

MEETING CONSUMER NEEDS: WHAT INFORMATION SHOULD BE ON FOOD LABELS?

THANKS JOHN

AND MY THANKS ALSO TO THE WESTMINSTER DIET AND HEALTH FORUM FOR INVITING ME TO JOIN THIS PANEL AT TODAY'S FOOD LABELLING POLICY SEMINAR.

LABELLING IS, OF COURSE, A CRITICAL ISSUE FOR FOOD MANUFACTURERS. AND ONE THAT IS VITALLY IMPORTANT FOR THE FOOD AND DRINK FEDERATION, WHICH REPRESENTS THE INTERESTS OF THIS INDUSTRY.

THE FOOD AND DRINK INDUSTRY IS THE SINGLE LARGEST MANUFACTURING SECTOR IN THE UK. IT IS AN INDUSTRY OF HUGE IMPORTANCE TO THE ECONOMY WITH A TURNOVER OF SOME SEVENTY BILLION, EXPORTING TEN BILLION POUNDS WORTH OF PRODUCTS EVERY YEAR, AND EMPLOYING A WORKFORCE OF SOME 500,000 PEOPLE – WHO PRODUCE SOME OF THE COUNTRY'S BEST KNOWN, AND BEST LOVED, BRANDS.

THE STARTING POINT FOR ANY DEBATE ON LABELLING HAS TO BE EUROPE, WHERE THE KEY LEGISLATION IS GENERATED, NAMELY: DIRECTIVE 2000/13/EC ON THE LABELLING, PRESENTATION AND ADVERTISING OF FOODSTUFFS; DIRECTIVE 90/496/EC ON NUTRITION LABELLING; DIRECTIVE 2003/89/EC ON INGREDIENTS PRESENT IN FOODSTUFFS; AS WELL AS THE FORTHCOMING REGULATION ON HEALTH AND NUTRITION CLAIMS.

DG SANCO IS REVIEWING EU LABELLING REQUIREMENTS...

...AND FDF WELCOMES THE COMMISSION'S REVIEW AND THE INTENDED CONSOLIDATION OF THE UK FOOD LABELLING REGULATIONS TO PROVIDE MORE USER-FRIENDLY LEGISLATION WHICH MEETS CONSUMERS' NEEDS FOR INFORMATION, WITHOUT IMPOSING UNJUSTIFIED BURDENS ON THE INDUSTRY.

EU LABELLING RULES ARE IMPLEMENTED IN THE UK BY THE FOOD LABELLING REGULATIONS 1996, WHICH, AMONG MANY OTHER THINGS, PROVIDE

THE GUIDANCE FOR RETAILERS,
MANUFACTURERS AND REGULATORS ON THE
INFORMATION THEY MUST PUT ON A PACK,
INCLUDING: A LIST OF INGREDIENTS, A DATE
MARK AND THE NAME OF THE MANUFACTURER
OR RETAILER.

AND I SUPPOSE THE FIRST POINT I WANT TO
MAKE IS THAT IS THAT THERE DOES EXIST A
PRETTY ROBUST LABELLING REGIME THAT HAS
SERVED CONSUMERS WELL BY PROVIDING A
CLEAR FRAMEWORK WITHIN WHICH THEY ARE
GIVEN THE IMPORTANT INFORMATION THEY
NEED ABOUT THE FOODS THEY ARE BUYING.

LABELLING IS NOT, HOWEVER, THE ONLY
SOURCE OF KNOWLEDGE FOR CONSUMERS.
MANUFACTURERS AND RETAILERS ALSO
PROVIDE A WEALTH OF DETAILED INFORMATION
THROUGH CONSUMER LEAFLETS, COMPANY
WEBSITES AND CUSTOMER CARE LINES.

AND, AS IN SO MANY OTHER AREAS OF MODERN
LIFE, THE INTERNET IS PLAYING AN
INCREASINGLY IMPORTANT ROLE HERE TOO,
WITH LOTS OF INFORMATION BEING PUT OUT

INTO THE PUBLIC DOMAIN BY GOVERNMENT,
REGULATORS AND NGOS.

IF YOU TAP INTO GOOGLE'S UK SITE THE WORDS
'FOOD LABELS' --- AS I DID LAST NIGHT --- YOU
WILL SEE THERE ARE FIVE MILLION EIGHT
HUNDRED AND FORTY THOUSAND REFERENCES,
WITH --- AND I AM SURE GILL WILL BE
DELIGHTED TO HEAR --- THE FSA IN THE TOP TWO
SPOTS IN THE TOP 10.

