The TASTE Council
Strategic Master Plan

To empower and enable the Irish speciality food sector at a strategic level to maximise its current and potential contribution to Ireland's food and agri economy, society, culture and environment.

September 2004

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1.0 Introduction and Background

The TASTE Council is an industry-led group representing the artisan and speciality food sector. (Appendix 1).

Joe Walsh TD, Minister for Agriculture and Food, formally launched the TASTE Council in October 2003.

The TASTE Council's central mission is - ***To empower and enable the Irish speciality food sector at a strategic level to maximise its current and potential contribution to Ireland's food and agri economy, society, culture and environment.***
There are 320 artisan, speciality and small food firms in Ireland who have a combined turnover of €450 million and an estimated combined employment level of 3,000 people *(source: Bord Bia).*

The unique strength of the TASTE Council lies in the combined expertise of its members in national and international artisan and speciality food production, retailing, distribution and consumer knowledge (Appendix 1)

This document is a Strategic Master Plan designed by the TASTE Council to guide its work in support of the enablement and the development of the artisan and speciality food sector.

This paper is based on the work of the TASTE Council's four subcommittees, statistical data where it is available but also importantly on the experience of TASTE Council members. That extensive experience and knowledge is detailed in Section 9.0 – Context – a contextual framework worth reading to fully understand the potential within our grasp.

For details on the TASTE Council's purpose, membership, structure and operations please refer to Appendix 1.

This paper uses terms such as Artisan food, Speciality food, Regional food, Commodity groceries. For an explanation of these terms please refer to Appendix 2 - Glossary of Terms.

The work of the TASTE Council is coordinated by Bord Bia.

2 0 Executive Summary

- A culture of support and enablement (for artisan and speciality food to prosper) needs to be developed to ensure the development of the artisan and speciality food sector.
- In ***particular we recognise that the sector needs:***

    1. ***Continuous Investment in market Research & Policy Input***
    2. ***A Fostering of Entrepreneurial Culture***
    3. ***The Active Encouragement of Improved Distribution & Marketing***
    4. ***An Investment in Education.***

- As a strategic priority the TASTE Council has focused during the 2003/.04 period to

    1. *Formulate and agree on the TASTE Council's terms of reference*
    2. *Discuss and agree on the key issues facing the sector*
    3. *Agree on a structure of subcommittees for council to function*
    4. *Through the council and individual sub committees' work to develop a cohesive strategic master plan going forward*
    5. *Communicate the work of the TASTE Council to Slow Food International*
    6. *Develop a policy submission for the Agri Vision 2015 Committee*
    7. *Develop a policy submission for the Consumer Strategy Group*
    8. *Set up TASTE Council website and TASTE workshop for chefs and buyers at the Eurotoques Food Forum 2004*

- This Strategic Master Plan is a priority output of the 2003/04 period.
- The TASTE Council's next set of priority outputs include:
    - Opening up the Council to additional members
    - Establishing a Food Tourism Sub Committee
    - Reviewing TASTE Council resourcing
    - Commencing Master Plan Implementation.
- Our priority is to work strategically in the interest of industry enablement. We recognise that this means having a set of priority objectives in each period.
- This Strategic Master Plan has been compiled through the work of the TASTE Council's four sub committees.- Strategy, Finance and Effecting Change, Innovation and Market Entry, Distribution and Education.

3.0 Our Long Term Aims

Aim 1. To develop a world-class market oriented speciality foods sector delivering sustainable growth in output, trade and producer income

and

Aim 2 To maximise the contribution of the speciality foods sector to diversifying agriculture and developing the potential of our rural economy.

4.0 Strategic Priority Areas by Subcommittee

Each subcommittee has outlined the following strategic priority areas in the 2003/04 period going forward.

Strategy, Finance and Effecting Change	Invest in Continuous Market Research Provide Research based Policy Inputs Investigate Potential Resourcing
Innovation and Market Entry	Ease Regulatory Burden Motivate Start-ups
Distribution and Marketing	Engage with and Motivate Interest in Distribution and Marketing
Education	Develop Artisan Skill Base Develop a Public Understanding and Appreciation for Artisan Food

5.0 Priority Outputs 2003/04

During the 2003/04 period the TASTE Council has:

1. *Formulated and agreed on the TASTE Council's terms of reference (appendix 3)*
2. *Discussed and agreed on the key issues facing the sector (appendix 4)*
3. *Agreed on a structure of subcommittees for council to function (appendix 1)*
4. *Through the council and individual sub committees' work - developed this strategic master plan*
5. *Communicated the work of the TASTE Council to Slow Food International*
6. *Developed a policy submission for the Agri Vision 2015 Committee*
7. *Developed a policy submission for the Consumer Strategy Group*
8. *Set up a TASTE Council website (www.bordbia/tastecouncil.ie)*
9. *Set up a TASTE workshop for chefs and buyers at the Eurotoques Food Forum 2004*

6.0 Strategic Priority Objectives Going Forward

The TASTE Council's sub committees have raised many individual issues. However, there is a need to focus so that the TASTE Council achieves its aims.

