

Outsourcing continues to deliver food for thought

Rodney Steel, chief executive of the BCMPA, the Association for Contract Manufacturing, Packing, Fulfilment & Logistics, discusses the latest trends in food packaging and outsourcing's role in supporting businesses through changing times



Rodney Steel – chief executive of the BCMPA

Change is a way of life for the food and drink sector as it constantly responds to the latest consumer trends and market developments. For that reason, outsourcing has always had a key role to play, delivering support when required to brand-owners and manufacturers for everything from providing manpower and specialist facilities to help meet demand, to collaboration on the development of new product launches or pack formats.

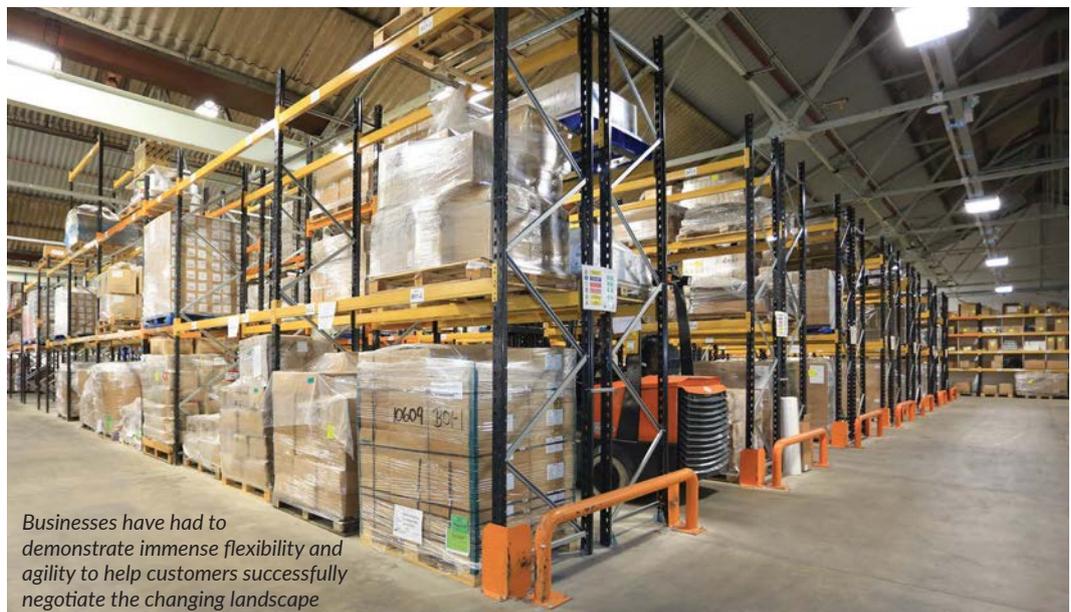
All of these disciplines came into sharp focus in 2020 as food and drink companies had to contend with the challenges brought about by Covid-19. BCMPA members serving these sectors had to demonstrate immense flexibility and agility to help customers successfully negotiate the continuously changing landscape.

The closure of food outlets during lockdown and subsequently within parts of the current Tier system, for example, had a marked effect on

businesses supplying the foodservice industry, as Angus Campbell, Co-packing business development manager at contract food manufacturer and packer Alexir, explains: “The huge shift away from foodservice resulted in massive growth in retail and e-commerce, and the sector is now looking at retail pack formats and supplying direct to the public. Manufacturers with a high level of foodservice business have come to us to explore smaller packs formats and new markets into retail and business to consumer (B2C).”

One notable development has been the increased interest from consumers in home cooking, leading to heavy demand for packaged ingredients and meal kits.

“Our business with the ready-meal and soup manufacturers has gone down, with consumers more likely to make these at home now, but our sales of sachets and pots into the meal kit companies have grown exponentially,” says Phil Moran, sales & marketing director at savoury ingredient



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manufacturer Jardox.

"We've also seen demand for our own stockpots and own label yeast extract into retailers for today's 'wannabe chefs'; and 'cheat' ingredients such as red and white wine stockpots have really taken off."

Even for those foodservice businesses that have managed to continue during the crisis, there has been a change of focus in their packaging requirements.

"Due to Covid, a lot of restaurants have returned to single-use sachets rather than reusable bottles that multiple people would handle," comments Jeff Parry, business development manager at contract packing and distribution provider Complete Co-packing. "Flexible packaging formats such as pouches, sachets and pillow packs have grown in popularity and we expect this to continue as demand increases for easy 'on-the-go' and delivery solutions."

However, smaller pack sizes do bring their own challenges.

"The trend continues to move away from large jars that last for months to smaller, more convenient packs for one or two uses," confirms Phil Moran. "This of course goes against the trend for less packaging, so the solution is ensuring that you are as sustainable as possible with these smaller packs."

Improving sustainability remains a complex issue. For example, the higher number of individual packs can be compensated for through reductions in food waste, which is a major environmental problem. In 2018, over 70 per cent of food waste in the UK – some 7.7 million tonnes – came from households; smaller sizes and single-serve packs have been an important way to combat this.

Sustainable alternative pack materials are also being explored by the industry.

"During 2020 we have seen a rise in the number of enquiries asking for filling services into glass and aluminium due to their perceived recyclability," says Jeff Parry.

"In addition, we already work with a range of eco-friendly packaging materials such as recyclable, biodegradable and compostable, and expect to see more advanced options including bio-plastic alternatives derived from plant-based materials."

There has also been a shift away from plastic for trays, says Campbell, "The success of our Halopack board tray illustrates this shift. It comes at a higher price, but it does result in a more premium looking product."

If consumers are cooking more at home, many are also looking at healthier options.

"Plant-based products have arguably been



Interest from consumers in home cooking, is leading to heavy demand for packaged ingredients

the biggest change in our eating habits over the last two years, moving from being just for vegans to feeding us all, as more people seek to reduce their meat consumption," explains Moran. "Our vegan brochure summarising our offerings was our most popular publication this year."

Parry agrees: "We have seen a huge increase in customer enquiries for packing plant-based products and expect to see this growth to continue into 2021".

Even in times of crisis, the food and drink industry has always proved resilient and adaptable and that has certainly proved the case during 2020. Undoubtedly more challenges await throughout 2021. However, what is certain is that strong partnerships with outsourcing companies will continue to play a key role in helping businesses effectively tackle these. [F21](#)

Food producers are exploring alternative pack materials are also being explored

