



Retailer Webinar

MAY 2023

Today's panel



Ali Capper
**Executive Chair
British Apples
and Pears**



James Simpson
**Adrian Scripps
Ltd**



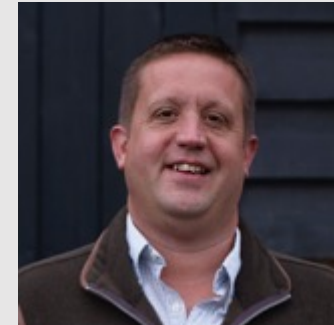
Tom Hulme
**A C Hulme &
Sons**



Mark Gaskain
**Gaskains Ltd
and Prime
Produce Ltd**



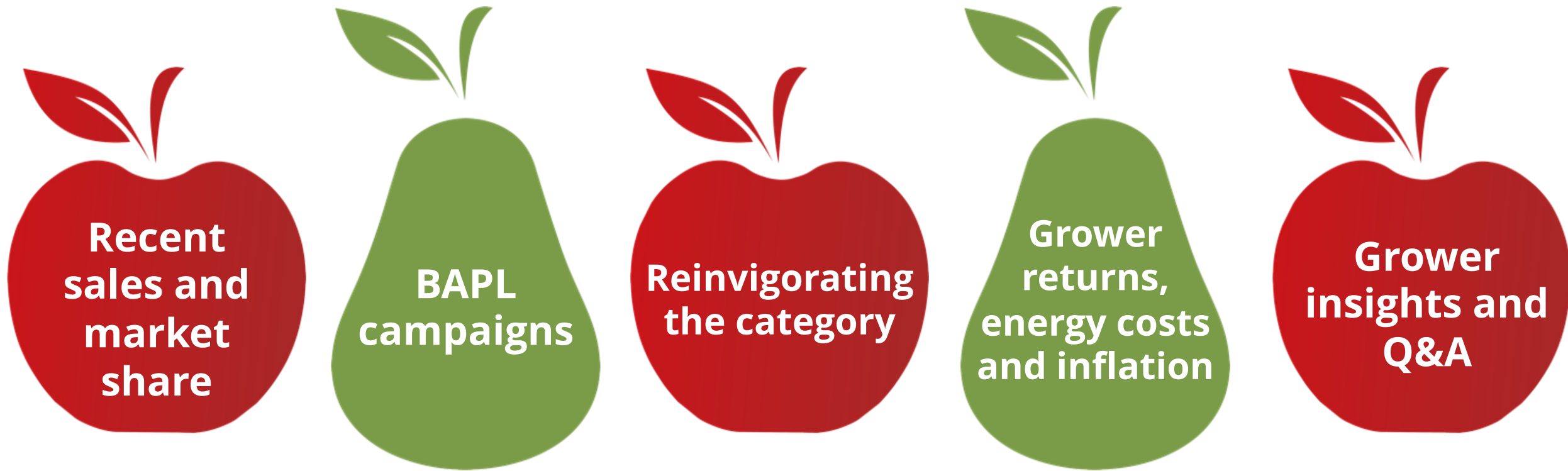
Tony Harding
**Worldwide Fruit
Ltd**



Ross Goatham
**A C Goatham &
Son**



Agenda

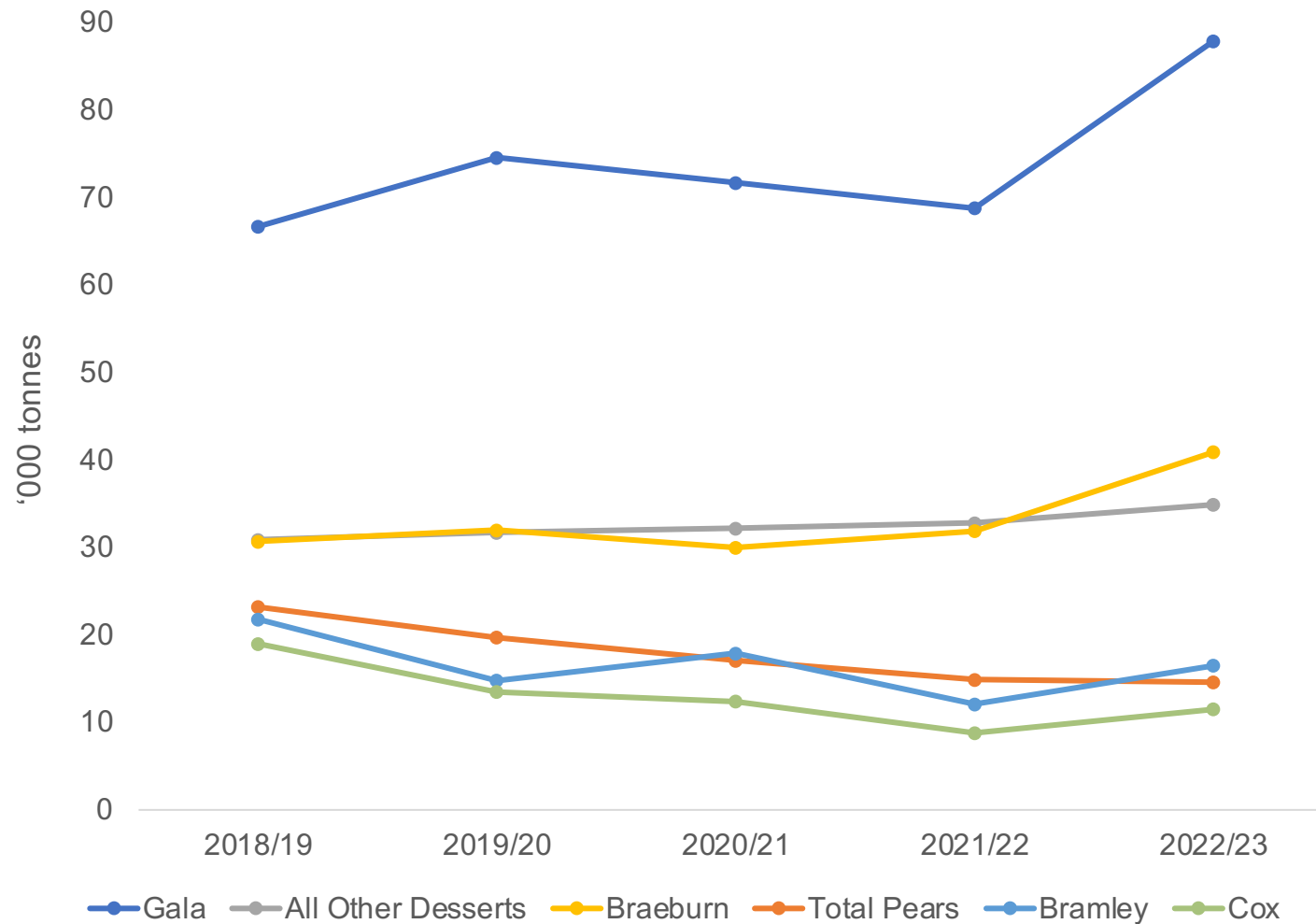


Recent sales and market share



Total British picked crop

Total British Picked Crop 2018/19 to 2022/23

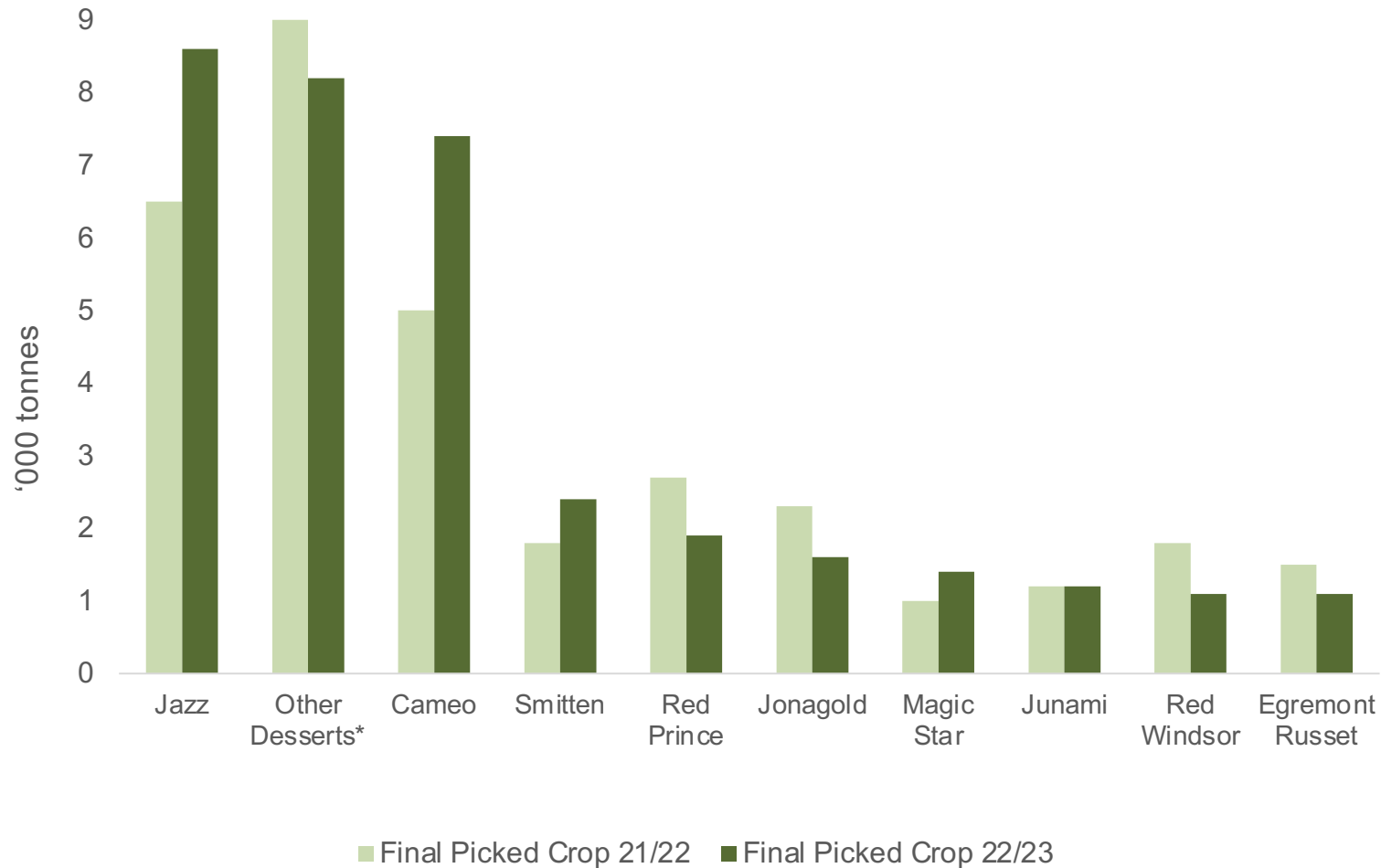


Variety	Final 18/19	Final 19/20	Final 20/21	Final 21/22	Final 22/23
Gala	66.7	74.6	71.7	68.8	87.9
All Other Desserts*	30.9	31.7	32.2	32.8	34.9
Braeburn	30.7	32.0	30.0	31.9	40.9
Total Pears	23.2	19.7	17.1	14.9	14.6
Bramley	21.8	14.8	17.9	12.1	16.5
Cox	19.0	13.5	12.4	8.8	11.5
TOTAL	192.3	186.3	181.3	169.3	206.3

