

**The Rt. Hon. Boris Johnson MP**

Prime Minister  
Office of the Prime Minister  
10 Downing Street  
London  
SW1A 2AA

Monday, 04 January 2021

Dear Prime Minister,

We are grateful to your Government for responding to the requests for support that we have made during 2020.

The Covid-19 measures are adding significantly to the pressure on the foodservice equipment supply chain, because hospitality operator outlets have been forced to close.

To that end we call for targeted, immediate and continued support for the sector on behalf of our 194 members who supply 80% of new equipment sold into hospitality and who also design install and service equipment. Our members are wholly dependent on the operator sector for their business. Any recovery is unlikely to be evident until Q3 2021.

For businesses wholly or significantly dependent on hospitality operators, we call for direct financial support to cover the following costs until 30<sup>th</sup> September 2021.

- Business Rates – to be cancelled through Council subsidy.
- Rents – contracted rental costs to be covered by Government grants.
- VAT – deferral to ease business cash flow.
- Furlough Scheme – extension to prevent the loss of experience, knowledge and skilled jobs.

Announcement of such support will give security and peace of mind to foodservice equipment supply companies and will ensure business viability and long-term sustainability.

In return for this investment our sector will be able to ensure that it is well positioned to be able to respond to the needs of the operator sector when the recovery inevitably commences, hopefully in Q3/Q4 2021.

Yours sincerely,



Keith Warren C.F.S.P.  
Chief Executive,

## **Background to the Foodservice Equipment Value Chain and Operator Customers**

### The Market

The UK foodservice and catering equipment industry served **8bn meals** with customer sales worth **£52.7bn** (£70.7bn when including drink only sales via pubs/bars etc) in the last full year of trading prior to coronavirus. The inevitable reduction in outlets as a result of the pandemic will be catastrophic for the equipment sector as it is wholly dedicated to supporting the foodservice operator sector in both its primary and secondary sectors.

The UK has an established record of kitchen equipment manufacture, design and innovation which are exported around the world. It is the case that the UK has been and still is at the forefront of foodservice development and innovation over recent decades. (The FEA is a DIT Trade Challenge Partner and we support the sector at leading global exhibitions and events).

The market value of the foodservice equipment industry value chain is **£1.3bn** and it employs over 10,000 **people** in the UK. Our respective organisations represent the breadth of the sector which includes:-

**equipment manufacturers, importers, distributors, designers and installer consultants, service, and spare parts** companies. 10% of business is export related.

### The Equipment

Typically, the equipment sector's equipment comprises; **cooking and warming, refrigeration, warewashing, beverage, light equipment and tableware, ventilation, spare parts and servicing.**

### The Customer Base

The sector's operator market comprises 427,627 outlets of which 267,485 (62%) are independent operators.

Foodservice equipment is extensively used for out of home eating and drinking across the following key operator sectors:

#### **Primary sector operators – where foodservice is the primary function:-**

- Hotels, Quick Service Restaurants, Restaurants, Pubs and Bars.

#### **Secondary sector operators – where foodservice is a secondary function:-**

- Healthcare, Education, Public and Community Services, Armed Forces, Leisure and Recreation, Workplace, Visitor Attractions, Venues, Travel, Stadia and Event Catering, Food Retail Sector

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