Equally members believe that the establishment and initial work of the TASTE Council marks the beginning of a journey towards an enhanced national and international position for fine food operators from Ireland.

Crucial to the TASTE Council's success is an ability to leverage members' existing skills, expertise and networks together and then in partnership work to achieve the TASTE Council's aims.

Going forward it will be very important that the TASTE Council continually provides policy inputs to policy makers. Central to this will is a cutting edge knowledge of markets for artisan and speciality food , nationally and internationally.

Compared to New Zealand[1] the number of speciality food operators in Ireland is low. Easing burdens for and motivating start-ups focussed in the right food areas is vital.

A major bottleneck in distribution is retail management's understanding of artisan and speciality foods.

Strategically the TASTE Council agrees that education is a priority. If education among children, parents, teachers, policy makers, chefs, retailers and potential entrants to the fine food business world were in place then many of the other problem areas identified would be eased. The TASTE Council also recognise that the results of investment in education (particularly among the general public) whilst formative will be long term.

The following strategic objectives for the TASTE Council have been agreed going forward:

1. ***Continuous Investment in Market Research and Policy Input***
2. ***A Fostering of Entrepreneurial Culture for the Sector***
3. ***The Active Encouragement of Improved Distribution and Marketing***
4. ***An Investment in Education***.

[1] The number of speciality food producers in New Zealand is at 2,000 in Ireland the estimated number is 320.

7.0 Strategic Priority Objectives Explained

The following table is a summary overview explanation of the four strategic objectives.

Objective	Explanation
1. Continuous Investment in Market Research and Policy Input	**To enhance TASTE Council knowledge of the market place and our subsequent ability to refine our strategy and prepare government policy inputs.**
2. A Fostering of Entrepreneurial Culture for the Sector	**To ensure increased innovation in response to market demand and the continual attraction of entrepreneurs to the sector for continued and sustained wealth creation.**
3. The Active Encouragement of Improved Distribution and Marketing	**To broaden and maximise sales and market share potential for Irish Speciality Food.**
4. An Investment in Education	**To ensure best practice artisan food producing and retailing skills for the industry and to build an understanding of and value for Irish artisan and speciality food among the general public.**

The following is a detailed explanation of each strategic objective 1 to 4.

Strategic Objective 1 *Continuous Investment in Market Research and Policy Input*

The TASTE Council will endeavour to continuously provide policy inputs on behalf of the sector. The TASTE Council recognises that policy inputs need to be rooted in and validated by research (and in particular market research) to have good effect. The TASTE Council recommends the following types of research projects in order to support policy inputs.

(a) The continuous monitoring of National and International Speciality Food Markets[2].
(b) The evaluation of the consumer and market potential of the €7.5 billion combined speciality food markets of Ireland and Britain for producers in Ireland[3]
(c) A benchmarking exercise to compare Ireland in speciality food production and marketing with the key international benchmarks of New Zealand, France, Italy and the USA[4].
(d) A review of the impact of a country's food culture on its image (and vice versa) and the subsequent creation of wealth[5].

In addition the TASTE Council recognises the need to assess resourcing requirements for the TASTE Council for operations and potential projects gong forward.

Strategic Objective 1 Outputs

1. Enhanced knowledge of the marketplace and a subsequent ability to refine TASTE Council strategy.
2. Enhanced in depth knowledge of the potential markets and wealth creation impact of speciality artisan food for countries for policy inputs.
3. Enhanced resourcing for master plan implementation.

[2] Bord Bia currently provides the TASTE Council with ongoing access to market information.
[3] A consumer led assessment of this market is important to prove its potential economic value.
[4] New Zealand has 2,000 speciality food producers whilst Ireland has just 320. France and Italy own large artisan food business models, which perform to multi million euros turnover, profit and scale in exports. The USA is seeing the emergence and fast growth of large artisan food business models with multi million euro turnover and profit.
[5] In particular understanding the connection between authenticity and food culture needs formal research. For example, how much of a bearing does Italian food culture have on the national and international sales potential for Parma Ham? This includes the importance of a gastronomic tourism product for building valuable authentic food marketing opportunity.

Strategic Objective 2 ***A Fostering of Entrepreneurial Culture for the Sector***

The TASTE Council will endeavour to facilitate a positive environment to allow entrepreneurial flair in the sector to flourish. In particular an understanding of regulatory burden and its impact on innovation and rate of start up needs to be considered[6].

The following types of project would assist in this regard:

(a) The design and implementation of an EHO Training programme in artisan and speciality food.
(b) A review of public and private funding available to artisan and speciality food start ups
(c) A broadcast roadshow to attract and motivate rurally based entrepreneurs.

Strategic Objective 2 **Outputs**

1. Improved EHO relations for artisan and speciality food producers.
2. A funding guide for potential new start-ups.
3. The encouragement and motivation of new food entrepreneurs.

