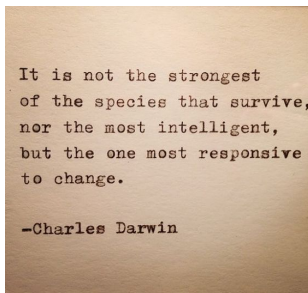




Happy New Year!



Happy New Year!

Whilst doing my business planning for the coming year, I decided to share my thoughts and fact finding with colleagues and peers in the food and drink sector. This will certainly be a year of change with BREXIT dominant, but there are lots of other challenges and opportunities and whilst this outlook includes a snapshot of some things to look out for (in layman's terms so that I can understand it) I will continue to track and comment on key developments through the POM support website and social media. Apologies in advance for OUA (over use of acronyms) but that's how we communicate now, and I have tried to add explanation where necessary.

Best Wishes

Greg Parsons

Director POM support Ltd

Political

Brexit definitely means Brexit (well May-be!)
Having triggered article 50 we will leave on

2300GMT 29th March 2019, however once we have agreed the alimony payment, how we deal with foreign nationals and immigration and what will happen at Irish borders, we must then complete all other negotiations by the Autumn in order to implement by the end of the following

March. Life outside the EU should present more opportunities than risks for the food and drink sector in the longer term by promoting 'Buy British' and displacing more expensive imports, as well as maxing out on exports with a more competitive pound. In the short term, uncertainty will have a negative effect as consumers and businesses will spend cautiously, although we are tempting more tourists to the UK with 41 million visitors expected in 2018. We will need to focus on quality and labour as the food sector is heavily dependent on immigrant workers, with some areas of seasonal agriculture relying on over 70% imported labour. Follow this link for a good perspective on [imports vs exports](#).

Beyond Europe we will do well to focus on Brexit and watch from the global political ping pong from afar. Trump seems to be determined to get into a fight with someone, probably North Korea first and Putin continues to make mischief. With the Winter Olympics taking place in South Korea in February and the FIFA World Cup taking place in Russia in June/July there are a couple of potential flash-points. For our sector there will be some hospitality 'spikes' during these sporting events, plus the Royal Wedding on 19th May but outside of that I suggest that we focus on our own plans as to how we will make the most of post Brexit Britain.

Finally, a Tory slogan that tells the truth



Economics

Today's economic landscape is a mixed bag. Growth (GDP) has been slowing since 2014 and is projected hit 1.5% in 2018 with inflation up to 3% and now based on Consumer Price Index (CPI) not RPI.

The food industry will be watching with interest as DEFRA considers agricultural support outside of the EU. The current CAP (common agricultural policy) levy funding will remain until the end of the current parliament (2022) and it is likely that any new schemes will be heavily biased towards environmental sustainability, rather than subsidising farm businesses.

Grants

2018 is a great time to get grant funding for development projects as there are big budgets to spend before we leave the EU. You need to get wriggle on though as you will need to have your 'expressions of interest' registered by the end of the second quarter and it can take 12 weeks to get everything together. Like all

grants, especially with the tight deadlines, these will work for businesses that are already planning capital projects that can start in mid-2018, complete by 2020 and have their 60% investment ready. There are three main grants available and you can find lots of information on the GOV.UK website. It is also worth speaking to your local RPA office for help.

RDPE LEADER Funding

grants from £2.5k to £35k (have been higher) based on 40% of total project cost – these grants are based on job creation and rural economic growth and best suited to start-ups and SME's.

RDPE Growth Programme

grants over £35k (capped @ £170k) based on up to 40% of total project cost – 3x types – Business Development, Food Processing & Rural Tourism.

Countryside Productivity Scheme

grants over £35k (no cap) based on up to 40% of total project cost – 4x types – Water Resource Management, Improving Forestry Productivity, Adding Value to Agri-food & Improving Farm Productivity.

Social

Although unemployment is at its lowest since 1975 (4.3%) this is positively influenced by 'gig economy' jobs and with wage inflation (2.1%) lagging behind CPI and likely rising interest rates, our workforce will have less money to spend for a while.

Food Safety and Integrity – the UK has a reputation for making high quality products and this is certainly the case in the food and drink sector. For years we have been the first to comply with new regulations and prioritised manufacturing standards and safety over cost and this will be central to our success at home and abroad in future. In 2017 we saw issues overseas with eggs and baby foods, however we did have our own issues with the 2 Sister's production expose and rotten turkeys for Christmas. We must collaborate as an industry and raise the bar even higher to a point where we are globally recognised and trusted as the standard by which all others are measured.

PHE (public health England) are recommending that our kids only have 2 sugary snacks per day (max 100 calories each) and continue to advise against sugar based drinks. Whilst the 'DOH Responsibility Deal' seems to have lost its



way, we can expect more advice and legislation to reduce consumption of bad fats and sugar to reduce obesity, tooth decay, diabetes and heart disease, plus the resulting and significant costs of poor diet to the NHS.



Technology

Omni-retail is a multichannel approach to sales that seeks to provide the customer with a seamless shopping experience whether the customer is shopping online from a desktop or mobile device, by telephone or in a bricks and mortar store. We will increasingly use sophisticated **CRM (customer relationship management)** systems to develop perpetual connections with our consumers.

