

FOOD



A development strategy to grow the economic contribution of Isle of Man Food and Drink from 2015 to 2025

Department of Environment, Food and Agriculture

“ Our ambition for the Isle of Man food sector in 2025 is to have flourishing businesses reliably supplying locally-produced staple and artisanal products, profitably exporting and contributing to a local food culture celebrated and valued by residents, visitors, retailers and the hospitality sector ”



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Minister's foreword



I believe the potential for Isle of Man food and drink sector has remained unexploited for the last 30 years, despite being an integral part of our Island's heritage and having a vital role to play in our cultural and economic future, where it will form part of a balanced and diverse economy, contribute to employment opportunities and add significantly to our everyday lives.

I commissioned this strategy because I am fully committed to ensuring that the food sector has a bright and profitable future and that our community, visitors and off-Island consumers can continue to enjoy an increasing variety of high quality Isle of Man produce into the future. It also contributes to the wider Government objectives of 'Growing the Economy' and developing 'Distinctive Local Food and Drink' as identified in the Vision 2020 economic development strategy.

There are also less tangible benefits to having a vibrant local food industry, too. The Island's distinctive landscape and coastal towns have been shaped by centuries of fishing and farming activities and food production has an important role to play in the Island's culture and communities. As well as contributing to our own quality of life, distinctive local food and drink forms an important part of the visitor experience, which can in turn promote the Island as a visitor destination as well as encouraging prospective residents and businesses to relocate here.

The strategy identifies sustainable growth, a diverse range of products, increased competitiveness and profitability for the sector as key to its success, with particular focus on industry collaborations and strengthening the supply chain.

Indeed, there is already cause for optimism in the sector as there are many examples of exciting, new and innovative food businesses taking advantage of a growing interest in local and artisanal food.

In closing, I believe that the success of this sector and its contribution to the Island's social fabric and economic growth is of the utmost importance. I am confident that this strategy can be the catalyst for future growth in the food industry and that, working together, we can grow our share of both the local market and increasingly export high value foodstuffs.

Hon. Richard Ronan MHK,
Department of Environment, Food and Agriculture.

Food matters...

to our economy

- Growing the economy is a key target for the Isle of Man Government's **Agenda for Change**
- **Vision 2020** identifies the £75 million **Distinctive Local Food and Drink** sector as a priority for growth
- The sector is a key contributor to employment, revenue and local multiplier effects.

to our environment

- Local food is better for our environment, reducing food miles, packaging and waste
- Food production activities shape our landscape, culture and communities.

to our people

- Food and drink are an integral part of the Island's social fabric for residents and visitors
- Provenance and traceability assurance have become a high priority for consumers.

to our future

- Contribute to the Island's food security
- Adding further value to the Island's economy
- Increasing employment opportunities
- Supporting the health and well-being of our people.

Dairy sector

- Worth £13.6 million
- 20 million litres of milk
- 34 farms and 3,500 cows
- Creamery employs 73 staff
- 14 million pints of milk are sold per year
- 300 tonnes of cheese are sold locally
- 1,500 tonnes are exported
- Profitable export markets in USA, Canada
- Vintage cheddar on Emirates' business class cheeseboard.



Wheat and flour sector

- Worth £7 million
- 2,000 tonnes of wheat
- 11 farms
- Laxey Glen Mills employ 8 staff
- Ramsey Bakery employ 80 staff
- Noa Bakehouse employ 18 staff
- More than 2 million loaves baked in the Isle of Man every year.



Meat

- Worth £10 million wholesale
- 350+ farmers
- 36 meat plant staff
- 1,700 tonnes of beef
- 730 tonnes of lamb
- 240 tonnes of pork.

Fish

- Worth £12 million
- 400 jobs
- 7,000 tonnes of queenies, king scallop, crab and lobster mostly exported.



Retail

- Supermarkets are responsible for 85% of retail food purchases.
- Local retailer:
 - 650 employees
 - 6 locations
 - Retail 25-50% of local produce
 - £100k spend on advertising.
- National retailers
 - Retail significant amount of bread and dairy produce.



Current production statistics

The food and drink sector is worth £75 million and has created over 1,300 jobs in relation to primary production manufacturing and processing.