- [6] Regulation is hugely important for the protection of human safety and the TASTE Council recognise this. However, regulations need to be commensurate with the risk and consistency is needed in their implementation in the interests of business opportunity and value creation (particularly at a local level for entrepreneurial rural dwellers and farmers). For example does the area merit a balanced review in line with the Government's White Paper on Better Regulation and its six principles of necessity; effectiveness; proportionality; transparency; accountability and consistency?

Strategic Objective 3 ***The Active Encouragement of Improved Distribution and Marketing***

Distribution and marketing is a major challenge for the sector to become established. Market research proves that distribution for speciality food products is set to broaden substantially.

It is strategically important for the sector in Ireland to maximise its share of this potential growth.

Typical projects, which would assist in this regard, include:

(a) Researching best practice partnership models with multiple retailers – particularly those with a local/regional food emphasis
(b) Researching the unique needs of the independent channel and its potential for active support and growth
(c) Identifying new routes to market and methods of gaining support for these in particular to dissipate dependency in the early stages of a food company's growth[7].

Strategic Objective 3 **Outputs**

1. An understanding of best practice partnership models with multiple retailers for broader distribution and improved sales levels through the procurement chain to consumers
2. An understanding of the unique needs of the independent channel and its scope for its support and development.
3. Access to the latest thinking regarding alternative routes to market to reduce dependency in the early development and growth of food business start ups.

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[7] For example choosing to drive a gastro pub ethos in Ireland post smoking ban and given the poor trade performance with the key 30-50 year old demographic.

Strategic Objective 4 ***An Investment in Education***

Education regarding artisan and speciality food is fundamental to maximising its future success.

Educating the industry to ensure the continual development of key artisan food skills is very important as a foundation for maximising best practice participation in the sector.

Equally educating young people about the merits of local artisan and speciality foods is important to grow the industry going forward.

Projects, which would assist in this regard, include:

(a) A review of the education curriculum regarding food at Pre School, Primary and Secondary level and recommendations for curriculum enhancements around the understanding of local artisan food.
(b) Research into university/college and adult education courses in food and a recommended plan for the development and implementation of out reach modules for regional expansion.
(c) Research into the potential for an artisan food apprenticeship scheme for producers and retailers

Strategic Objective 4 **Outputs**

1. Enhanced children's curriculum to promote local taste.
2. Enhanced adult education opportunities regarding artisan food.
3. Continual development in artisan food skill for the industry (producers and retailers).

8.0 Priority Outputs 2004/05

The TASTE Council's priority is to work strategically in the interest of industry enablement. This means having a set of priority output objectives in each period.

The TASTE Council's priority outputs for the 2004/05 period include:

- Opening up the Council to additional members
- Establishing a Food Tourism Sub Committee
- Reviewing TASTE Council resourcing
- Commencing Master Plan Implementation.

9.0 Context and Business Environment – Understanding the Potential

9.1 - Perspectives on Artisan and Speciality Food

Artisan food is defined by its commitment to food making skill[8], which results in superior flavour or taste. Artisan food is also defined by its relatively higher price and more limited or exclusive distribution.

The model is akin to a pyramid with opinion formers buying artisan food through prestigious outlets at the top initially and then becoming available to a broader audience with a broadening of distribution through the top end of the multiple retail trade in particular.

Innovation is required at the top end in order to maintain high margins and in order to compensate for the erosion of price premium with broadening distribution.

Most artisan food is owned or controlled by a large number of small producers. There are exceptions to this rule however, and the next section outlines examples of large artisan players who enjoy this high margin ground.

Artisan foods add significant value to local rural economies and to the national and international image of a nation's food and drink as a source for food buyers and as a destination for tourists.

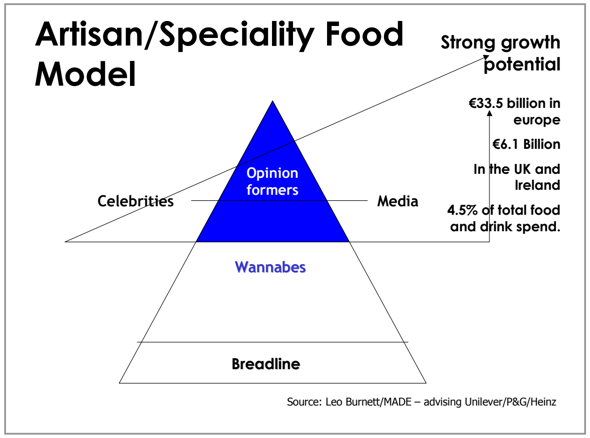

***Figure 1**: artisan food is defined by its superior flavour or taste, relatively higher price and more limited or exclusive distribution. In particular the promotion of artisan food allows for the improved marketing position of mainstream foods in volume. Developing policies, which enable the development of artisan Irish food, would benefit mainstream Irish food in volume.*

In particular the promotion of artisan varieties of food allows for the improved position and development of mainstream foods in volume. One example is reggiano herd only parmigiano reggiano variety at the top end of Italian cheese and the successful growth of Grana at the mainstream level in scale and exports at a relatively higher price than other mainstream cheese.

