

SMITH & BROCK



EXPERTLY SELECTED, PROUDLY DELIVERED

WEEKLY PRODUCT UPDATE - 30/09/19

!!!!!!!!!!!!!!BREXIT UPDATE!!!!!!!!!! Q&A

We are now fast approaching October 31st, which (for now anyhow) will be the day we come out of Europe... we appreciate that you all have many concerns so we thought the questions & answers below may help you:

WILL THEY BE ANY PRODUCE SHORTAGES DUE TO BORDER CONTROL/DELAYS?

Smith & Brock is already registered under the 'EORI' scheme – Economic Operator Registration and Identification Number'. It's a unique ID number to track and register customs information. This is already needed for importing/exporting from outside the EU and in the event of a no-deal Brexit companies without this registration will not be able to clear customs with their goods when they get to the UK border.

We have also made provisions for more storage/ chilled rooms earlier this year. For this winter season from Spain and Southern Europe we are putting more volume with an importer with storage space in the UK to mitigate border delays. In recent years, we would have goods loaded in the morning and sent straight to us for delivery the same night from Holland and France and 48h from Spain.

The situation is different now so we have taken more storage space to hold an extra day or 2 of produce from typical French and Dutch origins and an extra 2/3 days for Spanish produce. That way, even if lorries are delayed, we will have extra rotating stock.

Above all we work with suppliers whom we have known personally for many years. Reliability, consistency and longevity are paramount to us, and its during times like these that these valued relationships prove that they are worth their weight in gold.

We don't work with suppliers just because they are the cheapest out there. Products aren't good value if they don't arrive!

WILL THE QUALITY SUFFER?

If we hold more stock for an extra day or 2 longer than we would normally do, we are of course losing in freshness.... But bear in mind that most winter produce holds up well. Tomatoes, aubergines, peppers, cucumbers...etc can hold their quality very well for well over a week and to a lesser extent broccoli and salads such as cos, gem, icebergs. Please rest assure that we will still have the same quality control in place and will still be able to deliver the same high level of quality as we do now. We are also working with the best growers out there.

WILL PRICES INCREASE?

They already have thanks to the weakness of sterling against the Euro compared with last year – this alone has added 5% to prices. European hauliers are pricing transport to the UK at a premium as they are aware that delays at ports mean that their trucks and drivers cost more money as they are likely to be sitting still for periods.. In Spain and its South Eastern region a key player in haulage there went into administration this year so capacity is at a premium compared to last year. There are of course more costs to our business for importing goods whether it be customs delays, administration costs, the cost of extra stock holding etc.

WHAT CAN HAPPEN IN A NO DEAL SCENARIO?

Tricky question that no one can really answer accurately! There are simply too many variables. We are pricing based off known/agreed farm prices, exchange rates and haulage costs. There is the risk that sterling may collapse against the Euro and other currencies – this would obviously push up the price of imported goods. The UK Government has published a revised draft of the temporary rates of customs duty in the event of a no deal Brexit. This tariff will apply for ‘up to 12 months’ while a full consultation and review is carried out. The majority of fresh fruit and vegetables will be tariff free. There is still a possibility that World Trade Organisation tariffs could apply – the average tariffs for fruit & veg are around 10-12%. Should these kick in then we would be forced to pass these costs onto our customers. However, at this point in time we are working on a zero tariff basis.

How do we plan our menus to see less impact on the fruit and veg bill? If you can plan your menus solely with UK products, you should not see any increase... bearing in mind that if everyone was to solely just buy potatoes, carrots, cauliflower, swede, and a few other UK crops, the pressure on UK growers will increase and as demand increase we may see also a price inflation. Please keep looking at the weekly market reports pointing out on all the UK produce available. For menu planning for the next few month, please get in touch and we can guide. We will be using pretty much the same UK growers than last year and have all records to share with you. Additionally, the more long-term you can work with us the more we can program in with growers to ensure that we are getting the best product price. The more that we spot buy the greater the chance that the costs will be elevated.

If you have more questions related to Brexit, please do not hesitate to get in touch, we will be happy to answer in the best of our knowledge!

Happy Brexit!

VEG OF THE WEEK



VEG OF THE WEEK CONTINUED:



FRUITS OF THE WEEK



Medjul dates





Great selection of fruits from this famous French Brand Mouneyrac. Excellent eating fruits, which also look fab!

We have different variety available:

Pear: Conference, William and Red William

Apple: Royal Gala, Red Delicious

Pink Lady, Golden Delicious and

Granny smith



EXPENSIVE / SHORT SUPPLY

All tomatoes are going up crazy in price!!!

The English season is finished and there is a gap between now and the start of the Spanish season... Dutch tomatoes are big money!

Oranges are also very expensive, as they normally are at this time of the year, until the Spanish season is in full swing.



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