The Internet of things (IoT) is the network of physical devices, vehicles, home appliances and other items embedded with electronics, software, sensors, actuators, and network connectivity which enables these objects to connect and exchange data. Alexa (from Amazon) joined our family at Christmas and she is already rising through the family ranks and I am sure she will be in charge before long.

Blockchain uses 'Cryptography' to provide an impenetrable platform for online information sharing. The soil association are using this for tracing certain food products working with a UK company called Provenance. Provenance envisage a future where every physical product has a digital history, allowing you to instantly trace and verify its origins, attributes and ownership, [click here](#) to visit their site.

Bitcoin is the most talked about of the many '**Cryptocurrencies**' with benefits over good old cash as it is not subject to currency fluctuations, bank charges, transaction delays and connects buyers and sellers directly, effectively and efficiently on a global platform. Transactions are secured through 'Blockchain', but should your 'Bitcoins' fall foul of a crash or a virus they are lost forever and at over £9000 per Bitcoin, you can't afford to lose too many. Cryptocurrencies will also struggle to get government support as transactions are difficult to track for tax purposes and it could undermine banks and major corporations.

Not being a 'gamer' my knowledge and experience in the world of '**Virtual Reality**' is limited, however a few years ago I was impressed by Sekonda's use of VR's cousin '**Augmented Reality**' to let you see how a new watch would look on your wrist ahead of buying it. VR has moved on and is now being widely used in business helping staff with training and customers to sample virtually their chosen holiday destination, walk around their potential new home or drive their

desired new car.

5G won't be with us until 2020, but we are sure to hear lots about between now and then as our media suppliers battle it out for our custom.

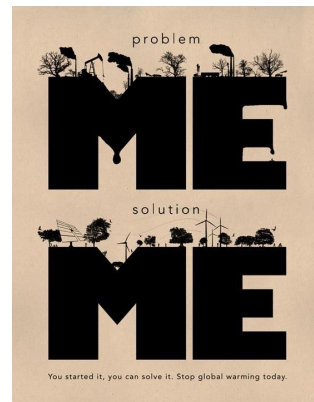
Nano technology – engineering molecules and atoms (beyond microscopic in size) using advanced materials to perform specific functions for precise application. 'Nanofoods' techniques or tools are used during cultivation, production, processing, or packaging of the food.

As we all rely more on IT, networks and the internet to run our businesses, we should welcome the National **Cyber Security** Centre which was opened in Victoria, London in Feb 2017. It's GCHQ 'light' and along with comprehensive web support is designed to be user friendly help all businesses to be more aware of the growing threats and mitigate the increasing risks. [Click here](#) to visit the NCSC site.

Environmental

DEFRA are due to announce our **25 year Environmental Development Plan** imminently and it is clear that we are at crisis point and must all reform our approach to climate change. A recent survey suggests that consumers waste 22% of fruit and veg bought and there is a similar level of waste in the supply chain. Beyond '**Wonky Veg**' and clever concepts such as **Aquaponics**, we share a responsibility to address some of the significant global issues that continue to irreparably damage our World. We cannot leave it to others and many environmental initiatives are actually viable in the long term, as well as presenting a responsible image to our customers and stakeholders. As always, our government will encourage us to be greener with both 'carrot and stick'. Watch out for '**Pay Per Mile**' which will increase the cost of using our motorways significantly, especially for HGV's. [Click here](#) to read more.

Yvon Chouinard, founder of global outdoor brand success Patagonia has written an inspirational vision of how businesses can positively address climate change. His book is called 'Let My People Go Surfing' and a bit like 'The Inconvenient Truth' films, I am left in near panic about the damage we are doing but Yvon articulately explains how Patagonia carefully consider everything they do and aim mitigate the long-term negative effects.



Legislation

The reforms to data protection '**GDPR**' (**General Data**



Protection Regulations) will be enforced from 25th May 2018 and failure to comply will result in heavy fines. [Click here](#) to check if you are ready!

Making Tax Digital (MTD) is a government initiative aimed at simplifying the way businesses report their income, expenditure and taxes. It will ultimately mean the end of tax returns for millions across the UK. Implementation will start in April 2019 and there are a number of user friendly software packages ready to help including Quickbooks and Xero. For more information on MTD [Click here](#).

And finally ...

What will I be up to over the coming year? My work with Somerset Larder concluded in October 2017 and I have spent that past couple of months shaping POM support Ltd and engaging future clients. As the name suggests POM (projects, organisation and marketing) will specialise in supporting food and drink businesses with 'ad hoc' needs on a pay as you go basis and in longer term partnerships that may be performance or equity based. As well as my own experience, I am able to draft in support from a network of skilled experts that I have worked with over the years including legal, design, finance, productivity, culinary, technical, food safety, direct marketing, skills development, IT, events, catering operations, coaching, logistics and agriculture. We want POM support Limited to be your first click, tap or call for external help. An 'on demand' network of food and drink experience and expertise at your fingertips!



I am also working on '**Malawi Larder**' inspired by my daughters visit to one of the World's poorest countries a few years ago. St Peters school, Exeter have done some fantastic work over the past 10 years and we have set up a group to focus on helping communities to feed themselves and to develop commercial enterprises based on food and drink. [Click here](#) to see some of the great work done so far and let me know if you'd like to get involved.

[Web Version](#)

[Forward](#)

[Unsubscribe](#)

Powered by
GoDaddy Email Marketing®