It is food culture and authenticity defined and set by the opinion forming artisan level, which supports this successful layering of market opportunity and pulls prices up.

[8] Usually in the form of written protocols/specifications for production which results in better or superior taste.

9.2 - An Objective Assessment of Artisan and Speciality Food Production

Artisan food production in Ireland (to date) is primarily occupied by a large number of small food producing businesses. Ireland has approximately 320 such businesses. As an international benchmark however, New Zealand has 2,000 such businesses, which is indicative of the potential growth in number of operators for the sector in Ireland.

Artisan food however, is not defined by company size. In fact, many fine examples of artisan foods from Europe are large in scale and export performance. Strong and significant examples include Bonne Maman preserves[9], Parmigiano Reggiano cheese[10], Parma Ham[11] and Valrhona Chocolate[12].

These large international artisan food business models combine artisan food making skill with technological advances in food production which results in strong performing premium value foods making a large individual contribution to their respective national levels of GDP[13] but which also crucially command adequate margin to reward stakeholding interests including farmers with higher prices for primary production.

Artisan food by providing superior taste can achieve optimal, sustainable premium price positions ensuring maximum profit from added value in food versus maximum profit from cost reduction in food per se. This optimal pricing ideal is akin to the Baileys model at its inception in the 1970's.

Significantly, the USA is seeing the development and fast growth of large artisan business models. Previously people would say such models were restricted to the reputable nations of France, Italy and even Spain. The USA is rallying this paradigm. Niman Ranch is a case in point – an artisan beef business in California fast growing and currently achieving a turnover level of $45 million.

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[9]Bonne Maman is a high proportion fruit preserve/jam made in France by Andros S.A. it has an estimated turnover of €120 million and is available in over 100 markets worldwide.

[10] A hard mature cheese from Italy which has an estimated turnover of €1,184 million and is available in at least 35 markets worldwide

[11]Consorzio Prosciutto di Parma produced 28,000,000 hams in 2002 and achieved a producer price turnover of € 775 million.

[12] Valrhona chocolate is the first choice in chocolate among chefs and cooks worldwide. It commenced as a small artisan business in France in the early 1900's. Today it has an estimated turnover of €70 million in 18 markets worldwide.

[13] Gross domestic production – the prime measure of economic performance.

Irish artisan food, to date, is in general restricted to the activities of a growing number of smaller food firms. However, it is the view of the TASTE Council that this should not be the case, and that opportunity for large scale activity in this sector is also crucial to the future of food and farming in Ireland.

9.3 - An Objective Assessment of the Market Potential for Artisan and Speciality Food

Premium, speciality and artisan food is a growth segment growing in particular at the expense of commodity foods.

The European speciality food market is worth a staggering €33.5 billion. Whilst it appears large it needs to be borne in mind that this represents 4.6% of the total European food market.

In Ireland and Britain combined it is valued at €6.1 billion and is forecast to grow to €7.5 billion within three years.

The segment's growth is in line with the general growth of the premium and speciality food market in western developed economies.

Key market drivers for the growth in speciality food spend include –

- *Increasing consumer affluence,*
- *Growing consumer demand, and*
- *Distribution's[14] interest in increasing profit margins in western developed markets.*

10% of the total population in the UK is currently defined as affluent. This is expected to increase to 30%. When it does, premium food including speciality food is expected to account for 45% of total food sales in the UK[15].
A significant feature of the premium food market opportunity in western developed markets, which will continue, is an expansion in distribution as retail and foodservice formats innovate and expand their premium food offers in a drive to increase their profit margins.

Our concern is that Ireland's share position of this market is weak and is not growing in line with market growth. Even on the market of Ireland market share (while it is currently being researched to confirm the figures) is estimated at less than 30% indicating an urgent need for support. Forecasts for PDO and PGI products in the European market are set to grow significantly in the future. Current estimates value the market at over €8 billion with over 645 products registered, with Italy and France dominating the category. Ireland has a very small number of products registered and needs to increase its share of this growing category.

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[14] Multiple retailers, foodservice and the independent food store trade in western developed markets recognise that in a static overall grocery business premium food offers a way for their business in increase margin and contribution levels.
[15] MADE/Leo Burnett and the Henley Centre.

9. 4 - Western Developed Market Trends Affecting Artisan and Speciality Food

The Following Trends are outlined below:

Trend 1 – Growing Consumer Affluence
Trend 2 – Growing Consumer Power
Trend 3 – Consolidation and Polarisation in Manufacturing, Retailing and Distribution
Trend 4 – Distribution's Unending Drive for Increased Profit

Trend 1 – Growing Consumer Affluence

There is a marked shift in affluence towards greater wealth in Western Developed markets.

In the UK personal disposable income has nearly doubled since 1960.

This shift is requiring more **value added** products to meet new needs.
Staple products will continue to have a role, but the greater opportunity will be for **value-added** products and services.

Significantly, the greater profit opportunity and subsequent prices for primary production will be in premium versus staple foods.

In addition, competition in terms of scale will dominate the staple food segment.

