

## **Industry's Role in Forming Public Policy to Help Deal with Obesity Issues**

**Melanie Leech: Director General Food and Drink Federation**

Thank you for inviting me to speak to you today. This is a very impressive gathering and I am delighted to be part of it. I am also conscious that it has been a very full day already but I hope the next 15 minutes or so will not be too indigestible after the rich fare you have already enjoyed.

I'd like in the next few minutes to give you a perspective on food and health from the industry I represent – food and drink manufacturers. But first let me tell you a bit more about the Federation and the industry.

The Food and Drink Federation (FDF) comprises both large and small food and drink manufacturing companies: primary and secondary processors and food service, manufacturers of branded goods and own label suppliers. We also have in membership a number of trade associations dealing with specific food and drink sectors. FDF exists to help its members to maximise their competitiveness in an appropriately regulated marketplace. We communicate our industry's values and concerns to a range of audiences in the UK and abroad, including Government, a range of opinion formers, consumers and the media.

To remind you of some of the key statistics: the UK food and drink manufacturing industry has a turnover of over £66 billion, accounting for 14.8% of the UK's total manufacturing sector and employs some 500,000 people, around 13% of the UK manufacturing workforce. It buys some two-thirds of all the UK's agricultural produce. So we are a sector of huge importance to the economy – in fact the largest manufacturing sector in the UK.

The industry contains some of this country's best known and loved brand names – part of the fabric of our society. Notwithstanding this, over the past couple of years, the industry has appeared to be pilloried by everyone from government downwards as if it alone were responsible for the complex challenges thrown up by our modern, more sedentary lifestyle and as if there is a need to apologise for the massive improvements in farming, manufacturing

and retailing which mean that in this country food is now more plentiful, more available and cheaper than ever.

Despite this, if you track consumption data back to the end of the war, the British, as a nation, are NOT taking in as many calories in 2005 as they did in 1945. The big difference between now and then is that we are expending far fewer calories. Why this should be so is obvious. In the 1950's and 60's our lifestyles were much more active. Back then most people walked to work or school and car ownership was low; manual labourers outnumbered office workers; T.V. was far less ubiquitous and play stations and X boxes were in the distant future.

To its credit the Government, through its Choosing Health White Paper, takes on board that there are two sides to this equation – diet and physical activity. As an industry our role is to address the diet side of the equation, whilst at the same time gently prompting government to encourage us all to tackle the problem of our dangerously inactive lifestyles.

### The Industry's Food and Health Manifesto

In September 2004 FDF published a ground-breaking document – the Food and Health Manifesto - setting out 7 commitments on food and health including improved nutritional labelling, reductions in salt, sugar and fat, action on portion sizes and vending, advertising to children and a campaign of consumer education and information.

Last September - almost exactly one year on - the industry was able to publish detailed results of the progress made. Our 'Delivering On Our Commitments' report based on a survey of 20 leading food companies, assessed the extent to which they have delivered on their Manifesto commitments. The findings show big changes.

To take one example: on salt we have worked closely with the Food Standards Agency to produce significant reductions across a whole range of processed foods. By the end of 2005 36% of products surveyed – worth £7.4bn at retail value – had less salt compared to 2004. Breaking that down:

- Breakfast cereals – achieved a 33% reduction in sodium from 1998 to 2005. This means that breakfast cereals on average now contain less than 0.4g of sodium per 100g.

- Soups and sauces – has achieved its 2003 and 2004 10% reduction targets. A similar reduction commitment has been made for 2005.
- Bread – sodium levels have reduced by around 25% since the late 1980s and recently by a further 5% in sliced bread.
- Meat products – the industry has made significant progress towards achieving the action plan which it launched in June 2004 to bring about further sodium reductions.
- Biscuits and cakes – different reductions can be made depending on the specific recipe. Salt reductions of up to 20% have been achieved with some products.
- Savoury snacks – sodium levels have reduced significantly in the last ten years; for example, potato crisps are 25% lower in sodium.

On fat there have been extensive efforts to eliminate/reduce trans fats from our products and to reduce saturated fats. In this respect it is worth noting that the government's own data shows that the population target for total fat intake has been met. Our survey also showed that compared to 2004, 15% of products contain less fat with a further 10% showing less sugar. As consumers, we also have vastly increased choice.

On reformulation there is still plenty of work to do. But there are three further areas of continuing debate- all of which are major elements in the government's Choosing Health whitepaper - on which I'd like to spend a few minutes today. Industry certainly has an important role to play in each but the issues of diet and health which we confront are too complex, too multi-dimensional for either government or the industry to solve on their own. Like it or not, a partnership across all interested parties – government and regulator, industry, scientific experts and NGOs – which respects the different roles and contributions of each, will be essential if we are to achieve lasting results.

These are:

- labelling
- advertising to children
- public education.

### Labelling

Our survey last year found that the vast majority of products (£33billion worth) will have full nutrition information on pack by the end of this year. The industry has reached agreement on

a common format for displaying Guideline Daily Amounts (GDAs) on packs as a ready reckoner for consumers and almost two thirds of products will display this information by the end of the year. A growing number of manufacturers are also moving to supplement such back of pack information with at-a-glance information on the front of the pack.

In parallel the Food Standards Agency (FSA) has agreed a recommendation for four core principles to be adopted in any signpost labelling scheme. There is a large measure of agreement between us on these – and it is clear that the FSA did listen during their consultation and recognised the positive moves made by industry. Their recognition that businesses would wish to retain flexibility over format is also welcome. The key difference of view between us is on the use of traffic lights.