* Breakdown on next slide



Picked crop breakdown: All other desserts



Variety	Final Picked Crop 21/22	Final Picked Crop 22/23
Jazz	6.5	8.6
Other Desserts*	9.0	8.2
Cameo	5.0	7.4
Smitten	1.8	2.4
Red Prince	2.7	1.9
Jonagold	2.3	1.6
Magic Star	1.0	1.4
Junami	1.2	1.2
Red Windsor	1.8	1.1
Egremont Russet	1.5	1.1
Total	32.8	34.9

* Approx 40 Varieties Under 1kT each

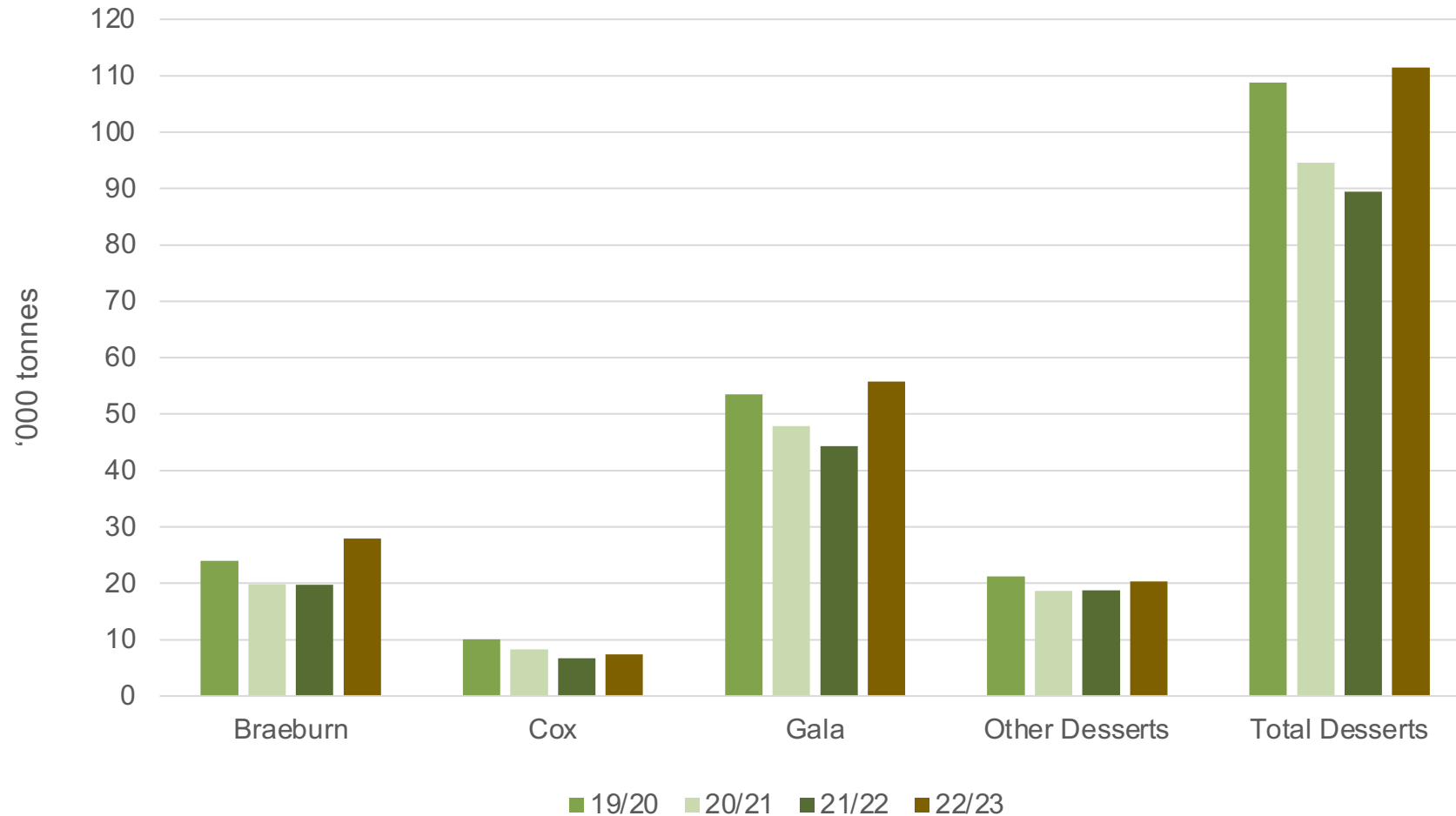


Class 1 sales

Season review to date

Dessert apple sales to multiples

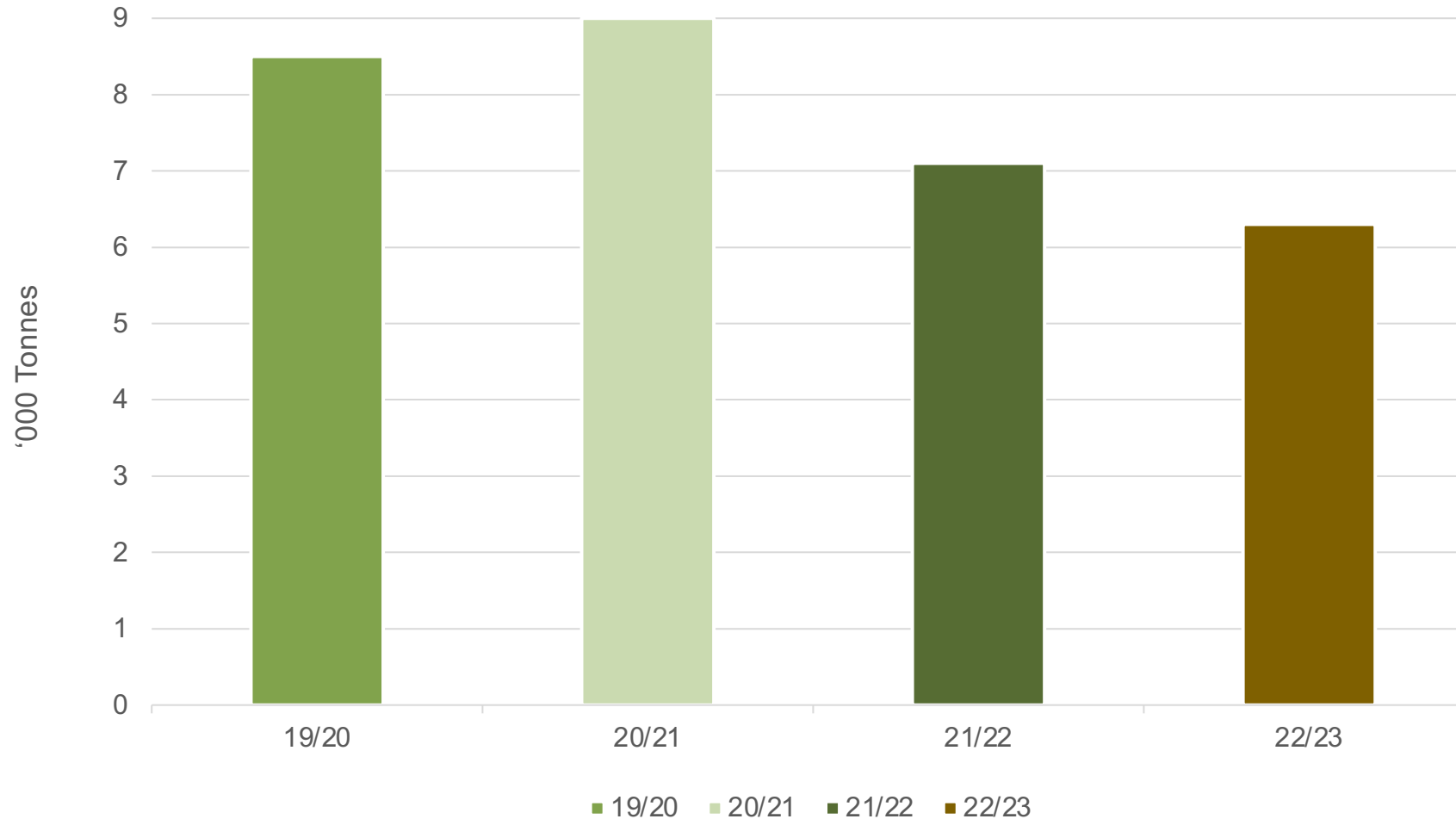
August to April each year



Variety	19/20	20/21	21/22	22/23
Braeburn	24.0	19.8	19.7	27.9
Cox	10.1	8.3	6.7	7.4
Gala	53.5	47.9	44.3	55.8
Other Desserts	21.2	18.6	18.7	20.3
Total Desserts	108.8	94.6	89.4	111.4