Premium food as a segment is recession resilient[16]. In fact during recession savings/ pensions, car maintenance and premium food dominate the purchasing mindset of premium food consumers. This fact was borne out to be true in the technology and economic slowdown in the USA (2002) when luxury food consumption at home rose.

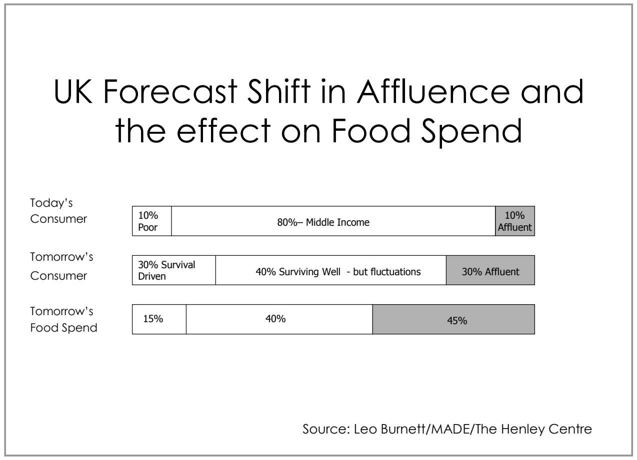


***Figure 2*: there is a marked shift in affluence towards greater wealth in Western Developed Markets Severe price competition will dominate the staple food segment, unlike the premium food segment which will offer greater profit opportunity and therefore greater prices for stakeholding primary producers including farmers**.

[16] Source: Datamonitor Recessionary Consumers

Trend 2 – Growing Consumer Power

During the 2005-2015 period we envisage a western developed food market where consumers will demand pleasure, health and convenience.

Safety is a prerequisite.

Pleasure will be demanded in taste - organoleptics.[17]

We also see a market where for all our lip service, the consumer will actually become king. We suspect (as Roger Blackwell consumer behaviour specialist says) that power will transfer from retailer/foodservice provider to the consumer in the same way that power moved from manufacturer to distributor in the 20th century.

This is in line with a static consumer population, which will be typical of western developed markets.

In addition technology will enable consumers to improve their knowledge regarding food choices and will allow them to converse with each other to discuss aspects of products and brands and to club together around areas of specific interest.

Consumers no longer buy food. They buy pleasure, health and convenience.

Taste is central to pleasure and a credible source reassures consumers in their pleasure choices.

Pleasure foods rooted in a credible source is fundamental to their choice – real stories of rural romanticism, tradition, history and culture provided in contemporary convenient style is what consumers are demanding.

[17] Organoleptic analysis consists of an evaluation of a food based upon its visual, aromatic and flavour profile. Ordinarily applied to wine, Organaleptic descriptors are emerging for cheese and other foods.

Trend 3 – Consolidation and Polarisation in Manufacturing, Retailing and Distribution

The structure of food markets in western developed markets is changing. There is a process of consolidation in food distribution and manufacturing.

A polarisation is occurring in consumer segments between the “affluent” and the “survival focussed”. This in turn is leading to a polarisation between premium added value foods and cost reduced commodity style foods.

There will be a polarisation between large-scale efficient production on the one hand and clusters of innovative small food producers on the other.

However, the premium food segment is not just a territory for small food producers. This fact is borne out by the examples of large-scale international premium food business models mentioned in section 3.1 above. The opportunity for scale in Irish premium food exists provided technology can marry with artisan food making skill to deliver superior authentic taste.

Valrhona chocolate is committed to an artisan chocolate making process married with best international technology practice leading to an estimated €70 million turnover in 18 markets worldwide.

Ireland’s artisan food skill needs to be placed centre stage and supported by food technology to provide superior taste and command high price positions at a good scale so that a dominant position in the international consumer premium food segment of western developed markets can be achieved for Irish food and so that subsequent better prices can be afforded to primary producers including farmers.

Fast moving, entrepreneurial artisan food SMEs are therefore of significant strategic importance to Ireland’s agri food industry and must be afforded the opportunity to grow in two ways (1) in number of operators (contributing to a more comprehensive range of speciality food from Ireland and a combined value to national GDP) and (2) in size (and their subsequent individual contribution to national GDP).

Trend 4 – Distribution's Unending Drive for Increased Profit

A significant feature of the market opportunity for premium food is a drive for increased profit among mainstream distribution in western developed markets.

The majority of mainstream food distribution in retail and foodservice in western developed markets are PLCs[18]. PLCs are driven ultimately by the demands of shareholders and specifically increasing profit dividend. In food where overall growth is static (due in the main to a static population) emphasis on high potential profit segments is a strategic imperative for food distribution in western developed markets.

Whilst consumer demand is resulting in an increased emphasis on premium food it is distribution's category management systems and their competition for profit or contribution performance, which is driving premium food sales.

A good example is a multiple retailer's Finest range which occupies the premium price territory for Tesco PLC.

