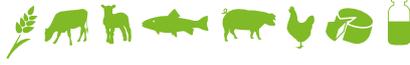


2017  
ANNUAL REPORT & ACCOUNTS



---

## OUR MISSION

AND

## STRATEGIC OBJECTIVES

---

### OUR MISSION

To drive, through market insight, and, in partnership with industry, the commercial success of a world-class Irish food, drink and horticulture industry.

### STRATEGIC OBJECTIVES

Our mission is further articulated through the following six strategic objectives:

1. To actively contribute to the success and development of the Irish food, drink and horticulture industry.
2. To enhance the reputation, based on the principles of sustainable development, of Irish food, drink and horticulture, among consumer and trade buyers in the marketplace.
3. To be the authoritative source of strategic insight linking market opportunities to industry.
4. To lead a collaborative approach with the key agencies involved in serving Irish food, drink and horticulture.
5. To pursue emerging opportunities and actively respond to significant market issues that affect industry.
6. To deliver value-for-money with expenditures.

---

## STATEMENT OF STRATEGY

---

**The Bord Bia Statement of Strategy 2016-2018 has the following vision for the Irish food and drink industry:**

Customers around the globe recognise that Irish food and drink is world-class: that it is high quality, distinctive, and made by a diverse range of creative producers from a unique and fortuitous island location.

Our producers set the global standard in sustainable production – meeting the responsibility we all have to the planet, to society, and to future generations. We have everything we need for a better, more sustainable food system. There has never been a better time to act, and to set an example for the world.

Both the vision and the action plan outlined in the Statement of Strategy have been developed after an extensive and wide-ranging stakeholder engagement process. The Strategic Plan fully supports the implementation of Food Wise 2025, the report of the Agri-Food Strategy Committee, coordinated by the Department of Agriculture, Food and the Marine, which sets out the strategic plan for the development of the agri-food sector to 2025. The Vision depends on five strategic pillars, each of which supports the growth of the industry:

- |  |   |   |  |   |
|--|---|---|--|---|
| <p><b>1.</b></p> <p>Informed by consumer insight</p> | <p><b>2.</b></p> <p>Enabled by valued people, talent and infrastructure</p> | <p><b>3.</b></p> <p>Underpinned by Origin Green</p> | <p><b>4.</b></p> <p>Realised by effective routes to market and business conversion</p> | <p><b>5.</b></p> <p>Supported by strong brand communications in the digital age</p> |
|--|---|---|--|---|

---

# PRESENTATION TO THE MINISTER FOR **AGRICULTURE, FOOD AND THE MARINE**

---

*In accordance with Section 22 of An Bord Bia Act 1994, the Board is pleased to submit to the Minister its Annual Report and Accounts for the 12 months ending 31st December 2017.*

**Dan MacSweeney**  
Chair



---

## CONTENTS

---

### OUR BUSINESS

- 3 Food & Drink Awards
- 5 Export Figures
- 9 Chair's Statement
- 15 Chief Executive's Review
- 31 Sector Reviews
  - 31 Meat & Livestock
  - 35 Food & Beverages
  - 41 Small Business & Organic Sectors
  - 45 Horticulture
  - 49 Services

### OUR GOVERNANCE

- 59 Governance Statement & Board Members Report
- 67 Organisation Structure
- 70 Bord Bia Board
- 71 Bord Bia Consumer Foods Board
- 72 Bord Bia Meat and Livestock Board
- 73 Bord Bia Dairy Board
- 74 Bord Bia Quality Assurance Board
- 75 Bord Bia Horticulture Board

### OUR ACCOUNTS

- 77 Report of the Comptroller and Auditor General
- 79 Statement on Internal Control
- 81 Statement of Income and Expenditure and Retained Revenue Reserves
- 82 Statement of Comprehensive Income
- 83 Statement of Financial Position
- 84 Statement of Cash Flows
- 85 Notes Forming Part of the Financial Statements
- 98 Marketing Finance Grant Payments

*Photo top left*

*Pictured: Niall Browne, Paul Nolan and David O'Flynn from Dawn Meats*



*Photo bottom left*

*Pictured: Donna McKenna and Leanne Wilson from Monaghan Mushrooms*



## BORD BIA ANNOUNCED THE WINNERS OF THE **FOOD AND DRINK AWARDS 2017**



*at the RDS, Dublin on the 29th November 2017*

The winners included some of Ireland's best known brands, family businesses and export successes from all over the country. Congratulations to all of the winners, in particular to Dawn Meats, who won the Sustainability Award, and Monaghan Mushrooms, who won the Sustainability Project Impact Award.

**Branding Award Winner:**

**Diageo for Baileys**

Diageo won for 'showcasing excellence in repositioning the Bailey's brand from the niche liqueur category, considered a seasonal offering to the growing "premium treat" category.' Global revenue has seen a +5% volume growth.

**Consumer Insight Award Winner:**

**Butlers Chocolates**

Butlers Chocolate was awarded for 'excellence in consumer centred marketing which led to the development of a super-premium range, Butlers Platinum Collection, resulting in sales in over 15 countries.'

**Digital Marketing Award Winner: The Happy Pear**

The Happy Pear won for 'embracing authentic digital campaigns to create a powerful 'movement' which is driving the business.' The company has grown social media followers to over 800,000.

**Entrepreneurial Award Winner:**

**Gallaghers Bakery**

Gallaghers Bakery, based in Donegal, was awarded for 'foresight in identifying, researching and developing a successful offering for the gluten-free market.' The business has grown from 65 people in 2011 to 305 direct employees in 2017, with a further 40 expected by early 2018.

**Export Award (Smaller Business - under €100m) Winner:**

**Silver Hill Foods**

Silver Hill Foods, a premium producer of duck and duck products in Monaghan, was awarded for 'a well thought out and executed strategy for capturing the export market.' This has driven strategic growth in its highest margin export business, the retail and Chinese markets. The company currently supplies 24 countries worldwide.

**Export Award (Bigger Business - over €100m) Winner:**

**Kerry Foods for Cheestrings**

Kerry Foods won for 'distribution and promotional strategies to support the export and growth of the Cheestrings brand.' The brand is now available to more than 350 million consumers across 10 European markets.

**Innovation Award Winner:**

**Pip & Pear**

Pip & Pear won for 'an impressive and well thought out marketing strategy to create a new category within the baby food sector for chilled fresh baby food.' The company 'demonstrated a consumer-focused approach to developing a new product based on a core insight that parents want to feed their baby the best.'

**Sustainability Award Winner:**

**Dawn Meats**

Dawn Meats won for 'developing a sustainability strategy in conjunction with key stakeholders including farmers and customers.' A member of Origin Green, the company has illustrated progress in operations and a commitment to the future through sustainable sourcing; animal welfare; resource management; people and community; innovation and nutrition. Dawn Meats is a second-generation family owned Irish company marketing quality beef and lamb products to over 40 countries.

**Sustainability, Project Impact Award: Monaghan Mushrooms**

Monaghan Mushrooms won for 'successfully demonstrating that the business is at the technical and environmental forefront of the mushroom business. The results of their sustainability efforts has led them to develop a vitamin D enriched mushroom which benefits both the customer and environment simultaneously.'

---

## EXPORTS OF IRISH FOOD AND DRINK (€12.5BN)

---

The Irish food and drink sector recorded the eighth consecutive year of export growth in 2017. It was boosted by increased output in key sectors, rising demand in some major markets and, in line with Bord Bia's Market Diversification Strategy, the emergence of newer markets for Irish Food and Drink exporters.

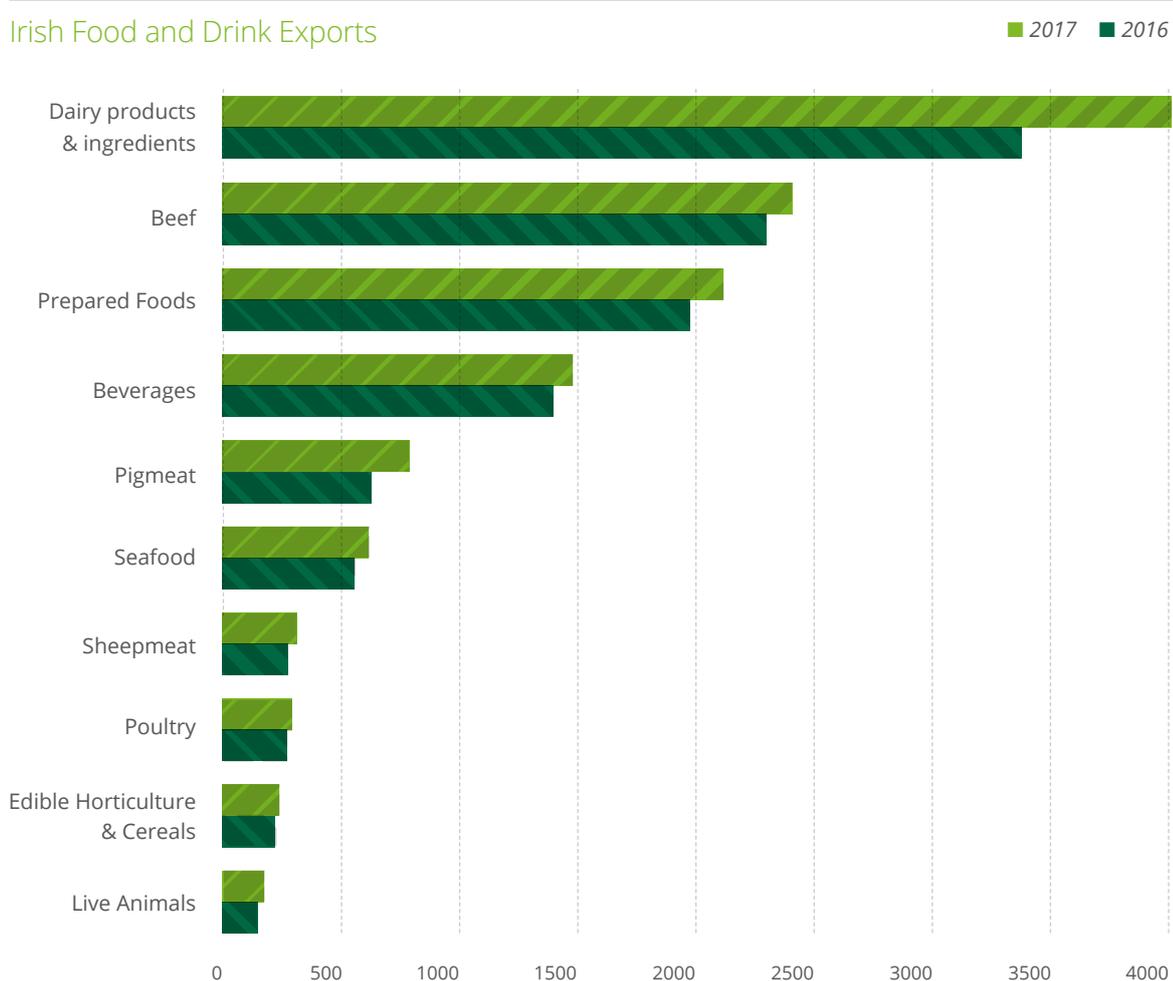
For the year as a whole it is estimated that the value of food and drink exports increased by 11%, (€1.2bn) to €12.5bn – representing growth of almost 60% or €4.7bn since 2010.

The strongest performers in terms of export growth in 2017 were the dairy sector which comprises a third of the total followed by seafood, pigmeat, sheepmeat and live animals. Strong competition and market conditions limited growth in the edible horticulture market whilst beef, poultry and prepared foods also achieved lower levels of growth in relative terms.



IRISH FOOD  
AND DRINK  
IS SOLD IN  
**180**  
MARKETS  
WORLDWIDE

## Irish Food and Drink Exports



Source: Bord Bia/CSO

## Exports of Irish food and drink (€m)

	2016 €m	2017(p) €m	2017 v 2016 % +/-
Dairy products & ingredients	3,368	4,018	19
Beef*	2,273	2,411	6
Prepared foods	1,981	2,128	7
Beverages	1,401	1,473	5
Pigmeat	734	792	8
Seafood	556	612	10
Poultry	272	294	2
Edible horticulture & cereals	228	232	-
Sheepmeat	278	312	12
Live animals	146	175	20
<b>TOTAL FOOD &amp; DRINK</b>	<b>11,237</b>	<b>12,447</b>	<b>11</b>

\*includes edible offals

Source: Bord Bia/CSO

---

## MARKET DISTRIBUTION OF IRISH FOOD AND DRINK EXPORTS (%)

---

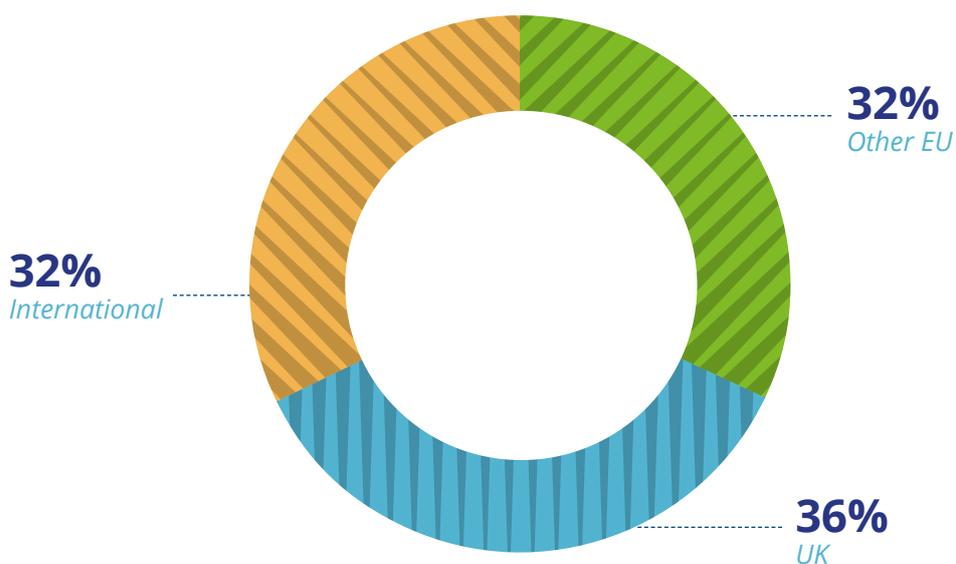
Total exports to the UK rose by an estimated 8.5% to €4.46bn. This was driven by strong growth in dairy exports – 15% up to €968m and growth across the meat and prepared food sectors.

Exports to other European markets increased by 15% to €4.05bn as non-UK markets continued to become more important destinations for Irish agribusiness. Largest relative growth was seen in dairy and pigmeat, growing 41% and 23% respectively.

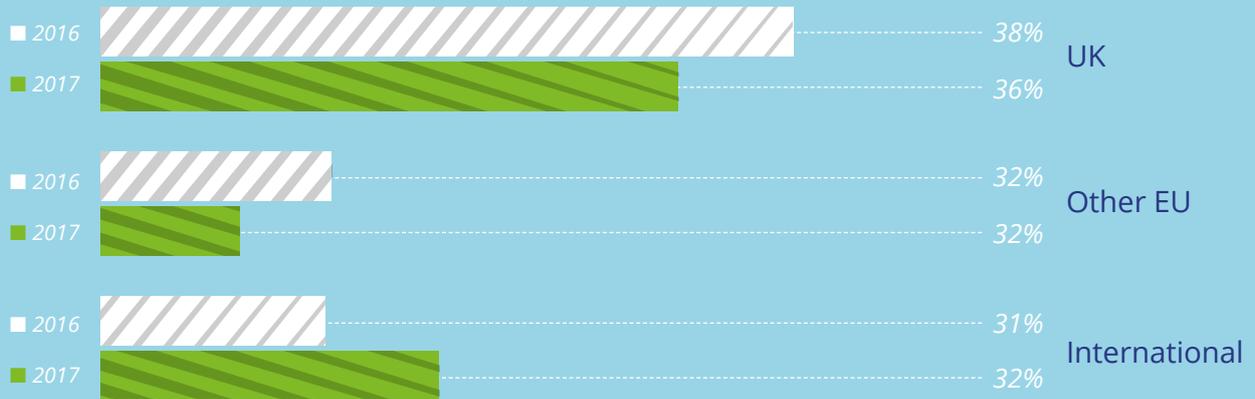
Non-European international markets grew 17% to a total of €4.01bn, 32% of the total food and drink export market.

---

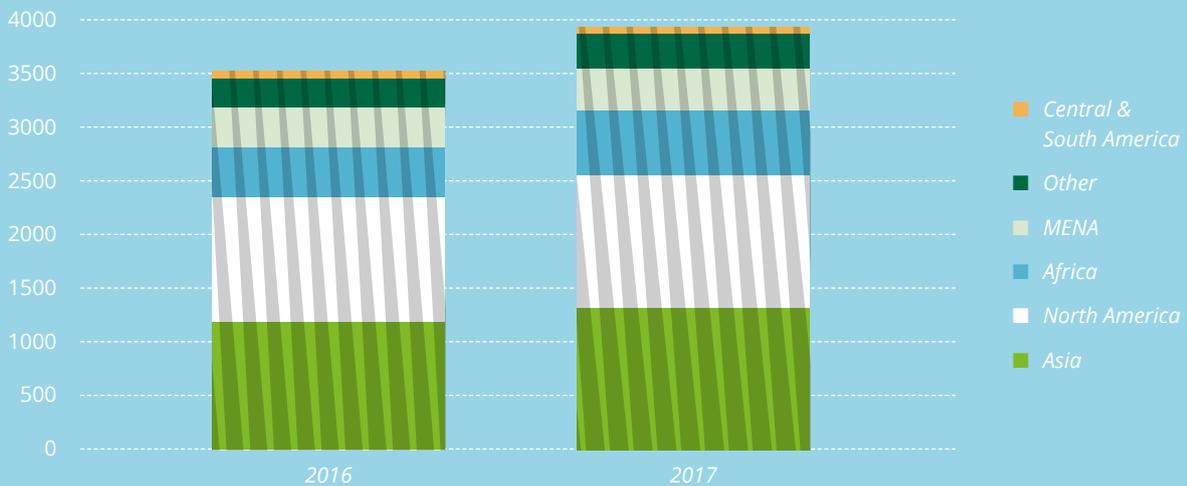
### Irish Food and Drink Exports - 2017



## Irish Food and Drink Exports - 2017



## Distribution of food and drink exports to International markets – 2017 vs. 2016 (€m)



## CHAIR'S STATEMENT

In a decade when the growth of Irish food and drink exports appears to have become an almost routine affair, 2017 proved that this story of expansion, whether in marketplaces close to home or further afield, was not only noteworthy but, in many instances, remarkable.

For the Irish food, drink and horticulture industry, the delivery of the eighth consecutive year of export growth is an occasion to be commended on many fronts. It provides proof, if any were needed, that the hard work and attention focused on the global marketplace can yield results in significant and impressive ways.

The headline figures are indicative of a performance that, in many instances, surpassed even the most optimistic expectations. During the year, exports grew by an impressive 11% or €1.2bn on the year-earlier figure. This counts among the largest percentage and absolute growth figures ever recorded by the industry over a 12-month period, and brought total Irish food and drink exports to €12.5bn for the first time. Building on the cumulative growth achieved since 2010, it means the industry has now enjoyed a 60% increase in export value, worth some €4.6bn, since the beginning of the decade.

Strikingly, it also means the industry has now comfortably surpassed, three years earlier than had been predicted, the threshold of €12bn set by the Department of Agriculture, Food and the Marine when it published its strategy document Food Harvest 2020 at the start of the decade. Impressive as these figures are in their own right, what is also worthy of comment is the way growth has been distributed more evenly across our key markets. Diversification is a welcome trend on any occasion, but is particularly so in the context of Brexit, and the uncertainly posed by the impending departure of the UK from the EU.

That noted, and with reference to the all-pervasive debate on Brexit, it may seem somewhat ironic that the 2017 figures also record the best ever performance by the Irish food, drink and horticulture industry in the UK market. Robust growth of 8.5% over the year translated into an impressive €4.5bn in export sales. The fact that this performance was achieved in the context of the sustained c. 15% depreciation in the value of sterling since 2016 – a situation that, it will be remembered, contributed directly to a fall in export values the year before – makes this all the more exceptional. It was, however, growth matched by a fall in percentage terms, a rebalancing that sits very much in line with Bord Bia's Market Diversification Strategy. As a consequence, the UK now accounts for 36% of exports, a fall of two percentage points since 2016.



The successes enjoyed by exporters across a diversity of markets contributed to an ongoing and welcome rebalancing in market share between the UK, the rest of EU and international markets. These now stand at 36%, 32% and 32% respectively.

*Photo top  
Pictured: Dan MacSweeney,  
Chair*

The drive to diversification underpins much of what Bord Bia does in terms of its programmes and activities and the CEO's report will provide more granular detail on the ways in which the process is being supported through strategic planning and delivery. What matters, ultimately, is how those actions find expression in actual export growth and performance and the 2017 figures must be seen to have delivered strongly on these accounts, with the industry's performances in continental Europe and the international marketplace providing a great deal to be positive about. Exports to mainland EU countries rose to an impressive €4bn, a significant lift on the year-earlier figure. Here, as in other markets, the exceptional performance of Ireland's dairy sector was central to much of this growth. Dairy exports to mainland EU markets rose by over 40%, and are now worth €1.2bn in total. The strongest performances were in markets most familiar to Irish exporters, among them Germany, France, the Netherlands and Belgium. Export buoyancy was not sectorally exclusive, and strong upward trajectories were also recorded in the EU in sectors such as seafood and pigmeat, while beverage and prepared foods also put in good performances.

Outside the EU, the international marketplace is a designation that encompasses broad, diverse and often complex regions. Within it are a number of target markets that have been identified as particularly significant for the future growth and development of the entire food and drink sector. In the development of this narrative, 2017 must be seen as a particularly positive year as Irish food and drink exports grew by a record 17%, to be worth €4bn in total. The dairy sector once again led the way and now accounts for some 45% of all sales to international markets, with North America, Africa and Asia the key players in this growth. Beverage and prepared food exports helped complete the picture, with the former now accounting for almost one fifth of all exports to the rest of the world. North America has once again proved particularly receptive to the Irish beverage proposition. Indeed, it was an exceptional year overall for exporters to the US, where a 30% increase saw the €1bn mark surpassed for the first time. Other regions responsible for strong performances included the Middle East where, following a decline in 2016, an 8% rise in values lifted exports to €400m. Growth was, in truth, a genuinely international phenomenon, with markets as diverse as Japan, the Philippines, Ghana, Nigeria and South Africa all performing well. China continued to be an important target for

exporters, albeit with more incremental increases than seen in other regions. A 5% rise in export values was built on strong demand for dairy and pigmeat and meant total exports to the Asian powerhouse were worth some €700m. Hong Kong grew at a similar rate and is now worth €180m annually to Irish food and drink exporters.

## BREXIT PREPARATIONS

As noted above, the successes enjoyed by exporters across a diversity of markets contributed to an ongoing and welcome rebalancing in market share between the UK, the rest of the EU and international markets. These now stand at 36%, 32% and 32% respectively.

Concern about the impact of a 'hard Brexit' and the many unknowns in relation to the UK departure persisted through 2017. In response, Bord Bia continued to progress work on its fact-based response, with the goal of equipping exporters with the resources to plan for and mitigate risk to the greatest degree possible in these uncertain times. Over the course of 2017, initiatives such as the Brexit Barometer made considerable contributions to advancing the levels of preparedness among Irish companies. A Market Prioritisation Study also commenced to identify potential market diversification opportunities, across sectors, in international markets. In recognition of the particular sensitivity of the food, drink and horticulture industry to Brexit, Bord Bia was granted an additional €6.7m in funding by the Department of Agriculture, Food and the Marine. This funding has been utilised to deliver targeted projects that address market challenges created by Brexit.

It is well to say that this process, and these initiatives, are in no way at the expense of capitalising on ongoing demands and opportunities within the UK. Bord Bia stands behind the success of Irish exporters in this market and will continue to promote the compelling nature of the Irish offering to UK customers and consumers.

## INTERNATIONAL CONTEXT

While Brexit remained the most pressing concern for the Irish food and drink industry in 2017, the future direction of global trade, particularly in the context of the new administration of

President Trump in the US; the planned reform of the Common Agricultural Policy (CAP) and the Common Fisheries Policy (CFP) and the progress of the trade agreement with Mercosur were also important considerations.

Discussions on the direction of the CAP post-2020 continued in 2017, with the current direction of negotiations suggesting that greater responsibility will be vested in Member States to meet national conditions and requirements. The impact of Brexit on Europe's CFP emerged as an issue for which greater clarity is hoped in 2018, while progress on a trade deal between the EU and Mercosur continued, with Irish negotiators' concerns about the potential for increased beef access for Latin American countries to the EU yet to be resolved.

The FAO global food price index averaged 174.6 in 2017, up from 161.5 in 2016 but still significantly lower than the peak of 229.9 in 2011. Meat and dairy, the two sectors most relevant to Irish exporters, saw the most significant annualised rises, up from 156.2 to 170.2 and 153.8 to 202.2 respectively. Looking to the future, the OECD forecast a slowing in food commodity growth rates, with the notable exception of fresh dairy, which it argues is set to increase in response to demand from developing countries.

Oil prices also rose over the year, to an average of \$53 from \$43 in 2016. The World Bank forecasts energy commodities will continue to rise in the short term.

In contrast to a weak sterling, the dollar largely strengthened in relation to the euro over the year, a factor of significance to exporters across international markets. The Chinese Yuan in contrast weakened, impacting on the competitiveness of Irish exports there.

It was a strong year economically for Ireland and the EU, as the European Commission estimated Irish economic growth to be 7.3% for 2017, the highest in the European Union, while the GDP of the eurozone expanded by 2.5%, its best performance since 2007. The pickup in global growth anticipated in early 2017 by the IMF remained largely on track, with global output projected to have grown by 3.5% in 2017. Ireland climbed to sixth place in the world competitive rankings by the Swiss-based IMD World Competitiveness Centre, but fell by one place to 24 out of 137 countries in the World Economic Forum's Global Competitiveness Index.

## STRATEGY

Bord Bia's actions and programmes in 2017 were guided by Making a World of Difference, Statement of Strategy 2016-2018, a framework of five strategic pillars that proved both robust and flexible in its service of the industry over the year.

The five pillars are:

1. Informed by consumer insight.
2. Enabled by valued people, talent and infrastructure.
3. Underpinned by Origin Green.
4. Realised by effective routes to market and business conversion.
5. Supported by strong brand communications in the digital age.

The Chief Executive will outline in her statement the particular ways in which these pillars provided the context for Bord Bia activities in 2017.

Published in 2015, the Department of Agriculture, Food and the Marine's strategy document, Food Wise 2025, continues to provide the strategic underpinning of growth in Ireland's agri-food sector. The industry's 2017 export figures can be seen as putting the industry firmly on track to deliver an expected export performance of €19bn by 2025, and to create an additional 23,000 new jobs in the process.

## ORIGIN GREEN

Five years since the launch of the Origin Green sustainability programme, Bord Bia took the significant step in 2017 of promoting awareness directly among Irish farmers and consumers. The timing was seen as appropriate given the rapid evolution of the programme to the point where 90% of Irish food and drink exports, 51,571 beef and lamb farmers and 15,820 dairy farmers are now Origin Green members. Major players in retail and foodservice are also active participants and, with other sectors preparing to join Origin Green, the ability to put measurable improvements in environmental performance at the heart of every sector of the Irish food and drink industry is now within reach.



Five years since the launch of the **Origin Green** sustainability programme, Bord Bia took the significant step in 2017 of promoting awareness directly among Irish farmers and consumers.



## CONCLUSION

As an industry at the heart of Irish life, both economically and culturally, the performance of food and drink exports is something of a bellwether for the strength and wellbeing of the Irish economy in general. Like all export sectors, the industry frequently finds itself at the mercy of factors outside its direct control. Given the possibility, at the start of the year, that many of these factors would play out adversely, 2017 could be reasonably described as a year where predictions were defied and new horizons for Irish exporters were established.

Exporters found success in equal measure in markets deeply familiar to them and in some that would have been considered out of reach in just the recent past. Their achievement was not just to grow in these markets but to do so in proportions that were, in some instances, unprecedented. Dairy was the stand-out performer in this regard, but there were many other positive stories in other sectors too. No observer could be in doubt that the determination and skillsets required to develop the Irish food industry's international footprint are more in evidence now than ever before and reaping real rewards.

None of this is to suggest that any easy assumptions can or should be made about the industry's immediate future prospects. The factors that were outside our industry's control in 2017, among them global supply fluctuations, economic sentiment and exchange rate volatility, remain so in 2018.

However, the longstanding message that Ireland's commitment to world-class food standards and, through Origin Green, to a measurable approach to sustainability, rings resolutely through the performance of the industry this year.

Bord Bia is proud of the role it plays in supporting the industry as it responds to emerging opportunities and looks forward to continuing in its role as an agent of progress, insight and growth for the entire food and drink industry. In our position as a trusted partner to industry and consumers, we were also honoured to be counted among the most reputable

organisations in Ireland according to the annual Ireland RepTrak® 2017 study.

As Chair of Bord Bia, let me conclude with some well-deserved thanks to colleagues, associates and friends. Firstly, let me warmly express my appreciation for the outstanding contribution of my predecessor Michael Carey. As Chair for over six years, Michael made the exceptional look easy as he brought his extraordinary skills to the service of the food and drink industry at a time when leadership was required. We could have asked for no better champion for the industry as it navigated some uncertain and turbulent times. I wish Michael every success in the future and look forward to his further contribution to the industry in other spheres.