Bramley sales to multiples

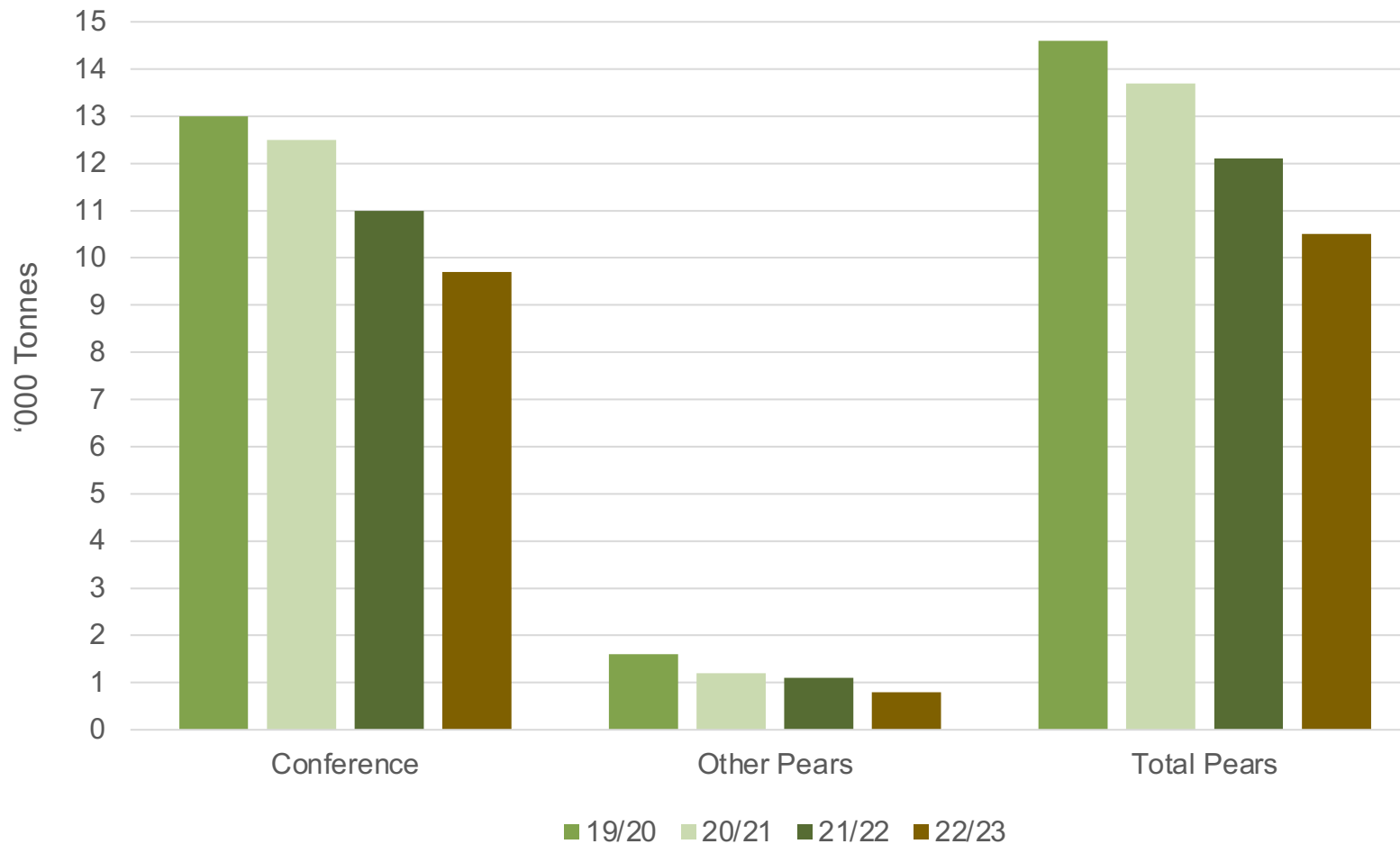
August to April each year



Variety	19/20	20/21	21/22	22/23
Bramley	8.5	9.0	7.1	6.3

Pear sales to multiples

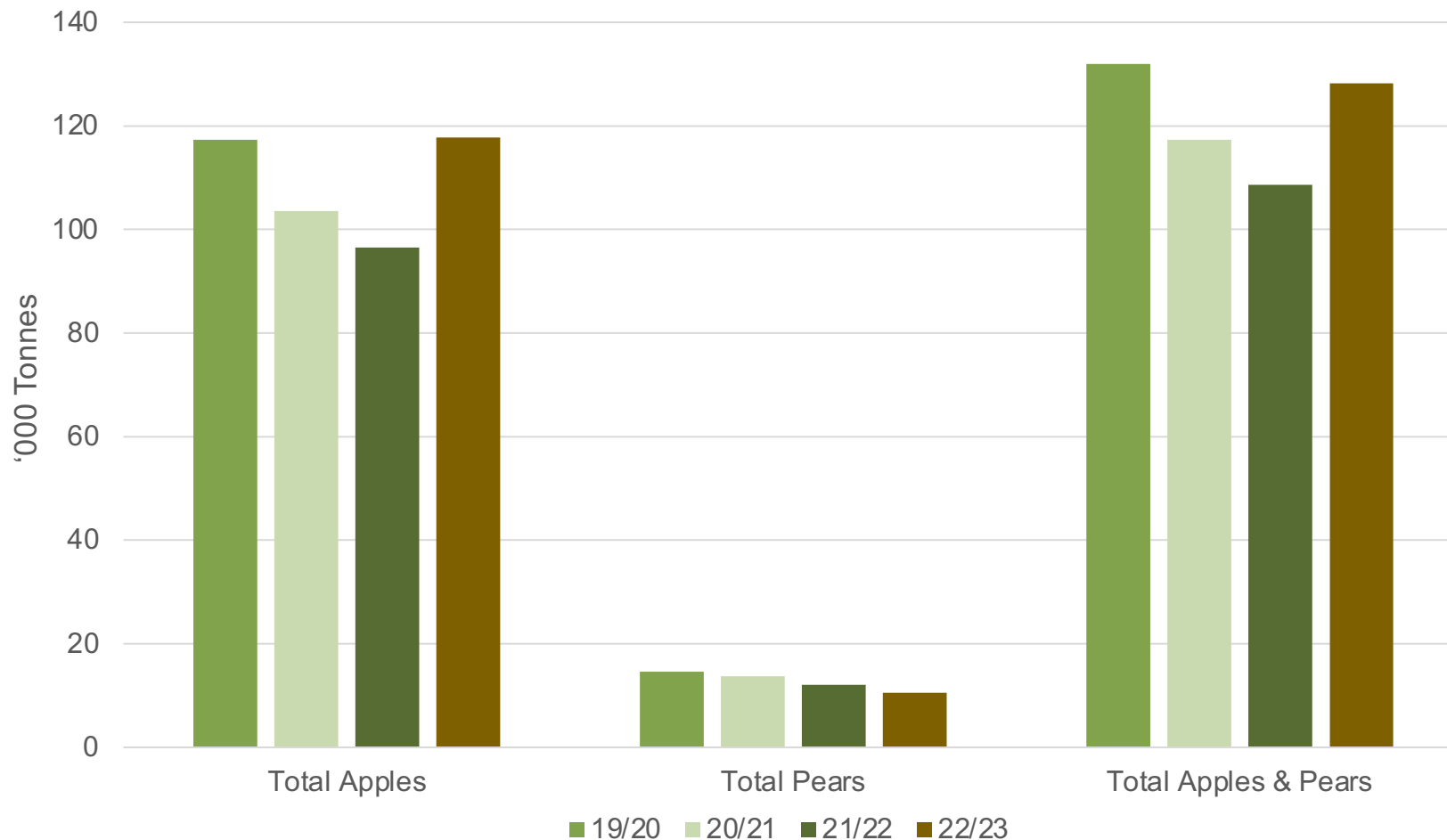
August to April each year



Variety	19/20	20/21	21/22	22/23
Conference	13.0	12.5	11.0	9.7
Other Pears	1.6	1.2	1.1	0.8
Total Pears	14.6	13.7	12.1	10.5

Total apple and pear sales to multiples

August to April each year



Variety	19/20	20/21	21/22	22/23
Total Apples	117.3	103.6	96.5	117.7
Total Pears	14.6	13.7	12.1	10.5
Total Apples & Pears	131.9	117.3	108.6	128.2





Retailer sales and market share data

Sales to multiples and retailer market share

	19/20		20/21		21/22		22/23		Grocery Market Share*
	'000 tonnes	% of total	'000 tonnes	% of total	'000 tonnes	% of total	'000 tonnes	% of total	
Aldi	21.3	16.1%	21.3	18.2%	24.0	22.0%	26.1	20.4%	10.1%
Asda	3.4	2.6%	3.1	2.6%	2.2	2.0%	6.1	4.8%	14.0%
Booths	0.3	0.2%	0.3	0.3%	0.3	0.3%	0.3	0.2%	N/A
Co-op	6.8	5.2%	5.1	4.4%	4.4	4.1%	4.8	3.7%	5.7%
Iceland	2.0	1.5%	2.1	1.8%	1.3	1.2%	1.2	0.9%	2.2%
Lidl	12.1	9.2%	9.5	8.1%	13.9	12.8%	18.2	14.2%	7.6%
M&S	4.4	3.3%	4.7	4.0%	4.6	4.2%	5.3	4.1%	N/A
Morrisons	12.4	9.4%	11.2	9.6%	8.3	7.6%	9.1	7.1%	8.7%
Sainsburys	25.4	19.3%	25.5	21.8%	21.4	19.7%	21.2	16.5%	14.9%
Tesco	31.6	24.0%	25.3	21.6%	20.0	18.4%	27.0	21.1%	27.0%
Waitrose	10.7	8.1%	7.4	6.3%	6.9	6.4%	6.9	5.4%	4.5%
Others**	1.5	1.1%	1.5	1.3%	1.4	1.3%	2.0	1.6%	5.2%**
Total	131.9	100%	117.0	100%	108.6	100%	128.2	100%	100%