Mulitople Retailer's Finest Price Position – Strawberry Jam/Preserve	
Brand	**Price per kg**
Bonne Maman	*€6.46 per kg*
Fines Own Labelt	*€5.03 per kg*
Commodity Brand	*€3.31 per kg*
Regular Own label	*€2.91 per kg*
Value Own Label	*€1.30 per kg*

Figure 2**: *mainstream distribution in western developed markets are fully committed to extending their range of artisan speciality and premium food in their drive to increase category profit or contribution and in recognition of growing consumer affluence in their markets*.**

[18] Public limited companies.

Trend 5 – Resegmenting of Markets

Western developed food Markets are resegmenting in particular between staple commodity cost reduced foods and high priced added value premium food.

Premium food innovation is centred on three consumer requirements for (and food benefits of) pleasure, health and convenience.

Consumers define the pleasure dimension as superior taste.

Superior taste can be achieved by artisan food making skills.

Irish artisan producers are providing innovative food concepts, which deliver superior taste for consumers.

A significant feature of premium foods for pleasure is the demand for authentic regional foods.

A country's food culture and reputation for food is central to this authenticity.

Currently Irish artisan's command a significant international reputation in defining an Irish food culture at the top end of the food market.

This reputation needs nurturing and development for the overall benefit of Ireland's food industry.

Regional authentic food is a crucial marketing dimension for Ireland if it is to occupy premium price positions in food for the benefit of all its stakeholders.

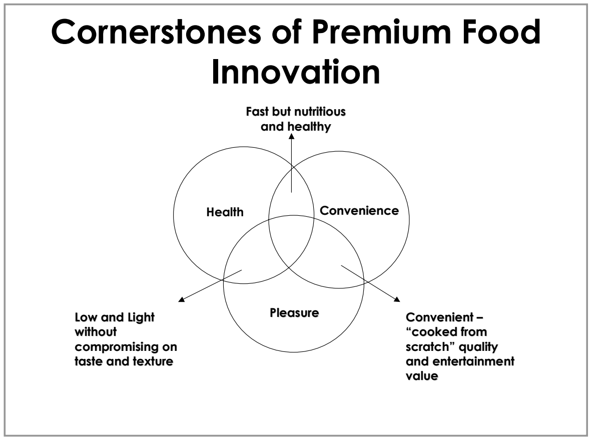


***Figure 3** The cornerstones of premium food innovation are convenience, health and pleasure. These consumer requirements or food product benefits are not mutually exclusive*

Appendix 1 TASTE Council – Purpose, Members, Structure and Operations

Appendix 1 TASTE Council – Purpose, Members, Structure and Operations

The TASTE Council's purpose

To provide a national framework with access to international expertise and markets for the strategic development of the sector; To form a cohesive group representative of the speciality food sector from Ireland; To draw on the expertise of the group (experience, skills, knowledge); To address 2-3 strategic issues per annum.

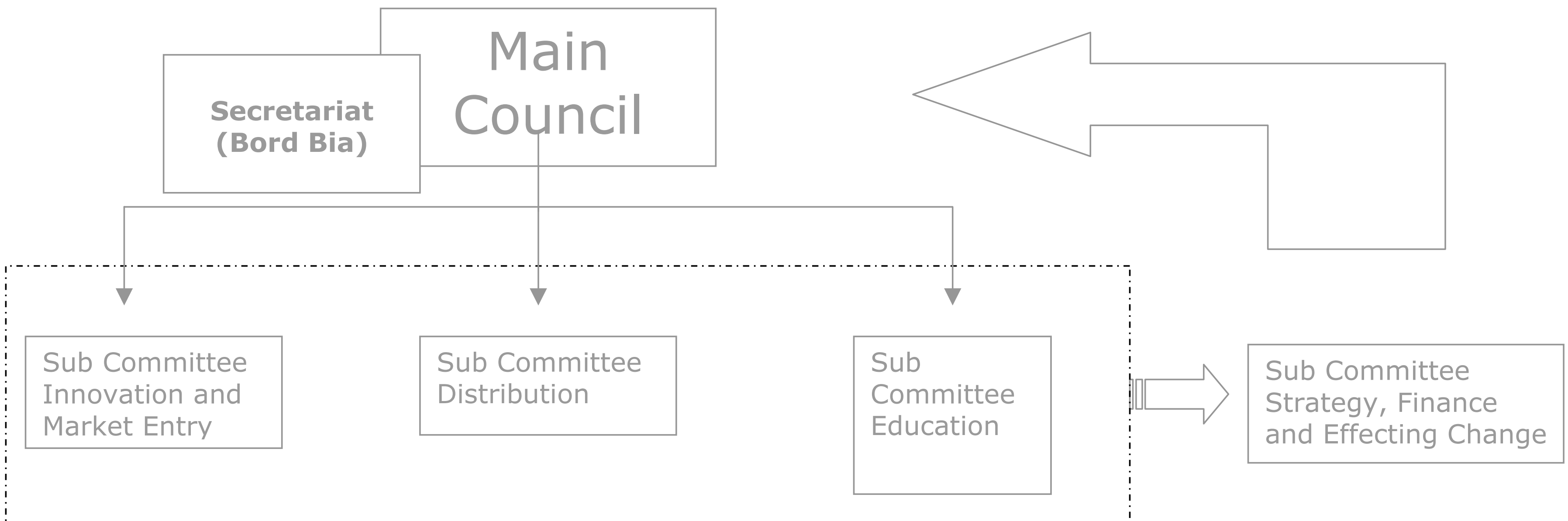
The TASTE Council members

The full list of current members of the TASTE Council who have prepared this document based on their expertise are listed below.