In being given the great honour of serving the food, drink and horticulture industry through the role of Chair, I look forward to working with my fellow board members and the Bord Bia team in ways that are always open, constructive, supportive and positive. In my short time in the position to date, I have already benefited greatly from the guidance and support of the Board and the members of the five Subsidiary Boards. I look forward to building on this positive start.

As Chair, I am also delighted to have the opportunity to work closely with Chief Executive Tara McCarthy, whose vision for Ireland as a strong and confident player within the global food industry underpins the drive and energy that directs Bord Bia. I would like to express my appreciation to her for the support she has given to me to date.

Let me sincerely thank Minister for Agriculture, Food and the Marine, Michael Creed, TD, and Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle, TD, who have shown throughout 2017 a resolute commitment to the industry and have keenly championed the needs of Irish food and drink exporters at many levels. Let me expressly thank the Minister and his Department for the securing of crucial additional funding that has enabled Bord Bia to undertake many innovative projects in 2017, all of which have helped to advance our industry's preparedness for Brexit.

In this vein, let me also thank Secretary General Aidan O'Driscoll and all the staff at the Department. A strong sense of cooperation and partnership between the Department and Bord Bia is being felt as we work together. The work of the Department of Foreign Affairs and Trade must also be highly commended in this regard. We thank them for the support

they provide in literally opening doors for the food and drink industry around the world, and in helping us make significant progress on trade issues.

In 2017, as in his previous years in office, His Excellency, the President of Ireland, Michael D. Higgins, has once again been an enthusiastic patron of Bloom and we thank him for his support in making the festival one of the outstanding events on Ireland's social calendar.

Cooperation with fellow state organisations across a range of initiatives and programmes has become more and more pronounced in the last few years, and I would like to thank Enterprise Ireland, Teagasc, Bord Iascaigh Mhara and the OPW for their enduring support and partnership. Bord Bia is an organisation with a national and international profile, and strives for excellence in everything it undertakes. None of this would be possible without personnel of the highest calibre. I would like to thank the highly talented and ambitious group of people who make up Bord Bia and whose everyday work is instrumental to its enduring reputational strengths and who are, quite simply, its greatest resource.

Irish food and drink exports recorded a record high in 2017 and did so in ways that were often deeply impressive. In the overall journey of the industry, I believe the year will count as an important stepping-stone, particularly as it positions us to deliver strongly on the ambitious goals of Food Wise 2025.

The capacity of the Irish food and drink industry to respond to challenge has been well evidenced since the start of this decade. What 2017 adds to the picture is the sense that, while challenges and uncertainty persist, this industry has the strength and resources to build its own momentum as it follows a path of growth and progress. Bord Bia looks forward to working with this industry and the many thousands of people invested in its future in the year ahead as we continue to deliver on its potential and promise.

#### **Dan MacSweeney**

Chair

Additional information and updates on Bord Bia activities can be obtained from [www.bordbia.ie](http://www.bordbia.ie) or by following us online at [www.facebook.com/bordbia](https://www.facebook.com/bordbia) or on [Twitter@bordbia](https://twitter.com/bordbia).

---

## CHIEF EXECUTIVE'S REVIEW

---

Having long enjoyed the distinction of being our most global indigenous industry, Irish food and drink exporters demonstrated in 2017 that this long-standing reach can be matched with renewed energy and drive.

It was a year of convincing performances across the industry, and exceptional results in some sectors, making the story of 2017 one where markets around the globe came into play as serious, long-term opportunities for Ireland's food and drink offerings. In an environment where the uncertainty of Brexit continued to cast a shadow, that performance was all the more impressive for the confident and assured tone it set in markets both mature and emerging.

Strong, incremental growth in food and drink exports has been a feature of the Irish economy since 2010 but, even in this context, the 2017 performance must be seen as singularly impressive. A percentage increase of 11%, corresponding to expansion of €1.2bn, represents the most significant annualised growth achieved by the industry to date this century, bringing the collective value of exports to €12.5bn. While the growth that drove this performance was in many cases aided by positive alignments of supply and demand at commodity and global trade level, it was also the consequence of profound shifts in consumer demand and behaviours, many of which look set to hold for the longer term. These are trends, it should be noted, that have been anticipated by and identified through Bord Bia's longstanding work in global consumer research and insight, an area which is a priority in Bord Bia's support for the industry.

---

### Exports reach €12.5bn

---

Export performances were also aided by the ongoing commitment to leanness and competitiveness that has been

a hallmark of the Irish offering throughout this decade. In the context of the significant and sustained depreciation of sterling since 2016, it is particularly to the credit of Irish exporters that supplies to the UK market grew at levels that not only reversed the decline of the previous year but set an all-time trading record.

### SECTORAL ANALYSIS

The headline story of 2017 was undoubtedly the surging growth in Ireland's largest export category, dairy. Overall, the value of dairy and ingredients rose to €4bn, a 19% expansion on the 2016 figure. The UK continues to be a key destination for dairy, absorbing almost a quarter of this trade. EU markets accounted for 31% and international markets 45%. While the specialised nutritional powders segment retained its status as Ireland's leading dairy export, worth €1.3bn in 2017, the outstanding performer of the year was undoubtedly butter, where an unprecedented 60% increase in exports saw it reach almost €900m in value, driven by renewed consumer demand for butter and buoyant prices built on the premium status enjoyed by Irish output. The story of export recovery to the UK after the challenges of 2016 was also reflected in the performance of cheese, which rose in value by 22% to €848m. Growth at such percentage levels for both categories is, of course, unlikely to be repeated on a regular basis but the strong consumer preference for products that Ireland is well positioned to deliver looks set to be a sustainable trend.

It was also a positive year for Ireland's other main export category, meat and livestock. Robust growth of 8% lifted values to €3.9bn, reversing declines encountered in 2016, and driven in particular by a strong showing in the UK, which accounted for some 50% of meat exports. In all, meat and livestock now represent some 32% of Irish food and drink exports, with beef, which saw a 6% increase in value, accounting for a sizable €2.4bn of this. The livestock export trade also had a good year, increasing in value by 20% to €175m. Pigmeat exporters recorded strongly improved demand, with an increase of 8% lifting values to €792m. The UK remains by far the most important market, absorbing 56% of exports, followed by China at 13%.

Strong growth was also in evidence in sheepmeat, where a 12% increase to €312m saw France and the UK confirmed as the

sector's two major markets. Poultry exports meanwhile saw a more modest 2% rise to €294m.

The UK remains the main market for prepared consumer foods accounting for 62% of export market share, a figure bolstered by growth of 7% in 2017 to reach almost €1.8bn. This did, however, incorporate some declines for chocolate-based confectionery and biscuits. Prepared food exports, a separate category to prepared consumer foods, recorded a sizable 7% uplift to €2.1bn, driven by strong demand for dairy-based enriched powders.

The overall Irish beverage export market remained strong and an estimated 5% increase to some €1.5bn had strong foundations in a 20% growth in whiskey to c. €600m, while cream liqueurs enjoyed something of a resurgence, rising by 10% to be worth over €300m. A quarter of all beverage sales go to the UK, with other EU markets accounting for 22% of exports. International markets saw sales rise by 10% with North America, Africa and Russia leading the way.

It was also a year of double-digit growth for seafood exports, with the sector seeing an increase of 10% to reach €612m in value. The main EU markets, France, Spain, UK, Italy and Germany, continued to perform strongly, while international markets in regions as diverse as Africa and Asia, also recorded good demand.

Edible horticulture experienced a flat year overall with exports of €232m largely in keeping with the 2016 performance. Dominated by the UK market, this sector has proved particularly sensitive to the euro's currency fluctuation with sterling.

## MAKING A WORLD OF DIFFERENCE

Bord Bia's three-year strategy document Making a World of Difference, Statement of Strategy 2016-2018, reached its mid-point over the course of 2017. The strategy document sets out five strategic pillars against which the activities and programmes of the organisation align. These are:

1. Informed by consumer insight.
2. Enabled by valued people, talent and infrastructure.
3. Underpinned by Origin Green.

4. Realised by effective routes to market and business conversion.
5. Supported by strong brand communications in the digital age.

Through these five pillars, Bord Bia gives practical effect to its commitment to helping the industry address the three distinct and interconnected forces shaping its future: macro dynamics, and in particular the economic and environmental factors reshaping our world; consumer trends, especially those changes in sentiment and behaviour that create new opportunities; and food contours, the changing ways in which food is sourced, produced and consumed.

In deepening the awareness of industry to the changing patterns of global demand, consumption and production, the strategy puts major emphasis on supporting and communicating Ireland's unique strengths in food production and its strong message on sustainability.

In this context, it is worth restating the fact that, while the referendum result that gives effect to Brexit came after the launch of the Making a World of Difference strategy, it has not altered the central focus of the strategy, but rather challenged us to think about how best we can deliver on it in a changed environment.

This reprioritisation of resources and, in some cases, the development of entirely new programmes and workstreams received a significant boost thanks to the provision of additional funding to the value of €6.7m in 2017 from the Department of Agriculture, Food and the Marine. In all, some 27 projects, largely positioned under the strategic pillars of Consumer Insight; Origin Green; and Routes to market, have been either instigated or greatly accelerated as a result of the funding. In addition, the funding has directly contributed to the development of two significant initiatives in 2017, Prioritising Markets: Opportunities for Growth and the MSc in Design Innovation (Food). Details of these, along with all the main activities taking place under each of the pillars, are provided below.

## STRATEGIC PILLAR 1: INFORMED BY CONSUMER INSIGHT

*Chief Executive's Review*



### Consumer Insight and Innovation

The process of new product development (NPD) is central to the development of the next generation of wealth for the Irish food industry. The work of the Consumer Insight and Innovation team is focused on deleveraging cost and risk from the innovation process and equipping Irish companies with the resources to plan, deliver and succeed. Through 2017, a huge variety of initiatives and research programmes were progressed, laying the ground for future success through information gathering, strategy, product and branding development. In all the Consumer Insight and Innovation team worked with 88 companies across individual innovation, strategy and branding projects over the year.

### The Thinking House

As a venue for Irish companies to engage with NPD and innovation, The Thinking House lived up to the high expectations that surrounded its opening in 2016. The Thinking House

provides Irish food and drink companies with a centralised innovation hub and access to a range of resources to foster new thinking and support evidence-based decision making around brand creation and development. In addition to its work in energising the NPD process and reducing its expense, the Thinking House's role as a meeting venue saw it host many information and dissemination events over the course of 2017.

### Consumer Lifestyle Trends

The Consumer Lifestyle Trends Programme has evolved into a key resource for food and drink companies as they identify changes in consumer behaviour that provide the basis for new growth opportunities. Every three years, Bord Bia speaks with 28,000 consumers in 24 markets to provide the research base for updates to the trends. With the next iteration of the Consumer Lifestyle Trends due in 2018, 2017 saw Bord Bia share smaller updates on each of the six current trends – busy lives, health and wellbeing, shared experiences, responsible living, personal value

seekers and keeping it real. In addition, Bord Bia's Global Outlook research highlighted three key opportunity areas for businesses and brands to create momentum with consumers. These are: 'It's the little things'; 'Get creative'; and 'Positive purpose'.

### PERIscope

PERIscope tracks consumer attitudes towards food, shopping and cooking. Originally focused on the Irish and UK markets, this ground-breaking Bord Bia research initiative now extends to France, the Netherlands, Germany, Spain, the US and China. The most recent findings from PERIscope research were disseminated to industry during 2017, with the new data enabling companies to make informed decisions around local market opportunities and developing consumer attitudes.

### The Shopper Mission

The Shopper Mission is a study designed to investigate shopper behaviour in particular categories and, as a result, identify opportunities to drive brand

growth. In 2017, Shopper Mission research was carried out in five categories including fresh and frozen pizza; sweet spreads, nut butters and honey; chilled ready meals and soups; and pre-packed cooked sliced meats. This research was disseminated to the industry across five insight days held at The Thinking House.

### Foresight4food

The Consumer Insight and Innovation team had an ongoing work stream of projects over the course of 2017, utilising internal resources and external specialist agencies in Ireland, the UK, Italy, Spain, Germany, the Netherlands and Greece to deliver services such as category insights, 'taste n' tell' product tests, and individual insight projects.

### Brand Forum

Through 2017, the Brand Forum continued to provide a forum for Irish food and drink companies to learn from and share innovation, branding and strategy experiences. An impressive line-up of speakers and workshop events brought participants in contact with national and international expertise and networking opportunities. Highlights from the year include a focus on disruption branding and strategies for creating successful brands that challenge existing market structures; a packaging design workshop focused on new trends and opportunities; and a video strategy workshop highlighting the increasing role of the medium in food and drink marketing.

### SuperBrands

SuperBrands helps smaller companies grow and thrive against bigger competitors. The programme has the

threefold aim of: giving companies a better understanding of what their brand is about; providing a design that best expresses the brand's essence; and supplying brand guidelines for future marketing activity of a brand. In 2017, 14 companies participated in the SuperBrands programme.

### 14 companies participated in SuperBrands

#### Brand Ireland

In 2010, Bord Bia's Consumer Insight and Innovation team conducted insight work to assess perceptions and associations of 'Brand Ireland' in priority markets. Seven years later, a major review and revisit of this work was undertaken. Markets under scope for the 2017 research included Germany, the US, France, Great Britain, the Netherlands, China, the Middle East, the Nordics and Switzerland.

#### Brand Support

The Brand Health Check, meanwhile, is a large-scale online survey of grocery shoppers, extending across a broad range of categories and designed to collect and analyse important information to help Irish brand owners measure and improve their brand success. In 2017, 60 brands took part in the Brand Health Check across 49 categories.

### 60 brands take part in Brand Health Check

The Tailored Organic Branding Project was undertaken in 2017 and involved deep-dive branding work with companies selected from the winning categories of the Bord Bia Organic Food Awards.

### Concept Iteration and Validation

In 2017, work began on the development of an innovative self-service platform that will enable companies to test and iterate new product ideas rapidly. The goal is to facilitate quick incremental improvements on product design based on targeted consumer feedback. The service is still in the development stage and envisioned to eventually encompass Ireland, the UK, Germany, the US and China.

### Food and Drink Awards

The Food and Drink Awards are held biennially under the auspices of the Brand Forum. The 2017 awards took place at a gala event in the RDS, Dublin, in November, with winners showcasing the excellence of Irish branding, export and marketing acumen. The 2017 winners were:

- **Branding Award:** Diageo, for repositioning Baileys in the growing 'premium treat' category.
- **Consumer Insight:** Butlers Chocolates, for excellence in consumer-centred marketing supporting their super-premium range.

- **Digital Marketing:** The Happy Pear, for embracing authentic digital campaigns that drive business growth.
- **Entrepreneurial:** Gallagher's Bakery, for developing a successful offering in the gluten-free market.
- **Exports (Smaller Business - under €100m):** Silver Hill Foods, for its strategy for capturing the export market.
- **Exports (Bigger Business - over €100m):** Kerry Foods, for the export growth of the Cheestrings brand.
- **Innovation:** Pip & Pear, for its marketing strategy for chilled, fresh baby food.
- **Sustainability:** Dawn Meats, for developing a world-class sustainability strategy in conjunction with key stakeholders.
- **Sustainability, Project Impact:** Monaghan Mushrooms, for sustainability efforts that place it at the forefront of its sector.

## Inspiration

The launch of a new series of Culinary Inspiration reports in August received considerable coverage across national print and broadcast media with its findings cited in a range of food-related articles. A number of inspiration expeditions, designed to immerse participants in diverse markets and food cultures, also took place in 2017. These enable participants to experience concepts and environments that stimulate ideas and inspiration. Highlights included inspiration expeditions involving Dublin, Valencia and Bologna.

## Original research

A programme of original research, which is published on the Bord Bia website, continued during 2017 and included:

- **Dairy:** Building on extensive research already undertaken in the Chinese dairy category, the Consumer Insight and Innovation team completed a study entitled the Future of Dairy in China, designed to stimulate innovation and strategic planning in this key market. The team also undertook in-depth ethnographic research study on consumers in Nigeria, Ghana, & South Africa.
- **Meat:** A comprehensive consumer research project designed to understand consumer usage of and attitudes towards Irish lamb was undertaken during the year and covered the US, Denmark, Sweden, Switzerland and Belgium. Research on the German and Dutch retail channel; on consumers of meat in Poland, Czech Republic, Slovakia, Romania and Hungary; and on consumers of pork in the Japanese market.
- **Organic market:** A project to gain a more accurate picture of the overall value and profile of the organic sector in Ireland was undertaken, with the research also gauging consumer attitudes and trends.
- **Sports nutrition:** A major refresh on existing Bord Bia research on the sports nutrition market in the US and Europe was undertaken over the year. Its findings included a strategic evaluation of how the industry could develop by 2025.
- **Gluten-free and free-from:** A number of new market investigation projects progressed for the gluten-free market sector in 2017, including a consumer study on the gluten-free shopper in the Irish market and on the category in high-growth markets such as Switzerland and Italy.
- **Horticulture and local food:** New research on consumer behaviours and attitudes towards apples, fresh produce and gardening was undertaken over the year. Meanwhile a review of the labour status in the horticulture industry found it employs over 6,600 staff at farm-gate level and a further 11,000 in value-added and downstream activities.
- **Beverages:** Research undertaken in the French and German whiskey markets was presented to Irish industry players at the Thinking House in December.
- **Shellfish and snails:** Consumer research to assist with the development of a communications strategy for shellfish on the domestic market was undertaken to support development of a promotional campaign in 2018, while the opportunity for Irish producers to tap into the global market for edible snails, worth €1bn, was also investigated.

## Think Digital

Think Digital is a six-month digital marketing programme developed to upskill food and drink companies in digital marketing. The programme, which was open to 80 companies, commenced in March and consisted of 30 hours of online lectures on topics such as search marketing, digital advertising, social media marketing, analytics and strategy, and planning.

## STRATEGIC PILLAR 2: ENABLED BY VALUED PEOPLE, TALENT AND INFRASTRUCTURE

### Chief Executive's Review

#### Food Works

The Bord Bia entrepreneurship programme, Food Works, is centred on start-up businesses with the potential for major scaling and strong international impact. Run by Bord Bia, Enterprise Ireland and Teagasc, Food Works, aims to foster and encourage innovative new product ideas which satisfy a genuine market need while supporting the growth of the Irish food industry on a global scale. In early 2017, the fourth Food Works programme reached its conclusion with eight companies entering the investor-ready stage.

In July, recruitment for Food Works 5 began, with participants proceeding through the intensive 'boot camp' process later in the year. Each participant was assigned a business adviser to help develop their investor-ready business plan.

The Food Works Plus programme is designed to support continued networking and business development among Food Works alumni. A number of events held over the year provided on-going support for accelerating growth. The fifth anniversary of Food Works was celebrated in the Thinking House in an event that brought together alumni, supporters and stakeholders.

#### Education

Bord Bia's education programmes are focused on developing and retaining the next generation of executive talent in the food and drink industry. In 2017, a further extension of the programme was instigated with the launch of the MSc in Design Innovation (Food). Delivered by NUI Maynooth, this two-year programme addresses the skills gap in the commercialisation of innovation.

In addition to academic modules, participants work in host companies on innovation projects for a period of 20 months.

#### New MSc in Design Innovation

The 2017/18 Marketing Fellowship launched in August with commercial assignments across 13 export markets. A change in the structure of the programme increases the time spent in market from 12 to 18 months, while the number of assignments per Fellow has been reduced from four to three.

The Market Placement Programme sees the recruitment of up to 10 experienced graduates to work in the operations teams of key customers. The focus of the programme is on supply chain and account management projects. The 2017 programme commenced during the autumn, with participants beginning work placements in early 2018.

#### Small business supports

Bord Bia's annual Small Business Open Day attracted over 150 delegates in January. The event included a showcase of support services to small businesses from Bord Bia, as well as Teagasc, SFA, Local Enterprise Offices and Love Irish Food, in addition to insight on inter-agency programmes such as Food Academy and Food Works. Research by Bord Bia on Irish consumer attitudes to local food provided the basis for discussions. The 2017 Marketing Assistance Programme saw 180 companies approved for grants totalling

€823,000. A further five companies were approved for a total of €180,000 funding under the Step Change Programme.

#### Sponsorship of events in Ireland

Bord Bia undertook a number of sponsorship actions across 2017 involving events in Ireland with national, international, consumer and industry focus. These included:

- IDF World Dairy Summit
- Listowel Food Fair
- Irish Exporters Association Export Industry Awards
- Future In Food Ireland 2017 (Sustainability) Conference
- 63rd International Congress of Meat Science and Technology, Cork
- Best Artisan and Supreme Champion Award at the Blas na hEireann National Irish Food Awards
- Food on the Edge, Galway
- Ballymaloe Literary Festival of Food & Wine

#### WeChat China

Bord Bia hosted an interactive workshop to provide insight to some 30 Irish food and drink exporters on China's number one mobile messaging app, WeChat. WeChat allows users to not only communicate with companies, but to purchase directly from them.

## STRATEGIC PILLAR 3: UNDERPINNED BY ORIGIN GREEN

### Chief Executive's Review

#### Origin Green

By the end of 2017, over 570 companies had signed up and registered to Origin Green, with 272 of these, representing over 90% of food and drink exports, fully verified members. This means they have committed to a minimum of six sustainability targets under the Origin Green Charter and have had their sustainability plans independently verified by international auditors, SGS. Their progress is reviewed annually to ensure they are making progress and reaching their goals. In addition to producers and processors, Origin Green now has six verified members in its retail and food service programme: Lidl Ireland, Musgraves, Sodexo Ireland, McDonalds Ireland, Compass Ireland and HMS Host Ireland.

**272 fully verified  
members of Origin  
Green**

#### Quality Assurance

Bord Bia's quality assurance schemes provide ISO-accredited assurances to consumers across a range of food categories. The high levels of trust they enjoy among consumers are reflective of a commitment to continual improvement and best practice in the standards that govern them.

The new Sustainable Beef and Lamb Scheme (SBLAS) standard was launched in early 2017, supported by a helpdesk designed to assist farmers to address issues raised by the audits. The helpdesk

proved immediately popular and, on average, dealt with some 500 calls per week. At the end of 2017 there were 51,571 members of the SBLAS and 15,820 members of the SDAS.

**51,571 in SBLAS  
& 15,820 in SDAS**

The Egg Quality Assurance Scheme and the Horticulture Assurance Scheme were converted to the Sustainable Egg Assurance Scheme and the Sustainable Horticulture Assurance Scheme respectively during the year.

#### Q Mark

Bord Bia's Q Mark is highly regarded by consumers as an expression of quality assurance. Companies apply for use of the Q Mark on retail labels. During the year, some 1,800 applications were received from over 100 individual companies for use of the Q Mark.

#### Irish grass-fed specification

Work began in 2017 on establishing the requirements of an Irish grass fed specification and to explore the opportunity for marketing Irish grass-fed dairy. Bord Bia worked closely with Teagasc on assessing the potential to measure and substantiate claims with resonance in the marketplace.

#### USDA Process Verified

In June, the United States Department of Agriculture (USDA) approved Bord Bia's proposal to advertise the unique qualities of Irish beef in the US, with USDA seal of approval given to a number of claims around Irish beef. These include: more than 80% grass diet; from farms participating in Bord Bia's Origin Green Sustainability Scheme; fully traceable from farm to fork; from quality assured farms and processing systems; pasture fed for more than 6 months per year; raised on family farms; raised without the use of growth hormones; and treated responsibly with use of antibiotics. The approval was the culmination of three years of engagement with USDA.



## STRATEGIC PILLAR 4: REALISED BY EFFECTIVE ROUTES TO MARKET AND BUSINESS CONVERSION

### Chief Executive's Review

#### Brexit planning

Throughout 2017, Bord Bia played a strong participative role in various Irish Government fora addressing the challenges presented by the impending withdrawal of the UK from the EU. The goal of participation was to provide insight to the policymaking and Brexit negotiation process, and to prioritise support services for Irish food and drink manufacturers. Bord Bia also continued its close engagement with the Embassy of Ireland in London.

In all, 139 food and drink companies participated in the Brexit Barometer, completed over a five-week period beginning in March. Each participating company received an assessment that identified levels of risk across six areas: routes to market; trade; customs; currency; supply chain and people.

#### 139 companies participate in Brexit Barometer

In all, 350 hours of data, representing over 14,000 pieces of intelligence, were obtained, feeding into a detailed report delivered at the Brexit Seminar in June at the Thinking House. Some 80% of respondents stated that they saw ongoing opportunities to grow in the UK market; however, over 60% did not have a marketing strategy tailored to the UK market.

The findings of the Brexit Barometer have directly influenced Bord Bia resource allocation, resulting in an

increased focus on the key pressure points identified by the report. A number of pilot training programmes on currency risk management, and customs and tariffs were instigated and work on Bord Bia's new Route to Market Way also progressed with in-depth client, customer and stakeholder interviews.

#### Support and mentoring

Preparation work for Marketplace International saw up to some 90 companies sign up for a series of webinars and workshops designed to support the development of commercial strategies that will maximise the opportunities created by this major event.

Over 16 companies participated in organic mentoring offered by Bord Bia with the support of the Department of Agriculture, Food and the Marine. An organic debrief session was also held in November at the Thinking House.

#### Food Academy

The Food Academy Advance programme was completed in October with 12 companies graduating. The programme encompasses six workshops with each of the companies also receiving individual mentoring sessions and financial health checks. On completion of the programme, participants become members of Brand Forum and are enrolled on the Think Digital programme.

A review of the Food Academy Start programme was undertaken during the year in consultation with Musgraves and the Local Enterprise Office (LEO). The review identified a need to address the varying levels of business

knowledge that participants possess when commencing the programme. New content to address this, along with a new brand identity, reflecting the partnership between the LEO network and Bord Bia, was developed.

#### Market Prioritisation Study

Bord Bia undertook a major study to identify markets likely to present growth opportunities over the next five to 10 years and to assess the capability of Ireland to supply the market. Prioritising Markets: Opportunities for Growth was launched in December and offers concise overviews of 75 in-depth studies conducted across priority markets. As such, it represents the most detailed and broad-ranging study of international growth opportunities yet undertaken on behalf of the Irish food and drink industry.

#### Marketing Intensification Programme

The Marketing Intensification Programme supports growth and diversification among client companies with a turnover of €1m to €40m and who export at least 15% of their turnover to the UK. The 2017 programme saw 31 companies approved grants totalling €608,000

#### Amenity Exports

Over 20 nurseries participated in the Amenity Export Programme during 2017. Centred around two days of intensive mentoring sessions, participants were supported throughout the year as they expand export sales to the UK and further afield. A study tour to the US was among the highlights of this year's programme.

## Trade missions, events and exhibitions

It was an intensive year of activity with regard to trade missions, as Bord Bia and the Department of Agriculture, Food and the Marine led large contingents of Irish companies through extensive itineraries that featured Saudi Arabia and Dubai; North America; Japan and Korea.

### 26 international trade fairs

An intensive calendar of events ensured a comprehensive Irish presence at a range of international trade fairs and exhibitions, with Origin Green messaging promoting the sustainability message throughout. Bord Bia participated at a total of 26 international trade fairs with Origin Green messaging:

- Six Irish food companies participated at Sirha, Lyon, France.
- Six Irish companies exhibited at ISM in Cologne.
- Biofach, Nuremberg in Germany was represented by 10 Irish organic food companies.
- The global food and beverage trade show Gulfood, Dubai saw 21 Irish companies.
- Seafood Expo North America (SENA) was represented by eight Irish exhibitors.
- There were eight Irish drinks companies with Bord Bia at Prowein, Dusseldorf.
- Seafood Expo Global (SEG) Brussels attracted 20 Irish seafood companies.
- Tuttofoods took place in Milan with five Irish food companies.
- PLMA, Amsterdam, Netherlands, meanwhile attracted 20 Irish companies.
- SIAL China, Asia's largest trade food and beverage show drew nine Irish meat companies.
- There were six Irish food companies at Free From in Barcelona, Spain.
- Bord Bia was at Mondial du Fromage in Tours, France where there were six Irish cheese companies.
- Running every two years, Bord Bia was once again at Vinexpo, Bordeaux, France with four drinks companies.
- There was an Ireland Origin Green stand at Japan International Seafood in Tokyo for the first time together with eight seafood companies.
- The Speciality & Fine Food Fair, London saw 11 companies participate on the Ireland stand.
- For a second year running Bord Bia and seven companies participated at Lunch, London UK.
- Four Irish seafood companies participated at Conxemar 2017 in Vigo, Spain.
- A record 27 Irish food companies travelled with Bord Bia to Cologne, Germany to attend Anuga.
- China Fisheries & Seafood Exhibition, Qingdao China, the most visited seafood show in the world, had 12 seafood companies under the Origin Green Ireland banner.

- FIE, the last trade show for the calendar year taking place in Frankfurt had seven ingredients companies under the Origin Green banner.

In addition to trade fairs represented by Irish food and drink companies Bord Bia also participated in an information only capacity at a further six trade fairs worldwide including Foodex - Japan, Hofex - Hong Kong, FMA - Guangzhou, China, Food Attractions - Madrid, Golden Autumn - Moscow, CIMIE - Beijing.



## STRATEGIC PILLAR 5: SUPPORTED BY STRONG BRAND COMMUNICATIONS IN THE DIGITAL AGE

### Chief Executive's Review

#### Corporate Communications

Bord Bia's Corporate Communications team supports the organisation's activities by securing international, national, regional and online media coverage for key events. Advertising value equivalent (AVE) is a standard measure of the success of communications and PR initiatives, and is utilised in highlighting the success of Bord Bia initiatives over the year. The AVE of media coverage achieved by the team annually runs to tens of millions of euros. Bloom, for example, generated an AVE of over €4m, with almost 800 print, online and broadcast features focused on the event.

