

Y Pwyllgor Newid Hinsawdd, Amgylchedd a Materion Gwledig | Climate Change, Environment and Rural Affairs Committee
Ailfeddwl am fwyd yng Nghymru: brandio a phrosesu bwyd | Rethinking food in Wales: food branding and food processing

UK HospitalityCymru

Introduction

Created in 2018 by the merger of the Association of Licensed Multiple Retailers (ALMR) and the British Hospitality Association (BHA), UKHospitality, and its Wales arm HospitalityCymru, provides a unified voice for hospitality; coffee shops, contract caterers, hotels, nightclubs, pubs, restaurants, stadia, visitor attractions and many more related businesses.

Engaging with government, the media and the public, UKHospitality and HospitalityCymru work to develop a robust case on how to unlock the industry's full potential as the biggest engine for growth in the economy and ensure that the industry's needs are effectively represented

In the UK, Hospitality is the 3rd largest private sector employer; double the size of financial services and bigger than automotive, pharmaceuticals and aerospace combined; it creates £130bn in economic activity and generates £38bn of tax for the Exchequer, funding vital services; Hospitality represents 10% of UK employment, 6% of businesses and 5% of GDP and provides 170,000 jobs in Wales.

Food branding

The value of food branding in the tourism and hospitality sector.

The value of branding food as local, Welsh, British or otherwise and the value of Protected Food Names (Geographical Indicators), including the UK Government's proposals for a new post-Brexit UK scheme

Welsh Government strategy: Activity to promote Welsh food products within the UK and internationally activity to support Welsh food producers to develop their branding

The value of any food branding is to achieve premiumisation and enhance returns for a product. An example of the value of such a premium brand has been provided by Hybu Cig Cymru, the Welsh red meat authority. HCC's Chief Executive, has previously explained to the Committee that a key part of the export strategy for iconic brands Welsh Lamb and Welsh Beef, which both currently enjoy Protected Geographical Indication status, has been to aim at premium markets, which in turn help to protect and support prices and improve returns and incomes.

An independent report published by HCC, reviewing the success of the Welsh red meat brands between 2003 and 2013, found that premium and new market opportunities for the Welsh red meat supply chain grew by £115 million over the period and identifies Welsh Lamb in particular as enjoying a significant price premium at retail as compared to other types of lamb.

This research also indicated that in the domestic market, the brands achieved an increased British retail market share of £64 million over the 10 years, and an increased British retail premium of at least £1 million per year.

Our food offer, increasingly recognised and appreciated domestically and internationally, is led by Welsh Lamb, and its audited PGI status, which is internationally marketed and plays an important role a major contributor to the "Wales Brand", the combination of promotional factors that project the economic, social, geographical, cultural and commercial benefits. That brand sells a holistic environment that is an encouragement to indigenous commercial activity as well as to inward investment, and our visitor economy.

As a nation it is important that we continue to enhance such holistic solutions.

HospitalityCymru supports all of the good work that Welsh Government does to promote, support, reinforce and build the value of quality Welsh food brands such as Welsh Lamb and Welsh Beef and would support additional investment in this area as these food brands are a badge of identity, a vital enhancement to the visitor experience and the visitor sense of place.

In fact, HospitalityCymru is leading the way in the visitor economy by trying to help further develop rapport, synergies and commercial opportunities between the key participants in the accommodation, food and drink industries.

On March 6th, we organised and staged the first united industry promotional event in the House of Commons, which brought together the hotel industry and the accommodation sector with food and drink from Wales and the PGI brands. We have driven projects to bring PGI products onto hotel menus; we have helped try to develop cost effective supply lines that can help venues offer Welsh premium foods in areas where members have reported that commercial costs are high, margins low and price sensitivity a restriction on presenting foods of higher value.

We believe that more could be done to encourage mutual trade and link the industries and also believe that the new and exciting Welsh Government foundation economy status, along with the increased mutuality that a post Brexit trading environment offers, provides considerable opportunities for us to be able to explore taking things forward with Welsh Government and other affiliated players in the coming years.