



**NACM**



# NACM Communication Day

- 🍏 Introduction
- 🍏 Some facts on the cider industry
- 🍏 Issues and risks
- 🍏 Engagement with Government
- 🍏 What we can do



# Facts on the UK cider industry

- 🍏 Oldest drinks industry in UK
- 🍏 Value of cider sales driven by premium products by cider makers large and small
- 🍏 New orchards planted – long investment period, 5 years to first (usable) crop
- 🍏 Development period for new apple varieties, around 30 years



# Facts on the UK cider industry

- 🍏 Cider is ‘made’ like wine, not ‘brewed’ like beer, hence alcohol levels can be high
- 🍏 Being marketed as an alternative to wine (lower alcohol) and to match with food
- 🍏 Nearly half of all UK apples now used by the cider industry – cider apples have no other use



# Facts on the UK cider industry

- 🍏 The most sustainable drinks industry – best in class performance for any industry
- 🍏 Moving to be carbon neutral by 2022
- 🍏 Moving to be zero waste by 2022
- 🍏 Through innovation and investment bucking the trend in other drinks sectors – at risk if ‘singled out’ on duty



# Facts on the UK cider industry

- 🍏 Between 2004-08 value of sales doubled
- 🍏 Innovation and investment from cider makers stimulated consumer demand
- 🍏 Stable duty regime existed (rate frozen) but government revenue doubled
- 🍏 Massive increase in range of premium ciders



# Progress under threat?

- 🍏 Conservative policy speech October 09:
  - 🍏 ‘more than double tax on super strength cider’
- 🍏 Pre Budget Report December 09:
  - 🍏 ‘cider duty regime would be reviewed and proposals brought forward at Budget 2010’



# Issues and risks

- 🍏 Alcohol misuse – missed opportunity:
  - 🍏 Problem drinkers (not problem drinks) so the issue is just displaced to other alcohol
  - 🍏 Evidence is, no form of alcohol more likely to be misused



# Issues and risks

🍏 Disproportionate focus on white cider:

🍏 Total cider is c.7% of all alcohol sales

🍏 White cider is less than 10% of cider sales

🍏 White cider is less than 1% of total alcohol

🍏 White cider is in long-term decline, some products removed and others, abv reduced



# Engagement with Government

## 🍏 The Budget process:

🍏 Industry submissions to Treasury Minister

🍏 Treasury Minister makes recommendations to Chancellor

🍏 Budget statement (March 11 or 18?)

🍏 Finance Bill – debated in Parliament



# Engagement with Government

- 🍏 Seeking urgent contact at all levels
- 🍏 Consistent case being presented
- 🍏 Vital that proper consideration before decisions made – long-term interests at stake for cider makers and growers
- 🍏 Risk to government revenues as well



# What we can do

- 🍏 NACM will continue to press government departments and politicians
- 🍏 NACM will alert regional and national media
- 🍏 NACM can supply contact details and further information for you to lobby hard



# What we can do

- 🍏 Take every opportunity to talk to MPs, prospective candidates and others
- 🍏 Real long-term risk, for no benefit, if a rushed decision made in the near future
- 🍏 Cider is a small industry but significant in rural areas and this will impact election – all candidates need to know



For more information contact:  
Simon Russell, Harry Turner or Bob Price

Thanks in advance for your  
continued support