By the end of the year, Bord Bia comfortably surpassed 50,000 followers on Twitter. Bord Bia's Facebook account is liked by almost 120,000 people and followed by 115,000 people.

#### Origin Green Ireland

Working closely with stakeholders and verified member companies, 2017 saw a focus on evidence-based messaging of Origin Green to new audiences.

The Origin Green Ireland campaign was undertaken to explain Origin Green and its core benefits to Irish citizens, in doing so providing recognition to verified Origin Green members of their achievements to date and encouraging more farmers, producers and Irish trade to join the programme.

The three-year campaign was launched in August 2017 with the theme of 'The power beneath our feet'. The launch phase included six weeks of TV advertising across all key TV stations and eighteen weeks of digital advertising including online press advertorials, a

series of short videos and captioned photos on Facebook, Instagram and YouTube.

#### Origin Green and members

A communications campaign focused on farmers was also launched during the year, highlighting the fact that they are members of Origin Green through participating in Bord Bia's QAS and the SDAS. Media partnerships and videos circulated on social media supported the campaign, alongside dairy co-op and meat processor communications with their suppliers and farm experts/influencers such as Teagasc and co-op farm advisers.

Newly verified member companies of Origin Green received one-on-one inductions outlining how they can leverage their membership as a business-to-business commercial message and also as a company message to the public. In addition, Bord Bia's Origin Green team hosted a number of briefing sessions and workshops to build understanding of how Origin Green could be used as a commercial lever.

#### Origin Green international

Throughout 2017, the Origin Green umbrella campaign was live in seven markets: UK, France, Netherlands, Germany, Belgium, Sweden and Denmark.

The Origin Green Dairy advertising campaign meanwhile ran across four markets: UK, Germany, France and the UAE. In addition, the first phase of a three-year Origin Green China consumer facing campaign was completed in 2017, with the [www.origingreen.com/cn](http://www.origingreen.com/cn) site receiving 1.7m total page views

and 900,000 total unique views. Display advertising across specific websites and food apps were a strong driver of traffic.

Total circulation for combined Origin Green editorial insertions in trade and broadsheet print publications across European and international markets over the year was 942,827. The potential reach, where Origin Green online editorial coverage was achieved, is a total of 9.7m unique visitors.

Origin Green's international profile was also heightened by Bord Bia presence at strategically selected conferences, which provided insights and content for sharing on Origin Green's business social media platforms. Events attended include the World Dairy Summit Belfast; Sustainable Foods Summit Singapore; ENG Sustainable Food & Beverage Summit Berlin; and EAT Stockholm.

Results from a survey conducted at PLMA Amsterdam showed that awareness of Origin Green among the target audience at the show increased from 15% in 2016 to 29% in 2017. Those who were aware of Origin Green cited hearing about it from Google, trade events, advertising, social media, trade publications, Origin Green members and Bord Bia.

Three research studies by the Consumer Insights team helped inform a review of the Origin Green international marketing mix in terms of markets, media activity and creative, to ensure the greatest resonance with the target audience.

#### Origin Green Ambassadors

The second cohort of Origin Green Ambassadors completed their programme in August 2017. A special event marking the end of the

programme saw the 10 Ambassadors share critical insights with industry. The third cohort commenced the programme in September 2017. Origin Green Ambassadors have now been placed with 32 leading retail, foodservice and manufacturing companies around the world, as well as among leading international sustainability organisations.

### Reputation

Bord Bia ranked among the top three most reputable organisations in Ireland, according to the annual Ireland RepTrak® 2017 study. Some 4,500 members of the general public were interviewed as part of the study which presents an average measure across the following four emotional indicators: trust, esteem, admiration and good feeling. For the second consecutive year, indigenous brands were awarded the top three positions.

### Bloom

Ireland's pre-eminent gardening and horticulture festival, Bloom, organised by Bord Bia, took place over five days from 1 to 5 June and, in spite of mixed weather, attracted 115,000 visitors, an increase of 5,000 over 2016, making it the most successful year on record.

### 115,000 visitors at Bloom

Visitor satisfaction rose to 97% and host recognition was recorded at





60.31%, while 34% of attendees were first time visitors. In all, 39% of visitors attended with family, a significant rise from 28% in 2016. An estimated €8.8m was spent on food and gardening, benefiting the many Bord Bia client companies participating at the event. Media coverage was valued at €3.5m, for print alone. Post event consumer spend in the gardening sector was valued in excess of €34m. This spend was inspired by visitor engagement at Bloom and the three dedicated TV programmes on RTE1, the highly acclaimed Super Garden TV series, RTE's numerous transmissions from Bloom and the valuable media partnership with Independent Newspapers. In addition to the opening by Bloom Patron, President Michael D Higgins, and the attendance of Taoiseach Enda Kenny T.D. and a number of cabinet ministers and T.D.s, over two hundred food and beverage buyers attended a very successful trade morning on the Friday where numerous buyer introductions were made for client companies across all food and drink categories. Bloom also received increased international recognition having surpassed many of the world's most renowned garden shows.

Total national awareness of Bloom stood at 58% with the event becoming an important focal point for raising awareness and stimulating discussion on many current health, societal, economic and environmental issues.

It was conservatively estimated that €8.8m was spent at the show, an increase on the €7m estimated for 2016. The show gardens were once again the centrepiece of the festival, with high standards achieved across all judged

categories, and improved layout and presentation providing a better viewing experience for attendees.

Media coverage for Bloom was exceptional, with an 18-minute segment featuring on RTE's The Late Late Show on the Friday before the event. Three live TV programmes aired on the first night of the event and there was a strong RTE presence on site across the five days. President Michael D. Higgins, Taoiseach Enda Kenny and a number of ministers, TDs, ambassadors, sporting and media celebrities and presenters were among the high-profile attendees.

The Bloom promotional campaign included a 24-page Bloom supplement in the Sunday Independent and coverage on some 20 RTE TV and radio shows. #Bloom2017 trended strongly over the five days while 380,000 video views were recorded on Bloom's Facebook page.

### Asia lamb promotion

Bord Bia is the leader of the three-year EU programme to promote beef and lamb in Asia which commenced in 2017 with a budget of €3.75m, of which 80% is EU funding. Bord Bia appointed Sopexa China to implement the 'European Beef and Lamb - Excellence in Food Safety and Sustainability' campaign. Supporting the campaign is an EU Beef and Lamb website launched in Hong Kong and subsequently rolled out in China and Japan. Events included a technical seminar in Hong Kong for a group of importers and chefs, while in November, Bord Bia coordinated a technical seminar in the Irish Ambassador's residence in Tokyo.

## Meat promotional activity

In October, Bord Bia launched the new Irish beef campaign and content hub in Germany, representing a €1m per year investment expected to further enhance the reputation of Irish beef in Germany until 2022. Building on consumer insights and leveraging the work done under Bord Bia's Origin Green programme, this campaign focuses on the sustainability credentials of the Irish beef industry. A nationwide promotion of Irish beef, supported by Bord Bia, also took place in a leading steak restaurant chain with 51 outlets across Germany.

In the Netherlands, Bord Bia took part in the Butcher's Heaven food festival in October while during the same month, Irish meat was featured and promoted in 11 trade magazines in Spain. Workshops highlighting the quality of QAS Irish lamb with a key retailer and targeted food bloggers were held in Belgium, while in France Bord Bia organised tastings of Irish beef to promote QAS Irish beef with a leading retailer.

In the UK, a one-month promotion and competition was run in conjunction with a leading online retailer around Pure Irish Organic Beef in June, with Irish beef banner adverts running on numerous consumer food websites. Irish beef UK's online autumn campaign capitalised on current super food trends and the rise of flexitarianism, whereby UK consumers are adopting healthier eating choices. An Irish beef advertising campaign in Milan utilised trams, billboards and a YouTube campaign to target consumers.

Some 12 inward media visits were hosted by Bord Bia in 2017 with a focus on meat promotion. They included an introduction for Middle East journalists to Origin Green, which generated



significant coverage by international media sources. In addition, 15 Chinese and Hong Kong beef and lamb traders undertook a market study visit to Ireland in October, while groups of chefs from Sweden visited Irish meat exporters and farms to heighten awareness around the provenance and quality of Irish meat production.

## Livestock trade development

Representatives from a major Turkish meat and livestock business travelled to Ireland on a Bord Bia-led itinerary visiting exporters and farms. In Algeria, Bord Bia met with one of the largest cattle buyers, following the reopening of the country for Irish livestock in late 2016. Bord Bia also met with representatives of the Egyptian government regarding import licenses for live cattle following the agreement of a veterinary protocol with the Egyptian authorities for finished cattle in 2016.

## Potato promotion

Bord Bia's joint industry and EU funded potato promotional campaign 'Potatoes: More Than a Bit on the Side' continued in 2017. Supported by periodic outdoor and digital advertising throughout the year, the October burst of promotional activity coincided with National Potato Day. A potato supplement in the Irish Independent highlighted the convenience, health and versatility of potatoes, while #NationalPotatoDay was the number 1 trending topic on Twitter in Ireland that day.

## Ham, pork and bacon campaigns

To encourage consumers to buy quality assured pork and bacon, a new TV ad was developed to create a preference among shoppers for pork and bacon with the Quality Mark by highlighting the increased enjoyment which consumers experience in eating quality assured pork and bacon that they trust.

To encourage consumers to switch to ham and bacon with the Quality Mark, Facebook posts provided consumers with meal ideas with quality assured ham and bacon. Over 2.2m people saw the campaign content via social media activity. A competition targeting secondary school students and inviting recipes for quality assured pork/bacon drew more than 300 individual entries from 64 schools.

## Quality Assured lamb

The domestic lamb campaign centred around TV and digital advertising, with the aim of driving frequency of consumption of lamb among 45+ years old female shoppers during the peak lamb season from June to September.



### Quality Mark eggs

To encourage younger 'pre-family' consumers to buy eggs more frequently and in larger volumes, outdoor and radio advertising supported by PR and digital activities incorporated the Olympic silver medal winning O'Donovan brothers. The theme of the campaign - 'Eggs - natural fuel for a busy life' - highlighted the functional benefits of eggs as a source of protein and versatile for lunch and dinner.

### Mushroom promotion

With the completion of 'Just Add Mushrooms' in 2016, a generic promotional campaign of mushrooms in the UK and Ireland market was funded both by the industry and Bord Bia. A new EU funded campaign, 'Mushrooms Complement Everything', will commence in 2018.

### Irish mussels

Bord Bia's national Irish shellfish campaign was launched in February in all Irish retail outlets and select restaurants and hotels. 'Flex your Mussels' primarily targeted female shoppers aged 30 to 50 years and encouraged them to include shellfish in their weekly meal repertoire.

### Apple promotion

Bord Bia promotional activity in the autumn/winter period included the development of a website to promote Irish apples and apple growers. World Pi(e) day in March was celebrated by a promotion in which apple growers gave Bramley apples to those making pies for the day.



### Incredible Edibles and Food Dudes

The Incredible Edibles School Programme for 2017 completed in July with a total of 1,500 schools participating in the programme this year. Project partners include the horticulture industry (IFA); fresh produce packers and the Departments of Health and Education. Agri Aware manage and co-ordinate the project. The Food Dudes programme commenced in October for the first block of participating schools in the 2017/18 school year.

### Strawberry Promotion

National Strawberry Week took place in June, rebranded as 'Celebrate Strawberry Week' to be less formal and more engaging to consumers. Exposure of the videos on Facebook resulted in 110,000 views, and other social media channels such as Instagram performed well.

### National Bread Week

National Bread Week took place in September and the Bord Bia campaign aimed to encourage consumers to 'Love Your Loaf' and remind people of the benefits of eating bread.

### Salad promotions

The 2017 Salad promotion commenced in July, with the week-long promotion building on the activity of the 2016 promotion.

### National Ploughing Championships

Bord Bia participation at the National Ploughing Championships focused on Origin Green, and the framework it provides to farmers and food producers in the challenging trading environment brought about by Brexit. The Championships took place for a second year in Scraggan, Tullamore, Co Offaly.

### Gardening campaign

The 2017 GroMór campaign saw 65 garden centres, along with 18 growers, participate. The campaign was supported by funding from Bord Bia, sponsorship from Westland Horticulture and Bord na Mona, as well as matched funding from the industry. High-profile campaign ambassador Diarmuid Gavin helped to amplify the campaign and its coverage.

### Just Ask

PR and online activities recognise restaurants that highlight the origin of meat suppliers on their menus and encourage consumers when eating out to ask where the meat comes from. The Just Ask campaign highlights its work with foodservice through monthly awards.

### Seafest

Bord Bia played an active role at Seafest, the annual national maritime festival held in Galway between 30 June and 2 July. Cookery demonstrations aimed at educating Irish consumers about Irish seafood, how to shop for and cook it, and reassuring them about its simplicity and ease of preparation.

### TV sponsorship

As a way to increase awareness of and loyalty to the Quality Mark, Bord Bia sponsors the RTE 1 'Neven's Food Trails' series. This seven-episode series attracts an average of 226,000 viewers per episode. Bord Bia also sponsored two episodes of 'Neven Maguire's Christmas Special' in December. Main ingredients in the show carried the Bord Bia Quality Mark.

## Conclusion

Surging performances across key markets, whether in the UK, EU or internationally were the distinguishing feature of Irish food and drink exports in 2017. It was not simply the case that the industry was building on its established reach; it was also forging new relationships and bolstering existing ones. It was a year of opportunities, in the form of growing demand from affluent global markets, and of some unique challenges, as uncertainty persisted around Brexit.

In such circumstances, Bord Bia's role as an organisation that can help the industry anticipate, negotiate and respond to change was shown to be more relevant than ever, and evident in the range and scope of services provided to industry throughout the year.

I would like to add to the appreciation expressed by the Chair for the support of the Minister for Agriculture, Food and the Marine, Michael Creed, TD; Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle, TD; and Secretary General Aidan O'Driscoll and his team at Department of Agriculture, Food and the Marine for the great support they have shown to Bord Bia over the year. In particular, the provision of an additional €6.7m in funding to address Brexit-related challenges has provided a huge and timely boost to Bord Bia's abilities to support the industry.

I would also like to warmly welcome, both on behalf of Bord Bia and the wider industry, our new Chair, Dan MacSweeney, to the position. I look forward to working with him and indeed

with all the members of the Board and the five Subsidiary Boards as we address the challenges the coming years will bring.

Let me also echo the sentiments expressed by the Chair with regard to his predecessor, Michael Carey, whose contribution to Bord Bia and to industry has simply been outstanding and will pay dividends to the entire industry for many years to come. We wish him every success in his future endeavours.

As we conclude what has been a successful year for the industry, I look forward to working with colleagues and stakeholders within Bord Bia and across the industry to ensure the achievements of 2017 are a gateway to even greater success and progress in the future.

The achievements of Bord Bia are ultimately determined by the value we deliver to industry. Our commitment for the year ahead is to continue to offer world-class services that add sustainable and enduring value to our clients and to their customers and consumers, as well as enhancing the broader economic and social life of Ireland. As the food, drink and horticulture industry plans for the future, we know that, whatever challenges we face, our greatest successes will come from working together. Building on the progress made in 2017, we will continue to do so demonstrating the longstanding truth that a commitment to excellence lies at the heart of everything we do.

**Tara McCarthy,**

Chief Executive

## SECTOR REVIEW: MEAT AND LIVESTOCK



### BEEF

During 2017, cattle supplies at export meat plants rose by 105,000 head, or 6.5%, to reach 1.75m head. This was the highest annual throughput recorded in Ireland since 2003. Numbers of prime steers and heifers recorded the strongest growth, of approximately 8%. This had been anticipated due to growing calf registrations and relatively low live exports in recent years.

In total, the volume of Irish beef produced rose by 4.5% to 615,000 tonnes in 2017. The total value of beef exports, including offal, increased by 6% to reach a record €2.4bn as a result of the higher volumes combined with a slight increase in the average price of product exported. This also coincided with a slight increase in average producer prices, with R3 steers rising from €3.77/kg in 2016 to €3.83/kg excluding VAT last year.

#### Markets for Irish beef

The UK remained the dominant destination for Irish beef exports in 2017, when it retained its 51% share of exports by

volume or approximately 283,000 tonnes. This was particularly impressive given the weakening in the value of sterling and some uncertainty surrounding Ireland's future trading relationship with the UK post- Brexit. Continental EU markets accounted for 43% of beef exports, or 240,000 tonnes, which represented a 1% decline in comparison with the previous year. The key markets of France and the Netherlands recorded slight declines in Irish beef imports last year, although higher volumes were recorded to Italy, Spain, German and Denmark. Irish beef exports into international markets performed very strongly with total tonnage increasing by 37% from 25,000 tonnes to over 34,000 tonnes. The largest international market was Hong Kong where exports increased to over 13,000 tonnes followed by the Philippines at 13,000 and Ghana at nearly 2,000 tonnes.

#### Market promotion

In addition to trade fair participation and provision of market intelligence, the following were among the key promotional activities undertaken for Irish beef in 2017:

In the UK market, Bord Bia has invested in online consumer marketing and a PR / trade awareness campaign to build relationships and drive image with higher-value customers. Our strategic focus in the UK market lies in securing Ireland's position

as the beef of choice for leading retail and foodservice accounts based on reputation, quality assurance, sustainability and consumer acceptance. In Germany, Bord Bia promotions focused on the superior taste of Irish beef and our sustainable production system. Promotions in the Netherlands highlighted the integrity of Irish beef production, focusing on eating quality, sustainability and animal welfare. Irish beef is carving out a premium niche with some of Italy's leading retail and foodservice customers and Bord Bia promotions there emphasised the purity and natural quality of Irish beef.

During 2017, Bord Bia commenced a three year campaign on 'EU Beef & Lamb – Excellence in Food Safety and Sustainability' across China, Hong Kong and Japan. The underlying objective is to build awareness of the high standards of food safety, quality assurance and traceability associated with beef and lamb from the European Union. Each year, the programme has a budget of €1.25m, including 80% support from the EU.

### Irish cattle supply outlook

Industry throughput is expected to grow somewhat further this year, following on from the significant increase in Irish cattle supplies during 2017. This growth is likely to be in the region of 30-50,000 head, which will include some additional steers and heifers, as well as extra cull cows.

## LIVESTOCK

### Live cattle exports

Overall, cattle exports for 2017 reached approximately 188,000 head: an increase of almost 30% from 145,000 head the previous year. Shipments of all age categories of livestock recorded significant increases. Adult or finished cattle numbers increased by 17% to over 27,000 head. Weanlings and store cattle collectively recorded a 20% increase to 59,000 head.

Increased shipments of calves (aged < 3 months) had a significant impact on the trade. Calf exports tend to dominate Ireland's live cattle shipments, particularly during the spring months, and the decline of 2016 was reversed during 2017 with a 40% increase to almost 102,000 head.

The key destinations for Irish live cattle exports remained very stable during 2017. Overall, the UK market accounted for approximately 33,000 head, or 17% of live cattle exported. This included 27,000 head to Northern Ireland and 6,000 head to Britain. Meanwhile, continental EU markets accounted for 66% of animals shipped. Although exports of calves from Ireland to the French market declined, this impact was more than offset by the increases recorded in Spain and the Netherlands. There was also a 7% recovery in Irish exports to the Italian market, to 20,000 head. International markets accounted for the remaining 17%. Turkey continues to be the major non-EU market for Irish cattle, taking over 30,000 head.

### Other livestock

Live pig exports declined slightly to 450,000 head, with Northern Ireland the principal market for these. Live sheep exports fell by 30% compared with the previous year to

approximately 35,000 head. Religious festivals continue to play an important part in the sheep trade, with almost 60% of live exports occurring in September as part of demand for the Muslim Eid al-Adha festival.

### Livestock promotion

Live exports represent an important source of competition and a valuable market outlet for the various categories of stock. Bord Bia actively supports the development of the live export trade, through its Livestock Sector Manager in Dublin, in conjunction with the relevant market offices, principally Madrid, Milan and Amsterdam. Bord Bia's Market Managers for Africa, the Middle-East and Moscow also have a strong focus on livestock. In addition to providing up-to-date market information, promotional initiatives are arranged to enhance the image and reputation for Irish animals.

## SHEEPMEAT

Irish sheep throughputs reached a 10 year high as numbers processed surpassed 2.94m head. The lift in throughput stemmed from 125,537 extra hoggets (+18%) processed, over 100,000 extra spring lambs (+5%) and 50,747 more ewes and rams. The additional numbers in the system increased the total volume of sheepmeat produced in 2017 to 67,000t, a rise of 6,050t on the previous year.

Farm-gate prices for the first five months of 2017 fell by 37c/kg to €4.81/kg with markets struggling with a greater carry over of hoggets. Nevertheless, producer prices for the period May to December were boosted by tighter supplies, lower volumes of sheep meat and solid market demand with returns averaging €4.84/kg, a jump of 23c/kg on the same period in 2016. Overall, average prices for the full year stood at €4.77/kg, representing a 5c/kg drop on 2016.

The increased availability of sheepmeat also underpinned a sharp rise in exports. Total export volumes reached 57,000 tonnes and despite the weakness in sterling, the value of exports grew by 12% to €312m. The market diversification evident over recent years was largely maintained with over 45% of shipments destined for markets other than France and the UK in 2017. These high value markets such as Belgium, Germany and Sweden continue to outperform others both in value and volume growth.

### Exports

France remains the top market for Irish sheepmeat accounting for one third of the market growing by 7% to €108m. Despite the challenges of currency fluctuation and the weaker pound Irish sheepmeat exports to the UK increased by 7% to €57m. A contributor to this strong performance in UK trade was a 24% decrease in UK mutton imports from New Zealand, enabling Ireland to capitalise on filling this shortfall.

In other EU markets, Sweden recorded dynamic growth of 12% for 2017, consolidating its place as Ireland's fourth largest export market for sheepmeat. The German market retains its third place position with a 6% growth rate bringing exports to €31m. Switzerland remains the largest non EU market with exports recording a strong performance to over €19m, an increase of 50% on 2016. Another growth story is in Hong Kong where exports have increased to €7m in 2017, while Canada recorded a 218% increase in Irish sheepmeat exports from a small base for 2017. Developing this North American market is an important milestone for the Irish sheep sector, particularly with regards to the imminent opening of the US market to Irish sheepmeat exporters.

### Promotions

With the objective of increasing the frequency of purchase and to encourage consumers to choose lamb with the quality mark, during the peak season of supply, home market promotions focused on a broad spectrum of activities to include PR and social media activities as well as a six week TV campaign airing in May and September.

Bord Bia commenced a new three year EU co-funded promotional campaign themed 'EU Beef & Lamb – Excellence in Food Safety and Sustainability' across China, Hong Kong and Japan. The underlying objective of the campaign is to build awareness of the high standards of food safety, quality assurance and traceability associated with beef and lamb from the European Union. The campaign has secured 80% co-funding from the EU over the period 2017-2019, culminating in a promotional spend of €3.75m. Over the course of 2017, Bord Bia participated in five trade shows; launched on a number of digital platforms (Wechat & Weibo) in Cantonese, Japanese and English; as well as, hosting twenty senior Chinese government officials on a two week knowledge transfer programme.

The €7.7m EU co-funded campaign 'Lamb – Tasty, Easy, Fun' (2015-2017) came to an official conclusion in January 2018. The joint initiative, aimed at highlighting the versatility of lamb, was run with AHDB (UK) and Interbev (France) across six European markets and focused on the 25-45 year old age group. Highlights for the 2017 period included an outdoor campaign with 600 billboard placements over a two-week period and a digital campaign that gained 46.7m impressions.

In 2017 Bord Bia secured EU funding towards a €10.5m promotional campaign for European lamb for the period 2018-2020. Building on previous promotional campaigns, this three year initiative will target millennials in Ireland, France, Germany and the UK promoting the convenience and versatility of sustainably produced lamb from Europe.

## PIGMEAT

The recovery in the EU pigmeat sector that was evident in the latter period of 2016 continued into 2017 reflecting supply challenges across key European Member States. In addition, reasonable demand from China, in particular during the first quarter of 2017, along with other key markets such as Japan helped strengthen EU pig producer prices which peaked during July.

Stronger producer margins in key export regions during 2017 has led to some herd expansion in the EU which should lead to increased production for 2018.

### EU pig prices strengthen

Higher prices at the end of 2016 and for the first half of 2017 helped rebuild confidence in the pigmeat sector across Europe. For 2017, Irish pigmeat prices were 8% or 12c/kg higher at €1.59/kg dw excluding VAT. Prices rose across most markets reflecting strong demand in key international markets coupled with restricted supplies across Europe.

### Increased carcase weights driving Irish production

Export meat plant pig supplies in Ireland were unchanged at 3.3m head during 2017. This performance masks the increase in productivity achieved at farm level during the year. The stronger producer prices and genetic improvements led to a significant increase in carcase weights during the year which left total net production 4% higher at 294,000 tonnes.

### Ongoing strengthening in export values

Total value of Irish pigmeat exports increased by 8% year on year to €792m. The UK continues to be the largest destination for pigmeat exports consisting of 56% of total market share in value terms. This reflected some strengthening in demand for imported product as the UK's domestic supplies were 1% lower during 2017 compared to prior year levels.

## MARKETS FOR IRISH PIGMEAT:

### EU markets

The EU market for Irish pigmeat expanded by 23% in 2017 but there have been contrasting performance variations across the primary destination markets. Exports to the Danish market increased by 16% in value terms. German imports increased by 12%, with most of this increase attributable to firm demand for sow meat and value added meats. Significant gains were made in the Czech Republic and Poland for chilled boneless pigmeat. Exports to France, Spain and the Netherlands remain modest, however these markets are a valuable outlet for high value products. The growth in exports to the EU should provide a platform to further develop market diversification in the EU and reduce dependence on the UK in the future.



### International markets

The growth rate for Irish pigmeat exports to international markets was slightly negative – declining 2% to €199m for the year and accounting for 25% of the total value share. The main drag on performance was the fall-off in trade to China, as exports to this market fell by 16% to €100m. In other international markets, exports to Japan increased by 85% to €26m, reflecting lower Japanese domestic output coupled with strong demand for loin, belly and manufacturing products. Other important export countries, while smaller in value terms, yielded mixed results. Exports to the US and Korea both fell reflecting increased domestic output on the back of strong producer margins, while exports to the Philippines were higher.

## POULTRY

### Irish export performance

The overall value of Irish exports increased 2% for the year to €294m in value, with volumes rising by 2%. The number of poultry birds processed in Ireland reached record levels at 96m birds. Irish imports decreased by 7% during 2017 reflecting increased preference for Irish product in the foodservice channel, although sales at a retail level declined by 3% to 36kg per capita.

### Poultry exports

The majority of Irish poultry exports were shipped to the UK, representing around 80% of the market share for 2017 or some €240m, some of which is destined for markets further afield. The share of Irish poultry exports going to other EU markets edged upwards to 10%, with France maintaining its position as the most important market especially for leg meat. The Scandinavian markets were the fastest growing – albeit from lower levels. The key international market was South Africa which now represents around 9% market share overall. A number of major EU producers are still restricted from the South African market and Irish producers benefited from this development last year.

### EU market situation

The HPAI (Avian Influenza) virus had a significant impact on EU production and global trade during 2017, with the situation most pronounced during the first half of 2017. Global trade developments were mixed for European poultry producers during 2017. Declines in EU exports to South Africa, the Philippines and Saudi Arabia have been offset to some extent by developing markets in Hong Kong, Ukraine and some sub-Saharan African markets. EU imports fell by around 6% for the year. Brazil and Thailand, the two main exporters into the EU, both experienced sharp declines which was offset to some extent by higher imports from the Ukraine. EU per capita consumption reached 24.1kg in 2017 and this is forecast to increase slightly in 2018 to 24.3kg.

## SECTOR REVIEW: FOOD & BEVERAGES



### DAIRY PRODUCTS & INGREDIENTS

The Irish dairy sector contributed a third of total export revenues and was the strongest contributor to 2017 export growth. Exports accounted for €4bn in 2017, an increase of 19% or €650m on 2016. Following two years of contraction and lower prices, milk volumes in the key producing regions of the world, the EU, the US and Oceania moved from a period of contraction to growth during 2017.

As global output recovered due to rising prices, there has been a shift in the global supply/demand balance, which combined with EU intervention on SMP stocks, has caused some market uncertainty as the year closed.

Following two years of low milk prices, 2017 was a welcome reprieve, for Irish dairy farmers, with average farm-gate milk prices close to 30% higher during the year. The dairy herd increased by 300,000 head over the last four years and now totals 1.4m cows. With increased herd numbers and increased productivity, Irish milk production increased by around 8% or over 500m litres reaching 7.1bn litres for 2017. However, challenging weather conditions from mid-summer onwards resulted in the earlier housing of stock with fodder shortages in some parts of the country.

The UK remains a key market accounting for 24% of dairy exports in 2017, down 1% on 2016. Exports to other EU markets were well up on 2016, increasing by 41% to now represent 31% of total dairy exports. Continental EU markets now account for 59% of Irish butter exports with the value of butter exports to both the Netherlands and Germany doubling in 2017. The value of exports to international markets grew by an estimated 9%, representing our largest geographical market segment at 44% or €1.8bn. The improvement in exports to international markets during 2017 was due to the improved economic conditions in some markets, greater purchasing power of oil producing nations, competitively priced SMP and stronger than forecasted demand from China. Exports to China at €574m, account for 32% of our international trade and 14% of total dairy exports, making it our second largest market after the UK. Dairy exports to China grew by 7% during 2017.