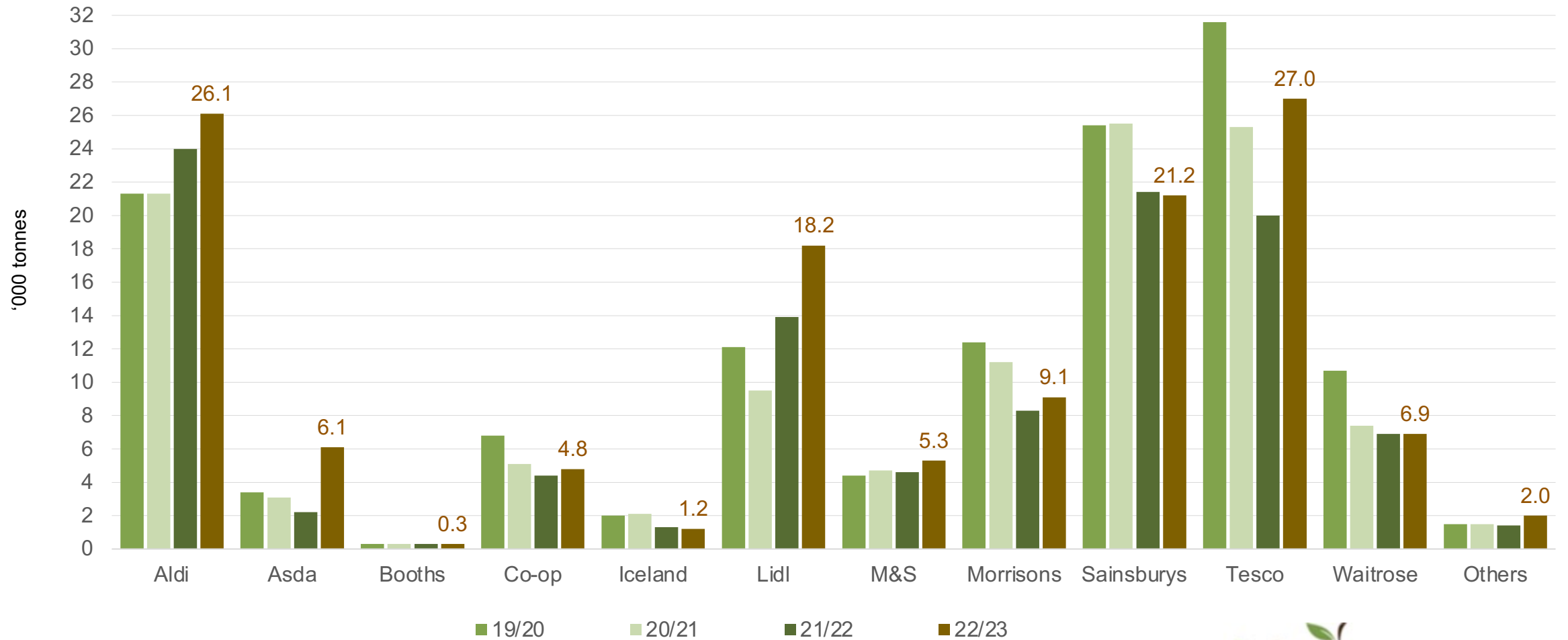
Sales from August to April each year



* Grocer Market Share: Kantar data 12 weeks ending 16/04/2023

** Others: Ocado, Symbols and Independent

British apple sales (in '000 tonnes) by retailer

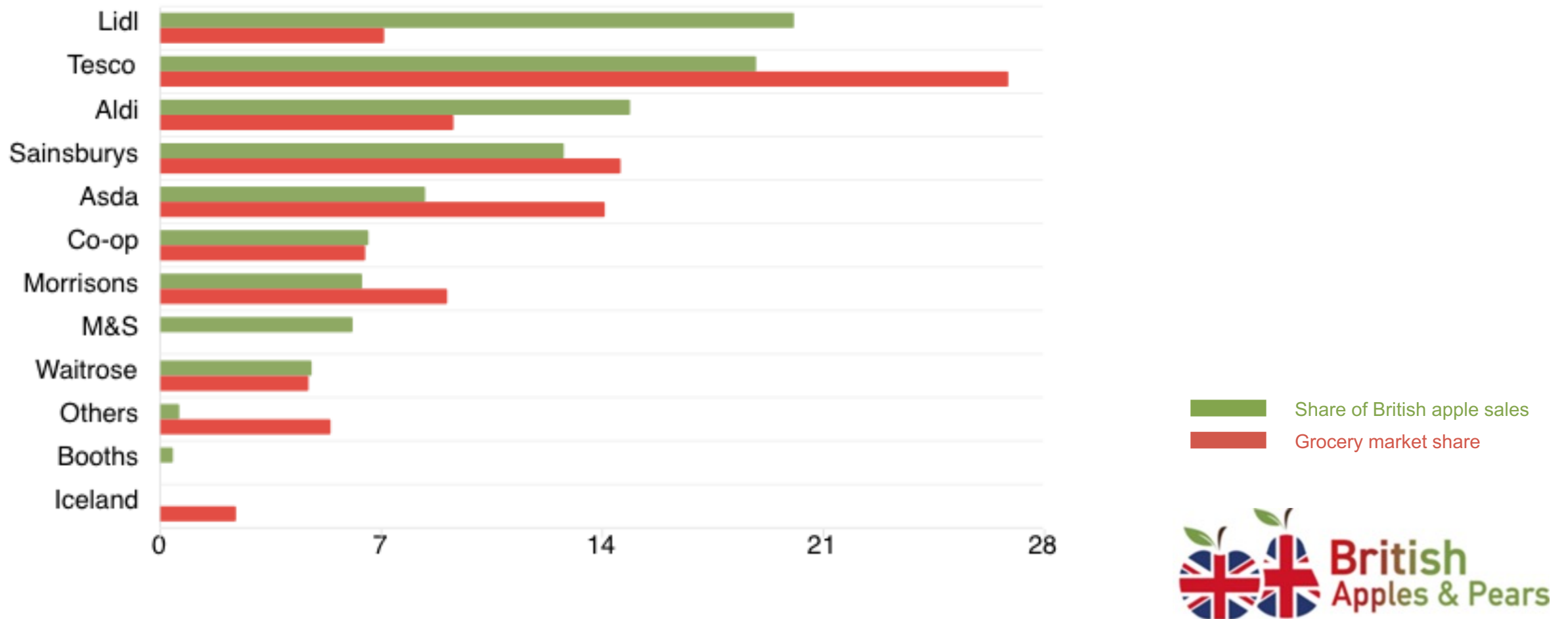


August to April each year



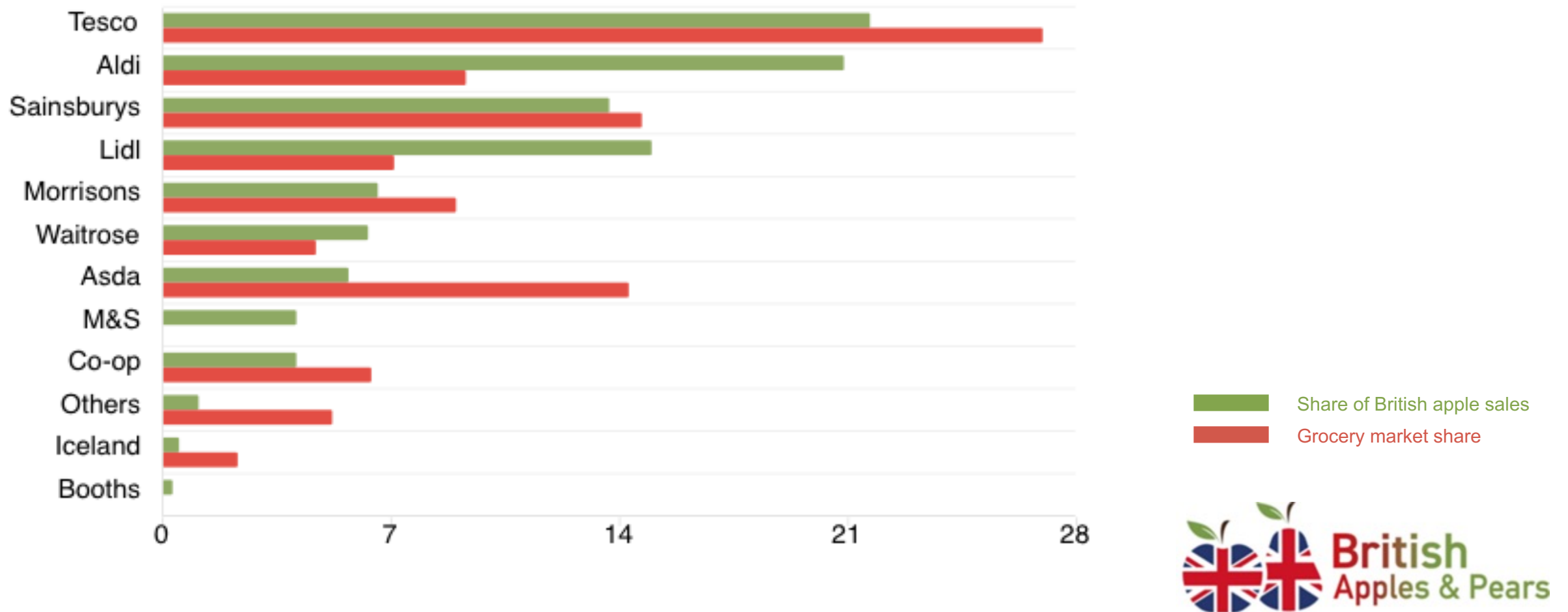
British apple sales vs supermarket market share

September 2022



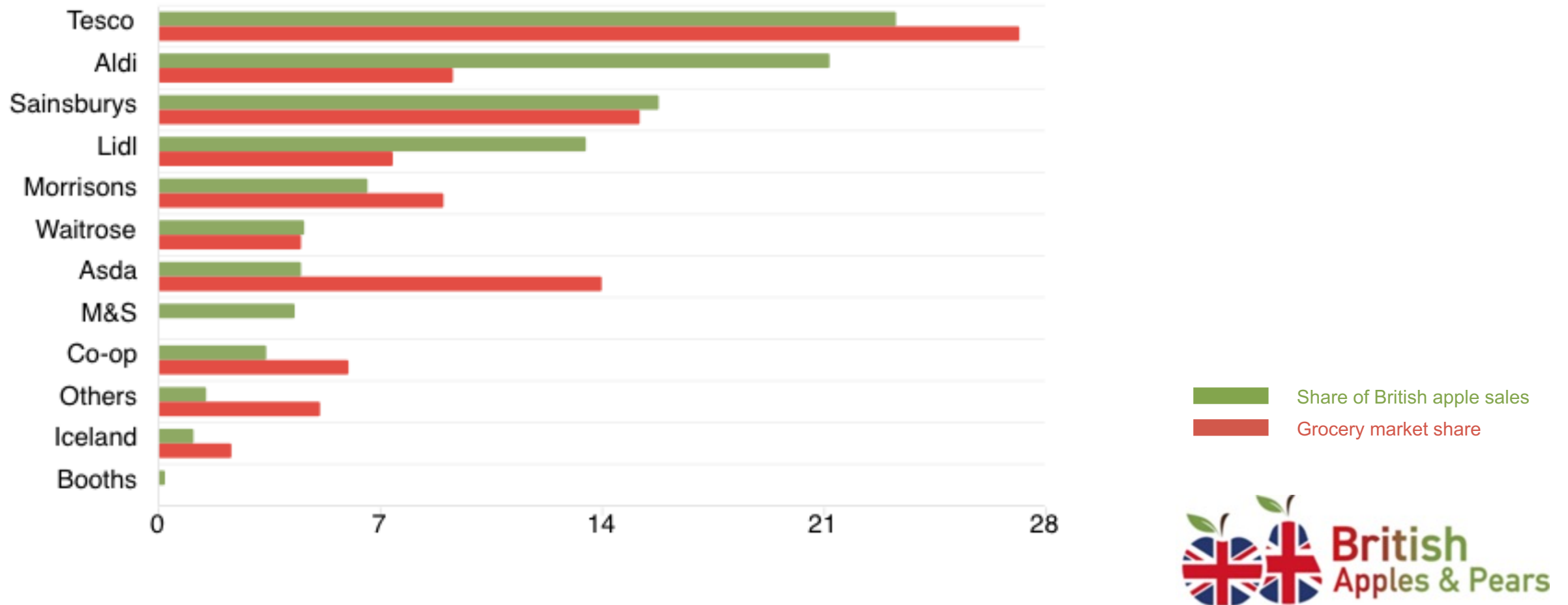
British apple sales vs supermarket market share