Name	Background
Darina Allen	*Veuve Cliquot Business woman of the year 2002;Owner/Manager **Ballymaloe** Cookery School;author/journalist;Organic farmer. University of Ulster conferred honorary doctorate for contribution to Irish Cuisine and Irish hospitality in 2003.*
Hugo Arnold	*Food Journalist for the **Irish Times, Financial Times, Evening Standard**. Author and consultant. He has written six books and won a Glenfiddich food writing award in 2001.*
James Burke	*Purchasing Manager, **Superquinn;** Sits on the Operating Board of Superquinn.*
Mary Burns	*Owner/manager **Ardrahan** cheese, and Chairperson of **CAIS** – Irish Farmhouse Cheese Association.*
Jilly Dougan	*Owner of Moyallon Foods foodservice distribution business and chairperson of the Farmers' Market in Belfast.*
Peter Dunn	*Managing Director, **Dunns Seafare**. Member of the Slow Food Presidium for Irish Smoked Wild Atlantic Salmon– the first large food business in Ireland to achieve this status*
Josef Finke	***Ballybrado – organic food producer**. Established the first commercial organic farm in Ireland in 1983 and has since been a driving force behind the development of the organic sector .*
Stuart Gates	*Managing director **Fortnum & Mason**, Chair **British Guild of Fine Food Retailers**, Council member of Food From Britain.*
Eilis Gough	*Owner **Mileeven Foods**. Producer;member of Evaluation Committee Kilkenny County Enterprise Board; member Consumer Foods Board – Bord Bia.*
Randolph Hodgson	*Owner **Neal's Yard Dairy**, Chair of **British Cheese Association** Instrumental in the founding and committee management of London's Borough Market. Winner of the Tio Pepe, Carlton London Restaurant Awards 2003 for an outstanding contribution to London restaurants. UK, USA and international chilled retail and distribution business.*
Michael Horgan	*Owner **Horgans Delicatessen Supplies**. Distribution of speciality food*
Ross Lewis	*Chef/proprietor of **Chapter One** Restaurant in Parnell Square, Dublin current Commissioner General of **Euro-Toques***
Simon Pratt	*Owner/Manager **Avoca Handweavers**. Instrumental in the writing and publication of the Avoca series of food books*
Kevin Sheridan	*Co founder and owner of **Sheridan's cheesemongers**. Chilled distribution, retail and market stall management*
Kevin Thornton	*Michelin star chef and owner of **Thornton's** restaurant. Kevin is the first Irish chef to have gained two Michelin stars. Kevin was instrumental in getting the DIT to set up a four-year degree course in Culinary Arts.*
Peter Ward (Chairperson)	*Owner/manager **Country Choice**, independent delicatessen, Nenagh, Co. Tipperary.*

Taste Council - Structure

The Taste Council has been structured to work on the issues at hand and to ensure deliverables. The current chair is Peter Ward. The secretariat is Bord Bia. A structure of sub committees has been established and regularly meets to deal with key developments.



TASTE Council Operations

The TASTE Council is a voluntary group. The group is structured into the following subcommittees.

Sub Committee Structures TASTE Council 2003/2004	
Sub Committee	**Members**
Strategy, Finance and Effecting Change:	Chaired By:Ross Lewis (Eurotoques) Darina Allen (Ballymaloe) Stuart Gates (Fortnum and Mason)
Innovation and Market Entry:	Chaired By:James Burke (Superquinn) Hugo Arnold (Author and Journalist) Randolph Hodsgon (Neals Yard Dairy) Jilly Dougan (Moyallen Foods) Fiona Lavery (INI)
Distribution:	Chaired By:Eilis Gough (Mileeven Foods) Simon Pratt (Avoca Handweavers), Michael Horgan (Horgans) Peter Dunn (Dunns Seafare)
Education:	Chaired By: Kevin Thornton (Thorntons) And Josef Finke (Ballybrado), Kevin Sheridan (Sheridans) Mary Burns (Ardrahan)

Appendix 2 Glossary of Terms

Appendix 2 –Glossary of Terms

Artisan food is defined as a superior tasting food, which commands a higher price in its category. Superior taste is achieved through food making skill. Artisan food is not the remit of small food producing firms only. Many fine examples of large artisan foods of scale in sales and exports exist and are growing.

Speciality food is food, which is specialist or niche. These foods are usually defined by their exclusive distribution and premium price. The definition in market reports usually includes artisan food.

Regional food is foods connected to a region by reputation. Examples include Parma ham from the region of Parma.