We believe that the GDA approach currently being rolled out on the front of packs by a number of large manufacturers – supported by an education programme to raise awareness and help people to become more used to using GDAs - plays directly to the agenda shared by the FSA, the Department of Health and the industry: that of empowering consumers to make informed choices. The alternative traffic light system, with its “stop/go” instructions for consumers takes the dumbed down route and delivers virtually no useful information to help people balance their diet. Does one red signpost mean ‘no go’ ? Or all reds ? How should you respond to 2 reds and 2 greens?

We have the same goal in mind – the provision of clear, useful information to the consumer. So it is positive that we are in discussions with FSA about joint independent research to monitor and evaluate the impact of the different front of pack labelling schemes which will be entering the marketplace this year. A truly collaborative partnership in which all parties can engage with confidence in the interests of establishing what works effectively for the consumer seems to me a goal worth pursuing. I would urge FSA not to lose its nerve, and to continue the very open and receptive dialogue that is just beginning. Equally of course the challenge to them, but also to industry and other stakeholders is to abide by the agreed rules of engagement, and by the outcome of the research in due course.

Advertising to children.

Here there is a difference of opinion between government and industry. Advertising to children - whether its toys, food or leisure products - is an emotional issue. And as far as food is concerned there are clearly strong societal and political pressures for change.

The food industry recognises these and put forward a range of proposals to the broadcasting regulator OFCOM as it prepared to launch its consultation proposals.

These include tightening up our self regulatory codes, imposing age restrictions and accepting some rationing. To be clear:

- We are prepared to re-examine our own self regulatory codes governing areas such as the use of celebrities and cartoon characters. We would also look again at promotional offers and the way that these are used.
- Secondly many manufacturers are prepared to accept a ban on advertising of any food products to children under six.
- Thirdly we are prepared to accept some limitations on the amount of food advertising shown in children's programming.

Paradoxically the government's approach – reflected in one of the four options on which Ofcom is consulting - is based on a narrower targeting. They only want to restrict the advertising to children of foods high in sugar, fat and salt. The problem with this approach is that it condemns them to develop a model – based on nutritional profiling – that will allow them to identify and define such foodstuffs.

The model that the FSA have come up with is, we believe, subjective and scientifically flawed. We will be scrutinising very carefully the case that is made for its use in the Ofcom consultation document but continue to believe that if OFCOM are forced to accept this model it will almost certainly prove to be an embarrassment both to them and to the government.

It is worth noting incidentally, that food advertising's share of total advertising spend has fallen by half – from around 15% of all spend in 1989 to around 8% of all spend in 2003, and that the total amount of expenditure on food, soft drink and fast food retail advertising has fallen from £973m in 1991 to £737m in 2003. Those are not industry figures – they come from Nielsen Media Research.

## Public Education

The final issue, and in our view the single element most likely to enable us to deliver lasting results, is that of public education.

With food so cheap, so plentiful and so tempting the only way of addressing the problems of poor nutrition and obesity in an enduring fashion is with education. People need to understand the consequences of the every day choices that they make in terms of diet and exercise (i.e. Do I have that pudding? Do I drive to the shops or walk? Does the family spend Sunday bicycling in the park or watching a DVD?). They also need to feel in control, empowered to make choices and – to take a very topical phrase today – to know that even a small change can make a big difference to their lives and that of their loved ones.

To create this level of understanding and awareness will require a major programme of public education sustained over a long period of time. Many of you know that the food industry has had a vision for this for some time. It would include:

- a joint government/industry programme of public information designed to raise consumer awareness and understanding about diet, nutrition and physical activity
- it would focus on the need for balance – balance in terms of what we eat and balance in terms of the lifestyles we lead, and
- it would be jointly funded.

We see the campaign as multi-faceted and genuinely multi-media in nature. Aside from mainstream channels like T.V, press, posters, cinema etc messages could appear on:

- billions of food packs
- millions of leaflets and shelf barkers in supermarkets aisles
- these same leaflets and posters could be tailored for use in schools, doctors surgeries, mother and baby clinics, leisure centres etc.
- leaflets could also be distributed by the government inside the billions of envelopes that are sent out each year by institutions such as the Benefits Agency, the Child Support Agency, HM Revenue and Customs
- all of this material could provide links to company, brand and government web sites where consumers could find much more detailed information. You could even imagine food advertisements on television directing people to press the red button on their

remote controls to find out more about the nutrient composition of the product being promoted.

We had always envisaged that one key feature of such a campaign might be a simple overarching message or slogan. I am delighted that Gavin Neath, FDF's President, was present today at the launch by the Prime Minister of the 'Small Change, Big Difference' initiative. This initiative provides an opportunity for a new kind of partnership between government and industry for the public health agenda – where all of us have a role in working together to help people to make healthy choices as we deliver our own business strategies and harness the power of the delivery vehicles I mentioned earlier.

We look forward very much to hearing more from government about how 'Small change, Big Difference' will be developed and to playing a full part underneath that broad banner. That might include the type of campaign specifically targeted at obesity on which I outlined industry's thinking a few moments ago but also embraces a range of wider actions such as the fantastic work our member companies do to act as trailblazers to promote healthy lifestyle both in their workforces and the community. Our 'Delivering on Our Commitments' survey showed that a full 80% of respondents run, or plan to run, a healthy lifestyle workplace scheme - that's in excess of 100,000 employees and in many cases, their families too!

## Conclusion

So as an industry, we do believe that we have responsibilities and I hope I have managed to demonstrate that we take them seriously and are delivering significant changes, without adverse impact on the bottom line – the competitiveness of the UK food and drink manufacturing sector - as I said at the start, the biggest manufacturing sector in the UK and employer of half a million consumers.

Thank you for inviting me here today – and for listening so generously.