October 2022



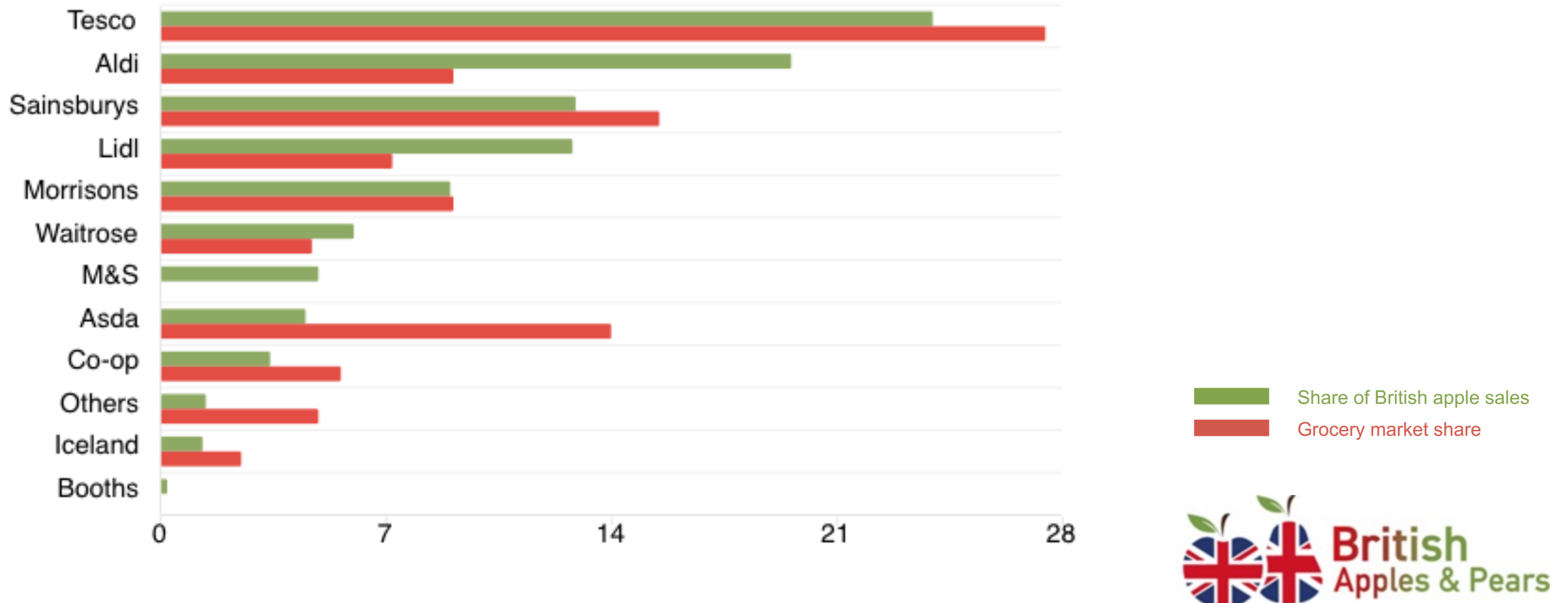
British apple sales vs supermarket market share

November 2022



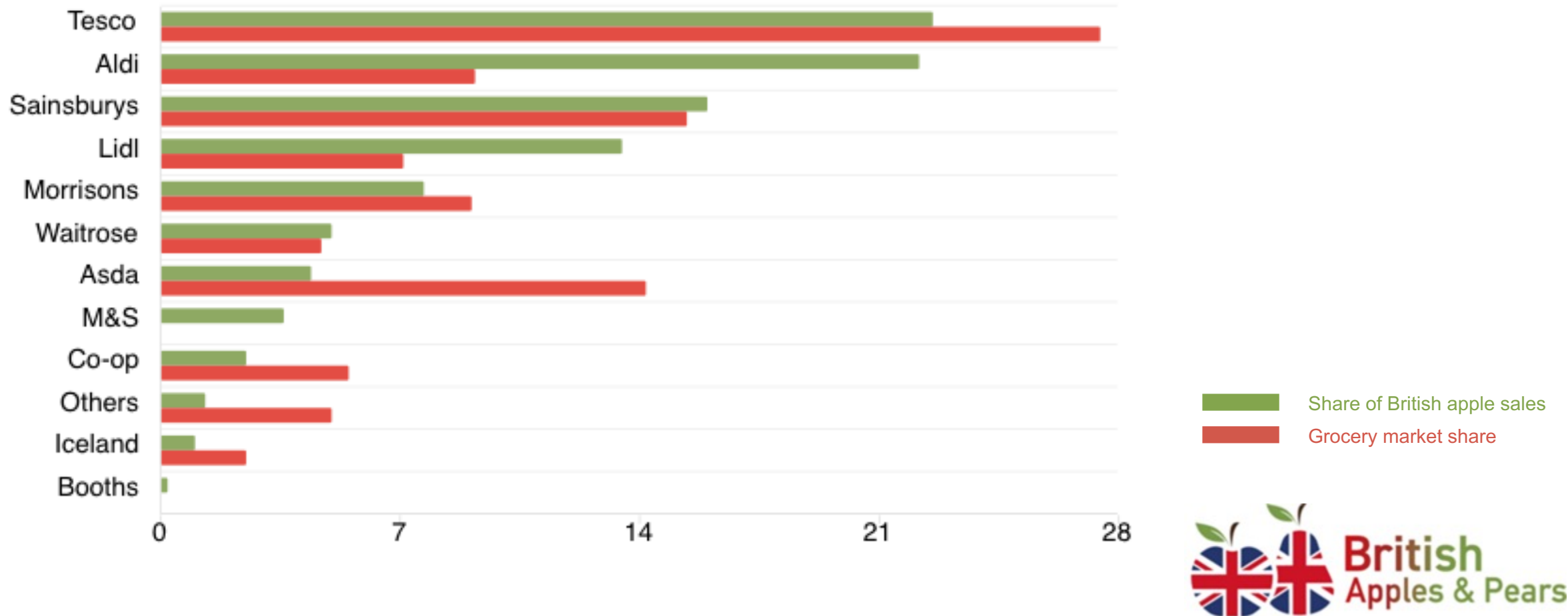
British apple sales vs supermarket market share

December 2022



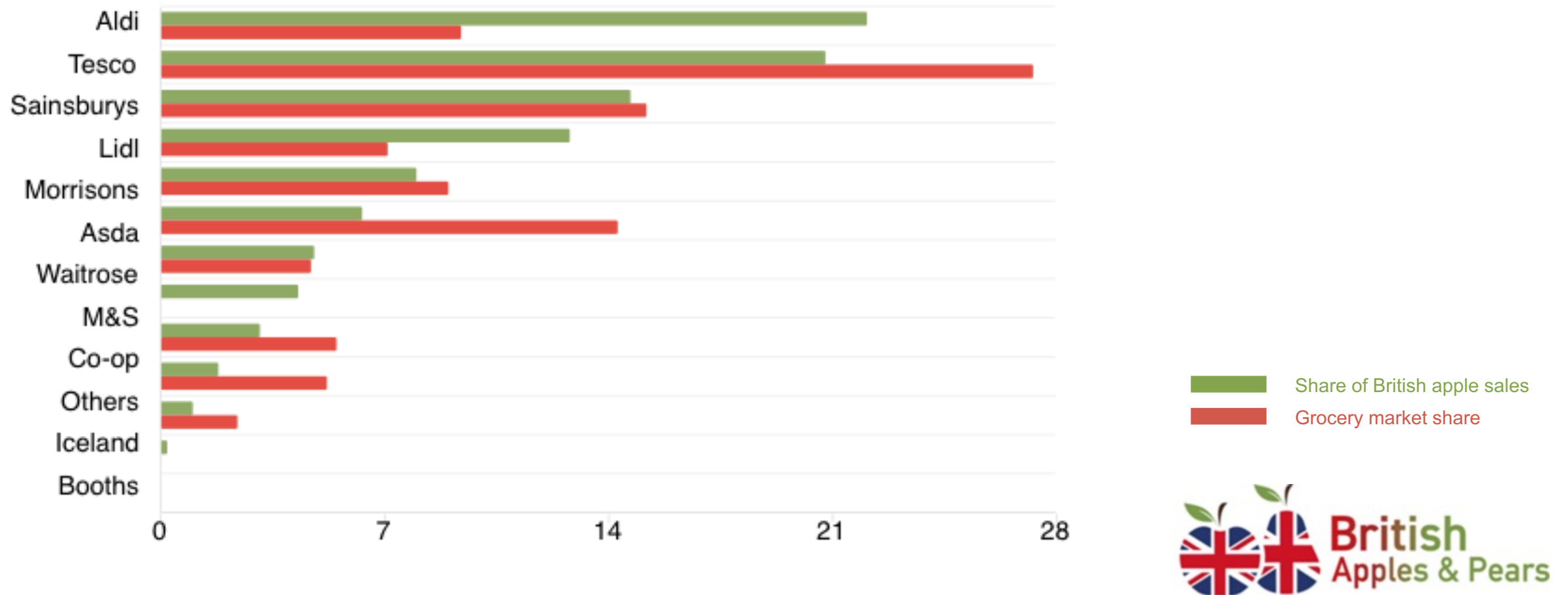
British apple sales vs supermarket market share

January 2023



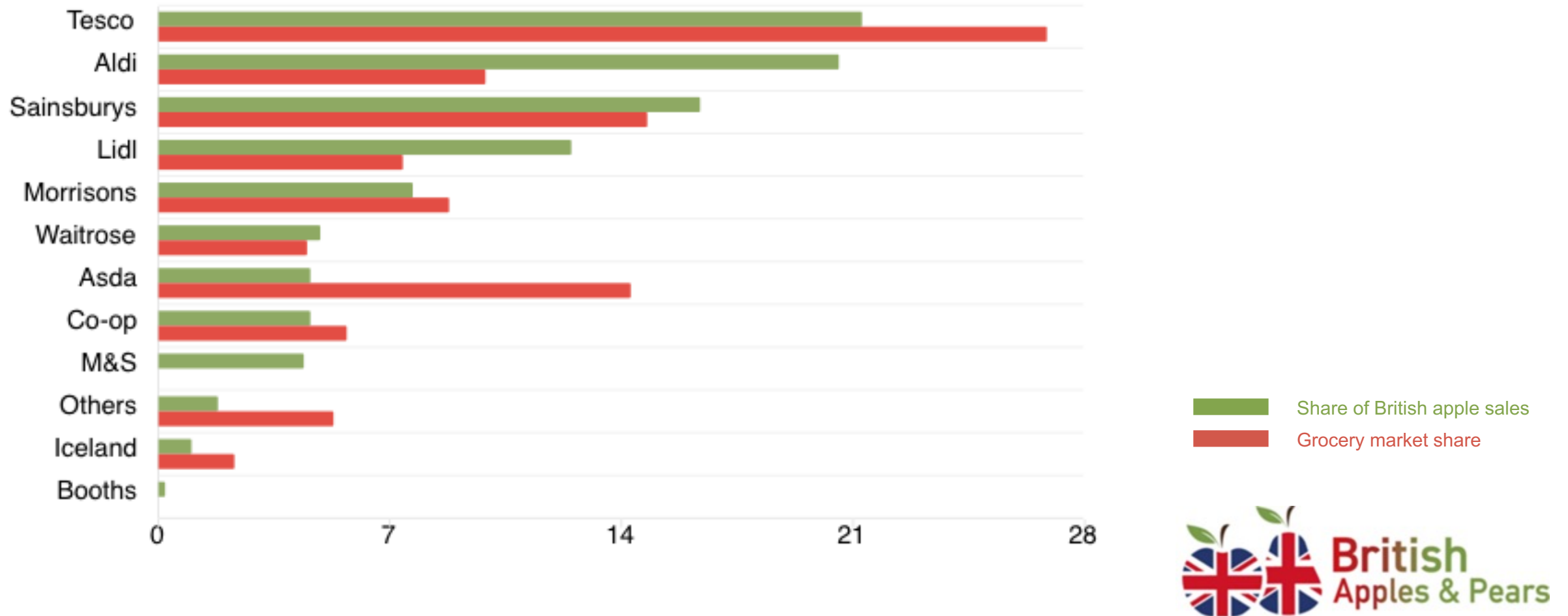
British apple sales vs supermarket market share