(Does not include retail and restaurant trade)

The multiplier effect

£1 spent with a local business is worth £1.83 to the local economy versus 58p with a non-local business*

75 = **137**
 £million £million

*New Economics Foundation 2008



The potential for growth

THE ISLAND'S FOOD INDUSTRY IN NUMBERS

Food service **94** + Food retail **169** = **263**
 £million £million £million

EXPORT MARKETS
 Global opportunities

United Kingdom 174 £billion	France 299 €billion	United States 1,172 \$billion
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(annual spend on food and drink in retail and food service sectors)

CASE STUDIES

BALLAKARRAN MEATS



Will and Janette Qualtrough combine the best traditions of farming with a modern approach to marketing. As an offshoot to their farming enterprise of 12 years, they deliver boxed lamb, cut to order, to customers' doors. 'You have to be different and we wanted to be the first to try this new market,' they

said. Boxed beef and exports are among their plans. **'We see overwhelming support for distinctive Manx food and drink and would love to see the Island's unique location make food and drink exports a major asset in the economy,'** they said.



BETTY AND THE MANX CIDER COMPANY

A ramshackle van bought on eBay and lovingly restored is home to an innovative food business. Benn and Vicky Quirk's luxurious pies contain freshly sourced local ingredients, steak and ale – the finest beef from Ballavair and beer from

Bushy's – being their best-seller. Corporate and private functions see 'Betty' criss-crossing the Island. Profits are ploughed back in to the Quirks' main business, the Manx Cider Company.

The proper cider apple drink is sold at freehouses and is a hit with TT visitors. It took the Cider of the Festival prize at the North West Cider and Perry Show. **'With imagination and a realistic vision, you can do some fantastic things,'** Benn and Vicky said.



AALIN DAIRY

An accountant, Carl Huxham traded in spreadsheets to follow in his grandfather's footsteps to run a dairy farm. He and wife Sarah turned cattle sheds into a state of

the art dairy. Their herd is reared on grass and water from a spring and their milk is delivered in old-fashioned glass bottles with foil tops to customers throughout the north. The Huxhams' biggest investment is in equipment that will enable them to make Manx yoghurt. **'We have to look to the future,'** Carl said. **'We are no longer solely farmers. We are food processors.'**

Strategic vision

“ Growing a sustainable, profitable and increasingly collaborative food* supply chain, focused on meeting the needs of customers ”

THE THREE KEY THEMES



*food includes agri-food, seafood and beverages

Key themes for growth

Resilience through increased diversity
Competitiveness through improved efficiency and skills
Profitability through market and customer focus



ISLE OF MAN CREAMERY

Isle of Man Creamery exports 1,500 tonnes of cheese per year all over the globe, including the USA, Canada, United Arab Emirates, Denmark and Malta. It has successfully grown its export market for branded cheese by

42% to the USA in 2013-14 and its cheese (and the Isle of Man) has featured in television commercials seen by 60 million US consumers.

The Creamery's cheese recently featured on airline Emirates' first and business class cheese board. Closer to home, from October Tesco doubled its already significant distribution of Isle of Man Creamery cheese in its UK stores.



HENLEYS' SHELLFISH

Henleys' Shellfish exports half a million crabs to Europe and to the Far East, where the delicacy is fast growing in popularity. The biggest supplier of A M Seafoods in Fleetwood, father and son Laurie and John Henley and their crews spend 240 days a year fishing for crabs.

Operating 1,000 pots, they lift the catch, assess its quality and replace those that don't come up to the exacting standards required, landing 50 to 70 per cent of the catch.

The haul makes the 7.45pm boat to Heysham, arriving at the factory at 2am and being processed overnight. Just 30 hours separate a crab being plucked from the Irish Sea and touching down in Beijing or Shanghai, where wholesalers snap them up.

The 'fillet steak' of Henleys' catch is an extra-large and meaty full-cooked crab that features the vessel New Dawn and the Isle of Man on its packaging. Henleys' crabs also go fresh to four European countries, frozen to French supermarkets and pasteurised, for a long life, to Sweden.