Butter has been the strongest performing category within dairy accounting for over half of the growth in dairy exports. Butter export values increased by 62% to €879m. However, specialised nutrition is the largest category accounting for €1.3bn or almost one-third of total export value, while cheese exports were valued at €848m.

The Origin Green International Media Strategy for 2017 was designed to build awareness and deepen engagement in European and International markets through umbrella and dairy campaign activity. The focus of Bord Bia activities and plans for both consumer dairy and dairy ingredients have centred around a number of key regions including Africa, Middle East, China and Europe. Target markets included the UK, France, Germany, Netherlands, Belgium, UAE and the Nordics. In 2017, creative concepts and messaging evolved for both campaigns to drive greater engagement across both online and offline campaign materials. A combined circulation

total of 1.5m was achieved in print media activity throughout the year, and over 27m online impressions were generated through digital activity.

The dairy industry-funded Origin Green promotional campaigns are designed to drive a preference for sourcing sustainably and building Ireland's reputation as a world leader in sustainably produced food and drink. Origin Green promotional activities during 2017 included:

- Targeting press and publications in our key target markets.
- Organising dairy inward journalist visits.
- Consumer digital campaigns promoting the sustainability credentials of Irish dairy to Chinese consumers in tier 1 and tier 2 cities
- Irish dairy farmer communications campaign promoting the benefits of the Sustainable Dairy Assurance Scheme (SDAS) and Origin Green including dairy farmer case studies, engaging with co-op farm advisers, agri media advertising, etc.

Origin Green featured editorially in targeted trade and broadsheet publications in key European and International markets with a total circulation of 942,827. In addition Origin Green editorial coverage across online titles in these markets was calculated at 9.7m unique visitors.

In addition to promotional activity, consumer and market insight and research undertaken, included:

- Ethnographic studies in Nigeria, Ghana and South Africa to assess market opportunities for dairy.
- Primary dairy research in Mauritania, West Africa.
- Visits to Algeria to meet leading dairy processors.
- The Future of Dairy research in China explored the driving forces shaping the dairy category in that market. Building on the outputs of this research, further research identified opportunities for dairy in foodservice.
- Two separate research projects undertaken in the Republic of South Korea and Japan were designed to enable stretch thinking and inform the Irish dairy sector on potential longer-term opportunities within both export markets.
- A new study in sports nutrition sought greater market and consumer understanding in key markets.

### Dairy market prioritisation

Bord Bia completed a market prioritisation study in 2017 with the aim of assessing market attractiveness by category and Ireland's ability to supply. Following a lengthy process of evaluating markets by macroeconomic and sector specific criteria, 15 key markets were identified for the dairy sector and summary reports produced. The next phase of work, which will be completed in 2018, will involve the selection of five priority markets for a deep dive. All work on market selection and identification has been in consultation with industry.

### Sustainable Dairy Assurance Scheme

The Bord Bia Sustainable Dairy Assurance Scheme (SDAS) was developed in cooperation with milk producers, processors and

regulatory authorities. Demonstrating the sustainability of Irish dairy, membership of the scheme was 15,820 farmers at the end of 2017. Five milk purchasers achieved 100% certification of their supply base in 2017. These milk purchasers are Kerry, Centenary Thurles, North Cork Co-Op, Clona Dairy Ltd. and Limerick Liquid Milk suppliers. A touch-screen carbon navigator tool, at the National Ploughing Championships, provided users with an experience of setting targets for the improvement of on-farm efficiency.

### Trade fairs and events

Dairy companies participated at a number of international trade shows under the Origin Green brand:

- Six dairy processors exhibited on the Bord Bia Dairy Hall stand at Gulfood.
- Twenty-seven companies, four of which were dairy companies, participated at Anuga, the largest trade fair in Europe which attracts a large international audience of over 160,000 visitors from 192 countries.
- Two dairy and five non-dairy ingredient companies participated at Food Ingredients Europe (FIE).
- Six farmhouse cheese companies participated at Mondial du Fromage, the biennial trade show in the Loire Valley in France.
- Ten members of the Irish raw milk cheese presidium participated at Cheese, Bra, Italy.

### Cheese Institute Advanced

Cheese Institute Advanced is designed to support companies that have the potential to scale their businesses. Delivered by Bord Bia and Teagasc, this programme is for farmhouse cheese companies which have growth-oriented business plans. The programme, which commenced in November 2016, provides technical expertise to enhance the operational capability and deliver a level of operational excellence. It also provides assistance to owners to develop and acquire the management skill sets necessary in transitioning towards businesses of a larger scale. In 2017, six farmhouse cheese companies participated in the 'Advanced' programme.

### USA farmhouse cheese workshop

Bord Bia hosted a workshop during November for farmhouse cheese producers targeting the US market. The workshop, delivered with US speciality foods consultant Bob Burke, provided clients with an overview of the US market, key retailers, market trends, along with opportunities and challenges for suppliers targeting the US market. The workshop was attended by nine farmhouse cheese companies.

### Yoghurt gap analysis project

Bord Bia commenced a yoghurt gap analysis project for the Irish yoghurt category in December 2017 was disseminated to industry in February 2018. The aim of the project is to understand the trade opportunities in Ireland and to create category growth strategies and plans for Irish yoghurt manufacturers.

## PREPARED CONSUMER FOODS

Prepared Consumer Foods which includes Prepared Foods also encompasses a wide range of value-added food and beverage products. Food products that have received further processing – cheese, bakery, pizza, chocolate, confectionery, biscuits, snacks, extracts, sauces, soups, value-added meats, consumer dairy products, value-added seafood, value added horticulture and non-alcoholic beverages. Exports of the Prepared Consumer Foods category increased by 9% to over €2.8bn for the year as a whole.

The UK remains the key export market for Prepared Consumer Foods with a 7% increase in value bringing the UK market value to €1.8bn or a 64% market share for this category. This represents a continued decline in dependency on the UK market and a greater focus on diversifying into new markets and channels in Europe and North America. Irish prepared consumer food companies often offer high levels of innovation and value-added propositions to their new markets and customers.

### Bakery

Baked goods delivered a very strong export performance in 2017, with an increase in bread exports of 10%. The UK remains the most important market for baked goods accounting for over 90% of exports. Outside of the UK, markets in growth include established European markets, while newer international markets are also in development. Sales to North America increased almost fourfold during the year, while sales to the EU rose by almost 10%.

This is a large and diverse category with a very wide spread of companies and products supplied. These include bread, cakes and gluten free products. The main products exported include breads as a carrier for sandwiches, sweet and savoury products for in-store bakery and ambient cakes. The ranges supplied by Irish manufacturers have expanded in recent years to include products such as wraps and shortbreads and an increasing selection of products in the fast growing gluten free segment of the market, some occupying unique and differentiated positions in the market. The premium and value ends of the market continue to grow strongly, while the multiple retailers are focusing on innovation and in-store theatre to drive demand.

The category fundamentals remain strong in baked goods and reflect a sector that is changing and adapting to meet market needs. The export outlook is positive for a sector that has stable consumer demand and a strong focus on new product development. Given the dominance of the UK market for most exporters, market diversification is a key priority for the

sector and an option most of the major exporters are already progressing. Companies will continue to target new markets in Europe and the Middle East with territories such as Saudi Arabia presenting particular potential for sweet baked goods.

### Confectionery

Exports of chocolate, mainly mainstream chocolate bars, and premium boxed chocolates for gifting, declined slightly in 2017 to €227m, this decline going against the growth trend of recent years. The UK market held steady while gains were made in markets such as the Netherlands, Belgium and Denmark. Sugar confectionery exports reached €150m in value in 2017.

Consumption of confectionery products is rising and the category benefits from increased consumer spending on indulgent, premium treats. Consumers are also seeking better quality ingredients for peace of mind and a healthier lifestyle which is driving interest in a greater variety of options.

### Grocery

The Grocery sector experienced growth of 5% in 2017. The UK market accounts for the main share of exports consisting of both branded and private label products and experienced value growth of 7% year-on-year in 2017. Market diversification is a key driver with exporters placing a greater focus on growing new markets and channels including online, private label and discounters. Innovation, differentiation and value added propositions are helping to drive market diversification. Health and convenience are key drivers of growth. A focus on packaging, product fortifications, quality, sustainability and provenance will assist in expanding the export capability of the sector. A key challenge is the strong presence of imported products on shelf. Input costs, commodity price increases particularly rising sugar costs and currency fluctuations are the main challenges facing manufacturers when competing against UK and European competitors. Many companies are actively seeking out niche opportunities and participating at trade shows with a focus on segments such as free from, health and organic. Key target markets continue to be UK and European markets with emerging and new markets such as the Middle East, South East Asia, Australia, Russia and Scandinavia presenting new opportunities for the sector.

### Frozen

The UK, particularly the retail sector continues to be the key export market for Irish frozen food manufacturers. In 2017, the UK retail frozen food sector finished on a high, maintaining a sales growth that saw it exceed the £6bn. milestone in the second half of the year. According to Kantar, the value of frozen food sales was up 6.1% year on year. Volume also increased by 2%, creating an additional £64m worth of value for the sector. The performance is due to ongoing premiumisation of the category, innovation in healthier frozen foods and a growing awareness by consumers that frozen can be as good a quality as fresh. UK brands and retailers have also invested heavily in advertising campaigns to change the perception of frozen

foods in the UK. Closer to home the Irish frozen retail market is continuing to grow strongly. According to Kantar, the frozen category is worth 4.8% share of total grocery and is in growth of 6.3%.

In Germany, the frozen retail and foodservice category is also experiencing growth of around 2%. According to the German Frozen Food Institute (DTI), the increasing demand for frozen products is fuelled by the overall decline in home cooking and increased consumption outside the home.

While the UK is the core export market for this sector Brexit has brought diversification to attention. There have been additional listings for Irish companies in frozen retail and foodservice in continental European and third country markets especially in the growing innovative frozen propositions within the premium and health spaces. However, there continues to be challenges in the category as it tries to move away from its traditional budget-shopper focus.

It is estimated that retailer space dedicated to the Frozen category has been reduced by 10% in recent years although frozen is performing strongly through online shopping channels. Mainstream retailers are investing in their frozen private label ranges, which shows a commitment to the category with a focus on premiumisation and innovation. Frozen private-label sales tend to out-perform branded in most key markets. Frozen pizza is an example of this and how innovation around health, premiumisation and world flavours

has gained traction with consumers and provided a greater return to manufacturers.

## BEVERAGES

The Irish beverage sector has continued to show growth and investment in 2017. Growth in beverage exports continued to build on the 2016 performance with an overall global rise of 5% to almost €1.5bn. The popularity of Irish whiskey in global markets is leading this growth with this category seeing almost 20% growth to reach €600m. Cream liqueur is the next best performing, achieving export sales of €300m. Beer follows with a marginally declining value of €280m.

As Irish whiskey continues to meet the growing consumer demand for premium spirits many major drink brands are seeking to have Irish whiskey brands in their portfolio. Production capacity is increasing in line with demand, and where there were four distilleries in 2013 the industry now has 18 with a further 16 in planning. In tandem with the growth in whiskey distilling has come a surge in gin production with a multitude of premium brands emerging. The domestic market has been the focus to date but significant exports are likely to follow.



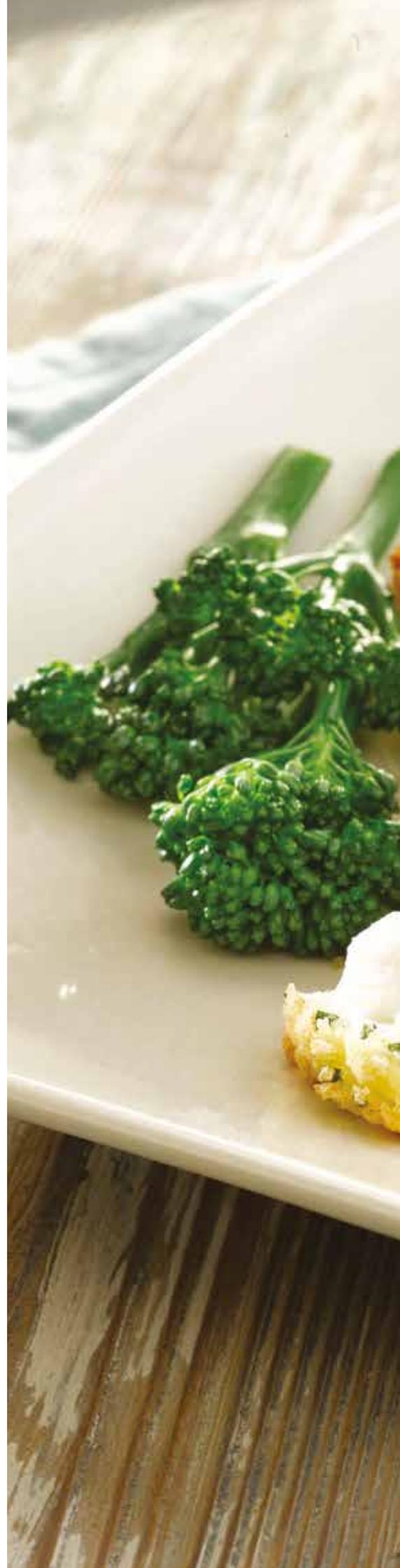
The craft beer industry in Ireland is now well established with up to 100 brands currently available. Craft beer now accounts for close to 4% of the domestic beer market. Irish exports of craft beer is still relatively underdeveloped and this is a category that will need to develop an export strategy as the domestic market becomes more saturated.

## SEAFOOD

The value of seafood exports increased by 10% in 2017, to reach an export value of €612m with average unit prices reducing slightly by 4% to reach a figure of €2,589 per tonne across all species. These figures reflect a 15% increase in export volumes during the period.

The main EU markets, namely France, Spain, UK, Italy and Germany continue to dominate seafood exports, accounting for approximately 61% of total exports by value. In 2017, France remained the largest export market, accounting for 27% of total export values and growing by over 5% in value despite fairly static growth in export volumes. Unit price increases in excess of 14% drove the value of exports to this market during 2017. The Spanish market, Ireland's second largest export market, experienced a slight decline in export values by 2%, driven by declining export volumes of 4% during this period. Similarly, export values to Italy and the UK decreased by 6% and 7% respectively in value terms. Trade to Germany decreased by 2% in value, against a backdrop of declining volumes into this market of almost 26%. These figures demonstrate the substantial increases in unit prices of seafood exported to Germany, increasing by almost 58% during 2017 and reflects the strength of demand of high quality Irish seafood in this particular market. Other markets in Europe accounted for a 13% share of total seafood export values. Notable performers during 2017 were the Polish market with exports to this market increasing by 242% and the Dutch market which grew in value by 57%.

The share of seafood exports to international markets is currently approximately 26% of total export value, at roughly €160m in value terms. Ireland's four main African markets – Nigeria, Cameroon, Egypt and Ghana accounted for almost 10% of total exports. Exports to Nigeria were almost 5% lower in value compared to 2016 despite an increase in volumes of around 69%. Trading conditions in the Nigerian market continue to be difficult, with a decline in value driven by a significant drop in the average prices secured in this market despite volume gains. Seafood exports to Egypt fell by 58% while exports to Ghana and Cameroon recorded very positive performances, in value and volume terms. Exports to the four main Asian markets - China, Hong Kong, South Korea and Japan - together increased by an estimated 13% in value terms in 2017 compared to 2016. Overall, these four Asian markets accounted for 11% of total seafood export values in 2017. Taking into account the wider South East Asian markets to include Vietnam, Singapore, Malaysia and Thailand, this region accounted for over 12% of total export values in 2017. This compares to a share of just 7% of seafood export values in 2013, demonstrating the increased focus by the Irish sector and Bord Bia in its market development and promotional efforts in this region over the last five years.





---

## SECTOR REVIEW: SMALL BUSINESS & ORGANIC

---



The small business sector is defined by Bord Bia as businesses with annual turnover of less than €3.5m, representing all sectors from beverages, seafood, dairy, speciality meat and prepared foods. Bord Bia engages with over 700 clients within this sector, a figure that has seen continued growth in recent years.

Consumers are increasingly seeking foods with authenticity and provenance and small local suppliers, with a diverse range of products, play to this trend. The 2017 value of the sector in Ireland is estimated at €527m (Mintel figure) in annual turnover. The diversity of the sector is also reflected in the profile of businesses; from start-ups and artisan, to lifestyle and fast growing export-focused enterprises.

### SMALL BUSINESS OPEN DAY

Bord Bia's annual Small Business Open Day on 24 January 2017 attracted over 150 delegates and consisted of a morning conference and afternoon breakout sessions. The event

included a showcase of support services to small businesses representing Bord Bia and other agencies including Teagasc, SFA, Local Enterprise Offices and Love Irish Food as well as inter-agency programmes such as Food Academy and FoodWorks. The Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle, TD, opened the event, which was themed 'Disruption-Paving a New Path for Success' with proceedings chaired by Damien O'Reilly of RTE.

Speakers included representatives from 'disruptors' Airbnb, who have challenged the paid accommodation space, and Cook UK, who successfully carved out a new niche in the UK frozen retail space. A panel of five Irish food businesses each explained how they have been progressively disruptive with regard to advancing their respective business models.

Bord Bia speakers highlighted challenges and opportunities for 2017 and also outlined key services of relevance to small businesses, integrating detailed product sectoral overviews. A research debrief commissioned by Bord Bia, looking at Irish consumer attitudes to local food, was also provided, fuelling two interactive break-out discussion sessions, later in the day.

## SMALL BUSINESS QUANTIFICATION STUDY

One of the actions outlined in Food Wise 2025 was to develop a sectoral strategy for food and drink SMEs, which sets out supports, targets and best practice for the entry, development and progression of these companies to 2025. In relation to this, and recognising the changing landscape of the sector in recent years, Bord Bia identified an important first step as a quantification study of the sector.

Bord Bia commissioned research in Q4 2017 to quantify the small business sector in Ireland. With many new entrants in the sector and developments in supports offered to these, it is important to accurately assess the needs of the sector and to evaluate how closely these needs are being met by the supports in place. This research is an important first step in developing a sector strategy for the small business sector in 2018.

In-depth face to face interviews were held with a nationally representative sample of over 20 small business producers in late 2017 and an online survey developed to capture broader input from small producers early in 2018. These findings will feed in to the development of a specific Bord Bia Sector Strategy for Small Food & Drink Business to be launched later in 2018.

## BORD BIA VANTAGE

Bord Bia addresses the needs of small businesses with a turnover of less than €3.5m through the Bord Bia Vantage programme which provides owner/managers access to best-practice resources, expertise and processes to help build their respective markets. Launched in 2007, Bord Bia Vantage is designed to meet the demands placed on owner-managers operational in this sector in an efficient and effective way and facilitating business growth and expansion.

The key service platforms of Bord Bia Vantage in 2017 were:

### **Bord Bia Vantage Point:**

Vantage Point is Bord Bia's online resource guide for small businesses. This is a focused online space for small food and drink businesses at [www.bordbiavantage.ie](http://www.bordbiavantage.ie). Profiled on the website are key Bord Bia services for the small food and drink community along with market data, trade and consumer events. Visits to the site exceeded 24,000 in 2017 with the most visited sections being market information, sector overviews, marketing finance, consumer insight and business development.

### **Bord Bia Vantage Plus:**

Vantage Plus is a programme designed to develop small business companies' capabilities and competencies in the key areas of business and market development. The services offered under Vantage Plus from 2018 onward will be aligned to the new small business strategy developed in 2018.

## ROUTE TO MARKET SUPPORTS

In terms of route to market from an Irish market perspective, Bord Bia offers a range of supports to small business clients.

### **Food Academy Start and Advance**

Food Academy is a shared initiative of Bord Bia, SuperValu, and the Local Enterprise Offices. Developed in 2013, the aim of the Food Academy Start programme is to provide a standardised programme for new entrants into the food sector, no matter where in Ireland they are located. Additionally, the programme is a vehicle to introduce sustainable suppliers into the Musgrave environment, from start up to local and regional and ultimately national listing. Food Academy Start is designed to benefit a large number of companies at start-up stage, who are seeking to develop at local and regional level. Participants are trained in a wide variety of areas covering the consumer and the market, branding, finance, regulation and production.

Over 700 companies have completed Food Academy Start as of December 2017 with SuperValu reporting that 350 producers are live in-store at this point. Over 170 stores now boast a tailored Food Academy fixture and 2017 sales from the Food Academy fixture in SuperValu and Centra stores combined reached €35m.

A thorough 360° evaluation of the programme was conducted in 2017 and revisions to the programme content and structure were started late in the year. The new programme content will be launched nationwide at the end of Q1 2018.

As a follow-on to Food Academy Start, a select number of companies annually are identified as having high potential and progress to the advanced stage of the programme, Food Academy Advance, where they have access to expertise in branding, finance, business development and distribution, with the aim of scaling up their production and potentially even securing a national listing with the supermarket chain. Eleven companies graduated from the third wave of Food Academy Advance in October 2017.

### **Food Starter**

As part of the aforementioned Food Academy Start evaluation, it became apparent that among companies starting out on the programme there was a huge variance of knowledge. An earlier-stage programme was developed to assist companies at the very outset when they are not yet clear on the viability of their business or on their best route to market.

A new programme entitled Food Starter, a collaboration between Bord Bia and the Local Enterprise Office (LEO) network, was conceived as a result of this. Work on this programme started in November 2017 for delivery by individual LEOs from early 2018, following an initial pilot run. Food Starter is to become a prerequisite for Food Academy Start.

### Farmers' market training

Food markets (or farmers' markets) and other direct routes to market continue to play a vital role to companies in the start-up phase and beyond by providing low risk market access and direct consumer feedback. Food Wise 2025 recognises the importance of direct selling and 'includes a recommendation for the introduction of a 'Direct to Consumer' development workshop. Bord Bia delivered a regional workshop programme in 2016 and 2017 to help support new and existing members of the food market network as they seek to grow their business directly with consumers. This initiative proved very popular with 109 participants in 2016 and 85 in 2017; further workshops for vendors will be offered during the second half of 2018.

### FoodWorks

Food Works, Ireland's leading accelerator programme for food and drink start-ups, works with a small number of high potential start-up food teams boasting a strong food business idea. The programme, run by Bord Bia, Enterprise Ireland and Teagasc, aims to foster and encourage innovative new product ideas that satisfy a genuine market need while supporting the growth of the Irish food industry on a global scale. Since 2012, Food Works has worked with 76 start-ups in developing scalable and export focussed business ideas.

The intensive programme guides successful participants from the initial concept phase through to the development of a winning food or drink product with global export potential. The programme incorporates a full range of practical business supports designed to provide participants with an investor ready business plan. Among the supports are consumer market research, one-to-one mentoring, technical advice and commercial viability testing in addition to fast track access to research and development (R&D) facilities, possible investors and State funding.

Following the formal application process, including an industry-led boot camp process, nine successful final programme participants were selected and began the programme in October 2017. These will complete the FoodWorks programme in June 2018.

### BLOOM 2017

The Food Market at Bloom provides a platform for marketing, promotion and business development for small food producers. In all, 69



food and drink producers participated in the food market at Bloom in 2017 including 33 new exhibitors who all benefited from record visitor numbers of 115,000 over the five-day event. The Food Market is an established feature at Bloom and is also an important showcase opportunity for producers with over 200 trade buyers, from Ireland and the UK attending a Bord Bia trade reception at Bloom. The Food Market increases awareness of smaller and new food companies and also provides an opportunity for food companies to engage with and sell directly to the consumer. The food village at Bloom also played host to 14 small drinks producers including 10 first-time exhibitors, in the Bloom Inn.

## ORGANIC FOOD

The Irish organic grocery market continued to demonstrate strong growth. Although still relatively low as a proportion of the overall grocery market, organic sales grew 10.5% year on year, with Kantar evaluating total organic grocery sales at some €162m. The overall grocery sector grew by 2.4% for the same period, with Kantar putting total grocery retail sales at €10.4bn. RedC research commissioned by Bord Bia in late 2017 estimated the total domestic market for organic, including grocery retail, direct sales and other channels, to be worth over €205m annually.

Bord Bia conducted research on the overall domestic market for organic foods in 2017, including both consumer and trade research conducted by RedC. The findings of this research highlighted opportunities for producers in the organic sector and these findings were shared with 50 attendees at a debrief session in Bord Bia in November. In addition to the domestic market focus, this debrief session also included a German organic market overview and report and a presentation on the US market for organic food, with a report also published on this, the largest global market for organic food and drink worldwide. 15 participants from 13 companies also participated in an organic market visit to Berlin in September. During the second half of the year, Bord Bia once again facilitated organic mentoring for 16 small organic producers to assist them in a tailored way with their domestic market development.

### Bord Bia stand at Biofach 2017

Bord Bia continues to coordinate the Ireland stand annually at Biofach, the world's largest organic trade show, held in Nuremberg, Germany. Taking place in February, Bord Bia's goal in participating at Biofach is to increase awareness and knowledge of Ireland's organic sector among trade buyers in relevant target markets, who are contacted in advance of the event. With Origin Green featured as the over-arching theme of the stand, Bord Bia positioned Ireland as a clean, green, sustainable supplier. Ten organic companies exhibited on the stand in 2017 representing meat (3), seafood (3), dairy (1), beverages (1) and prepared foods (2) producers. Feedback from the show was extremely positive with a very busy stand throughout and exhibitors reporting that it provided an excellent opportunity to meet with potential as well as existing customers. A post-show evaluation of exhibitors on the Bord Bia stand revealed that orders made directly at the show

came to approximately half a million euros while exhibitors anticipated a further €1.2m in business in the 12 months following Biofach 2017.

2017 also saw Bord Bia building on a 2016 Organic meat export project, to build and develop awareness of Irish organic beef and lamb and to identify and target markets for export opportunities. A range of initiatives were undertaken throughout 2017 with continual engagement and input from processors; these were built around three core areas: insights, communications and trade development.

### Insights

Two separate reports were purchased from Future Market Insights: Global Industry Analysis 2012-2016 and Opportunity Assessment 2017-2027 for Organic Beef and for Organic Lamb. Both reports offer a range of insights and analysis across areas such as product type, end user, distribution channel and region.

### Communications

The main objective of the 2017 communication strategy was to build awareness at both trade and consumer level across multiple platforms. The strategy focused on three successive waves of activities including trade advertorials (seven trade publications in Sweden, Netherlands, UK and Denmark), consumer recipe leaflets (new beef and lamb recipes leaflets in Swedish, Danish, English and Dutch for key exporters and a targeted list of retail/foodservice accounts) and a digital resource of on-line recipe videos (six 'tasty' style recipe videos to be featured on the Bord Bia YouTube channel as well as across processors/retailers' social media platforms).

### Trade development

Trade development activity for Irish organic beef and lamb focused on four main markets: Ireland, UK, Hong Kong and Italy. Activities in these markets included promotion for Irish organic meat with an online retail customer, a high end retailer, a foodservice operator/cash and carry and a discounter across these markets.

Additional sector-specific initiatives within the organic category included a vegetable growers' supply chain trip to the UK in November with 10 Irish growers, visiting local operators with a view to learning about scaling operations and best practice in packaging, marketing and logistics.

The organic sector also featured at Bloom again in 2017 with organic producers highlighted in the food market using the EU Organic leaf logo signage. An organic garden was built and manned by SEED volunteers, with 40 classes visiting over the opening two days of the show and thousands of visitors learning about growing organically throughout the five-day event.

## SECTOR REVIEW: HORTICULTURE



### THE RETAIL FRESH PRODUCE MARKET

The fresh produce market was valued at €1.5bn in 2017 with fruit accounting for €757m, vegetables €575m and potatoes €193m. Increases in the average price and volume purchased per trip contributed to the increase in the value of the retail market in 2017.

#### Mushrooms

In 2017 the farm-gate value of the mushroom industry was valued at over €121m producing 68,000 tonnes of mushrooms. The mushroom industry exports 80% of its production to the UK market and was the most impacted by currency volatility which followed the vote for Brexit during 2016. A number of measures taken by industry and supporting agencies to address the challenges created by Brexit covered a number of areas including reducing input costs, currency management, seeking price increases, market research and promotion activities. Several companies took part in a trial into lean management intervention to boost productivity and reduce costs.

The UK is the only export market for Irish mushrooms. Exports were down 3% in volume compared to 2016. The retail market for mushrooms overall has been showing good volume growth at a rate of 2.5% while value grew at 3%. At 135,000 tonnes, retail sales are at an all-time high. The largest variety is 'closed cup' accounting for almost 50% of total mushrooms. There is larger growth in lower volume varieties but from a smaller base – the two varieties with the strongest growth are button and brown mushrooms.

On the domestic market retail mushroom sales have been strong, with a 6% increase in volume and 2% in value.

#### Protected vegetable crops

The recent census of the protected salad/vegetable sector indicated a cropping area of 190 hectares with an output value estimated at €21m. Tomatoes, peppers and lettuce are the main crops with most destined for the Irish retail market. Historically Irish tomato production has been consolidating, but recently there have been some increases in greenhouse growing areas. There were good growing conditions during 2017 and consistent demand for salad ingredients throughout the summer. Lettuce and celery showed moderate declines in retail sales, while tomatoes and cucumbers in particular recorded growth.

### Fruit crops

Fruit, the largest fresh produce category, grew in value terms by 5% in 2017 to a total retail value of €757m. The market grew in volume by 3%. Apples and strawberries are the two main fruit crops produced in Ireland.

The recent census of the soft fruit sector shows that there are over 330 hectares grown with output valued in excess of €35m. The majority of soft fruit is now produced under protection, either glass or polythene. In the soft fruit market, strawberries are the most important crop and investment in the sector has extended the strawberry growing season from early April to December. Strawberries had a good year with an increase of 9% in retail sales by both volume and value. Supply and demand were evenly matched for Irish growers. Raspberries, blueberries, and blackcurrants grew in value by between 6% and 20%

The output value of home grown apples is estimated to be €5m. Over the last couple of years there have seen some new orchard planting which is a positive development, as well as the establishment of a large orchard for juicing. Demand for Irish eating apples remains strong, while retail sales of eating apples were very similar to the previous year, cooking apple sales decreased by nearly 5% in retail value and volume.