February 2023



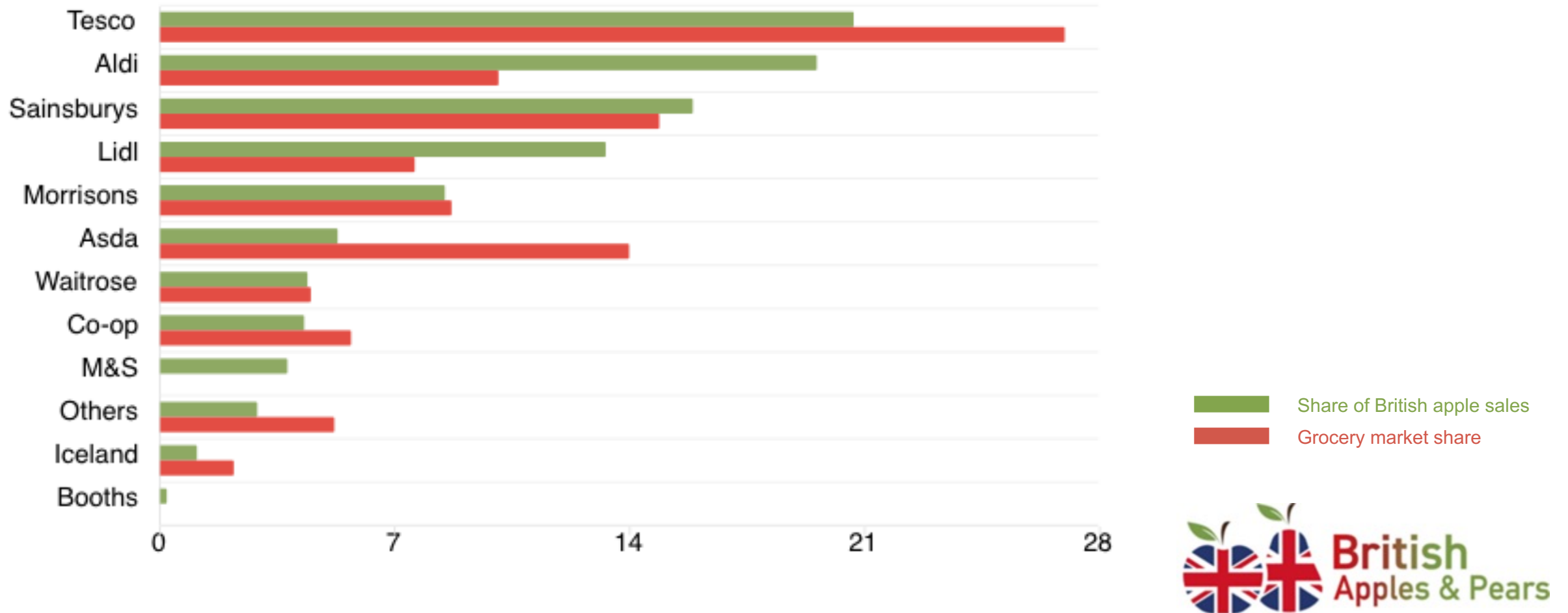
British apple sales vs supermarket market share

March 2023

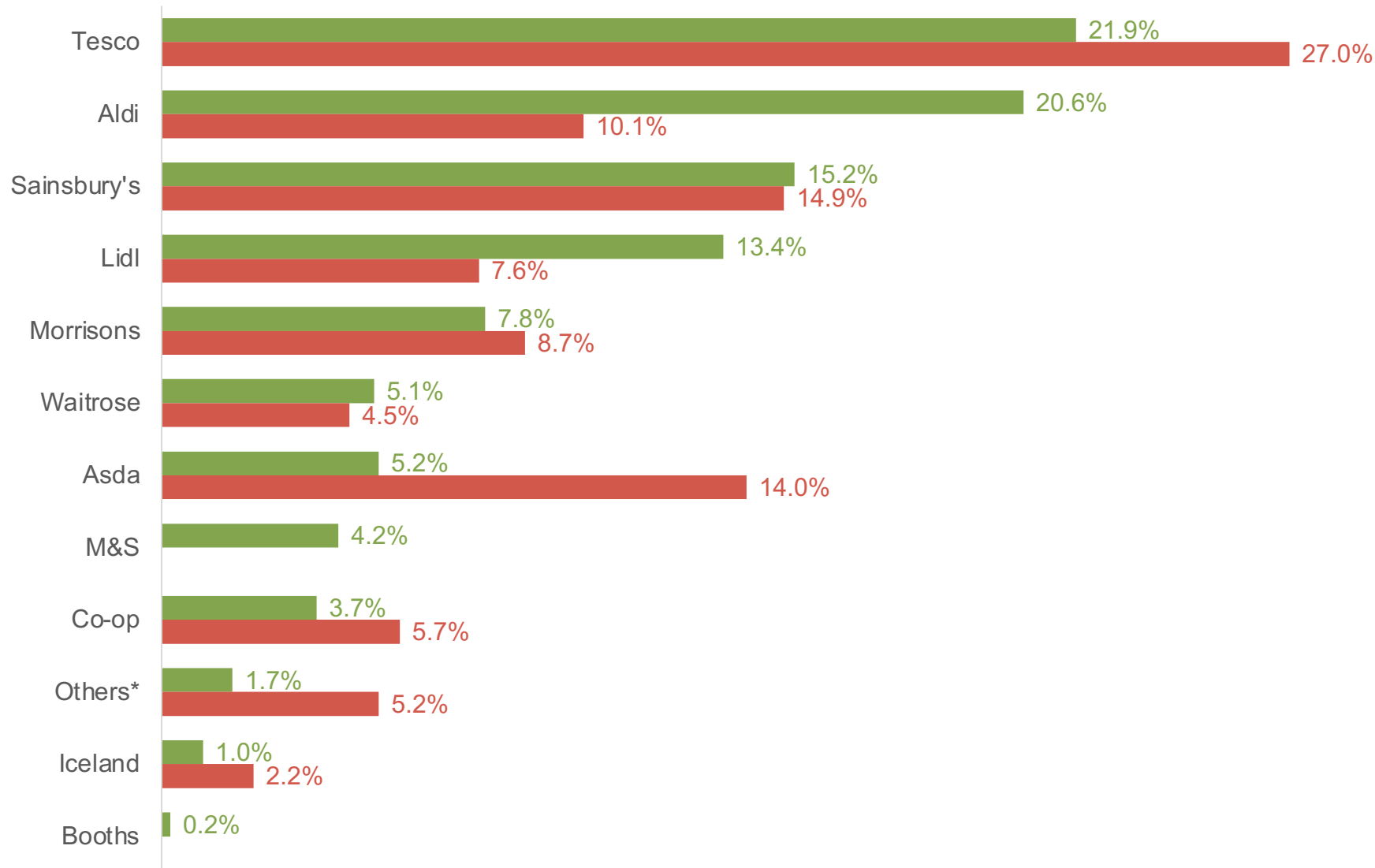


British apple sales vs supermarket market share

April 2023



British apple sales vs supermarket market share



Season to date
Sept 2022 to Apr 2023

 Share of British apple sales
 Grocery market share





BAPL Campaigns

Reduced budget, increased focus

SOCIAL MEDIA AND
WEBSITE

RETAILER ENGAGEMENT
+ TRADE PRESS
RELATIONS

REACTIVE CONSUMER
PRESS OPPORTUNITIES

CRISIS AND ISSUES
MANAGEMENT

**The
Grocer**

FRUIT & VEG

**Apple growers forced into the red despite
supermarket price hikes**

By Simon Willmet | 19 April 2013

Apples are on average 5.8% pricier year-on-year, a figure over seven times higher
than the 0.8% increase in returns seen by growers



FRESH PRODUCE
JOURNAL

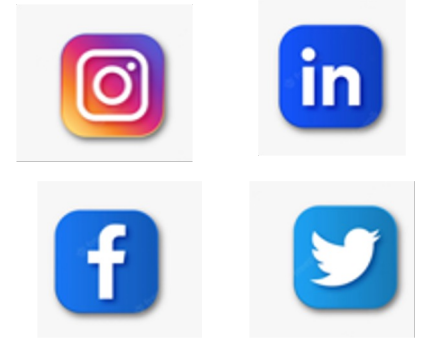


sky news



Social media and website – building on success

- New agency to maximise reduced budget
- 2023 results to date:
 - **1.6% fan/follower increase**
 - **7.72% engagement rate** (industry average: 0.08% to 0.96%)
 - **348k post impressions**
 - **800% increase in web visitors** from social compared to same period last year
- Fresh **website** content to engage visitors



SOCIAL MEDIA MESSAGING
#OrchardWatch
#ValueAtTheCore
Buying British
Health benefits



Campaigning trade media relations



Food security: the only topic on the agenda for Sunak's summit

Plight of British apples shows 'rampant profiteering' is only half the story

By Adam Leyland | 21 April 2023



The clamour to denounce supermarkets and suppliers for their "rampant profiteering" and "global greedflation" keeps growing louder. Boycott the brands! Switch your supermarket! Even Goldman Sachs fears "the end of capitalism".

MOST POPULAR LATEST

-  Aldi TV ad taunts M&S over caterpillar cake row
-  Morrisons' plastic recycling plant falls into administration
-  Co-op stocking Prime Hydration drinks at 800 stores



Apple growers forced into the red despite supermarket price hikes

Apple prices: Top 10 biggest risers

Change in price on 17 April 2023 vs 25 April-1 May 2022

Tesco Rosedene Farms Gala Apples x6	46%
Aldi Nature's Pick Best Of British Apples x6	34%
Tesco Rosedene Farms Braeburn Apples x6	32%
Morrisons British Apples x6	31%
Morrisons Dessert Apples 1.8kg	31%
Sainsbury's Braeburn Apples, SO Organic x6	27%
Sainsbury's SO Organic Apples x6	27%
Lidl Oaklands Red Apples 2kg	25%
Aldi Nature's Pick Red Apples 2kg	25%
Asda Melinda Apples 2KG	25%

Source: Assosia - [Get the data](#) - Created with [Datawrapper](#)



Campaigning trade media relations



Aldi buys more British apples than any other UK supermarket in February

By Grace Duncan | 24 March 2023



Source: British Apples & Pears Limited
Data from the growers association has revealed that Aldi topped the chart followed by Tesco, Sainsbury's and Lidl in February

Aldi bought more British apples from UK growers than any other UK retailer last month, according to new data from British Apples & Pears.

Data from the growers association revealed it bought 22.1% of all British apples growers sold to UK supermarkets in February, surpassing Tesco (with a share of 20.8% of all UK apples sold), Sainsbury's (14.7%) and Lidl (12.8%).

The discounter sold a total of 3,779 tonnes of British apples in February, while Tesco sold 3,553, Sainsbury's 2,517 and Lidl 2,391.



