

Councils are using indoor and outdoor markets to support local food strategies

Revamp of public markets brings shift toward quality local food

By **PATRICK MCGUIGAN**

High street delis are facing a new type of competitor as more of the UK's traditional public markets are refurbished with a focus on quality food and drink.

Raymond Lynch, a director at indoor and outdoor market consultancy Quarterbridge, says his company is inundated with council-funded projects to rejuvenate markets, often with an emphasis on quality local food.

The company is currently working on a £3.2m project to turn Southport Market into a European-style shopping hall, housing two butchers, a deli, cheese shop and bakery. Two large restaurants that will open late in the evening are also part of the plan to rebrand the area as the Market Quarter.

Similar projects are underway at markets in Blackburn and London, while markets in Bury and Wakefield have already been transformed into fine food destinations.

"Markets are rising up the political agenda and we are seeing more and more councils looking to invest in them as they realise the importance of food and drink to the local economy," said Lynch. "Farmers' markets have proven successful in a lot of areas and developing traditional markets is the next logical step."

At the National Association of British Market Authorities (NABMA), policy development manager Krys Zasada said food was seen by government "as a vehicle for change" for traditional markets.

"Good food sits at the core of many councils' strategies and it also fits with Defra's 2030 strategy on food security and sustainability," he said. Indeed, a recent Select Committee report on the future of markets has urged the government to support Britain's markets.

Zasada said fine food retailers should consider taking stalls at markets themselves, rather than viewing them as a threat. "For retailers who are just starting out, a market offers reduced risks and overheads compared to a high street shop," he said. "Likewise, existing retailers who want to expand can tap into a pre-existing footfall without having to pay huge rents."



NABMA's Krys Zasada says markets could provide low-risk, low-cost opportunities for new deli start-ups

Delis set to ditch Duchy after Waitrose takeover

Fine food retailers look likely to ditch Duchy Originals products following the news that the brand has entered into an exclusive licensing and distribution agreement with Waitrose.

The retailer has bought the exclusive right to develop, manufacture, distribute and sell Duchy Originals products in the UK, but says it will continue to wholesale the range to independent retailers.

However, consultant Rob Ward at The Food Marketing Network says delis and farm shops will no longer want to stock a brand that is effectively owned by a supermarket competitor. "There is no fit between independents and Waitrose. Delis will not want to stock a second-hand product owned by Waitrose so Duchy's wholesale trade with the independents will shrink to the point where it is not worth continuing."

This view was backed up by deli owner Philip Gunton of Essex-based H Gunton "Sales of Duchy products have been dying a death over the past year anyway and this news makes it even less likely that I'll continue with them," he said.

Waitrose said it plans to expand the Duchy range from the current 200 products to around 500, paying a royalty to Duchy Originals on all wholesale and retail sales. It will be rebranded Duchy Originals from Waitrose, acting as a luxury own-label line.

Regional groups under threat despite government 'sustainability' agenda

By **PATRICK MCGUIGAN**

Cuts in public funding for England's Regional Food Groups (RFGs) threaten to undermine growth in the speciality food sector and make government targets on improving food security and sustainability more difficult.

As the shortfall in public finances caused by the credit crunch begins to bite, Regional Development Agencies (RDAs) are starting to scale back drastically the amount of money they give to RFGs.

The plug has already been pulled on funding for Taste of the West and Tastes of Anglia, while the South East Food Group Partnership's (SEFGP) RDA funding will run out in March next year.

Other RFGs have a more secure short-term future. HEFF, in the West Midlands, won a three-year support package from its RDA in January, while the RFGs in Yorkshire and the North East have funding in place until 2012.

However, beyond this date it is likely that government funding will be in short supply,

especially if the Conservatives win the next election and carry out their pledge to scrap RDAs altogether. "It will be interesting after 2012

to see whether any funding is forthcoming. My feeling is that it will be a lot harder to get and it will be a very challenging time for RFGs," predicted John Sheaves, Taste of the West chief executive. "It's disappointing that on the one hand the government is talking about food security and sustainability [as part of its recently unveiled 2030 plan] but in the same breath, funding for the RFGs is being withdrawn. If the government is serious about backing home-grown food it has to develop markets closer to the

food producers." Henriette Reinders, director of the SEFGP, said the organisation would be "trying to keep its heads above water" once funding runs out next year. She told *FFD*: "It would be a real shame if some of our county groups fell away, but it will be a case of hand to mouth for all of us next year."



John Sheaves: 'Challenging time'