### Potatoes

Potato production in 2017 was estimated at 384,000 tonnes. The area grown was over 9,000 hectares. The main variety continues to be Rooster, with other notable varieties including Kerrs Pink, Queens and varieties for crisp production. The domestic market is the key market for the potato industry which was valued at €194m in 2017 at retail level with sales volume estimated at over 200,000 tonnes. This represents a recovery in that market after a number of years of decline.

### Field vegetables

Overall 2017 was a good growing year for field vegetables. The recent census for the field vegetable sector shows 166 commercial vegetable producers growing 4,297 hectares of crops. The key crops grown include root and brassica crops. Field vegetable production is concentrated in Leinster and Dublin, in particular, has by far the highest production area with 1,847 hectares, followed by Meath (579 hectares) and Wexford (347 hectares). Counties in Leinster account for 87% of overall national production area (up from 83% in 2008). Large scale producers represent a significant and growing proportion of the total production area. The largest 50 growers (in terms of area) account for 84% of the total field vegetable production area, up from 74% in 2008. The key domestic retail market for vegetables (including protected vegetables) was valued at €575m in 2017.

### Amenity crops

The most recent measure of the gardening market shows that the amenity market – as measured by consumer spend - is valued at €729m and is growing. There was robust performances across all sectors, with the number of purchasing occasions and value both showing growth. A recovering economy and building sector is generating opportunities for the sector.

In relation to exports the amenity horticulture sector relies heavily on the UK for sales and despite significant currency changes triggered by Brexit, growers of plants, Christmas trees, cut foliage and flowers all managed to maintain or increase exports to Northern Ireland and Great Britain. Total value of exports increased from €16.3m to €17.9m

Hardy nursery stock accounts for €7m of exports. In 2017 there were 26 nursery stock producers exporting to Northern Ireland and Great Britain. There was also five bulb / cut flower exporters, who are exporting stock to Northern Ireland, Britain and continental Europe. Cut foliage producers have made significant inroads into mainland Europe to counteract Brexit with the mainland European market buoyant. The main cut foliage exporter has also developed a premium branded range, Irish Green Guys, which is being marketed direct to florists and is having great success using social media platforms. Recent investments in production should see significant growth plus potential to drive the branded range. Christmas tree returns from the UK were down by circa 6% but a small increase in volume saw producers maintain their export value at €4.8m

## HORTICULTURE PROMOTIONS

### Mushrooms complement everything

In 2017 a successful application for EU funding for a €2m campaign over three years in the UK and Ireland was made. The new campaign commences in 2018, and will focus on digital advertising and social media. 'Mushrooms Complement Everything - Great Taste - Europe Grown' is a promotional programme designed to highlight the health, versatility and quality of mushrooms, and maintain their market position against a set of competing vegetables mainly imported into the EU.

Bord Bia co-funded a campaign with the industry in the UK and Ireland in 2017 to bridge activity until the new campaign starts in 2018. The focus was on digital and social media, and the campaign achieved 11m impressions and resulted in 139,000 visits to the website.

### Potato promotion

The key activities of the EU and industry funded promotional campaign, 2015 to 2018, titled 'Potatoes – More Than A Bit On The Side' included outdoor, print and on-line advertising as well as significant social media communication across a number of digital platforms. Consumer research tracking the campaign is showing that the campaign awareness and messaging is cutting through. Kantar Worldpanel data for 2017 reports both value and volume growth in the market and an increase in the frequency of purchase by the target audience.

### Gardening promotion

The GróMor consumer gardening campaign, with the objective of encouraging the 35 to 45 age group to start gardening, continued in 2017. Supported by Bord Bia and the nursery stock sector this is an initiative by garden centres under the Retail Excellence Ireland umbrella. Activity included PR, advertising, social media and campaign website.

### National strawberry week

Planning for National Strawberry Week included commissioning consumer research into attitudes towards strawberries to act as a catalyst for strawberry promotion in 2017. As a result of the research, a number of key changes were made to the campaign which was in its tenth year. The name of the week was changed to 'Celebrate Strawberry Week' to be less formal and more engaging to consumers. A new logo was also designed, again to engage better with consumers.

The highlight of the campaign was the Bloom show garden which was used to launch the week, and which was a focus for PR activity. The garden was featured on the front page of the Irish Independent, which is the biggest PR coverage achieved in the 10 years of the campaign. Strawberry tasting took place at regular intervals alongside the garden, and growers were present to speak to show visitors.

Apart from the garden, the focus was on social media, and content included recipes, recipe videos, infographics, and a farmer video. Other activities included a schools competition and radio show sponsorship. Exposure of the videos on Facebook resulted in 110,000 views, and of the other social media channels Instagram performed well.

All of the social media content was branded both Celebrate Strawberry Week, and Celebrate Strawberry Season so that it could be used for the rest of summer and autumn.

### Food Dudes

The EU School Fruit and Vegetables Scheme is implemented in Ireland through the Food Dudes Programme. The Food Dudes Programme is an evidence-based incentivised behaviour changing initiative, which is managed by Bord Bia and funded by the Department of Agriculture Food and the Marine and the European Union. The Food Dudes Programme aims to increase sustained fruit and vegetable consumption amongst primary school children through the provision and repeated tasting of fruit and vegetables over a 16-day intervention period with the support of accompanying measures in the form of role models (Food Dudes Heroes) and small rewards (followed by a home phase where fruit and vegetables are supplied from home). The Food Dudes Boost Programme was introduced at the beginning of 2015 and continued in 2017. A total of over 700 schools and 100,000 school children participated in the boost programme in 2017.

### Incredible Edibles

The Incredible Edibles is a school-based programme with the aim of engaging children in growing fruit and vegetables and increasing awareness of their role in a healthy and balanced diet. Jointly funded by the horticulture industry with support from the Departments of Health and Education and Bord Bia, the programme is managed at school level by the farming promotion body AgriAware. A total of 1,500 national schools took part in the programme during 2017.

## HORTICULTURE PROGRAMMES

### Marketing assistance

Under the Bord Bia Marketing Assistance Programme a total of 32 horticulture businesses received assistance to undertake a range of activities including trade shows, market research, point of sale, labelling generation and website development. Two horticulture companies were awarded grants under the Market Intensification Programme.

### Landscape quality programmes

Audit visits and assessments were carried out for those companies working towards maintaining their certification under the scheme.

### Salad potato initiative

Bord Bia continued to sponsor a potato sector specialist consultant from SRUC Scotland to tie-in with an extension programme around the agronomy and growing of baby/salad potatoes in Ireland. These potatoes are estimated to be between 10-12% of the retail market by volume served by 15-20 Irish growers. 2017 was the last of the three-year project, run in co-operation with Teagasc and the IFA which was set out to provide better agronomy and knowledge to Irish growers in this sector.

### GLAS

The GLAS Tradeshow – the premier trade event for the Irish ornamental sector, took place in July. Once again the show expanded, with over 135 exhibitors, including 25 nurseries. Visitor numbers were strong, with more than 1,000 key buyers of horticulture products attending. A range of educational and informative sessions took place at the Learning Theatre throughout the day with Bord Bia delivering the results of the completed Gardening B&A study, carried out by RedC.

### National plant fairs

There were two plant fairs held during the spring which were organised by the Irish Hardy Nursery Stock Association and supported by Bord Bia. The aim of the fairs is to bring plant buyers and growers together in one venue to facilitate and promote plant sales of local product at the start of the gardening season.

### Amenity export development programme

The development and expansion of exports for amenity products, especially nursery stock, cut foliage and bulbs, has been identified as an opportunity for expansion. The Amenity Export Programme (AEP) is targeted at amenity horticulture business owners who wish to build on existing export sales or enter export markets for the first time. These companies are engaged in amenity horticulture, whether cut foliage, bulbs/flowers, Christmas trees or garden plants. In 2017, a mentor was in place who had regular contact with the key amenity crop exporters. With the advent of Brexit and the importance of the UK market to exporters in this sector the support was amplified and targeted where needed. In November all exporting

nurseries attended dedicated personalised export consultancy sessions with the UK-based amenity sector mentor. The amenity export newsletter was introduced and used by the sector mentor in regular contact with participating nurseries to send regular updates and insights on pertinent customers or competitors. In September Bord Bia supported a small group of nurseries who combined resources to exhibit at the Four Oaks show in the UK.

In addition, a study tour to the US for nursery stock producers took place in early November. The objective of the tour was to identify innovative and transferable production and marketing methodologies that equip nurseries to better manage the challenges associated with Brexit.

#### **Top fruit growers seminar**

The annual top fruit seminar included an update on the retail market for apples, and there was a focus on social media and what it can do to help apple businesses. There was also a visit to a successful apple farm shop.

#### **Sponsorships**

Bord Bia supports the needs of the horticultural industry through the provision of sponsorship to relevant conferences, seminars and workshops as well as events organised by other organisations that Bord Bia is associated with. In 2017 over 10 such events/associations were supported.

Bord Bia continues to support the Young Horticulturalist of the Year competition and the organisation of the David Robinson Memorial Lecture to promote and support student interest in horticultural education.

#### **Lean management**

Lean management principles were raised by the mushroom industry as an aid to help raise productivity. In order to assess their potential to help the industry, consultations took place with Enterprise Ireland and Teagasc resulting in a pilot project involving six producers that ran up to April 2017. The producers followed the Lean Start model, which includes seven days of consultancy. The feedback from the industry on the benefits was overwhelmingly positive, with on farm consultancy contributing to increased productivity and cost savings.



## SECTOR REVIEW: SERVICES



### ORIGIN GREEN PROGRAMME

In 2017 different strands from a number of Bord Bia's programmes were combined and amalgamated under the Origin Green Programme. These included the Quality Assurance Schemes, Origin Green membership for food companies, the foodservice sector and retailers and communication of the programme. All aspects of providing proof of sustainable food production, both on-farm and post farm gate, are now combined in the Origin Green Programme.

#### Origin Green – at farm level

Farmers become members of the Origin Green Programme by becoming certified members of the relevant Sustainable Assurance Scheme. Bord Bia is in the process of converting all of its Quality Assurance Schemes to Sustainable Assurance Schemes. This involves reviewing the relevant Quality Assurance Scheme. In 2017 the Beef and Lamb Quality Assurance Scheme, the Egg Quality Assurance Scheme and the Horticulture Assurance Scheme were converted to the Sustainable Beef and Lamb Assurance Scheme (SBLAS), the Sustainable Egg Assurance Scheme and the Sustainable Horticulture Assurance Scheme (SHAS) respectively and received accreditation for

all three schemes from INAB to ISO17065. These joined the Sustainable Dairy Assurance Scheme (SDAS), in operation since early 2014. With the launch of the SBLAS in April 2017 a helpdesk, to assist farmers resolve and close out non-compliances, was also established. The helpdesk has also enabled farmers to upload close out evidence thus reducing significantly the necessity for a revisit to farms. The percentage of farms requiring a re-visit by the auditor has reduced by 90% overall. At the end of 2017 there were 51,571 members of the SBLAS and 15,820 members of the SDAS. Membership of the SDAS grew by 16% over the previous year with three dairy co-ops having 100% of their dairy farm suppliers certified to the SDAS by year end. It is expected that all remaining milk suppliers will become certified members of the Origin Green Programme in 2018.

The conversion of the pig and poultry schemes to sustainable assurance schemes continued in 2017 and are expected to be accredited and launched in 2018. Work on revising the amenity plant producer module to a sustainable module of the SHAS was conducted during the year with accreditation due in 2018.

The membership of the Bord Bia farm assurance schemes at the end of 2017 was:

Scheme/Species	Membership
Beef & Lamb	51,571
Dairy	15,820
Pig	417
Poultry	753
Egg producers	229
Horticulture	354
Feed	89



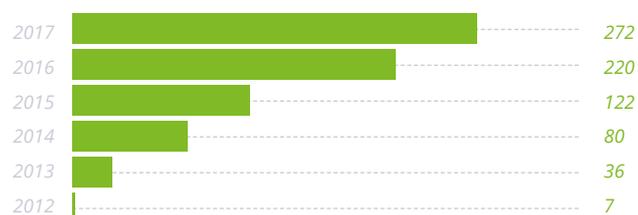
Bord Bia continues to measure the carbon footprint of the dairy and beef farms during the audits. To date over 170,000 carbon assessments of dairy and beef farms have been completed. Models to calculate the carbon footprint on egg, poultry and pig farms are being developed.

In summer 2017, Bord Bia undertook a study tour of northern England with a group of Irish beef and dairy producers including finalists in the previous year's Origin Green Sustainable Producer Awards.

### Origin Green – at company level

Food and drink manufacturing companies can become members of the Origin Green Programme by committing to the Sustainability Charter, and developing sustainability plans of a sufficiently high standard to merit verification. By the end of 2017, over 570 food and drink companies had registered for the programme, with 272 companies achieving full membership of the programme. The growth in Origin Green verified membership from 2012 – 2017 is demonstrated in the graph below.

### Origin Green Food Company Membership 2012 - 2017



In 2016, Bord Bia extended the Origin Green programme to the final level of the supply chain, with the introduction of the 'Retail and Foodservice Sustainability Charter' as part of a pilot programme.

Similar to manufacturers, retail and foodservice companies participate in Origin Green through the development and delivery of ambitious, measurable and time-bound targets as part of a five-year sustainability action plan. These plans must also receive independent verification before certification is granted.

By the end of 2017 six retail and food service companies had become verified Origin Green members.

The Origin Green Programme has been in operation for five years. During that time membership of the programme has grown to a point where over 90% of food and drink exports are produced by Origin Green member companies. Bord Bia is undertaking a full review of the programme to define the strategy for the next five years.

## CONSUMER & MARKET INSIGHT

Whether prompted by changes in the marketplace, competitive pressures or simply the desire to create something bigger and better, food and drink businesses are now constantly refining and redefining how they operate and what they produce. Bord Bia's Consumer and Market Insight Team undertake to ensure the consumer is at the heart of marketing and innovation strategies for Irish food and drink businesses. The team works with Irish food and drink companies providing access to global intelligence, specialist category knowledge and experience, and professional research and facilitating skills from clear and imaginative marketing thinkers.

### The Thinking House

The Bord Bia Thinking House is a centre of consumer insight with a vision and purpose to elevate Ireland as a 21st century contemporary food-producing nation that commercialises food production in line with genuine consumer needs.

The Thinking House aims to ensure that the branding and innovation chains across the food and drink industry in Ireland will start and end with the consumer. It is a space for collaboration, integration and interaction - a campus that breaks down silos and connects stakeholders, and a forum for translating what industry wants to the research community and vice versa, delivering sustainable and scalable products built on consumer need.

### Company specific work

The Bord Bia **Branding and Innovation Workbooks** continue to provide a consumer focused structured approach for successful innovation and branding for food and drink companies. Bord Bia continues to support medium-to-large Irish companies and during 2017 worked with 88 companies across individual innovation, branding and strategy projects. This number surpassed the intermediate target of 75 companies by September 2017 and the target output of 60

individual brand positioning and NPD projects for 2017. Of these 88 projects, 33 insight projects took place within the domestic market, 10 were completed in overseas markets, 14 SuperBrands projects took place across Ireland and the UK, and a further 31 branding projects were completed all helping to create and strengthen Irish brands.

Small food and drink companies operate in an exciting and fast changing environment and Ireland's small business sector is growing steadily. Branding and Innovation is central to successful and sustainable growth for many small businesses. To successfully compete with larger more established brands Irish food and drink producers need to create their own SuperBrands. **SuperBrands for Smaller Businesses** is the Bord Bia Consumer and Market Insight Team's programme designed to take small brands to the next level. Through bespoke marketing research and marketing consultancy, the SuperBrands programme helps small brand owners develop their branding strategy and packaging design. There were 14 companies who were participating in this initiative during the year.

The Consumer Taste nTell programme provides a quantitative measurement of product performance and concept appeal with consumers to optimise commercial success. The risk of innovation is reduced not just through the screening and evaluation of new product concepts but also benchmarking them against competitors. Five companies participated in the programme during 2017 spanning categories such as craft beer, chocolate, water, meat and poultry.

### Trends and foresight

PERIScope, the biennial tracking study of Irish and UK consumer behaviour, helps Irish food and drink companies plan for the future and make informed decisions, based on current consumer behaviour. First commissioned in 2001, the study explores attitudes and behaviours within all things food and drink. Topics include perceptions and attitudes towards health and wellbeing, environmental issues, local food and within cooking behaviour, grocery behaviour and eating habits both in and out of home. The 2017 study, marked the biennial launch for the Irish and UK market but also saw the launch of six PERIScope international reports. The PERIScope tracking study took place in the following international countries: China, the US, Spain, France, Germany and the Netherlands. The studies enable the comparison of Irish consumer behaviour to consumers in those markets and draw comparisons along a number of the same metrics. The studies become particularly useful to those clients looking to export to these markets so that they can better understand the local consumers.

2018 will see the launch of the new edition of the Consumer Lifestyle Trends (CLT) programme. The programme identifies the biggest trends shaping people's lives over the next three to five years. By keeping up with trends and understanding what's coming next, the programme helps food and drink companies to better prepare for the future needs and wants of their consumers both in Ireland and abroad. The six trends are Busy Lives, Shared Experiences, Personal Value Seekers, Responsible Living, Health and Wellbeing and Keeping It Real.

During 2017, the final year of the 2015 iteration was completed, further updating the programme and refreshing the content and trend examples of two of the trends. This ensures that the CLT programme remains relevant and top of mind for companies.

In addition to consumer trends, the 2017 **Culinary Inspiration** study examined the world of culinary trends. These culinary trends included cooking styles, food preparation, ingredients, flavours, fusions and presentation through colours and plating. Dissemination to industry has commenced with All Natural, the first theme of the four themes examined, with actionable recommendations to assist with new product development.

To stimulate ideas and creativity and assist companies and entrepreneurs with first stage innovation generation, the Insights team organises Inspiration Expeditions. This initiative involves provocative market immersion visits that look into the local food culture and visible consumer trends, based around the six Consumer Lifestyle Trends. European cities visited, during 2017, with a range of food and drink companies, included Valencia and Bologna. A mini expedition to Riyadh also took place in conjunction with the trade mission to the Middle East. Some 17 representatives from food and drink companies participated in the 2017 programme. A dedicated expedition to Chicago was also conducted on behalf of two client companies.

There has been a huge proliferation of foods claiming high protein content and a growing consumer demand for high protein options. It is imperative that the Irish food industry understands and remains ahead of trends in this area, so that it can benefit from the next wave of protein passion by providing relevant and compelling propositions across the range of key protein sectors. To shape the response and future-proofing of the Irish food sector to these changes in demand, research has been conducted to get clarity on the emerging needs in key markets which include China, Germany, the US, UK and Ireland. The findings from the **Future of Protein; 'Now & Next'** study will be available in early 2018.

China is now the second biggest market for Irish dairy and will remain a key market for years to come. Growth has been driven by the infant milk formula (IMF) category primarily. To ensure companies remain prepared for possible future scenarios for the industry, **The Future of Dairy in China** study can be used to help guide the strategy for dairy exporters. The ambition was to provide a future orientated perspective on likely trends and growth opportunities to 2025 including trends and potential innovation opportunities for the industry.



## CONSUMER AND CATEGORY STUDIES

There were 21 commissioned insight studies conducted during 2017. These studies were disseminated through debriefs, to some 350 attendees, in the Thinking House.

**Understanding the Snacking Occasion** updated a 2013 study and explored the behaviours and dynamics involved with snacking occasions and how companies can tap into 'health' credentials. Nearly 60% of all snack foods are now positioned in health and 4 in 10 people snack. The all-Ireland snacking category is set to grow by 5% over the next five years to €3.58bn.

**Bloom Stakeholder Research** assessed how the event can be improved, and it developed some key learnings from the gardening world to rebalance the food and horticulture elements of the event.

**Understanding Consumer Attitudes and Motivations to Fresh Produce** recommended strategies to industry, in relation to the purchase and consumption of fresh produce, most notably fresh fruits, vegetables, potatoes and chilled salads.

**Gardening in Ireland:** With approximately 1.3m regular gardeners in Ireland, with an average age of 49 years, this study made recommendations to the industry on the future of what these gardeners would be looking for.

**Consumer and Trade Insights into the Gluten Free Category** found 20% of the population claim to buy gluten free products. Exploring the three main typologies for the gluten free consumer; Lifestylers, Gluten Intolerants and Coeliacs, this study sought to understand consumer behaviours and the market in more detail.

**Sizing the Irish Organic Food and Drink Market** sought to provide a more accurate value and profile of the total organic food market in Ireland. Some 58% of consumers regularly buy organic but only for certain food/drinks.

**The Whiskey Consumer in France and Germany** found 36% of French and 24% of German adults consume whiskey monthly or more often. The study profiled whiskey drinkers in each market, attitudes towards whiskey and explored the brand experience of Irish whiskeys.

**Marketing Irish Beef in the US:** As the US market opens to Irish beef, research was conducted to understand how Irish beef can position itself within the market and confirmed that communications concerning Ireland's grass-fed credentials prove to be most motivating to US consumers.

**Irish Beef in Britain Campaign Awareness** researched the most effective messaging for building awareness and the reputation of Irish beef in the UK.

**Irish Beef Positioning in the Netherlands** sought to understand the current positioning of Irish beef and how to optimise

campaigns to build positioning in the Dutch market.

**Exploring Own Label Opportunities in Europe** researched opportunities for Irish supplies in three European markets (Switzerland, Spain and Germany) across three categories (sweet cakes and biscuits, chilled yogurt and frozen food).

**Understanding GMO** sought to understand customer and consumer awareness, purchasing behaviour and attitude towards GMO and to assess the role of non-GMO for the Irish dairy and meat industry.

**Understanding the Global Sustainability Agenda** looked at 11 overseas markets to assess customer and consumer awareness, attitudes and purchasing behaviour around sustainability.

**Sports Nutrition** updated a study from 2011 and sought to understand where the sports nutrition market is today, who the consumer segments are and what the future may look like. Key markets include Ireland, the UK, Germany and the US.

**Global Lamb Insight – Understanding Consumer Usage and Attitudes** was a study across five European markets to understand consumer usage of and attitudes towards Irish lamb.

**Beef in Eastern Europe – Understanding Consumer Usage and Attitudes** focused on Poland, Czech Republic, Slovakia, Romania and Hungary, and sought to understand local consumer behaviour and attitudes with respect to beef.

**Beef Strategy and Insight for South East Asia Markets** identified through the market prioritisation study - Japan, South Korea, Singapore and the Philippines for Irish beef and South Korea and Vietnam for pigmeat. These are being examined to develop market entry strategies and build our understanding of shopping and consumption behaviours.

**Project Drive; Brand Ireland** seeks to deliver a world-class framework for Irish food and drink producers to compete on the global stage. The study builds upon previous findings from the 2010 Brand Ireland insight work to better understand how to communicate and position brands and commodities with the appropriate strategic plans.

**Department of Agriculture, Food and the Marine Competitive Research Committee:** Working with the Department of Agriculture, Food and the Marine, market and cultural insights have been delivered for Saudi Arabia, Japan and South Korea ahead of trade missions led by Minister Michael Creed TD during the year.

In addition to the above, the insights team also works closely with the Department of Agriculture, Food and the Marine in the completion and dissemination of research to industry including horticulture production census, potato yield digs and retail market audits, etc. Ongoing consumer research is also conducted covering fresh produce and gardening, UK retail market, fresh produce retail market and trend tracking in the amenity sector.



### Cultural studies

**Understanding Quick Serve Restaurants in KSA & UAE:** A successful trade mission to the Kingdom of Saudi Arabia in February 2017 saw market access for processed Irish beef products opened. To understand current attitudes, behaviours and trends in the quick serve restaurant, a 'deep dive' consumer project sought to develop menu options, recipe options and potential marketing communications campaigns that will be motivating to their consumers.

**Dairy Opportunities in Japan:** As the dairy category continues to grow in Japan it provides the potential to drive growth in a range of categories (beyond milk) such as cheese, butter, yoghurt and dairy based beverages. Research examined cultural shifts in attitudes and consumption of dairy across the generations in light of changing diets, the rise of snacking and more health conscious Japanese consumers.

**Dairy Opportunities in Africa:** The African dairy market is a key focus for the Irish dairy industry and Bord Bia has undertaken a consumer research project to identify opportunities and provide an in-depth understanding of dairy category behaviour. The study took place across Nigeria, Ghana and South Africa and explored usage and attitudes towards dairy products, drivers and barriers for different milk formats and the physical, sensorial and emotional attributes that consumers use to assess products.

### Library and information services

Bord Bia maintains a world class library and information service to assist Irish food and drink companies make better, more informed strategic decisions. To date, over 200 clients have visited the Bord Bia library at The Thinking House. Members of the industry can request professional 'tailored groundwork searches' from a team of qualified librarians, who provide access to consumer and market insights in domestic and global markets. During 2017, Bord Bia's library team managed more than 4,700 such searches on behalf of industry, a 70% uplift on the number of tailored groundwork searches conducted in 2016.

The weekly Food Alert, is a newsletter sent out to over 2,200 subscribers, offering a unique Bord Bia perspective on the latest developments and trends in the food and drink industry across the world, while also providing up to date market information. The readership figure has increased by over 1,000 subscribers in the past year and insight from Bord Bia's FoodAlert is regularly captured in national and international media.

### Brand Forum

Bord Bia's Brand Forum has been in operation since 2001 and 2017 saw record levels of engagement across all aspects of Brand Forum. The Brand Forum provides thought leadership and shares best practice in food and drink branding while also providing a range of branding tools that are consumer-centric and commercially pragmatic.

With its open and friendly ethos, the Brand Forum, provides a unique networking and learning opportunity for over 100 active members. Quarterly events provide members an opportunity to step back from daily challenges to be informed, inspired and to connect with industry colleagues. With expert brand speakers from the food and drink industry worldwide, each event is customised to Brand Forum members and informed by its Steering Group. During the year, speakers came from Proctor & Gamble, VitHit & WheyHey, Baileys and Kepak Convenience (Rustlers Brand), Tillamook, (Portland Oregon); William Grant and Core Media.

A range of bespoke brand building workshops in 2017 included data management for marketers, video strategy, packaging and design and progressive PR – how to build your brand with food and drink influencers and bloggers.

The Brand Forum partnered with members to make recipe videos and associated imagery, to the highest production standards. In addition, participating brand owners were provided with assistance on optimising search for the recipe videos for all digital channels.

The Brand Forum also offers director briefings, which affords

industry leaders the opportunity to partake at insightful Q&A sessions with leading industry experts. Highlights in 2017 included a CEO briefing with David Cotter, Country Manager of Procter & Gamble; and a briefing dedicated to leaders of the dairy industry with one of a leading US dairy Cooperative – Tilamook, from Portland Oregon.

During the year the Brand Forum activated a Brand Health Check for 60 brands. This is the seventh consecutive year of this large-scale quantitative survey of grocery shoppers, across 49 categories. It is designed to collect and analyse important information to help brand owners across metrics such as brand awareness, brand consideration, brand experience, brand equity, brand commitment, future brand potential and an overall metric of brand health.

## MARKETING AND COMMUNICATION

### Trade fairs/exhibitions/events

Marketing Events managed a total of 53 events across all industry sectors and promotional platforms.

Origin Green/Ireland pavilions were presented at 26 international trade fairs and exhibitions, the aggregated audience of which was over 1.26m buyers/visitors. In line with the organisation's strategy for developing and maintaining routes to market, Bord Bia participated at key flagship trade fairs such as Seafood Expo Global, Brussels and Anuga, Cologne as well as sector specific trade fairs such as ISM (confectionery), Biofach (organic), PLMA (private label), Prowein (alcoholic beverages), Speciality & Fine Food Fair (artisan products), Conxemar and Chinese Fisheries & Seafood Expo (seafood) and CIMIE (meat). Trade Fairs focusing on particular regions included Gulfood in Dubai, SIAL China in Shanghai, and Golden October Fair Moscow.

Supporting Irish companies in their search for new business, the prepared food sector participated at Free From Food in Barcelona and Lunch! in London. Bord Bia participated for the first time at Meat Attractions in Madrid where the Irish meat sector was highlighted with an information and tasting stand, while seafood companies participated at Boston Seafood.

Three minister-led trade missions were organised in 2017. The first to Saudi Arabia and the United Arab Emirates took place in February and culminated in an Origin Green/Taste of Ireland event for customers in Dubai. This was followed in June with a mission to North America and Mexico and a visit to Japan and Korea in November which included seminars as well as industry and customer briefings.

Bord Bia organised four Brexit events during the year including the Brexit Industry Briefing. At Bloom activities involved the installation of the Food Village, the Origin Green Experiential Activity and the overall food experience for 115,000 visitors. Other key projects included participation at the IFJ Agri Careers Exhibition, the presentation event for Food and Drink Industry Awards and the National Ploughing Championships.

Bord Bia collaborated with BIM on Seafest in June and July which was extended to a three-day event at which the team organised and ran a demonstration of seafood cookery and fish mongering.

Other events included the Small Business Open Day, Foodservice Seminar and Meat Markets Seminar.