Commodity groceries are foods, which command a low price in their category often due to their extensive availability and lack of investment in artisan food making skill.

Appendix 3 TASTE Council Terms of Reference

The Taste Council - Terms of Reference

- To define and agree on a vision for the future of Irish Speciality Food
- To identify the strategic issues facing the business of speciality food in Ireland and actions to achieve that vision
- To draw up formal papers regarding recommendations on key issues and to submit these to the relevant authorities/bodies for specific consideration and action
- To invite relevant individuals/organisations to communicate strategic inputs and to interact with the group
- To act as a professional strategic catalyst leading to the improved development of the sector for the benefit of Ireland's Food and Drink Industry.
- To suggest a best practice for retailing speciality food.
- To benchmark against other international food groups to understand how they achieved success and differentiation.

The Composition of The Taste Council - The group will be made up of the following representatives:

• Producers	Typically small but also one or two large firms with a speciality food interest – e.g. Peter Dunne of Dunne's sea fare that is included in the Slow Food salmon presidia).
• Retailers	Independent and multiple, British and Irish.
• Wholesalers	Specialist Distribution businesses, British and Irish.
• Opinion formers	e.g. Darina Allen, Kevin Thornton, …etc.
• Relevant Producer Associations	e.g. Cais
• Chefs	e.g. Ross Lewis, chapter one and Eurotoques, Kevin Thornton who was instrumental in setting up the degree course on Culinary Arts in the DIT.
• Foodservice	Independent restaurants/hotels and distributors

Working Arrangements

- The group will be led, facilitated, and coordinated by Bord Bia.
- A chair person will be appointed usually by the group and for a two year period
- The group will meet four times per annum
- The issues addressed by the group will be those issues, which affect the sustainability, development and growth of the sector. Its purpose is not to act as a lobby group for individual cases.
- The group may invite a representative of the Department of Agriculture and Food for consultation or participation in its deliberations

Appendix 4 Key Issues Facing the Sector

The Key Issues identified by the TASTE Council largely fall into the following four areas:

1. **Education**

Consumer education regarding taste is believed to be hugely important so that a higher value can be attached to food. In addition educating consumers about the links between good, wholesome food with health with farming are also considered to be extremely valuable.

Educating chefs, cooks and people at the point of sale about the value of speciality food is also considered to be very important.

Education surrounding the artistic side (versus the scientific side alone) of food is considered to be fundamental going forward[19]. Examples cited included the establishment of a cheese making school alongside UCC and/or an apprenticeship scheme for artisan skill development (e.g. cheese making, craft butchering…etc.)

2. **Entry, Innovation and Import Substitution**

The cost of setting up in speciality food production is estimated at €300k often excluding working capital.

Innovation is a requirement of market entry and sustainability. Harnessing an understanding of the consumer response to a product is fundamental to successful innovation. Gaps exist in innovation for taste and in culling the ideas of buyers and or pre-empting the needs of consumers for new product development.

Onerous regulations increase the cost of entry and can act against the development of a taste advantage, which is considered to be hampering market potential.

The group would like to see solutions to the elimination of bureaucracy at the point of entry for small food producers (start ups).

A lack of innovation in the category is fuelling imports to meet demand, which is a lost opportunity for the Irish player. (e.g. organic poultry, quails from France taking 100% of demand for these products in Ireland…etc.).

Packaging and design capability is also considered to be important for the sector.

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[19] In other words that the artistic side of food – the skill of making for taste needs to be married to the scientific side of food.

3. Distribution

Distribution and key account management are fundamental aspects to the business of speciality food. There is a gap in understanding how best to merchandise the category especially at the multiple retail level.

Cooperative/group marketing should be investigated for small local food companies.The key is to get the product to market and keep it there cost effectively.

4. Strategy and Effecting Change (including Financing and Resourcing)

Members believe that the council will need a vision for the future and the ability to effect change at a political level.

The importance of a strategic framework was emphasised. These people understand that the entire food sector or market will not be dominated by speciality food. However a target figure will be important – say 10-30% over a specified period.

Definition will be important as will Ireland's positioning for the sector[20]. In addition international benchmarking will be important[21]. The potential for strategic alliances needs to be considered. The benefits of the sector for mass-market food from Ireland need to be articulated and communicated.

Issues such as how to win, maintain and enhance consumer awareness for the category will be important.

An assessment of current and potential resourcing for the sector is considered important – in people, tasks and finance. Who is championing the sector at a semi state and government level? can additional finance be secured for the benefit of the sector?…etc.

The professionalism of the sector needs to be emphasised. These companies meet standards which are far higher than the regulatory standard in their continuous supply to best practice multiple retailers for example – Waitrose, Marks and Spencer, Sainsburys, Superquinn …etc. Members are seeking the same treatment as extensive agriculture and food at a political level.

Four subcommittees will be set up to cover and address these areas.

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[20] For example positioning Ireland as a Centre of Excellence in speciality food.
[21] Bearing in mind the nuances of Ireland.