BUT THE KEY QUESTION THIS AFTERNOON IS
WHAT DO CONSUMERS WANT FROM LABELS?

WHEN THE INDUSTRY'S THINKTANK IGD ASKED
CONSUMERS THAT VERY QUESTION, THEY
FOUND THAT NINETY-FIVE PER CENT OF
SHOPPERS ACTIVELY LOOKED FOR SOME
INFORMATION ABOUT THE PRODUCTS THEY ARE
BUYING.

BUT GUESS WHAT THE TOP TWO PIECES OF
INFORMATION WERE?

PRICE AND USE BY DATE.

OTHER IMPORTANT INFORMATION WAS WEIGHT AND SIZE, ORIGIN, STORAGE INSTRUCTIONS AND NUTRITIONAL INFORMATION.

AND NEARLY TWO THIRDS OF THOSE QUIZZED SAID THEY WERE VERY OR QUITE CONFIDENT THEY UNDERSTOOD THE INFORMATION PRESENTED TO THEM ON FOOD LABELS.

SO FAR SO GOOD.

BUT CONSUMERS ARE A DEMANDING BUNCH; THERE REQUIREMENTS CHANGE ALL THE TIME.

SO IT IS ALSO IMPORTANT, THAT INDUSTRY IS ABLE TO WORK WITHIN THE FRAMEWORK OF REGULATION TO BE ALLOWED TO RESPOND TO CHANGING CONSUMER NEEDS --- AND THEY DO CHANGE QUICKLY ---- AND PUT OTHER INFORMATION ON PACKS.

THAT EXTRA INFORMATION CAN TAKE DIFFERENT FORMS.

SOMETIMES IT'S ABOUT INTRODUCING SUB-BRANDS OR SELLING A PARTICULAR BENEFIT OF THE PRODUCT (SUCH AS FREE FROM HYDROGENATED FAT).

SOMETIMES IT'S REFERENCING FEATURES OF A PRODUCT THAT REFLECT CONSUMER CONCERNS.

THAT'S WHY THERE HAS BEEN AN EXPLOSION OF LOGOS ON PACKS IN RECENT YEARS FROM ORGANISATIONS AS DIVERSE AS THE SOIL ASSOCIATION, FAIRTRADE, BRITISH FARM STANDARD, MARINE STEWARDSHIP COUNCIL, FREEDOM FOOD, LEAF AND THE VEGETARIAN SOCIETY – ALL OF WHOM ARE WORKING WITH RETAILERS AND MANUFACTURERS TO MEET VERY DIFFERENT CONSUMER NEEDS.

THEN, TAKE HOW OUR MEMBERS ARE RESPONDING TO THE INCREASING INTEREST AMONG CONSUMERS IN FOOD AND HEALTH; AN INTEREST THAT HAS BEEN PROMPTED BY THE DEBATE NOW RAGING ON OBESITY.

NOW, THERE IS NO LEGAL REQUIREMENT TO PROVIDE ON-PACK NUTRITIONAL INFORMATION UNLESS A NUTRITION CLAIM IS MADE.

HOWEVER, FDF IS ENCOURAGING ITS MEMBERS TO PROVIDE THIS VOLUNTARILY ACCORDING TO THE PRESCRIBED EU FORMAT, INCLUDING SALT EQUIVALENCE AS WELL AS THE LEGALLY REQUIRED SODIUM INFORMATION. AND WE ARE ASKING MEMBERS TO ADD GUIDELINE DAILY AMOUNTS TO THE BACK OF THEIR PACKS AS A SIMPLE READY RECKONER.

BY THE END OF THIS YEAR, WE RECKON PRODUCTS WORTH £33BN AT RETAIL VALUE WILL HAVE FULL NUTRITION INFORMATION ON PACK AND FIFTEEN BILLION WORTH OF PRODUCTS WILL HAVE FULL GDA INFORMATION ON FOOD PACKAGING.

VOLUNTARY APPROACHES CAN, AND DO, WORK WELL, BECAUSE INDUSTRY CAN OFTEN WORK FASTER THAN REGULATORS IN DELIVERING THE BEST RESULT FOR CONSUMERS.

TAKE THE FRONT OF PACK LABELLING DEBATE HERE IN THE UK, ABOUT WHICH WE HAVE HEARD PLENTY TODAY.