### Sponsorships

During 2017, Bord Bia sponsored Neven's Irish Food Trails on RTE 1 aimed at increasing consumer understanding of the Bord Bia Quality Mark. Over the seven-week series, Neven Maguire visited different food producers around Ireland and demonstrated how to cook a range of recipes. The 2017 series attracted 226,000 viewers on average per episode. The impact of the series continues to grow with 200,000 people saying that they had a better understanding of the Quality Mark having viewed this programme. In addition, 212,000 people said that having watched it they were more likely to choose food with the Quality Mark.

Award sponsorships in 2017 included the food and drink category of the Small Firms Association and the Irish Exporters Association, as well as the Supreme Champion category and the Best Artisan Producer category at the Blás na hEireann awards.

A number of agri-food related events and conferences provided Bord Bia with opportunities to showcase the best of Irish food and drink products and to highlight the Origin Green Sustainability Programme to national and international audiences. These included the Food on the Edge Symposium and the Global Climate Change, Agriculture and Food Security Conference in Galway, the International Congress of Meat Science and Technology (ICoMST) in Dublin, Ballymaloe Literary Festival of Food, the Cork/Kerry Food Forum and the World Dairy Summit in Belfast.

### Marketing finance

In 2017 Bord Bia operated three marketing grants programmes, with the Marketing Intensification Programme (MIP) running alongside the Marketing Assistance Programme (MAP) and the Step Change Programme (SCP). The MIP was aimed at Irish food and drink producers that operate with a turnover between €1m and €40m and that export at least 15% of their turnover to the UK. The objective of the MIP was to provide targeted marketing supports to companies with high dependency on UK markets. The assistance enabled companies to strengthen their position in that market and assisted in their market diversification activities.

The MAP was open to Irish food, drink and horticulture producers with a turnover in the range €100,000 to €3.5m. The SCP, under which up to €50,000 was available towards a significant "new activity/project" involving a major step change or departure for the company, was open to Irish food, drink and horticulture producers that have a turnover in the range €100,000 to €10m. These marketing grants provide food enterprises with assistance towards their marketing activities.

During 2017, 31 companies were approved a total of €560,000 under the MIP. 180 companies in the farmhouse cheese, beverages, chilled dairy, confectionery, bakery, prepared meals, charcuterie, seafood and horticulture sectors were approved a total of €823,000 under the MAP, with a further five companies approved a total of €180,000 under the SCP. Grants totalling €1,514,520 were paid to 186 companies during the year across the three programmes.

### Home market

The Bord Bia Quality Mark marketing programme is part of the strategic pillar 'Brand Communications in the Digital Age'. The overall aim is to increase Irish shopper loyalty to and purchasing of food with the Quality Mark. This is achieved by outlining how the quality standards and independent auditing behind the mark enable shoppers to trust and therefore enjoy the food they consume more. These messages were integrated throughout all generic activities on the Quality Mark and across the marketing programmes for lamb, pork and bacon and eggs.

Targeting the 30-60 year old female grocery shopper, generic activities included the TV programme, 'Neven's Irish Food Trails' with Neven Maguire, promotion of meat with the Quality Mark at Bloom and monitoring of the proportion of meat products with the mark across retailers.

Increasing frequency of consumption of the range of quality assured meats and eggs was achieved primarily through TV advertising, PR activities and the development and circulation of new digital content. Eleven campaigns took place in 2017 including 20 weeks of TV advertising. In addition, the 'Just Ask' campaign also continued to encourage restaurants to highlight the origin and suppliers of meat on their menus for customers.

The Bord Bia Quality Mark continues to be regarded by shoppers as the dominant source of assurance on food quality, safety and origin in the domestic market. In all, 90% of Irish grocery shoppers are aware of the mark and of these, 64% say that they would be more likely to buy a meat product displaying the Quality Mark.

The increased consumer demand for meat with the Quality Mark has in turn resulted in retailers maintaining and increasing the proportion of shelf space with quality assured meat. The proportion of facings of meat carrying the Bord Bia Quality Mark across retailers has increased by 1% to 71%.

2017 was the second year of a three-year shellfish strategy in the domestic market with the focus on mussels. The main objective was to grow the volume of mussels purchased in retail outlets. This was achieved by targeting 30-50 year-old higher income female shoppers through outdoor and radio advertising, PR and digital activities. Mussel retail sales increased by 70% in 2017 as a result of the campaign.

### Reputation recognition

Bord Bia was named in the top three most reputable organisations in Ireland, according to the annual Ireland

RepTrak® 2017 study. Over 4,500 members of the general public were interviewed as part of the study and the main reason given for this vote of confidence continues to be Bord Bia's Quality Mark marketing and communications.

### TASTE Council

The TASTE Council is an independent voluntary body representing the artisan and speciality sector for which Bord Bia provides a secretariat role.

Nationwide, 174 schools registered to take part in 'The Future is Food' Transition Year Unit developed by the Taste Council in association with Bord Bia. It helps students to broaden their knowledge and understanding of the food industry and particularly the artisanal and speciality food sectors. The programme includes 21 lesson plans focusing on topics such as entrepreneurship, food origin and Bord Bia's Origin Green sustainability programme as well as research, new product development and marketing. Additional resources are supplied digitally for use in the classroom.

In 2017, the target was for home economics teachers in 150 schools to register to adopt the unit with 30-50 schools to complete the unit in full. These targets were exceeded with 174 schools registering for and 89 actually participating in the unit.

## MARKETS

In 2017 Bord Bia continued to focus on building its services for client companies across its international network of 13 overseas locations – eight across Europe and five in international markets. While the focus of activity undertaken tends to vary depending on the stage of development of Irish exports the overarching objectives are to grow the reputation of Ireland as a source of high quality, sustainably produced food and drink products, providing relevant insights into market trends and the identification of potential leads and business development opportunities for Irish exporters.

During 2017 Bord Bia commenced a Market Prioritisation Study following the allocation of funding by the Department of Agriculture, Food and the Marine. The objective of the study was to identify a series of markets for meat, dairy, prepared consumer foods, beverages and seafood that offer potential for Ireland to grow exports over the coming years. This involved the development of an assessment tool that enables the consistent analysis of macro-economic and sector specific criteria to help identify potential growth markets.

By year end 15 markets had been selected for each category with further analysis planned in a smaller group of markets in 2018 following consultation with industry. The focus of this phase is to examine in more detail the dynamics of each market and the identification of potential routes to market for Irish exports.

The output of this study will guide Bord Bia activities in relation to insights, Origin Green, talent and route-to-market supports

for client companies in the selected markets. The assessment tool will be updated on an annual basis to ensure it remains relevant and can guide decision making in terms of further markets for investigation in 2018 and beyond.

Additional Brexit funding provided by the Department of Agriculture, Food and the Marine enabled Bord Bia invest in 'feet on the street' supports in Japan, South Korea, Philippines and Saudi Arabia in the second half of 2017. The focus on these local market experts was to provide relevant market insights, help generate potential leads for Marketplace 2018 and grow the awareness of Irish food and drink products in each market. Similar resources continued to be invested in North, South and West Africa.

The allocation of resources and the structure of our markets activities are continuously reviewed to meet the evolving needs of Irish food, drink and horticulture companies with recruitment of additional personnel in key growth regions planned for 2018.

In addition to the implementation of programmes and projects, Bord Bia's markets personnel undertook the following during 2016:

- 1,100 buyer meetings and presentations
- Planned three agri-food trade missions to six countries
- Over 1,000 responses to individual buyer requests
- In excess of 1,200 business planning meetings with Irish client companies
- 65 market-access meetings with veterinary and regulatory authorities in the Middle East, Russia and Asia.

## A COLLABORATIVE APPROACH

Bord Bia continues to work in partnership with key government departments, agencies and associations in the development and implementation of support for the food and drink industry. These include the Department of Agriculture, Food and the Marine, Teagasc, BIM, and the Department of Foreign Affairs and Trade, Enterprise Ireland, Failte Ireland (and Tourism Ireland), the Food Safety Authority of Ireland and the Environmental Protection Agency, among others.

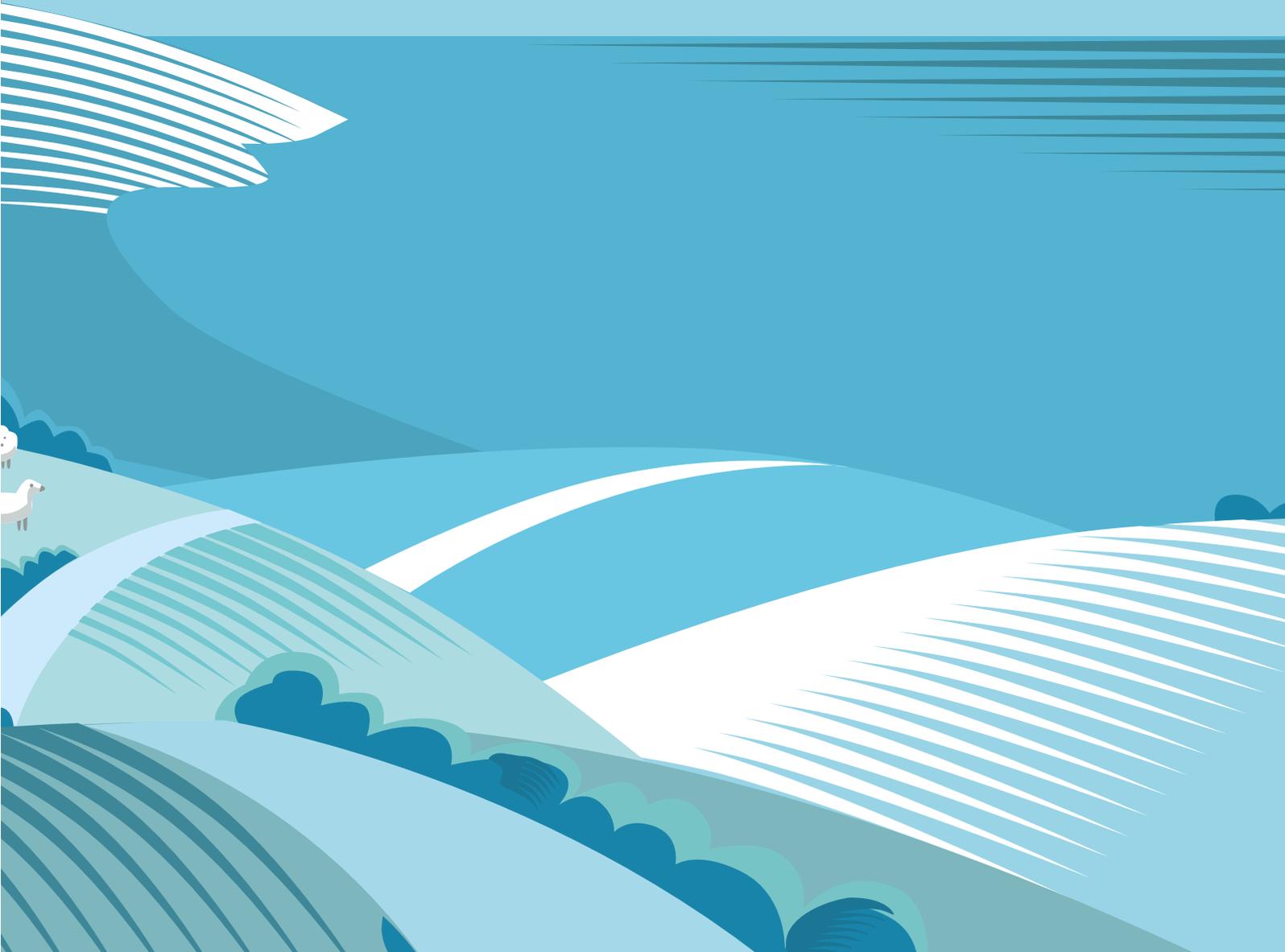




---

OUR  
GOVERNANCE

---



## GOVERNANCE STATEMENT AND BOARD MEMBERS REPORT

### CORPORATE GOVERNANCE

Bord Bia was established under the Bord Bia Act 1994 and operates in accordance with the provisions of the Bord Bia Acts 1994 to 2004 and under the aegis of the Minister for Agriculture, Food and the Marine.

### BOARD STRUCTURES

Bord Bia comprises the Board, five Subsidiary Boards, the Chief Executive and the Executive, which provide a range of services to implement Board policy and programmes. The Board provides the appropriate balance of skills and experience to support the strategy of Bord Bia. The Board comprises a Chair and up to fourteen ordinary members appointed by the Minister for Agriculture, Food and the Marine. All new Board members receive financial and other information about Bord Bia, and the role of the Board and the Board committees. The roles of the Chair and Chief Executive are separate.

There are five Subsidiary Boards (Consumer Foods, Dairy, Horticulture, Meat & Livestock and Quality Assurance) comprising a Chair and up to twelve ordinary members, who are appointed by the Board with the consent of the Minister for Agriculture, Food and the Marine. The Chair of each Subsidiary Board is a member of the Board.

### BOARD RESPONSIBILITIES

Section 21 of An Bord Bia Act 1994 requires the Board to “keep in such form and in respect of such accounting periods as may be approved by the Minister, with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of monies received or expended by it, including a Statement of Income and Expenditure and Retained Revenue Reserves, a Statement of Comprehensive Income, a Statement of Cash Flow and a Statement of Financial Position and, in particular, shall keep in such form as aforesaid all such special accounts as the Minister may, or at the request of the Minister for Public Expenditure and Reform shall, from time to time direct and the Board shall ensure that separate accounts shall be kept and presented to the Board by any Subsidiary Board that may be established by the Board under this Act and these accounts

shall be incorporated in the general statement of account of the Board.”

In preparing the financial statements the Board is required to:

1. Select suitable accounting policies and then apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that Bord Bia will continue in existence for the foreseeable future; and,
4. State whether applicable accounting standards have been complied with, subject to any material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records, which disclose, with reasonable accuracy at any time, the financial position of Bord Bia. The Board is also responsible for safeguarding assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The Board meets regularly, normally seven times a year, and is responsible for the proper management of Bord Bia. It takes the major strategic decisions and retains full and effective control while allowing executive management sufficient flexibility to run the business efficiently and effectively within a centralised reporting framework. Standing agenda items at Board meetings include minutes of previous meeting, matters arising, finance report, Chief Executive’s report, corporate governance & risk management and any other business. The Chair addresses any conflicts of interest members may have with the agenda at the start of each meeting.

The Board carries out an ongoing assessment of the principal risks and has established a context for identifying, analysing, evaluating, treating and monitoring risk. Principal risks identified included the risk of not appropriately prioritising work plans for the achievement of objectives; not achieving industry commitments to the development and implementation of

Origin Green; reputational risks associated with the misuse of Bord Bia's main brands and marks; reputational risks associated with food quality and safety; risks to quality assurance schemes funding and various industry sources of funding; etc. Risk is mitigated through a process of review of the risk map at each Board meeting and industry consultations are facilitated through the Subsidiary Board structure. The use of Bord Bia's brands and marks are monitored on an ongoing basis to ensure authorised usage.

The Board complies with the relevant aspects of the Public Spending Code and matters reserved for the Board for decision, and not delegated to management, include approval of, inter alia, significant acquisitions, major investments, major disposals, major contracts, annual budgets and strategic plans, annual reports and financial statements, staffing, delegated authority levels, treasury and risk policy. Approval of the Minister for Agriculture, Food and the Marine is required for material acquisition or disposal of land, buildings or other material assets. Approval of the Minister for Agriculture, Food and the Marine, together with the consent of the Minister for Public Expenditure and Reform is required for any intended action which would extend or change significantly the nature, scope or scale of the activities of Bord Bia.

Within the context of the Food Wise 2025 strategy document for the development of the agri-food sector, the Bord Bia Strategic Plan 'Making a World of Difference' sets out the actions proposed during the period of the strategy, 2016 – 2018 and the annual budgets for Bord Bia are aligned to the strategy. The Board approves annual budgets and the evaluations of actual performance against budget. This Annual Report provides a comprehensive review of the activities of Bord Bia during the year.

The Board considers that the financial statements present a true and fair view of Bord Bia's financial performance and its financial position at the end of the year.

## GOVERNANCE

The Board is committed to maintaining the highest standards of Corporate Governance and Best Practice and has adopted the Code of Practice for the Governance of State Bodies and the provisions of the Code are being implemented. The Board has adopted Terms of Reference which sets out the legislative framework; general and particular functions; membership; fiduciary duties; authority; role of the secretary; reporting responsibilities; scheduling of meetings; procedures for decisions between Board meetings and for dealing with conflicts of interest; and, a formal schedule of matters specifically reserved to the Board for decision. The Board reviews the Terms of Reference of the Board, Subsidiary Boards and Committees on an annual basis. During 2017, the Board held two meetings without the executive present. For the purposes of applying the Code of Practice for the Governance of State Bodies, Bord Bia is regarded as a non-commercial State Body.

### THE CHAIR:

- Leads the Board and ensures its effectiveness and high standards of integrity and probity regarding culture, values, and behaviours for Bord Bia and for the tone of discussions at Board level.
- Together with the CEO ensures the effective management of the Board's agenda providing adequate time for discussion and deliberation. A culture of openness facilitates effective dialogue and contributions from both the executive, who attend all or part of Board meetings, and Board members.
- Ensures relevant reports and papers, finance, CEO report, reports from Subsidiary Boards and Committees and detailed updates on the progress and implementation of the annual budget and strategic plan, where appropriate, are circulated in a timely manner to Board members.
- In consultation with the Secretary ensures all relevant governance information is made available to the Board and its Committees and that there are good

information flows between the Board, Subsidiary Boards and Committees in addition to facilitating induction, mentoring and assisting with ongoing professional development.

- Ensures there is a clear division of responsibilities between leading and managing the Board and the executive responsible for running Bord Bia.
- Keeps the Minister for Agriculture, Food and the Marine advised of matters arising in respect of Bord Bia.
- Submits a Comprehensive report to the Minister in accordance with the Code of Practice for the Governance of State Bodies.

The Board undertook a self-assessment evaluation of its own performance during the year and that of its Audit & Risk Committee and any weaknesses identified were addressed. Each Board member was asked to individually score the assessment, answers were considered by the Chair and presented to the Board where a number of actions were identified to improve the performance of the Board. There was no external evaluation of the Board carried out during 2017 and in accordance with the Code of Practice for the Governance of State Bodies such an evaluation will be carried out within the required period.

The Board provides strategic guidance, monitors the activities and effectiveness of management and monitors compliance on an ongoing basis ensuring relevant legislation, regulations and guidelines are complied with.

An Oversight Agreement for Bord Bia has been completed and implemented by the Department of Agriculture, Food and the Marine during the year.

## BOARD MEMBERS AND INDEPENDENCE

All Board members have access to advice and services of the Secretary/Director Corporate Services who is responsible to the Board for ensuring that Board procedures are followed, and applicable rules and regulations are complied with. Bord Bia's professional advisors are available for consultation by Board members as required. Individual Board members may take independent professional advice if necessary.

## COMPOSITION OF THE BOARD

Details of members of the Board of Bord Bia are set out at the end of the Governance Statement and Board Members Report.

## BOARD MEMBERS AND MEETING ATTENDANCE

There were seven Board meetings held during 2017 and the details of each member's attendance, is set out below.

Board Member	Board Meetings Attended
M. Byrne	6 out of 6
M. Carey	7 out of 7
J. Comer	6 out of 7
R. Doyle	6 out of 7
F. Hayes	6 out of 7
J. Healy	7 out of 7
R. Holland	3 out of 7
J. Horgan	7 out of 7
C. Keeling	7 out of 7
T. Keohane	5 out of 7
T. Moran	6 out of 7
R. O'Rourke	6 out of 7
B. Sweeney	7 out of 7
P. Whelan	3 out of 7

## BOARD MEMBERS FEES AND EXPENSES

A schedule of the fees and travel and subsistence expenses paid to Board members in respect of attendance at Board meetings in 2017 is set out below.

Board Member	Board Fees	Travel & Subsistence Expenses
M. Byrne	€0	€0
M. Carey*	€0	€0
J. Comer	€11,970	€2,372
R. Doyle	€11,970	€813
F. Hayes*	€0	€0
J. Healy	€11,970	€2,317
R. Holland*	€0	€964
J. Horgan*	€0	€0
C. Keeling*	€0	€131
T. Keohane	€11,970	€0
T. Moran	€11,970	€43
F. O'Gara	€951	€0
R. O'Rourke	€11,970	€0
B. Sweeney	€11,970	€0
P. Whelan	€11,970	€893
<b>Total</b>	<b>€96,711</b>	<b>€7,533</b>

Amounts paid to Sub-Board members for travel and subsistence expenses in 2017 amounted to €21,276. No fees were paid to Sub-Board members in 2017 in relation to attendance at Sub-Board meetings.

Under the one person one salary (OPOS) principle, no fees were payable to M. Byrne, Principal Officer, Departments of Agriculture, Food and the Marine.

\* Indicates those Board members who have waived part or all of the fee payable, as a Board member, in 2017.

No other payments were made on behalf of Board members in 2017.

## THE ROLES OF THE CHAIR AND THE CHIEF EXECUTIVE

The Chair leads the Board in the determination of its strategy and in the achievement of its objectives. The Chair is responsible for organising the business of the Board, ensuring its effectiveness and setting its agenda. The Chair facilitates the effective contribution of all Board members and constructive relations between the executive and Board members, and ensures that Board members receive relevant, accurate and timely information.

The Chief Executive has direct charge of Bord Bia on a day to day basis and is accountable to the Board for Bord Bia's financial and operational performance.

## BOARD COMMITTEES

The Audit & Risk Committee, which currently comprises three members of the Board (F. Hayes, J. Horgan, and R. O'Rourke) and one external member (R. Nolan) with a financial background, met on four occasions during 2017. The Audit & Risk Committee is responsible for maintaining an appropriate relationship with the external auditors and for reviewing Bord Bia's internal audit resources, internal controls and the audit process. It aids the Board in seeking to ensure that the financial and non-financial information presents a balanced assessment of our position. The Internal Auditor and the External Auditor have full and unrestricted access to the Audit & Risk Committee. Briefing sessions are held to apprise members of the Audit & Risk Committee and the Board of relevant and recent developments in Corporate Governance issues.

The Remuneration and Pensions Committee, which currently comprises three members of the Board (D. MacSweeney, F. Hayes and T. Moran) met on two occasions during 2017. The Remuneration and Pensions Committee determines on behalf of the Board the appointment, remuneration and assessment of the performance of, and succession planning for, the Chief Executive; and significant amendments to the pension benefits of the Chief Executive and staff.

The Strategy Committee currently comprises six members of the Board, (D. MacSweeney, R. Holland, C. Keeling, T. Keohane, T. Moran and B. Sweeney), and met on three occasions during 2017. The Strategy Committee plays an important role in providing observations and recommendations concerning strategic issues facing Bord Bia and contributes to our strategic planning process and the development of strategy.

### KEY PERSONNEL CHANGES

Tara McCarthy was appointed Chief Executive on 26th January 2017 replacing the outgoing Chief Executive, Aidan Cotter, who retired on 25th January 2017. Changes to the composition of the Board are noted at the end of the Governance Statement and Board Members Report.

### ETHICS IN PUBLIC OFFICE

The provisions of the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001 have been implemented. Board members and staff members holding designated positions furnish statements of interests on appointment and each year to the Secretary.

### FREEDOM OF INFORMATION

Bord Bia is a prescribed organisation under the Freedom Of Information Act 2014. The Freedom of Information Act establishes three statutory rights:

- A legal right for each person to access information held by public bodies;
- A legal right for each person to have official information held by a public body, relating to him/herself, amended where it is incomplete, incorrect, or misleading;
- A legal right to obtain reasons for decisions affecting oneself taken by a public body.

In addition to the requirements of the Freedom of Information Acts, the Data Protection Acts 1988 and 2003 also apply to Bord Bia. The Data Protection Acts protect the privacy of individuals whose personal data is being processed. Personal data is information relating to a living individual who can be identified from the data itself or in conjunction with other information held.

### EQUALITY

Bord Bia is committed to ensuring equality of opportunity and that no staff member or applicant for employment receives less favourable treatment than any other on grounds of gender, marital status, family status, sexual orientation, religious beliefs, age, disability, race and membership of the Traveller community. Personnel and staff development programmes are structured accordingly.

Bord Bia endeavours to assist staff in relation to career and personal needs and operates appropriate policies covering such areas as professional development, study leave, flexible working and career breaks. Bord Bia is also committed to implementing government policy in relation to the employment of disabled people in the public sector. Specific additional provisions were made for disabled visitors in the construction of Bord Bia's Food Centre. There is a policy on sexual harassment in operation to support and protect the dignity of each person.

### PROTECTED DISCLOSURES ACT, 2014

There were no protected disclosures made to Bord Bia during 2017.

### SAFETY, HEALTH AND WELFARE AT WORK

Bord Bia is implementing the provisions of Safety, Health & Welfare at Work legislation, including the preparation and operation of a Safety Statement embracing all matters affecting safety, health and welfare of staff and visitors to Bord Bia's premises.

### SERVICE CHARTER

Bord Bia's Service Charter sets out its commitment to the Principles of Quality Customer Service for Customers and Clients of the Public Sector. The Charter is supported by an Action Plan and appropriate internal procedures to give practical effect to this commitment.

### ENERGY EFFICIENCY AND CONSERVATION

Bord Bia is committed to making every effort possible to be energy efficient and to operating appropriate conservation and recycling measures. Light and heat, supplied by electricity, are

the main areas of energy use in Bord Bia. Annual energy usage has been reduced significantly since commencing a review of energy usage. Usage within Bord Bia's main office is as follows:

	2017
mWh of electricity	208

(Base year 2009: 379 mWh)

The Thinking House, which was opened during 2016, had electricity usage of 41 mWh in its first full year of operation.

Electrical usage is monitored along with the identification of wastage, inefficiencies and cost effective initiatives to further improve our energy performance.

### PROMPT PAYMENTS

In accordance with the provisions of the Prompt Payment of Accounts Act 1997, as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002, Bord Bia is committed to ensuring that all suppliers are paid promptly. During 2017, 98% of payments were made within 15 days.

### EUROPEAN UNION FUNDING

Bord Bia administers a number of marketing and promotion campaigns eligible for co-funding by the European Union including those for Beef & Lamb, Potatoes, Lamb, and Seafood.

### OFFICIAL LANGUAGES ACT 2003

Bord Bia comes under the remit of the Official Languages Act 2003 to provide a statutory framework for the delivery of services through the Irish language. In accordance with Section 10 of the Act, this Annual Report is published in Irish and English.

### CONSULTANCY COSTS

Consultancy Costs include the cost of external advice to management and exclude outsourced 'business as usual' functions.

	2017 €'000	2016 €'000
Legal Fees	46	35
Tax and Financial Advisory	48	55
Public relations / Marketing	0	0
Pensions and Human Resources	150	81
<b>Total consultancy costs</b>	<b>244</b>	<b>171</b>
Consultancy cost Capitalised	0	0
Consultancy costs charged to Income and Expenditure and Retained Revenue Reserves	244	171
<b>Total</b>	<b>244</b>	<b>171</b>

### LEGAL COSTS AND SETTLEMENTS

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings. The below figures include expenditure incurred in relation to general legal advice received by Bord Bia which is disclosed in Consultancy costs above.

	2017 €'000	2016 €'000
Legal Fees – Legal Proceedings	46	35
Conciliation and Arbitration Payments	0	0
Settlements	0	0
<b>Total</b>	<b>46</b>	<b>35</b>

## TRAVEL AND SUBSISTENCE EXPENDITURE

Travel and subsistence expenditure is categorised as follows:

	2017 €'000	2016 €'000
<b>Domestic</b>		
-Board	29	27
-Employees	219	193
<b>International</b>		
-Board	0	0
-Employees	711	626
<b>Total</b>	<b>959</b>	<b>846</b>

## HOSPITALITY

The Income and Expenditure account includes the following hospitality Expenditure:

	2017 €'000
Staff hospitality	3
Client hospitality	0
<b>Total</b>	<b>3</b>

## STATEMENT OF COMPLIANCE

The Board has adopted the Code of Practice for the Governance of State Bodies 2016 and has put procedures in place to ensure compliance with the Code. Bord Bia was in full compliance with the Code of Practice for the Governance of State Bodies during 2017.

**Dan MacSweeney**

Chair  
27 June 2018

**Tara McCarthy**

Chief Executive  
27 June 2018





---

## ORGANISATION STRUCTURE

---

### *The Team*

Bord Bia is comprised of the Board, five Subsidiary Boards, the Chief Executive and the Executive, which provide a range of services required to implement Board policy and programmes.

The Board is comprised of a Chair and 14 ordinary members appointed by the Minister for Agriculture, Food and the Marine. There are five Subsidiary Boards (Meat and Livestock, Consumer Foods, Dairy, Quality Assurance and Horticulture) comprised of a Chair and 12 ordinary members, who are appointed by the Board with the consent of the Minister. The Chair of each Subsidiary Board is a member of the Board.

The following Board Committees are in place:

- Audit & Risk Committee
- Remuneration and Pensions Committee
- Strategy Committee.

The Executive is comprised of staff based in the Board's head office and overseas.



### GENERAL INFORMATION

#### **Head Office:**

Clanwilliam Court, Lower Mount Street, Dublin 2.