- MOST POPULAR**
- LATEST**
- Aldi TV ad taunts M&S over caterpillar cake row
- Morrisons' plastic recycling plant falls into administration
- Co-op stocking Prime Hydration drinks at 800 stores

Apple growers forced into the red despite supermarket price hikes

By Grace Duncan | 19 April 2023



Source: British Apples & Pears
The cost of apples has risen seven times higher than the 0.8% increase in returns seen by growers

British apple growers struggling with soaring energy and labour costs have secured cost price increases of less than 1% in the past year, despite shelf-edge prices rising by as much as 46%.

ONS data shows the price of the cheapest apples in supermarkets increased by 17% between September 2021 and September 2022.



- MOST POPULAR**
- LATEST**
- Aldi TV ad taunts M&S over caterpillar cake row
- Morrisons' plastic recycling plant falls into administration
- Co-op stocking Prime Hydration drinks at 800 stores
- Ultra-Processed People: Dr Chris van Tulleken's 'Incendiary' new book hurts
- Deliveroo's Will Shu on AI, overtaking Ocado and rapid delivery

FRESH PRODUCE JOURNAL



Apples hit by cost-of-production crisis

By Michael Barber | 12 April 2023



British growers are losing money as returns fail to keep up with cost increases

Most British apple growers are losing money as the cost of production soars.

Trade body British Apples & Pears Ltd (BAPL) made the stark claim this week after laying bare the true cost-of-production crisis facing the industry.



Uganda goes global



Uganda's avocado ambitions



Horticulture sector warns House of Lords of market failure



Market failure is an issue for fruit and vegetables, with disparities between what the shopper is paying and farmgate prices, Ali Capper told a House of Lords horticultural sector committee.



Reactive consumer media

Extensive national and international coverage driven in large part by trade media coverage



In some cases, price rises may have arisen from shortages of homegrown products.

Many growers facing rising bills and a lack of casual labour during the picking season, have reduced the amount of crops they plant in the first place.

Ali Capper, chair of British Apples & Pears, said growers' costs had risen 23 per cent over the past year.

But she added they had been "met with almost static average fruit prices paid by retailers".

MailOnline

Now Brits are warned of apple and pear shortages: Experts say perfect storm of frosts and rising production costs could see supplies run low by August

- Comes after supermarkets rationed tomatoes, cucumbers and peppers
- Eight in ten apple and pear growers said to have stopped investing in their farms
- READ: Farmers warn tomatoes, cucumbers and pears will vanish from shelves



Apple and pear growers have been hit by increases in labour costs (Image: Getty)



Apples and pears could be next UK food shortage, farmers warn

Growers say they do not get paid enough by supermarkets, as supply of leeks also comes under threat



■ Braeburn apples on display in a supermarket. Growers say their returns from selling to supermarkets are unsustainable. Photograph: Peter Jordan/FilAmey

Apples and pears could be the next food shortage in the UK, after it emerged that British growers are planting just a third of the number of trees needed to maintain orchards, saying their returns from selling to supermarkets are unsustainable.

Ali Capper, head of the British Apples & Pears trade association which represents about 80% of the industry in the UK, said 1m new trees would have to be planted each year to maintain the UK's 5,500 hectares (13,590



Reactive consumer media

THE TIMES

Suppliers hit back at Tesco over fees to sell produce online

B B C



UK grocery price inflation hits record high as more stores impose rationing

The Telegraph

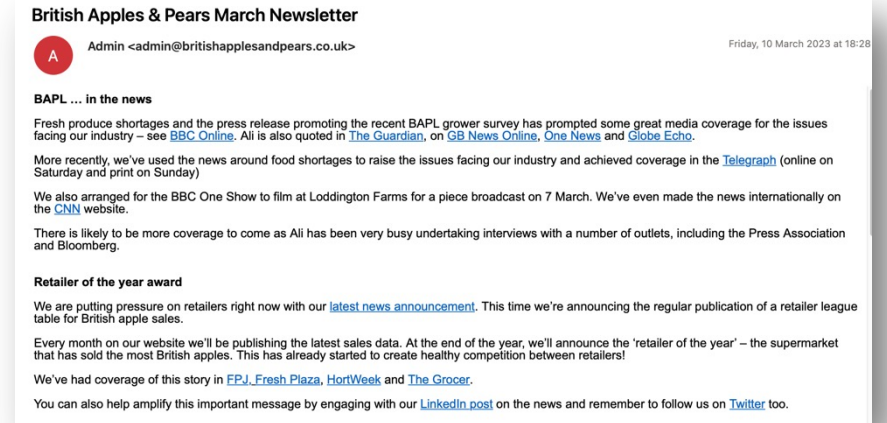
How Tesco and Sainsbury's obsession with Aldi fuelled Britain's fruit and vegetable rationing crisis

Price war responsible for leaving UK vulnerable to shortages, farmers say



Member and stakeholder comms

- Regular newsletter (every two months)
- The Fruit Grower column (every two months)
- January 2023 all member BAPL meeting
- BAPL AGM in March 2023



Lobbying

- SWS wage rate
- SWS permit operators
- Meeting (Feb): Mark Spencer, Farming Minister; Helen Whately MP; Kelly Tolhurst MP with Mark Gaskain
- Written submission for House of Lords Committee on Horticulture Sector:
<https://committees.parliament.uk/call-for-evidence/3065/>
- Oral evidence to House of Lords 20th April 2023
<https://www.britishapplesandpears.co.uk/house-of-lords/>
- GCA meeting
- Westminster briefing pack
- Defra and opposition meetings sought
- “Sunak’s Summit” on food security





Reinvigorating the category

Launch of British apple season 2023

The issues

- Date of British apples in depth in store gets later every year
- Lack of delineation of British in-store - union jacks on most packs but not all, no POS, no 'theatre'

The plan

- Sales to start from the end of September/early October (British Apple Month)
- Create in-store theatre – invest in retail



Reinvigorate the category

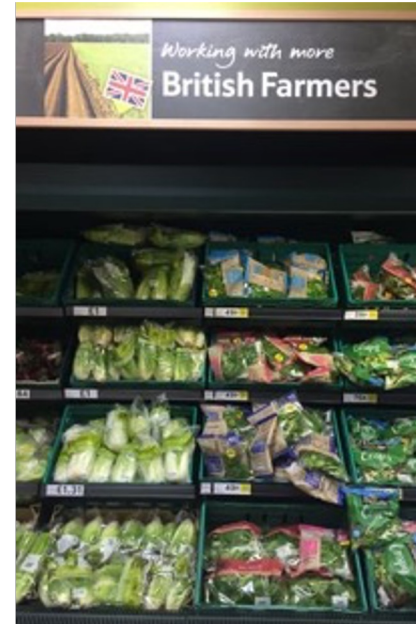
COLLABORATE

Co-ordinated retailer promotions and investment



FOCUS

British Apple Month in October



INVEST

Investment to drive consumer behaviour



The reinvigoration plan

Joint supplier meetings with each retailer to:

- Sell in **Great British Apple Month**
- Seek primary aisle-end support for British Gala throughout October
- Explore **investment activity**:
 - Free new season British apple **sampling** – instore or in car park
 - **Packaging** – increased emphasis on **union jack**
 - **POS** –  logo investment
 - **Growers – hero images** in-store on walls, at fixture, at checkout
 - **Digital/social promotions** – work with retailers' digital team to put British apples into all online media and onto their social channels
- Brief supermarkets on investment from BAPL
 - Press releases
 - Retailer social ads



BAPL Investment

Press releases to generate editorial news coverage



Fruitful endeavour Anna Cernova picks apples in the orchards of Ham Green Farm in Kent, enjoying a bumper crop following one of the sunniest summers on record.



5. Eat more apples



British apples are great for the environment as they travel fewer miles from the tree to the bowl. (Picture: Getty Images/Image Source)

British apples are a simple and effective way to help the environment as they travel minimal food miles. They're readily available too – the end of September marked the start of British apple season and this year growers have predicted availability all-year around.

Apples last up to two weeks longer in the fridge in their original packaging or a reusable container if purchased loose.

Great British Apple Month

Social media advertising to target each supermarket's shoppers



New season British apples are now available in @AldiUK stores!

Super tasty this year, you won't want to miss that juicy crunch. They're great value too and store well in the fridge for snacking at any time.

Get your hands on some great value, delicious British apples – just look out for the Union Jack on the packs 🇬🇧



Have you been into @Waitrose recently? It's apple and pear season which means their shelves will be stocked with delicious British apples 🍏

The best way to check your apples are from Britain is to look for the Union Jack on the packaging! This means they have travelled fewer miles and you're supporting our local growers too.

Next time you're in @Waitrose don't forget to pick up a pack of freshly picked British apples!



New season British apples are here and tastier than ever, waiting for you on your local @TescoFood supermarket shelf!

Whichever variety is your favourite, look out for the Union Jack on the packaging to get the best value for your money and lower your carbon footprint.

Pick up some delicious British apples from @TescoFood today!



What is great support for British apples?

- ✓ British Gala apple sampling in-store (in say 50-100 stores)
- ✓ Life-size posters of UK apple growers facing checkouts in all stores
- ✓ Union Jack POS at apple fixtures
- ✓ Best aisle-end support for British apples and pears
- ✓ Clear 'British apple' visibility for online shoppers
- ✓ Social media promotion for British apples and amplification of BAPL social posts
- ✓ Marketing support for British Apple Month
- ✓ Aim to exceed share of British apple sales vs grocery market share



