progress is in **health and wellbeing**. A key part of the food industry's contribution to health is to reformulate products to contain less salt, fat, and sugar. In my own company, Baxters, our reformulation programme has been in place since

2001. We have recently developed a unique range – Stay Full – that has been proven to satisfy hunger for longer. Created with a selection of high protein vegetables, meats and pulses each soup contains at least two of the daily recommended portions of five fruit or vegetables.

The Scottish Food and Drink Federation also plans to build on the progress already delivered by its members and has just launched a reformulation programme that is available to small and medium sized manufacturers. Funded by the Scottish Government, this programme aims to provide companies with practical hands-on technical support and advice to reformulate.

On behalf of UK industry, the FDF and the British Retail Consortium will also jointly fund research in an effort to meet challenging targets to reduce levels of salt in food. Again – partnership working in order to bring about real change.

Finally I want to conclude by thanking all the companies that have contributed their story to this evening.

I hope it paints a picture of a bright, forward looking industry that has played a key role in Scotland's heritage but most importantly will be a critical part of its future success.