#### **Auditors:**

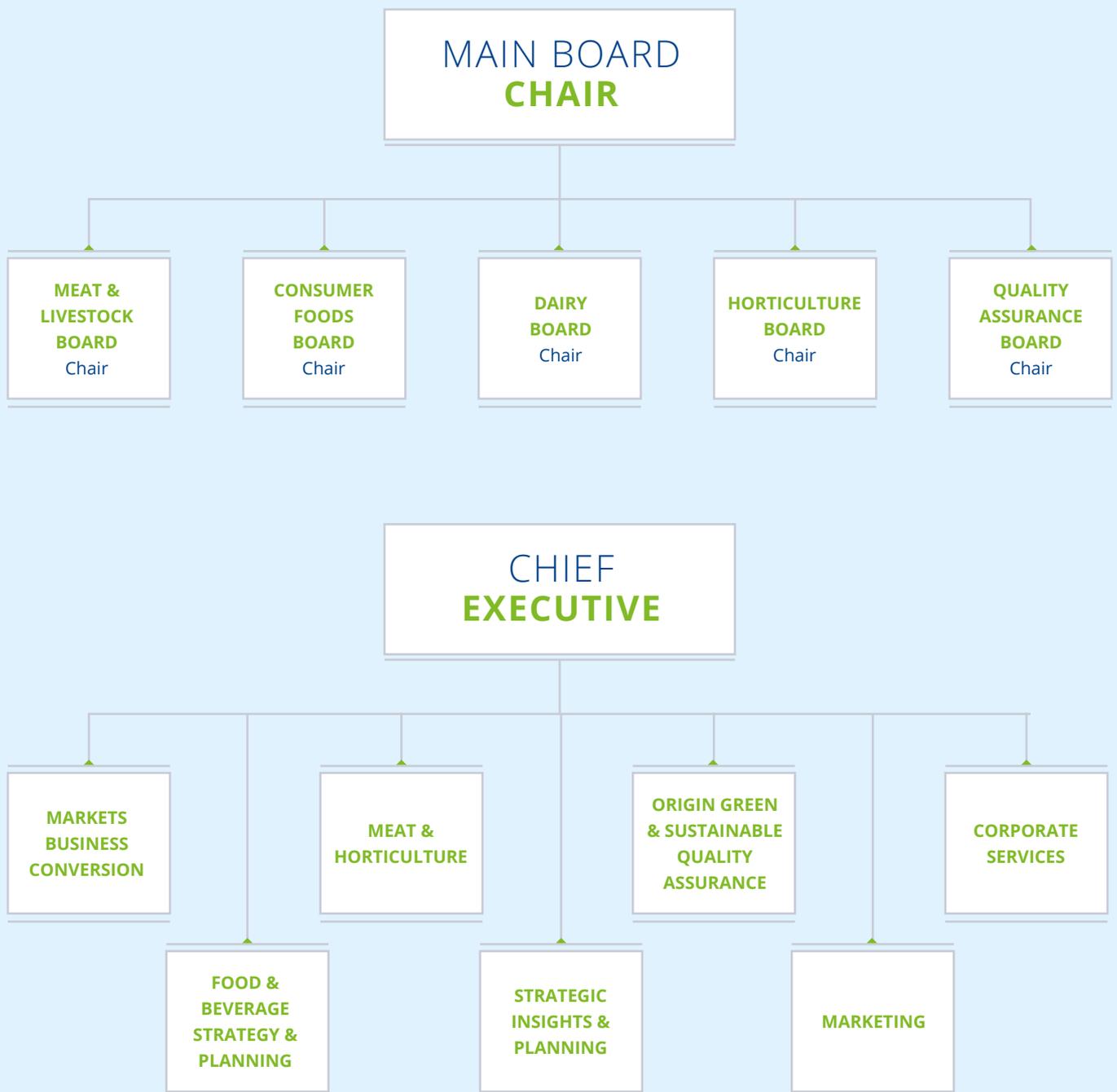
Comptroller and Auditor General

#### **Bankers:**

Allied Irish Banks

#### **Solicitors:**

Philip Lee Solicitors



## STAFF STRUCTURE

<b>Chief Executive</b>	Tara McCarthy
<b>Markets Business Conversion</b>	Padraig Brennan
<b>Origin Green &amp; Sustainable Quality Assurance</b>	Michael Maloney
<b>Marketing</b>	Una Fitzgibbon
<b>Food and Beverage Strategy and Planning</b>	Ailish Forde
<b>Meat and Horticulture</b>	Mike Neary
<b>Strategic Insights and Planning</b>	Helen King
<b>Corporate Services</b>	Frank Lynch

### OVERSEAS OFFICES

<b>Amsterdam</b>	Laura Crowley
<b>Dubai</b>	Michael Hussey
<b>Dusseldorf</b>	Donal Denvir
<b>London</b>	Michelle Butler
<b>Madrid</b>	Cecilia Ruiz
<b>Milan</b>	Nicolas Ranninger
<b>Moscow</b>	Alla Barinova
<b>New York</b>	Karen Coyle
<b>Paris</b>	Noreen Lanigan
<b>Shanghai</b>	James O'Donnell
<b>Singapore</b>	Ciaran Gallagher
<b>Stockholm</b>	Linda Madigan
<b>Warsaw</b>	Judith Clinton

**Human Resource activities within Bord Bia support management and staff through change and in meeting the challenges of the marketplace. This is carried out through:**

- Enabling organisational design and structural change plans
- Establishing appropriate management structures and performance management systems to effectively deliver the strategic priorities of the organisation
- Workforce planning and human resource management for Ireland and our overseas office infrastructure
- Delivery of leadership and coaching development programmes
- Engaging staff communications, motivational and workplace wellbeing initiatives.

The organisational culture is changing, resources are aligned on specifically chosen key strategic priorities, and there is a focus on delivering increased depth in our areas of expertise ensuring relevance to the marketplace, clients and the consumer, aimed at a continual strengthening in the delivery of our strategic pillars. Investing in business intelligence systems to manage planning and maximise value from budgets. There continues to be a large focus on continually ensuring clarity around the linkage between strategy and role contribution. Being an open, authentic and agile organisation ensures each individual can themselves be leaders of change and are responsive to the fast changing environment in which we live today.

## BORD BIA BOARD

### CHAIR

#### Mr Dan MacSweeney

Former Chief Executive, Carbery Group.  
Appointed 1st March 2018

### MEMBERS

#### Ms Rachel Doyle

Director, Arboretum Garden Centre  
Appointed 16th June 2015

#### Mr Frank Hayes

Director Corporate Services,  
Kerry Group Plc.  
Appointed 12th April 2016

#### Mr Joe Healy

President Irish Farmers' Association  
Appointed 12th May 2016

#### Ms Rhona Holland

Marketing Director Global Intelligence,  
Pepsi Co.  
Appointed 16th June 2015

#### Mr John Horgan

Managing Director, Kepak Group  
Appointed 7th December 2015

#### Ms Caroline Keeling

Chief Executive,  
Keeling Fruit Growers/Importers  
Appointed 11th December 2016

#### Mr Tony Keohane

Former Chairman, Tesco  
Appointed 16th June 2015

#### Mr Patrick McCormack

President, Irish Creamery Milk Suppliers'  
Association  
Appointed 19th December 2017

#### Mr Tom Moran

Former Secretary General,  
Department of Agriculture,  
Food & the Marine  
Appointed 16th June 2015

#### Ms Sinead McPhillips

Assistant Secretary General,  
Department of Agriculture,  
Food & the Marine  
Appointed 13th February 2018

#### Mr Raymond O'Rourke

Food & Consumer Lawyer  
Appointed 16th June 2015

#### Mr Brody Sweeney

Food Entrepreneur  
Appointed 16th June 2015

#### Mr Patrick Whelan

Whelan's Butchers  
Appointed 16th June 2015

### Chief Executive

#### Aidan Cotter

(retired 25 January 2017)

#### Tara McCarthy

(appointed 26 January 2017)

### Secretary/Director

#### Frank Lynch

### Changes during 2017

**Term of Office Expired 29th January:**  
**Prof Fergal O'Gara**

### Term of Office Expired 18th September:

#### Mr Michael Carey

(re-appointed 19th September).

### Retired 9th November 2017:

**Ms Marian Byrne**, Department of  
Agriculture, Food and the Marine.

### Resigned 18th December 2017:

**Mr John Comer**, Former President,  
Irish Creamery Milk Suppliers' Association

### Appointed 19th December 2017:

**Mr Patrick McCormack**

### Changes during 2018

**Appointed 13th February 2018:**  
**Ms Sinead McPhillips**

### Resigned 1st March 2018:

Chair, **Mr Michael Carey**,  
The Company of Food.

**Appointed 1st March 2018:**  
**Mr Dan MacSweeney**, Chair.

---

## BORD BIA

# CONSUMER FOODS BOARD

---

### CHAIR

**Ms Rhona Holland**

Marketing Director Global Intelligence,  
Pepsi Co

### MEMBERS

**Ms Triona Byrne**

Former Finance Director, Aran Candy Ltd.

**Mr Pat Connors**

Sales & Processing Director, Marine Harvest

**Mr Bernard Coyle**

Chairman, Mr Crumb

**Mr Colin Gordon**

Chief Executive, Glanbia Consumer Foods

**Mr Larry Murrin**

Managing Director, Dawn Farm Foods

**Ms Catherine Neilson**

Director of Strategy, Kerry Foods

**Mr John Noonan**

Sales & Marketing Director, E. Flahavan &  
Sons

**Mr Joe O'Flynn**

Senior Partner, Agrifood Business Partners

**Mr Eddie Power**

Managing Director, Green Isle Foods

**Mr Pat Rigney**

Managing Director,  
Fastnet Brands Co. Ltd.

### Changes during 2017

**Term of Office Expired 12th May:**

**Mr Pat Rigney** (re-appointed 31st May)

**Term of Office Expired 7th September:**

**Mr Mike Doyle**, Kerry Foods

**Appointed 18th October:**

**Ms Catherine Neilson**

**Term of Office Expired 1st December:**

**Mr Vincent Carton**, Carton Brothers

## BORD BIA MEAT AND LIVESTOCK BOARD

### CHAIR

#### Mr Tony Keohane

Former Chairman, Tesco Ireland

### MEMBERS

#### Mr Andy Boylan

Chairman, National Poultry Committee,  
Irish Farmers' Association.

#### Mr Vincent Carton

Carton Brothers

#### Mr Sean Dennehy

Chairman, National Sheep Committee, Irish  
Farmers' Association

#### Mr Michael Guinan

Irish Creamery Milk Suppliers' Association

#### Mr Jim Hanley

Chief Executive, Rosderra Irish Meats

#### Mr Tom Hogan,

Chairman, National Pigs & Pigmeat  
Committee, Irish Farmers' Association

#### Mr Brendan Mallon

Associated Craft Butchers of Ireland

#### Mr Kevin Quinn

Quinn International Livestock

#### Mr Angus Woods

Chairman, National Livestock Committee,  
Irish Farmers' Association

### Changes during 2017

Resigned 8th February

#### Mr Pat O'Flaherty

Appointed 28th February

#### Mr Tom Hogan

Appointed 22nd March:

#### Mr Kevin Quinn

### Terms of office Expired 9th October:

#### Mr John Lynskey

(re-appointed 18th October)

#### Mr Brendan Mallon

#### Mr Nigel Renaghan

(re-appointed 18th October)

### Term of office Expired 6th December:

#### Mr Tom Hogan,

### Changes during 2018

### Resigned 26th January 2018:

#### Mr John Lynskey,

Former Chairman, National Sheep  
Committee, Irish Farmers' Association

#### Mr Nigel Renaghan

Former Chairman, National Poultry  
Committee, Irish Farmers' Association.

### Appointed 21st February 2018:

#### Mr Andy Boylan

#### Mr Sean Dennehy

#### Mr Tom Hogan (re-appointed)

### Re-Appointed 8th March

#### Mr Brendan Mallon

### Terms of office Expired:

25th March:

#### Mr Finbarr McDonnell,

Managing Director, ABP

#### Mr Paddy Walsh,

Dawn Meats

---

## BORD BIA DAIRY BOARD

---

### CHAIR

#### Mr Tom Moran

Former Secretary General,  
Department of Agriculture,  
Food & the Marine

### MEMBERS

#### Mr Noel Corcoran

Sales & Marketing Director,  
Carbery Food Ingredients

#### Mr John Jordan

CEO EMEA, Ornuu Foods

#### Mr William Meagher

Tipperary Co-Operative Creamery Ltd.

#### Mr Pat McCormack

President, Irish Creamery Milk Suppliers  
Association

#### Mr Sean Molloy

Director of Strategy & Supplier Relations,  
Glanbia

#### Mr John O’Gorman

Chairman, Dairygold Co-operative Society

#### Mr Tom Phelan

National Dairy Council Chairman,  
Irish Farmers’ Association

#### Mr Pdraig Sayers

Vice President, Ingredients & Flavours,  
Kerry Group plc

#### Dr Pat Shiels

General Manager, Agri Division,  
Lakeland Dairies

### Changes during 2017

#### Resigned 9th May:

**Mr Fergal McGarry**, Global Director  
Consumer Foods, Ornuu

#### Appointed 9th May:

**Mr John Jordan**

#### Terms of office Expired 9th June:

**Ms Catherine Lascurettes** (re-appointed  
10th June)

**Mr Pdraig Young**, Lakeland Dairies

#### Term of office Expired:

#### 7th September:

**Mr Noel Corcoran**  
(re-appointed 18th October)

#### Appointed 18th October:

**Mr William Meagher**

### Changes during 2018

#### Resigned 18th January:

#### Mr James Lynch

Vice Chairman, Dairygold Co-operative  
Society

#### Resigned 28th February:

**Ms Catherine Lascurettes**,  
National Dairy & Liquid Milk Executive  
Secretary, Irish Farmers’ Association

#### Appointed 28th March:

#### Mr John O’Gorman

**Mr Tom Phelan**

---

## BORD BIA

# QUALITY ASSURANCE BOARD

---

### CHAIR

**Mr Raymond O'Rourke**  
Food & Consumer Lawyer

**Dr Declan Troy**  
Head of Centre, National Food Centre,  
Teagasc

### MEMBERS

**Mr Ray Bowe**  
Food Safety & Quality Manager,  
Musgrave Retail Partners

**Mr Angus Woods**  
Chairman, National Livestock Committee,  
Irish Farmers Association

**Mr Denis Carroll**  
Irish Creamery Milk Suppliers' Association

**Changes during 2017:**  
**Appointed 2nd February:**  
**Mr John Cunningham**  
**Mr Angus Woods**

**Mr John Cunningham**  
Ex-Dairygold Food Products

**Ms Maria Dunne**  
Meat & Meat Policy Division, Department  
of Agriculture, Food & the Marine

**Terms of office Expired 12th May:**  
**Ms Joyce Roche** (re-appointed 31st May)

**Mr Dermott Jewell**  
Policy & Council Adviser, Consumers'  
Association of Ireland.

**Resigned 20th June:**  
**Mr Colm Hayes,**  
Assistant Secretary, Department of  
Agriculture, Food & the Marine

**Mr John Mohan**  
Chairman, The Egg Association

**Term of office Expired 7th September:**  
**Mr John Mohan**

**Mr Paul Nolan**  
Group Development Manager, Dawn Group

**Appointed 18th October:**  
**Ms Maria Dunne**

**Mr Liam O'Flaherty**  
Dairygold Co-operative Society

**Term of office Expired 1st December:**  
**Dr Declan Troy**

**Ms Joyce Roche**  
Director & Technical Manager, Codd  
Mushrooms

**Changes during 2018**  
**Re-appointed 21st February:**  
**Mr John Mohan**  
**Dr Declan Troy**

---

## BORD BIA HORTICULTURE BOARD

---

### CHAIR

**Ms Caroline Keeling**  
Keelings Fruit Growers/Importers

### MEMBERS

**Mr Paul Brophy**  
Paul Brophy Produce

**Mr Eddie Doyle**  
Doyle Produce

**Mr Matt Foley**  
Kilbush Nurseries

**Ms Karen Kerrigan**  
Kerrigan's Mushrooms

**Ms Jane McCorkell**  
Landscape Architect & Horticultural  
Consultant

**Ms Celine Murrin**  
University College, Dublin

**Ms Áine O'Neill**  
Sillis Green Veg

**Mr Brian O'Reilly**  
Mushroom Grower

**Mr Eoin Reid**  
Fernhill Garden Centre

**Ms Margot Slattery**  
Country President, Sodexo Ireland

**Mr Pdraig Tully**  
Tully Nurseries

### Changes during 2017

**Appointed 2nd February:**  
**Mr Matt Foley,**  
**Ms Caroline Keeling (Chair)**

**Appointed 31st May:**  
**Ms Celine Murrin**  
**Ms Áine O'Neill**  
**Ms Margot Slattery**  
**Mr Pdraig Tully**





OUR  
**ACCOUNTS**



---

# REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

---



## Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

#### An Bord Bia

##### Opinion on financial statements

I have audited the financial statements of An Bord Bia for the year ending 31 December 2017 as required under the provisions of section 21 of An Bord Bia Act 1994. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of An Bord Bia at 31 December 2017 and of its income and expenditure for 2017 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

##### Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of An Bord Bia and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Report on information other than the financial statements, and on other matters

An Bord Bia has presented certain other information together with the financial statements. This comprises the annual report (including the governance statement and Board members' report) and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy  
Comptroller and Auditor General

28 June 2018

# REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

## Appendix to the report

### Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities for

- the preparation of financial statements in the form prescribed under section 21 of An Bord Bia Act 1994
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under section 21 of An Bord Bia Act 1994 to audit the financial statements of the An Bord Bia and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.
- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on An Bord Bia's ability to continue as a

going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause An Bord Bia to cease to continue as a going concern.

- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if there are material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if there is any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

---

## STATEMENT ON INTERNAL CONTROL

---

### SCOPE OF RESPONSIBILITY

On behalf of the Board of Bord Bia, I acknowledge our responsibility, as described in the Governance Statement and Board Members Report, for ensuring that an effective system of internal control is maintained and operated.

### PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system can provide reasonable, but not absolute, assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely period.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Bord Bia for the year ended 31 December 2017 and up to the date of approval of the financial statements.

### CAPACITY TO HANDLE RISK

The Board has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities and powers.
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation.
- Developing a culture of accountability across all levels of the organisation.

### RISK AND CONTROL FRAMEWORK

The Board has established processes to identify and evaluate business risks by:

- Identifying the nature, extent and financial implication of risks facing the body, including the extent and categories which it regards as acceptable.
- Assessing the likelihood of identified risks occurring.
- Working closely with Government, engaging with stakeholders in the food and drink industry and with various Agencies to ensure that there is a clear understanding of Bord Bia goals and support for the Board's strategies to achieve those goals.
- Establishing procedures to ensure that the schemes and

programmes administered by the body are in accordance with the legislation governing their operation and that appropriate risk management systems are in place.

The Board can conclude that the processes in place to identify and evaluate business risks were operating effectively and as intended during the period.

The system of internal control is based on a framework of regular management information, administration procedures including segregation of duties, authorisation limits and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board.
- Regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts.
- Setting targets to measure financial and other performance.
- Adherence to the relevant aspects of the Public Spending Code.
- Clearly defined capital investment control processes.
- Formal project management disciplines

Bord Bia has an outsourced internal audit function, which operates in accordance with the Code of Practice for the Governance of State Bodies and, which reports directly to the Audit & Risk Committee. The work of internal audit is informed by analysis of the risk to which the body is exposed and annual internal audit plans are based on this analysis. The analysis of risk and the Internal Audit plan are endorsed by the Audit & Risk Committee and reported to the Board. The risk register is reviewed at each Audit & Risk Committee meeting and at each Board meeting.

The Audit & Risk Committee meets on a regular basis throughout the year to review and confirm the ongoing adequacy and effectiveness of the system of internal control.

### ONGOING MONITORING AND REVIEW

The Board's monitoring and review of the effectiveness of the system of internal control is informed by the work of the Internal Auditor, the Audit & Risk Committee which oversees

the work of the internal auditor, the executive managers within Bord Bia who have responsibility for the development and maintenance of the internal control framework and informed by the work of the Comptroller and Auditor General in his annual audit.

The Financial Statements have been prepared in accordance with the Code of Practice for the Governance of State Bodies, 2016.

### **PROCUREMENT**

The quality assurance process, as per the Public Spending Code, was carried out for the audit period. This provided confirmation that the body is in compliance with current procurement rules as set out by the Office of Government Procurement, and the requirements of the Public Spending Code.

### **REVIEW OF EFFECTIVENESS**

I confirm that in the year ended 31st December, 2017 the Board conducted a review of the effectiveness of the system of internal control. The review was conducted in December, 2017.

### **INTERNAL CONTROL ISSUES**

There were no material weaknesses in internal control, or breaches in control, material losses or frauds reported in relation to 2017 that require disclosure in the financial statements.

On behalf of the Board

**Dan MacSweeney**

Chair

27 June 2018:

## STATEMENT OF INCOME AND EXPENDITURE AND RETAINED REVENUE RESERVES

for the financial year ended 31 December

	NOTES	2017 €'000	2016 €'000
<b>INCOME</b>			
Oireachtas Grants	2 (a)	40,775	32,569
Oireachtas - Other Funding:			
Food Dude National Roll Out	2 (b)	3,047	2,867
Quality Assurance Schemes Special Funding	2 (c)	6,261	5,801
Food Promotions Special Funding	2 (d)	2,538	2,004
Statutory Levy	2 (e)	5,920	5,655
Project and Other Income	2 (f)	8,815	8,300
Net deferred funding for Retirement Benefits	11(a) i	4,679	3,142
		<b>72,035</b>	60,338
Transfer (to) the Capital Account	3	(34)	(415)
<b>Total Income</b>		<b>72,201</b>	59,923
<b>EXPENDITURE</b>			
Marketing and Promotional Expenditure	5 (a)	43,165	33,670
Food Dude National Roll Out		3,047	2,867
Quality Assurance Schemes		6,227	5,876
Marketing Finance	5 (b)	1,514	1,299
Pay and Retirement Benefit Costs	6	13,851	11,873
Operating Expenditure	4	2,980	3,068
<b>Total Expenditure</b>		<b>70,784</b>	58,653
Operating Surplus		1,217	1,270
Interest Receivable		0	1
Interest Payable		0	0
<b>Net surplus for the financial year before Retirement Benefit Contribution to the Exchequer</b>		<b>1,217</b>	1,271
Retirement Benefit Contribution to the Exchequer		(730)	(640)
<b>Net Surplus / (deficit) for the financial year after Retirement Benefit Contribution to the Exchequer</b>		<b>487</b>	631
Retained Revenue Reserves at 1 January		956	325
Retained Revenue Reserves at 31 December		<b>1,443</b>	956

All income and expenditure for the year relates to continuing activities at the reporting date.

The Statement of Cash Flows and Notes 1 to 17 form part of these financial statements.

**Dan MacSweeney**  
Chair  
27 June 2018

**Tara McCarthy**  
Chief Executive  
27 June 2018

## STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December

	NOTES	2017 €'000	2016 €'000
Net Surplus for the year		487	631
Actuarial Gain / (Loss) on Retirement Benefit Scheme Liabilities	11(a)iii	111	(6,784)
Adjustment to Deferred Retirement Benefit Funding	11(a)iii	(111)	6,784
<b>Total Comprehensive Income for the year</b>		<b>487</b>	<b>631</b>

The Statement of Cash Flows and Notes 1 to 17 form part of these financial statements.

**Dan MacSweeney**

Chair

27 June 2018

**Tara McCarthy**

Chief Executive

27 June 2018

## STATEMENT OF FINANCIAL POSITION

For the financial year ended 31 December

	NOTES	2017 €'000	2016 €'000
<b>ASSETS EMPLOYED</b>			
<b>Fixed Assets</b>			
Property, Plant and Equipment	7	659	625
<b>Current Assets</b>			
Inventories		3	4
Trade and Other Receivables	8	5,412	4,227
Cash and Other Equivalents		8,889	6,009
		<b>14,304</b>	10,240
<b>Current Liabilities : Amounts falling due within one year</b>			
Trade and Other Payables	9	12,110	8,620
Net Current Assets		<b>2,194</b>	1,620
<b>Total Assets less Liabilities</b>			
		<b>2,853</b>	2,245
<b>Long Term Liabilities: amounts falling due after more than one year</b>			
Provision for Liabilities and Charges	12	751	664
Retirement Benefit Liabilities	11	(65,920)	( 62,082)
Deferred Retirement Benefit Funding	11	65,920	62,082
<b>Total Assets less Liabilities</b>			
		<b>2,102</b>	1,581
<b>FINANCED BY</b>			
<b>Capital and reserves</b>			
Capital account	3	659	625
Statement of Income and Expenditure and Retained Revenue Reserves		1,443	956
		<b>2,102</b>	1,581

The Statement of Cash Flows and Notes 1 to 17 form part of these financial statements.

**Dan MacSweeney**  
Chair  
27 June 2018

**Tara McCarthy**  
Chief Executive  
27 June 2018

## STATEMENT OF CASH FLOWS

For the financial year ended 31 December

	2017	2016
	€'000	€'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus for the financial year	487	631
Adjustments for:		
Depreciation of Tangible Assets	274	179
Capital Account Transfer	34	415
Interest Received	0	(1)
Decrease / (Increase) in Inventories	1	(2)
(Increase) in trade and other receivables	(1,185)	(829)
Increase in trade and other payables	3,490	1,535
Increase in other provisions	87	36
Net Cash Inflow from Operating Activities	<b>3,188</b>	1,964
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of property plant and equipment	(308)	(595)
Interest Received	0	1
Loss on disposal of fixed asset	0	1
Net Cash from investing activities	<b>(308)</b>	(593)
Net Increase in Cash and Cash Equivalents	<b>2,880</b>	1,371
Cash and Cash Equivalents at 1 January	<b>6,009</b>	4,638
Cash and Cash Equivalents at 31 December	<b>8,889</b>	6,009

**Dan MacSweeney**

Chair

27 June 2018

**Tara McCarthy**

Chief Executive

27 June 2018

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 1. ACCOUNTING POLICIES

#### (a) Basis of preparation:

The financial statements for year ended 31 December 2017 have been prepared in accordance with Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland (“FRS 102”), and with the An Bord Bia Act, 1994. The financial statements have been prepared on the historical cost convention. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to An Bord Bia’s financial statements.

The financial statements are presented in Euro (€), the functional currency.

#### (b) Critical accounting judgments and estimates

Preparation of the financial statements requires management to make critical accounting judgements, assumptions and estimates. The items in the financial statements where these judgments and estimates have been made include:

- Income from domestic levies is based on the estimated number of slaughtered livestock;
- Provisions for doubtful trade receivables;
- Provisions for retirement benefit liabilities, which are based on actuarial calculations ;
- Provisions for depreciation;
- Provisions for impairment of Property, Plant and Equipment; and
- Provisions for building dilapidations.

#### (c) Income

Income shown in the financial statements under Oireachtas Grants represents the actual receipts from this source in the period.

Income from the Quality Assurance Schemes Special Funding, the Food Dude National Roll-Out and Food Promotions Special Funding is released to revenue in line with expenditure and any balances due to or from Bord Bia are included in Trade and Other Receivables and Trade and Other Payables as appropriate.

Income arising from the Statutory Levy is accounted for on the accruals basis .

#### (d) Principal accounting policies

##### (1) Property, plant and equipment

Property, plant and equipment are funded from Oireachtas grants and are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, over their expected useful lives, using the straight-line method. The normal rates applicable are:

Leasehold improvement	<b>10%</b>
Furniture and fittings	<b>12.5%</b>
Computer equipment	<b>33.3%</b>
Office equipment	<b>20%</b>

##### (2) Impairment of Property, Plant and Equipment

At each reporting date Property, Plant and Equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the

carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Income and Expenditure and Retained Revenue Reserves.

##### (3) Inventory

Inventory is measured using the First In, First Out (FIFO) method.

##### (4) Trade and Other Receivables

Short term receivables are measured at transaction price, less any provisions for doubtful debts. Known bad debts are written off.

##### (5) Trade and Other Payables

Short term payables are measured at the transaction price.

##### (6) Provisions for Liabilities and Charges

Provisions are recognised when An Bord Bia has a present obligation (legal or constructive) as a result of a past event, which it is probable that the organisation will be required to settle, and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision for such obligations is the best estimate of the consideration required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate where appropriate. The unwinding of the discount is recognised as a finance cost in the Statement of Income and Expenditure and Retained Revenue Reserves in the period it arises.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### (e) Employee benefits

#### Retirement Benefits

There are three Superannuation Schemes in operation within Bord Bia.

The Bord Bia main scheme is an unfunded scheme since 31st December 2009. Prior to 1st January 2010 employer and employee contributions were paid into a fund.

Under the terms of the Financial Measures (Miscellaneous Provisions) Act, 2009, the assets of the scheme were transferred to the National Pension Reserve Fund with effect from 31st December 2009.

The scheme continues in being for existing members. From 1st January 2010, Bord Bia became responsible for the administration of the retirement benefit payments to pensioners on behalf of the Exchequer. Under the new arrangement the funding contribution will continue in being and is payable to the Department of Agriculture, Food and the Marine after taking account of retirement benefits paid. The Department will provide funding where the retirement benefits paid exceed the funding and employer contributions.

With regard to employees of the former Bord Glas, a non-contributory defined benefit retirement benefit scheme and a contributory spouses and children's scheme are operated on an administrative basis pending the authorisation of the schemes by the Minister for Public Expenditure and Reform. Under the provisions of An Bord Bia (Amendment) Act, 2004, all staff of the former Bord Glas were transferred to Bord Bia with effect from 1st July 2004.

The new Single Public Service Pension Scheme ("Single Scheme") commenced with effect from 1 January 2013. All new entrants to pensionable public service employment on or after 1 January 2013 are, in general, members of the Single Scheme. The rules of the Single Scheme are set down in the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

Retirement benefit costs reflect retirement benefits earned by employees in the year. An amount corresponding to the retirement benefit charge is recognised as income to the extent that it is recoverable, and offset by Grants received in the year to discharge retirement benefit payments for the Bord Glas scheme and any deficit in funding arising on the Bord Bia scheme.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Agriculture, Food and the Marine.