**Great British
Apple Month**
OCTOBER





Grower returns, energy costs and inflation

Andersons' briefing paper

Gala apple cost of production 2023

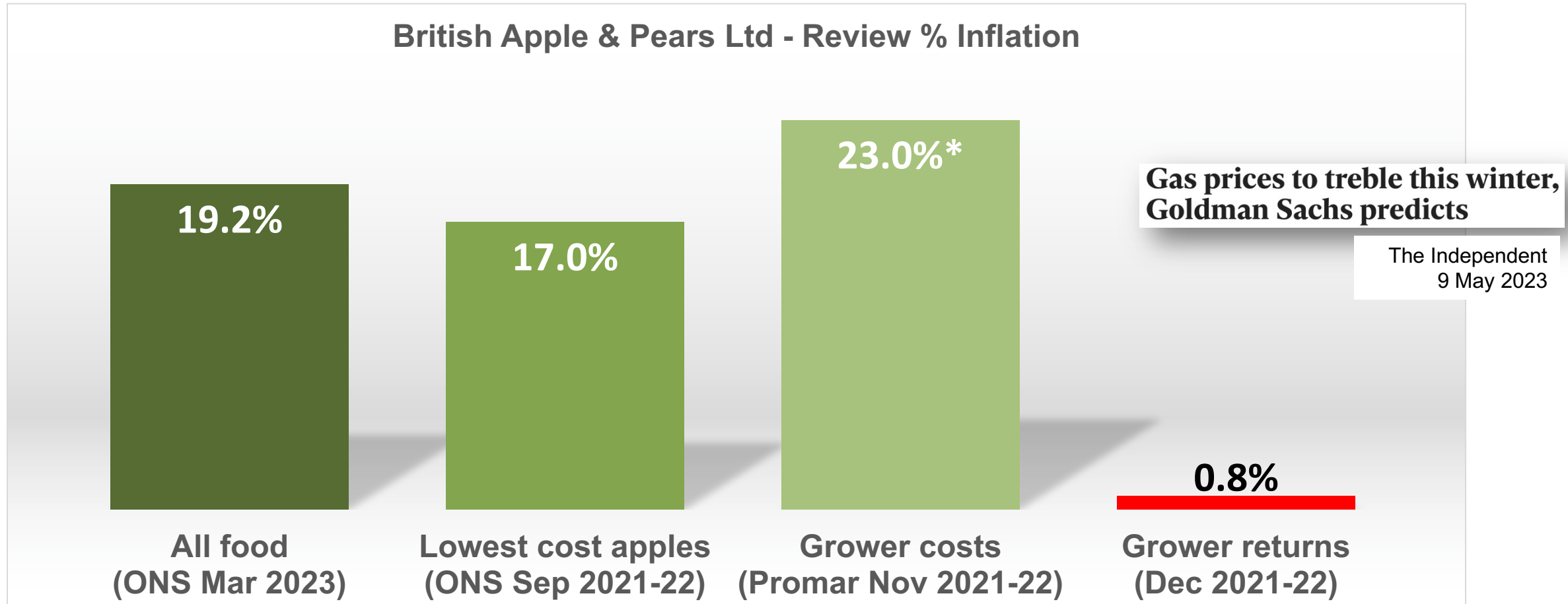
CATEGORY	RANGE	MEDIAN	MEDIAN
	£ PER TONNE	£ PER TONNE	PENCE PER KILO
Establishment/End of Life	78–104	94	9
Growing and Harvest	213–329	293	29
Storage and Marketing	460–710	638	64
Overhead Costs	177–308	241	24
TOTAL	928–1,451	1,265	126

“We have decided to quit apple growing in two years’ time after 40 years of growing fruit.”

Combined output of growers interviewed would represent at least 70% of all UK production



The core issue: inflation vs returns



* Of which energy costs are up by 133% (Dec 2022 vs Dec 2021)

Tree planting

Renewal is 1.5 million trees (5%), but only 500k planned and 330k planted = 22% of what should have been planted

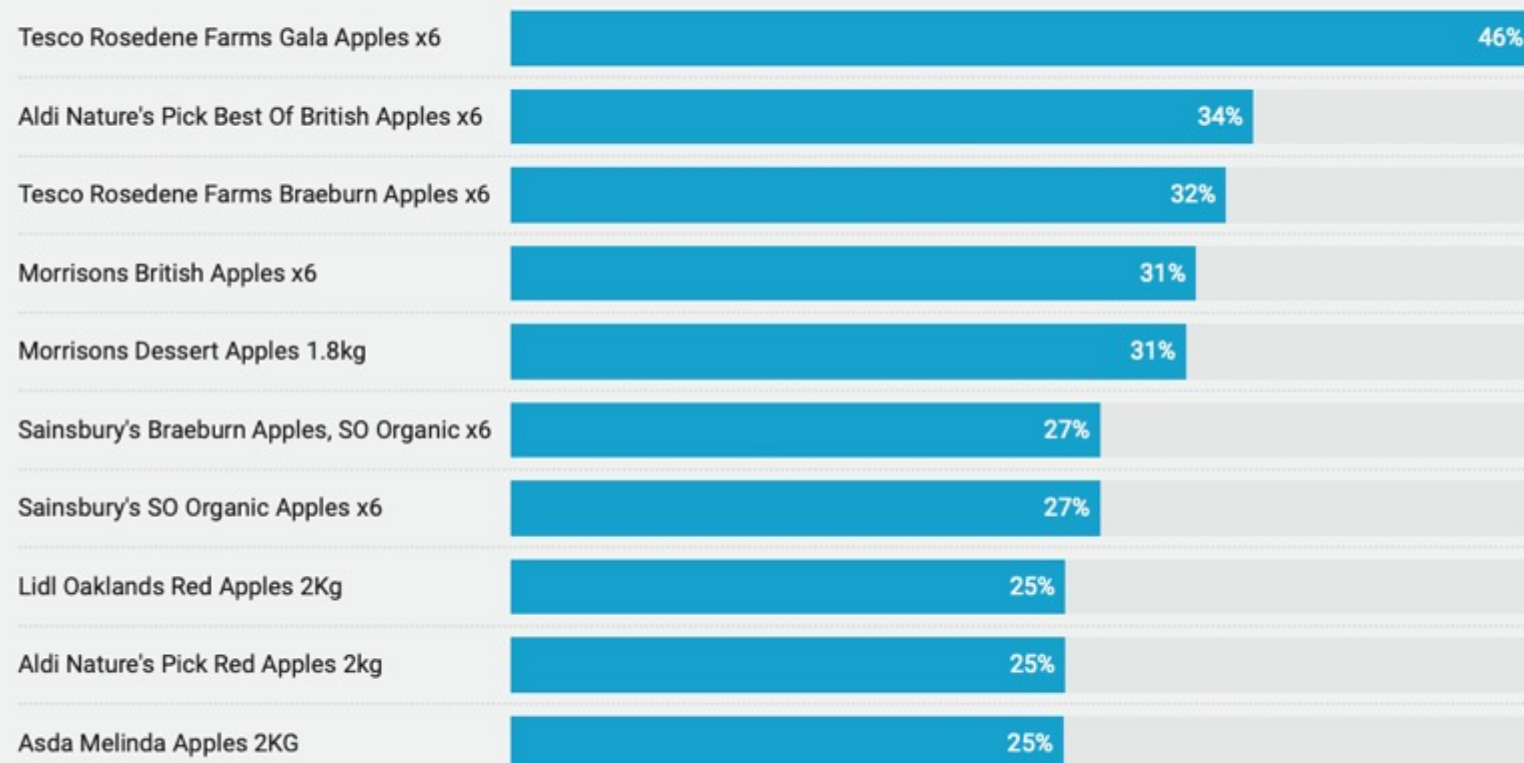


Apple growers forced into the red despite supermarket price hikes

**The
Grocer**

Apple prices: Top 10 biggest risers

Change in price on 17 April 2023 vs 25 April-1 May 2022

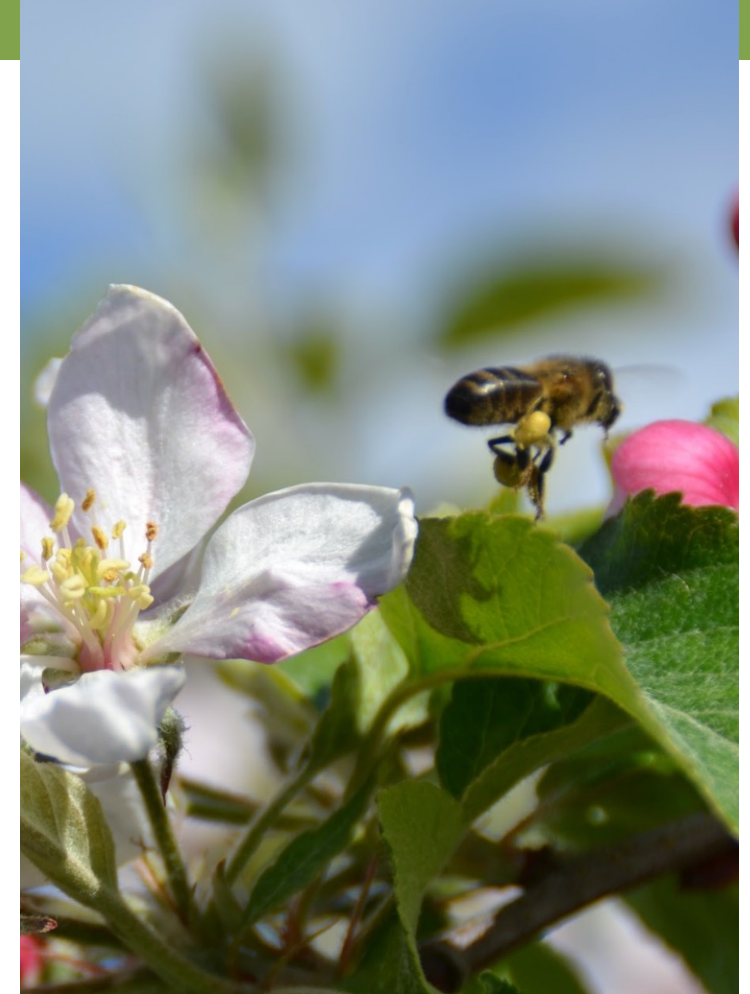


Source: Assosia • [Get the data](#) • Created with [Datawrapper](#)



The positives

- UK supermarkets offer an excellent route to market for British growers:
 - Slick logistics
 - Efficiencies of sales and relationships
 - Effective partnerships (on the whole)
 - Profitable returns until 5-7 years ago: NLW/SWS wage rates, super inflation of 2022
- Resulting grower investment:
 - All BAPL surveyed growers (2021) said they would be investing in biodiversity measures in the future
 - Six out of ten growers stated they would have post and wire growing systems only and no standard orchards in five years' time
 - Over 1 million trees/year planted for last 7-10 years
 - Significant investment in new varieties and season extension

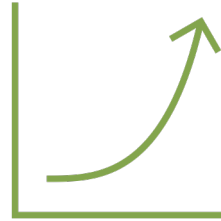


What do growers need?

A RESET ON RETURNS



Meaningful cost of
production and
inflation discussions



A return that
reflects growers'
costs



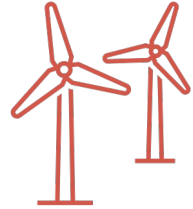
A fairer share of the
price the shopper is
paying



The potential consequences



A decline in
orchard
investment



A decline in
ESG
investment



A reduction in
supply



An increase in
retailer scope 3
emissions and
water footprint



Grower
business
failure

Grower insights and Q&A



Today's panel



Ali Capper
**Executive Chair
British Apples
and Pears**



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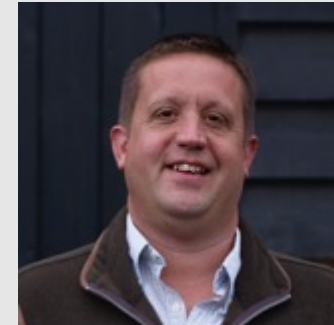
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Retailer Webinar

MAY 2023

R&D Update

1. EAMU's/EA's:

- Horticulture Crop Protection Ltd live 15th April 2023
- Activity for 2023 agreed with crop associations
- CEO starts mid June – Simon Conway – Vitacress MD



2. Pest & Disease Research:

- BAPL Technical Committee to meet three times/year
- Projects tendered and live
- Biochar: Innovate UK funded; LCA data; address scope 3 challenges

Both funded by voluntary grower subscription.