Summary

In short, the aims of this strategy are to:

- Grow the value of the industry from £75 million to at least £125 million by 2025
- Provide an increasingly wide range of job opportunities
- Develop and strengthen public and private partnerships to encourage innovation
- Facilitate and support diversification and new product development for:
 1. Profitable export
 2. Import substitution, adding value to the Island's economy and creating a 'multiplier effect'
 3. Growing employment in the sector.
- Celebrate and promote a vibrant food and drink industry for residents, visitors and international business partners
- Support growers, farmers, fishermen, manufacturers, wholesalers, retailers and the hospitality trade in the profitable development and expansion of the industry.

CASE STUDIES



BERRIES LUXURY PUDDING MAKERS

From small beginnings, exhibiting at a market in Port St Mary in 2009, Karl Berrie's business is now the Island's fourth biggest exporter of foodstuffs, supplying clients, including big-name companies, with luxury chocolates, cakes and Christmas puddings.

An appearance at the BBC Good Food Show led to Berries being selected by supermarket giant Aldi to supply a vintage pudding – made of locally sourced eggs, flour, beer, cider and spring water – to 500 UK stores. Berries' puddings have received the highest accolade in the Guild of Fine Food's Great Taste Awards for three consecutive years.

Chocolate – from small, beautifully wrapped boxes and artisan bars to the tens of thousands of Three Legs of Mann Berries produces – is made in a workshop at the family home, the award-winning Aaron House B&B on Port St Mary Promenade, while puddings and cakes are created at Balthane industrial estate.

Karl has his sights set on a single base where he can continue to create his products and have a shop, viewing area, hold talks, tastings and classes in chocolate-making, host school groups and children's parties and sell patisseries and coffee.



NOA BAKEHOUSE

Founded in 2013 in a converted furniture showroom in Douglas, producing sourdough and specialty loaves for leading restaurants, Noa Bakehouse owners Miles and Pippa Pettit have created one of the most popular cafes and eateries on the Island, providing a wide range of fresh and wholesome sandwiches and light bites and an

impressive range of artisan breads.

Miles and Pippa recently expanded their offering into the retail sector through Shoprite and a number of other independent stores. Shoprite describes Noa as 'an outstanding example of a local producer that has developed a premium quality offering'. Such is the success of the bakery, it is now the second largest customer of Laxey Glen Mills.

Resources

To help us realise our goals will require:

Funding

Targeted grant support, small business support

Advisory services

Food business development activities

Facilities

Support for infrastructure to create sustainable growth

Promotion

Working partnerships for marketing and product development.

		Products	
		Current	New
Markets	Current	Market penetration Increased domestic local market share (milk, bread, meat etc). Build on existing export markets.	Product development New products for the local market to replace products that are currently imported (goats cheese, ham, bacon etc).
	New	Market development New markets for high value export of quality food	Diversification Fast reaction to develop products for new and novel markets.

Next steps

Ensuring the vision for the future becomes a reality will include the following activities:

- Development and communication of a targeted action plan with key milestones to achieve £125 million economic contribution from Isle of Man food and drink by 2025
- Changes to how Government works including its food procurement policy
- Practical support for food start-ups and new product development
- ‘Farm to fork’ food education
- Private sector collaboration
- Improved web presence promoting Isle of Man food and drink and wider integrated marketing campaigns.
- Development of a sea fisheries strategy
- Improved communication with policy makers, local industry, food start-ups, local and UK retailers and distributors.



1,500 tonnes of cheese exported



£75 million industry



Isle of Man
Giving you Freedom to Flourish



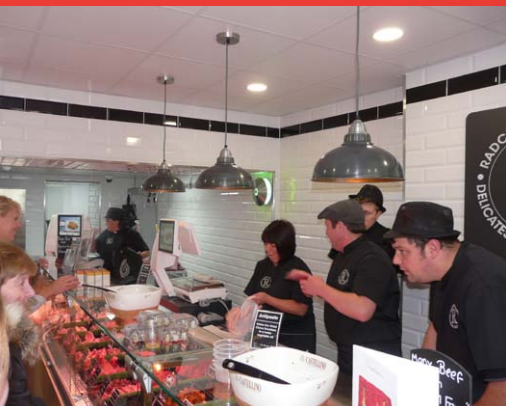
Food and drink are an integral part of the Island's economic and social fabric



1,300 people employed in food production



7,000 tonnes of queenies, king scallop, crab and lobster mostly exported



Growth target of £125 million by 2025



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