Retirement Benefit Liabilities represent the present value of future retirement benefit payments earned by staff to date. Deferred Retirement Benefit Funding represents the corresponding asset to be recovered in future periods from the Department of Agriculture, Food and the Marine.

#### Short-term benefits

Short-term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the 'Trade and Other Payables' figure in the Statement of Financial Position.

### (f) Foreign currency translation

In preparing the financial statements, transactions in currencies other than the functional currency ("foreign currencies") are recognised at the spot rate at the dates of the transactions or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the period in which they arise.

### (g) Leased Assets

Rentals in respect of operating leases are charged to the Statement of Income and Expenditure and Retained Revenue Reserves as incurred.

### (h) Capital Account

The capital grant element of Oireachtas grants received by Bord Bia is credited to the Capital Account as set out in note 3, and is transferred to the Statement of Income and Expenditure and Retained Revenue Reserves over the expected useful lives of the assets to which it relates, in line with depreciation.

### (i) Taxation

Provision has been made in respect of all VAT, withholding tax and payroll liabilities.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 2. OPERATING INCOME

- (a) Oireachtas grants of €40,775,000 were drawn down from the Department of Agriculture, Food and the Marine under Vote Agriculture (Sub-head C.6).
- (b) Amounts included under the heading of Food Dude - National Roll-Out totalling €3,047,000 arise in respect of funding made available by the Department of Agriculture, Food and the Marine (Sub-head C.4.3) to cover the costs of the roll-out of the Food Dude healthy eating programme on a national basis.
- (c) Amounts included under the heading of the Quality Assurance Scheme Special Fund totalling €6,261,000 arise in respect of funding made available by the Department of Agriculture, Food and the Marine (Sub-head C.3.9) to cover the costs of independent on-farm inspections and associated certification processes under the Bord Bia Quality Assurance Scheme.
- (d) Amounts included under Food Promotions Special Funding arise in respect of funding made available by the Department of Agriculture, Food and the Marine (Sub-heads C.4.3) in respect of the following programmes:

	2017	2016
	€'000	€'000
<b>PROMOTIONS</b>		
Beef & Lamb Asia	821	0
Organics	232	120
Potato	224	116
Lamb	205	199
Biofach Organic Meat & Consumer Foods Fair	61	56
Biofach Organic Seafood Fair	30	34
Mushroom	0	512
Pigmeat Consumer	0	82
Farmhouse Cheese	0	42
Bloom (Organic) Garden Festival	0	10
<b>TRADE FAIRS</b>		
Seafood Expo Global (SEG)	377	428
Boston Seafood	208	216
China Fisheries	180	78
Seafood Tokyo	104	0
Conxemar	79	73
Speciality & Fine Food Fair	17	24
Private Label Manufacturers Association (PLMA)	0	14
	<b>2,538</b>	<b>2,004</b>

- (E) An Bord Bia Act, 1994, provides for payment to the Board of a levy per head on slaughtered or exported livestock. Under section 37 of the Act, the rates were set at €1.90 per head for cattle, 25c per head for sheep and 35c per head for pigs. In 2017, all levies were accounted for on an accruals basis.
- (F) Project and other income includes industry contributions to joint promotions, trade fairs, information services and seminar and conference fees.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 3. CAPITAL ACCOUNT

The Capital account represents the cumulative grants received that have been transferred from the Statement of Income and Expenditure and Retained Revenue Reserves.

The Reserves represent the cumulative surplus of income over expenditure.

	2017	2016
	€'000	€'000
Capital Account Balance at 1 January	625	210
Amount capitalised in respect of purchased fixed assets	308	595
Amounts released on disposal of fixed assets	0	(1)
Amortisation in line with asset depreciation	(274)	(179)
Net transfer from / (to) the Statement of Income and Expenditure and Retained Revenue Reserves.	34	415
Balance at 31 December	659	625

### 4. OPERATING EXPENDITURE

The net surplus is stated after charging:

	2017	2016
	€'000	€'000
Depreciation of property plant and equipment	274	179
Rent and Rates	1,654	1,225
Auditors Remuneration	25	25
General Business Expenses	1,027	1,639
Total	2,980	3,068

### 5. MARKETING AND PROMOTIONAL EXPENDITURE

(a) Analysis by the Statement of Strategy Strategic Pillars

	2017	2016
	€'000	€'000
Consumer Insight	7,498	4,561
People Talent Infrastructure	3,048	2,667
Origin Green	2,918	2,346
Routes to Market	10,061	7,028
Brand Communications	18,529	15,886
Support Services	1,111	1,182
Total	43,165	33,670

#### (b) Marketing Finance

In 2017 grants totalling €657,000 (€925,000 in 2016) were made under the Marketing Assistance Programme. Grants totalling €249,000 (€283,000 in 2016) were made under the Step Change Programme and €608,000 (€91,000 in 2016) was made available under the Market Intensification Programme in 2017.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 6. REMUNERATION

	2017	2016
	€'000	€'000
Staff costs during the financial year were as follows:	<b>8,195</b>	7,785
Staff short-term benefits	<b>977</b>	946
Employer's contribution to social welfare	<b>0</b>	0
Termination benefits	<b>4,679</b>	3,142
Retirement benefit costs	<b>13,851</b>	11,873

	2017	2016
	€'000	€'000
<b>Split of Employee Costs</b>		
Marketing and promotion	<b>12,178</b>	10,383
Administration	<b>1,673</b>	1,490
	<b>13,851</b>	11,873

	2017	2016
	Number	Number
<b>Split of Employee Numbers (Whole time equivalents)</b>		
Marketing and promotion	<b>97</b>	94
Administration	<b>17</b>	18
	<b>114</b>	112

	2017	2016
	€'000	€'000
<b>Split of Staff short-term benefits</b>		
Salary	<b>8,165</b>	7,748
Overtime	<b>7</b>	9
Allowances	<b>23</b>	28
	<b>8,195</b>	7,785

	2017	2016
	€'000	€'000
<b>Termination Benefits</b>		
Termination benefits charged to the statement of income and expenditure	<b>0</b>	0

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

In accordance with Department of Public Expenditure and Reform circular 13/2014 the following outlines the employee benefits greater than €60,000 in 2017. Note the following are before any deduction related to the public sector pension levy.

Employee benefits	Number of Employees	
	2017	2016
€60,000 to €69,999	16	20
€70,000 to €79,999	25	21
€80,000 to €89,999	13	10
€90,000 to €99,999	2	5
€100,000 to €109,999	8	4
€110,000 to €119,999	-	-
€120,000 to €129,999	-	1
€130,000 to €139,999	-	-
€140,000 to €150,000	1	1

The remuneration of the Chief Executive included in the above pay costs is as follows:	2017	2016
	€	€
Aidan Cotter	10,736	149,175
Tara McCarthy	141,163	-
Total remuneration	151,899	149,175

In addition, the Chief Executive is a member of the Bord Bia Superannuation Scheme and has retirement benefit entitlements which do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

Key Management Personnel included in the above pay costs is as follow:	2017	2016
	€'000	€'000
Salary	532	523
Allowances	0	0
Termination benefits	0	0
Health insurance	0	0
	532	523

Key management personnel compensation includes employee benefits paid to the senior members of the management team at Grade 1 level. CEO remuneration and Board Member Remuneration is disclosed separately in notes 6 and the Governance Statement and Board Members Report respectively. In addition, key management personnel are members of the Bord Bia Superannuation Scheme and have retirement benefit entitlements which do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

The total number of employees (including part-time persons) at 31 December 2017 was 114 (2016: 112). The cost of certain part-time employees amounting to €67,084 (2016: €14,285) is included in Marketing and Promotional expenditure.

A total pension levy amount of €377,918 (2016: €367,542) was paid over to the Department of Agriculture, Food and the Marine during 2017.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 7. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Furniture and Fittings	Computer Equipment	Office Equipment	Total
Cost	€'000	€'000	€'000	€'000	€'000
At 1 January 2017	2,024	617	761	165	3,567
Additions	140	-	51	117	308
Disposals	(8)	(9)	(24)	(3)	(44)
At 31 December 2017	<b>2,156</b>	<b>608</b>	<b>788</b>	<b>279</b>	<b>3,831</b>
<b>Depreciation</b>					
At 1 January 2017	1,603	471	713	155	2,942
Charged for the financial year	155	26	62	31	274
Disposals	(8)	(9)	(24)	(3)	(44)
At 31 December 2017	<b>1,750</b>	<b>488</b>	<b>751</b>	<b>183</b>	<b>3,172</b>
<b>Net book amount at 31 December 2017</b>	<b>406</b>	<b>120</b>	<b>37</b>	<b>96</b>	<b>659</b>
Net book amount at 31 December 2016	421	146	48	10	625

\* The 2017 depreciation charge on Leasehold Improvements is calculated based on the remaining useful life of the asset, in this instance, the remaining period of the lease.

### 8. TRADE AND OTHER RECEIVABLES

	2017	2016
	€'000	€'000
Trade Receivables	<b>3,761</b>	3,154
Less Provision for bad debts	<b>(675)</b>	(403)
	<b>3,086</b>	2,751
Prepayments and Accrued Income	<b>2,326</b>	1,476
	<b>5,412</b>	4,227

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

<b>9. TRADE AND OTHER PAYABLES</b>	<b>2017</b>	<b>2016</b>
	<b>€'000</b>	<b>€'000</b>
<i>Amounts falling due within one year</i>		
Trade Payables	<b>5,311</b>	3,023
Exchequer retirement benefit contribution	<b>0</b>	383
Taxation and Social welfare (note 10)	<b>2,213</b>	1,507
Accruals*	<b>4,194</b>	3,475
Deferred income	<b>392</b>	233
	<b>12,110</b>	8,621

Trade payables are to be settled at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

\* Includes Holiday pay accrual of €119,000 (€180,000 in 2016). Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year end are included in the Trade and Other Payables figure in the Statement of Financial Position.

<b>10. TAXATION AND SOCIAL WELFARE</b>	<b>2017</b>	<b>2016</b>
	<b>€'000</b>	<b>€'000</b>
<i>Amounts falling due within one year</i>		
VAT	<b>605</b>	297
Withholding Tax	<b>1,238</b>	609
Payroll taxes	<b>307</b>	442
PRSI	<b>63</b>	159
	<b>2,213</b>	1,507

Section 227 of the Taxes Consolidation Act, 1997, provides an exemption from tax for income of non-commercial state bodies. An Bord Bia is liable to employer taxes in Ireland and complies with related withholding, reporting and payment obligations as appropriate.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

<b>11. RETIREMENT BENEFIT COSTS</b>	<b>2017</b>	<b>2016</b>
	<b>€'000</b>	<b>€'000</b>
<b>a i) Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves.</b>		
Service cost	<b>2,753</b>	2,230
Employee contributions	<b>(339)</b>	(315)
Current service cost	<b>2,414</b>	1,915
Interest cost	<b>1,169</b>	1,227
Plan introductions, changes, curtailments and settlements *	<b>1,096</b>	0
<b>Total</b>	<b>4,679</b>	3,142

\* The Plan introductions, changes, curtailments and settlements figure of €1,096,000 relates to the increase in the Defined Benefit Obligation (DBO) as a result of a transfer of service into the Scheme for members, and the re-linking of accrued benefit to salary for members on return to active status.

### **a ii) Contribution to the Exchequer**

In accordance with the Financial Measures (Miscellaneous Provisions) Act 2009 and the arrangements set out in the accounting policies, contributions payable to the Exchequer amounted to €729,677 in the year (2016: €640,248).

There was a nil liability due at 31 December 2017 (2016: €383,574) in respect of employer contributions payable to the Exchequer after offsetting retirement benefits payable under the Bord Bia scheme.

	<b>2017</b>	<b>2016</b>
	<b>€'000</b>	<b>€'000</b>
<b>a iii) Analysis of amount recognised in Statement of Comprehensive Income</b>		
Total remeasurement effects recognised	<b>111</b>	(6,784)

### **b i) Present value of scheme obligations**

Present value of scheme obligations at beginning of year	<b>62,082</b>	52,583
Service Cost	<b>2,753</b>	2,230
Interest Cost	<b>1,169</b>	1,227
Plan introductions, changes, curtailments and settlements	<b>1,096</b>	0
Actuarial loss / (gain)	<b>(111)</b>	6,784
Benefits paid	<b>(1,069)</b>	(742)
<b>Present value of scheme obligations at end of year</b>	<b>65,920</b>	62,082

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 11. RETIREMENT BENEFIT COSTS (CONT'D)

#### b ii) Deferred Funding Asset

Under the terms of the Financial Measures (Miscellaneous Provisions) Act 2009, the assets of the Bord Bia Superannuation Schemes were transferred to the National Pension Reserve Fund with effect from 31 December 2009. The retirement benefit schemes associated with these funds continue in force for existing members with no impact on their benefits or associated provision for members. The Department of Agriculture, Food and the Marine will provide funding where the retirement benefits paid exceed contributions. An Bord Bia has adapted the treatment and disclosures required by the accounting standard, Financial Reporting Standard 102 (Section 28) to reflect the arrangements in operation. While the funding arrangement operates on a net pay over basis with the Department, An Bord Bia is satisfied that the nature of the arrangement is akin to a full reimbursement of the retirement benefit liability when those liabilities fall due for payment and therefore recognises its right to the reimbursement as a separate asset in the amount equal to the liability at the year end.

An Bord Bia also recognises an asset corresponding to the unfunded liability for retirement benefits on the Bord Glas scheme on the basis of a number of assumptions and past events, including the statutory basis for the establishment of the superannuation schemes and the policy and practice currently in place in relation to funding public services retirement benefits, including the annual estimates process.

A deferred funding asset of €65.920 million equal to the retirement benefit liability is recognised at 31 December 2017 (2016: €62.082 million). The deferred funding asset at the year end was determined after taking into account net deferred funding for retirement benefits in the year of €4.679 million and adjustments arising from the actuarial gain of €111,000 and from retirement benefits payable under the Bord Bia scheme of €1.069 million which were offset against the contribution payable to the Exchequer.

2017	2016
€'000	€'000

#### b iii) Net Deferred Funding for Retirement Benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

Funding recoverable in respect of current year retirement benefit costs Oireachtas Grants applied to retirement benefit payments (An Bord Glas Scheme)	4,679	3,142
	<b>4,679</b>	<b>3,142</b>

#### c) Description of schemes and actuarial assumptions

The Board operates three defined benefit superannuation schemes for certain eligible employees.

1) The Bord Bia main scheme, for which the approval of the Minister for Agriculture, Food and the Marine and the Minister for Public Expenditure and Reform has been received. Until 31 December 2009, the contributions of employees and Bord Bia were paid into a fund managed by the trustees. As detailed under note 11b ii) above, the assets of the scheme were transferred to the National Pension Reserve Fund with effect from 31 December 2009.

2) The former Bord Glas scheme. This consists of a non-contributory defined benefit retirement benefit scheme and a contributory spouses and children's scheme which is operated on an administrative basis pending the authorisation of the schemes by the Minister for Public Expenditure and Reform.

3) The Single Public Service Pension Scheme. The rules of the Single Scheme are set down in the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

An Bord Bia meets the cost of current retirements. These are paid out of current income. Contributions received by An Bord Bia from members of the contributory unfunded schemes outlined above are used to part fund ongoing retirement benefit liabilities.

An actuarial valuation of the Bord Bia Superannuation Schemes was carried out as at 31 December 2017 for the purpose of preparing this FRS102 disclosure. The liabilities and costs have been assessed using the projected unit method.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### Financial assumptions

The principal actuarial assumptions used to calculate the retirement benefit obligations under FRS102 were as follows:

	<b>31/12/2017</b>	<b>31/12/2016</b>
Discount Rate	<b>1.95%</b>	1.90%
Inflation Rate	<b>1.90%</b>	1.85%
Salary increases	<b>4.15%</b>	4.10%
Retirement benefit increases for in payment benefits	<b>3.65% / 1.90%</b>	3.6% / 1.85%
Retirement benefit increases for deferred benefits	<b>3.65% / 1.90%</b>	3.6% / 1.85%
Plan membership census date	<b>31/12/2017</b>	31/12/2016

The following amounts were measured in accordance with the requirements of FRS102.

### Demographic assumptions

The mortality table is 88% of ILT15 (Males) for males and 91% of ILT15 (Females) for females, with the 2013 CSO mortality improvements applying from 2010. Representative rates are shown below.

The expected lifetime of a participant who is age 65 and the expected lifetime (from age 65) of a participant who will be age 65 in 25 years are shown in years below based on the above mortality tables.

<b>Age</b>	<b>Males</b>	<b>Females</b>
65	21.2	23.7
65 in 25 years	24.2	26.3

### d) History of defined benefit obligations, assets and experienced gains and losses

	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>	<b>€'000</b>
Defined benefit obligations	<b>65,920</b>	62,082	52,583	52,053	40,846
Fair value of scheme assets	-	-	-	-	-
Deficit on Superannuation Schemes	<b>(65,920)</b>	(62,082)	(52,583)	(52,053)	(40,846)
Experience adjustments on scheme obligations	<b>111</b>	(6,784)	2,043	(8,854)	4,261
Experience adjustments on scheme assets	-	-	-	-	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

For the financial year ended 31 December

### 12. PROVISION FOR LIABILITIES AND CHARGES

	Dilapidations	VAT	Total
	€'000	€'000	€'000
At 1 January 2017	664	0	<b>664</b>
Additions	87	-	<b>87</b>
At 31 December 2017	<b>751</b>	-	<b>751</b>

The provision for dilapidations comprises the estimated cost of reinstatement of leasehold properties in accordance with obligations under operating leases.

### 13. COMMITMENTS

#### Funding

In terms of the Marketing Finance Programmes operated by Bord Bia management have committed to €1,314,000 (2016: €1,514,000) payments within the next 12 months. There are no specific performance-related conditions attached to these commitments other than that the intended beneficiaries had to have incurred the expenditure before submitting their claims. These commitments are in turn funded through the Oireachtas grant income.

	2017	2016
	€'000	€'000
At 1 January	<b>1,514</b>	932
(Reductions) / Additions	<b>(200)</b>	582
At 31 December	<b>1,314</b>	1,514

	2017	2016
	€'000	€'000
<i>Operating leases</i>		
The future minimum operating lease payments are as follows:		
Within one year	<b>1,197</b>	1,214
Between one and five years	<b>2,602</b>	3,594
Beyond five years	<b>193</b>	282

An Bord Bia occupies premises at Clanwilliam Court, Lower Mount Street, Dublin 2 under a rental agreement. This agreement which commenced in 2010 will expire in 2021. The total charges including rent, rates and other accommodation costs for these premises in 2017 was €1,167,395. In addition, Bord Bia occupies thirteen other properties in various locations internationally. The rent paid on these premises in 2017 was €487,051

---

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

---

*For the financial year ended 31 December*

### **14. BOARD MEMBERS - DISCLOSURE OF TRANSACTIONS**

In the normal course of business the Board may approve grants and may also enter into other contractual arrangements with undertakings in which Bord Bia Board Members are employed or otherwise interested. The Board adopted procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Board Members and these procedures have been adhered to by the Board during the year.

No grants were approved or paid during the year to companies with which Board Members are associated.

### **15. COMPARATIVE INFORMATION**

Comparative information has been reclassified where necessary to conform to the current financial year information.

### **16. OBJECTIVES OF AN BORD BIA**

The objectives of Bord Bia are summarised in our Mission statement - "To drive, through market insight, and, in partnership with industry, the commercial success of a world-class food, drink and horticulture industry." This is fully articulated in our corporate strategy as outlined in the annual report.

### **17. APPROVAL OF FINANCIAL STATEMENTS**

The Board approved the financial statements on the 27 June 2018.

## MARKETING FINANCE GRANT PAYMENTS

Company Name	Payment €	Company Name	Payment €	Company Name	Payment €
12 Acres Brewing Company	1,659	Genovese Foods Ltd	4,507	Poachers Premium Beverages	3,213
Absolutely Fabulous Foods Ltd	3,436	Glenilen Farm Ltd	20,814	Pónaire Ltd	4,000
Adare Farm	5,000	Glydefarm Produce-Bellingham Blue	1,500	Ponticelli Coffee	4,000
Aine Chocolates Ltd	7,500	Goatsbridge Trout Farm Ltd	10,000	Quarrymount Free Range Meat	2,000
Allied Irish Growers-West Cork Bulbs	680	Gold Circle Mushrooms	15,324	Radical Fruit Co. Ltd-Wild Orchard	1,500
Allihies Seafood Ltd	1,532	Good 4U	55,000	Rascals Brewing Company	3,500
Annascaul Black Pudding Co	2,000	Goodness Grains Gluten Free Bakery	6,000	Redbank Food Co. Ltd	2,033
Ardsallagh Goats Products Ltd	1,955	Gortinore Distillery Ltd	5,000	Rentes Plants Ltd	7,586
Arthurstown Brewing Co.	1,405	Green Earth Organics Ltd	4,000	Rosie's Bakehouse	3,209
Ballineen Fine Foods Ltd	13,122	Green Saffron Spices Ltd	10,000	Ryan's Farm	1,143
Ballykelly Farms	2,264	Greenbean Coffee Roasters	3,000	Rye River Brewing Company	11,742
Ballymaloe Country Relish-Hyde Ltd	18,645	Greenhill Fruit Farm Ltd	7,000	Salad Ways Ltd	3,500
Ballyvolane House Spirits	2,500	Healy's Honey Ltd	13,958	Sam's Cookies Ltd	7,000
Barry John Gourmet Sausages	2,500	Heatherfield Ltd - Seerys	12,763	Sea of Vitality Ltd	600
Beechill Bulbs Ltd	3,000	HF Foods Ltd	2,068	Secret Recipe Ltd	15,824
Beechlawn Organic Farm	5,554	Hibernia Distillers Ltd	5,000	Shannon Estuary Oysters	4,000
Beeline Healthcare	4,000	Highbank Orchards	2,964	Silver Hill Foods	45,000
Benoits Chocolate Factory	10,000	Honest Bread & Cakes Ltd	4,000	Silver Pail Dairy	940
Bia Ganbreise-Freefrom Foods	4,000	Honeyvale Foods Ltd-Oakpark	20,000	Simply Soups Ltd	13,378
Blackwater Distillery	3,788	Hope Beer	4,000	Sisoo Foods Ltd t/a Cool Foods	4,000
Bluebell Falls Ltd	3,000	IASC - Irish Atlantic Seafood Co.	1,043	Skelligs Chocolate	5,623
Boutique Bake Ltd	2,581	Improper Butter	4,000	Slaney Farms Produce Ltd	4,500
Boylan Fruits Ltd	4,000	Inagh Farmhouse Cheese	9,000	Solaris Botanicals Ltd	5,000
Breffni Mushrooms Marketing Ltd	9,008	Inch House Artisan Food	1,500	Wild Irish Seaweeds	6,850
Bru Brewery	7,545	Irish Fish Cannery	16,608	Speciale Donegal Bay Ltd	7,548
Burren Smokehouse Ltd	9,000	Irish Premium Oysters	5,855	Springfield Nurseries	3,000
Caherbeg Free Range Pork Ltd	3,000	Island Seafoods Ltd	15,579	Stam's Bamboo Nursery	1,422
Carr Shellfish Ireland	7,000	J&L Grubb Ltd	16,000	Stonewell Cider	5,000
Carrigbyrne Farmhouse Cheese	6,000	Jane Russell's Original Irish	4,000	Sunnyside Fruit Ltd	2,208
Cashel Fine Foods	3,156	Janet's Country Fayre Ltd	4,284	Superlife Ltd	3,000
Cathy's Spelt for Health	3,000	JL & K Purfield	1,500	Sushi King	6,500
Celtic Chocolates Ltd	20,000	Kelly's Mountain Brew	3,684	Swift Fine Foods	25,000
Celtic Pure Ltd	20,000	Kelly's Nursery Ltd	13,134	The Dublin Cookie Company	2,500
Chia Bia	28,347	Kilbeggan Organic Foods	2,065	The Emerald Group Ltd	15,000
Chris Brownlow Potatoes	2,488	Knockanore Farmhouse Cheese	8,000	The Food Store	1,500
Clanwood Farm	2,000	Kush Seafarms Ltd	15,000	The Foods of Athenry	11,000
Connemara Organic Seaweed	3,000	Larry Whelan Potatoes	3,000	The Good Snack Company	2,559
Connemara Seafoods Frozen Ltd	22,472	Lily O'Briens	30,000	The Goode Life Food Company	576
Connemara Seafoods Ltd	9,000	Lily's Tea Shop	2,000	The Happy Pear	3,500
Coolattin Cheddar	875	Lovin Catering	1,000	The Lismore Food Company	4,500
Cooleeney Cheese	18,552	M&M Walshe t/a Ribworld	11,924	The Little Milk Company	9,000
Corleggy Cheeses	3,000	Mannings Bakery Ltd	16,453	The Scullery Ltd	9,000
Couverture Desserts Ltd	10,000	Maria Lucia Bakes Ltd	4,000	The Tipperary Cheese Company	5,188
Crossogue Preserves Ltd	3,000	Michael Kelly Shellfish Ltd	4,000	The White Hag Brewing Co.	6,000
Cuinneog Ltd	3,182	Mileeven Ltd	4,892	The Wicked Food Company	4,000
Delicious Gluten Free Bakery	8,000	Mossfield Organic Farm	3,500	The Wicklow Brewery	2,295
DessertFirst	1,500	Mr.Crumb	47,406	Toons Bridge Dairy	6,524
Doran Nurseries Ltd	4,000	Mr.Middleton Garden Shop	4,000	Treefields Nursery Ltd	2,000
Drover Foods Ltd	31,200	Murphy's Ice Cream	3,000	Trouble Brewing	3,000
Dungarvan Shellfish Ltd	7,000	Natural Frozen Foods Ltd	2,000	Trudies Catering Kitchen Ltd	8,000
Durrus Cheese	6,303	Newgrange Gold Ltd	5,000	Urney Chocolates	2,686
E. Flahavan & Sons	25,000	Nicky's Plaice	3,000	Virginia Health Foods Ltd	10,805
Eight Degrees Brewing Co.	7,000	Nightpark Nursery	4,760	Walsh's Bakehouse	8,000
Finnegans Farm	2,000	Nobo Ltd	26,157	Waterford Oysters	1,370
Fitzeally Foods Ltd	4,000	Nomadic Dairy Ltd	50,000	Wexford Home Preserves	1,524
Fitzgerald Nurseries Ltd	17,312	Nua Naturals	40,000	Wicklow Rapeseed Oil Ltd	7,000
Flexi Nutrition Ltd	4,780	O'Coileain Foods-Scarlet Heifer Butchers	1,375	Wild Atlantic Shellfish Ltd	4,665
Food Discovery Ltd t/a Food 360	4,208	Oishii Foods Ltd	4,000	Wolfland Ltd t/a Cooley Oysters	4,000
Four Seasons Nurseries	2,000	Paddy O's Cereals	1,388	Woodstown Bay Shellfish Ltd	40,000
Freshways Food Company	40,000	Paganini Ice Cream	17,303	Wylidsson Ltd	6,000
Galway Hooker Brewery	9,000	Pandora Bell	3,000		
Galway Natural Health	2,500	Panelto Foods	20,000		
Gannet Fishmongers	800	Paul Brophy Produce	2,852		
				<b>TOTAL</b>	<b>1,514,520</b>

---

## CONTACT DETAILS

---

### HEAD OFFICE

Clanwilliam Court  
Lower Mount Street  
Dublin 2  
D02 A344  
Ireland  
**T +353 1 668 5155**

### AMSTERDAM

World Trade Centre  
Strawinskylaan 1351  
1077 XX Amsterdam  
The Netherlands  
**T +31 20 754 6969**

### DUBAI

4th floor,  
Office 4b, Monarch Office,  
Tower No 1,  
Sheikh Zayed Road,  
PO Box 115425,  
Dubai, United Arab Emirates  
**T +97 143 760 409**

### DUSSELDORF

Derendorfer Allee 6  
40476 Dusseldorf  
Germany  
**T +49 211 470 5975**

### LONDON

201-203 Great Portland Street  
London  
W1W 5AB  
United Kingdom  
**T +44 20 7307 3555**

### MADRID

Casa de Irlanda  
Paseo de la Castellana  
No 46 - 3a planta  
28046 Madrid  
Spain  
**T +34 91 435 6572**

### MILAN

Via E. De Amicis, 53  
20123 Milano  
Italy  
**T +39 02 7200 2065**

### MOSCOW

Prospekt Mira 26 building 4  
Moscow  
Russia  
**T +7 499 682 9961**

### NEW YORK

Ireland House  
345 Park Avenue  
17th Floor  
New York  
NY 10154-0037  
USA  
**T +1 212 935 4505**

### PARIS

Maison d'Irlande  
33, rue de Miromesnil  
75008 Paris  
France  
**T +33 1 42 66 22 93**

### SHANGHAI

Suite 733  
Shanghai Centre  
No. 1376 Nanjing Road West  
Shanghai 200040  
China  
**T +86 21 627 98829**

### SINGAPORE

Ireland House  
541 Orchard Road  
Liat Towers, 8th Floor  
Singapore  
238881  
**T +65 6804 9344**

### STOCKHOLM

Embassy of Ireland  
Hovslagargatan 5  
11148 Stockholm  
Sweden  
**T + 46 8 545 04058**

### WARSAW

Embassy of Ireland  
Mysia 5  
Warsaw  
Poland  
**T + 48 22 564 2224**



**BORD BIA**

Clanwilliam Court, Lower Mount Street, Dublin 2, Ireland. D02 A344

T +353 1 668 5155



Growing the success of Irish food & horticulture

**Bord Bia**  
Irish Food Board