Brexit revisited

Bidfood has been shaping plans for some time to ensure that we are in as strong a position as possible to mitigate against potential impacts to our customers, our suppliers, our people, and our business, that may arise as we prepare to leave the EU.

Our aim has been to show our full commitment to supporting our customers, and to delivering service excellence at the very highest levels, by providing them with clarity and the confidence that we will maintain continuity of supply to them in the event that no deal is agreed with the EU.

Earlier in the year our teams, seven different workstreams in fact, engaged in a considerable amount of work to build robust preparation plans for Brexit, and in particular a no-deal exit from the EU:

* we worked closely with, and provided advice to our core range suppliers about planning, risk evaluation and so as to limit any risk to product availability
* we’ve risk-reviewed all our core products and built contingency stocks where we feel it is appropriate, securing two additional warehouses in the UK to house these
* we have been working closely throughout the period with the EU, and UK Customers representatives to understand their requirements and have successfully completed trial reviews
* we’ve also engaged directly with Government departments, the NHS, EU and UK Customs, as well as consulting with UKHospitality and the Federation of Wholesale Distribution.

When the deadline for Brexit extended, like many other food businesses, because of shelf life requirements, we had to clear much of our contingency stock. However, now that the 31st of October appears to be the date when we really will exit the EU, potentially without a deal, we are now fully engaged in re-activating our previous, comprehensive planning processes.

So what are we putting into effect now that ensure continuity of supply to our customers?

* We have written again to all our core range suppliers with a series questions and advice about their the Brexit preparations.
* We will translate their responses into a red/amber/green risk assessment in order to flag any potential availability issues, particularly with cross-order movements of stock, following up with specific suppliers where relevant.
* We will update our core range risk reports overlaying any new products that will be listed in our next product catalogue, key seasonal lines that will come on-stream, and seasonal variances in demand across our range.
* Where there are new lines coming into the range where availability appears to be at risk, we will identify relevant lead alternatives.
* On the basis of this risk assessment, we will attribute for each product an availability risk level, as well as factoring in criticality of product, shelf-life and seasonality considerations, tariff impact and potential alternatives.
* Our aim is to complete this assessment by the end of July. This will form the basis for detailed action plans that will our drive next steps on putting in place required contingency stocks and warehousing storage. We anticipate holding both additional stocks within our existing estate and also at two additional sites we have previously secured for additional Brexit capacity.
* As we approach Brexit date, we will similarly re-visit our plans for shorter shelf-life products and identify proposed solutions and sources for these. We will also reactivate our previous work on our own imports.

N.B. Our focus across all of the activity outlined above is on our core range only, and although we are happy to advise on customer nominated lines from the understanding we have of risk levels across suppliers and across categories.

As I have stressed before, please be reassured that we have robust and comprehensive plans in place for exiting from the EU, whether or not this is with an agreement in place, and of our ongoing commitment to supporting our customers, and to delivering service excellence at the very highest levels.

Jim Gouldie- Supply Chain & Technical Services Director.