AS OUR EARLIER PANEL EXPLAINED, AN INCREASING NUMBER OF MANUFACTURERS AND RETAILERS ARE ROLLING OUT GDA-BASED SIGNPOST LABELS ON THE FRONT OF PACK TO PROVIDE CONSUMERS WITH ESSENTIAL NUTRITIONAL INFORMATION TO MAKE QUICK CHOICES ABOUT THE FOOD THEY EAT.

I REALISE --- AND THE EARLIER QUESTIONING SHOWED THIS --- THAT THIS LATTER POINT HAS BECOME A CONTENTIOUS ISSUE; READ THE MEDIA AND YOU WOULD BE FORGIVEN FOR THINKING THERE IS A FIERCE BATTLE UNDERWAY BETWEEN THOSE BACKING A GDA SCHEME AND THOSE SUPPORTING CO-CALLED TRAFFIC LIGHTS.

IN TRUTH, THERE IS ACTUALLY A LARGE MEASURE OF AGREEMENT BETWEEN RETAILERS, MANUFACTURERS AND THE FSA ON THE KEY ELEMENTS OF A FRONT OF PACK SCHEME.

AND WHAT IS REALLY EXCITING IS THAT THE GOVERNMENT, MANUFACTURERS, RETAILERS AND THE FSA ARE ALL ALIGNED BEHIND THE IDEA OF FRONT OF PACK INFORMATION – SOMETHING THAT WOULD HAVE BEEN UNTHINKABLE THREE OR FOUR YEARS AGO.

WHAT MATTERS NOW IS UNDERSTANDING HOW THE DIFFERENT SCHEMES COMING INTO THE MARKET WILL PLAY A PART IN CHANGING PEOPLE'S BEHAVIOURS IN REAL LIFE; IN THE PURCHASING DECISIONS THEY MAKE.

THE INDUSTRY IS COMMITTED TO WORKING WITH THE FSA, GOVERNMENT AND OTHERS ON A JOINT RESEARCH PROJECT TO ASSESS THE IMPACT OF THE DIFFERENT LABELLING SCHEMES IN THE MARKET AS THEY PROGRESSIVELY ROLL OUT. WE WELCOME THAT CONSTRUCTIVE APPROACH AS IT WILL ALLOW US TO FIND OUT WHAT WORKS FOR CONSUMERS IN PRACTICE.

AND I THINK THAT'S A REALLY IMPORTANT POINT TO STRESS, BECAUSE THERE'S BEEN LOTS OF NOISE ABOUT THIS ISSUE.

BUT A STUDY CARRIED OUT RECENTLY BY AARHUS SCHOOL OF BUSINESS FOUND THAT OF THE 58 SURVEYS AND RESEARCH PROJECTS CARRIED OUT IN EUROPE ON NUTRITIONAL LABELLING SINCE 2003, NOT ONE HAD LOOKED AT HOW LABELS INFLUENCED BUYING BEHAVIOUR IN A REAL LIFE SHOPPING ENVIRONMENT. THAT'S WHY I THINK IT'S IMPORTANT COMPANIES LIKE TESCO ARE PREPARED TO SHARE THEIR COMMERCIAL DATA WITH US ALL AS ANDREW HAS DONE TODAY.

SO, PLENTY OF INFORMATION ON PACKS. AND ALL SORTS OF CONSUMER NEEDS BEING MET BY AN INDUSTRY KEEN TO RESPOND TO ISSUES AS DIVERSE AS ETHICAL TRADING, SUSTAINABILITY, NUTRITION AND ---- LET'S NOT FORGET THIS --- BASIC BUT IMPORTANT STUFF SUCH AS USE BY INFORMATION AND, PARTICULARLY ON RETAILER BRANDS, PRICE INFORMATION TOO.

FROM OUR EXPERIENCE, WORKING AS PART OF A CONSUMER-CENTRED INDUSTRY, THE KEY THING IN ALL OF THIS IS ENSURING WE BALANCE THE INFORMATION PROVIDED BOTH ON AND OFF LABELS, AND THE TRICK – WHETHER YOU ARE A MANUFACTURER OR A REGULATOR --- HAS TO BE ENSURING THAT LEGIBILITY AND CLARITY ARE NOT PREJUDICED BY THE QUANTITY OF INFORMATION PLACED ON A PACK. NOT AN EASY TASK, I'M SURE YOU WILL AGREE.

BUT ABOVE ALL IT IS ABOUT MEETING THE NEEDS OF CONSUMERS. SOMETHING AT WHICH OUR INDUSTRY EXCELS.

THANK YOU