



IS THIS THE END FOR CHEAP FOOD?

Many sectors of the food industry are suffering from serious bouts of inflation. Some sectors such as fish have had inflation for some time because of scarcity of supply, others have faced seasonal issues such as potatoes last year and some vegetables this year, whilst many are now suffering by the inexorable increase in wheat prices affecting their ingredient costs.

On the world's stage there are ever growing populations to feed with growing economies in India, China and the Far East, whilst environmentalists are keen to develop bio fuels at the expense of growing food crops, so one has to begin to think that the era of cheap food may be coming to an end.

Traditionally when inflation has been at its worst the frozen food sector has been both a safe haven for consumers but also an area that can be subject to disproportionate trading activity.

Innovation and new products are the lifeblood of all product sectors and any opportunity for product development afforded by increases in cash margins in the market place would be an opportunity that we as an industry should grab with both hands.

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