

The Rt. Hon. Boris Johnson MP
Prime Minister
Office of the Prime Minister
10 Downing Street
London
SW1A 2AA

18th March 2020

Dear Prime Minister, Boris Johnson,

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

The sector includes equipment manufacturers, importers, distributors, designers and installer consultants and service companies. 10% of business is export related.

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

The sector's customer base 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.

We support the government business funding programme, announced by the Chancellor, to support foodservice outlets that are being seriously affected by the requirements caused by Coronavirus. Their vulnerability places significant pressure on the equipment supply chain. The majority of the businesses we represent are SME's and are similarly unable to survive in the harsh commercial climate we are now in. Operators have, in effect, stopped spending on equipment and the related services.

Projects are being cancelled and there is little new product purchasing taking place. This is not expected to improve until the operators are making a surplus over their costs.

Given the significant effects of the requirements on citizens and the operator sector we call on Government to ensure the following: -

- Where operator funding is made available there should be a mandatory obligation to ensure that operator businesses meet their contractual payment obligations, in order to support the supply chain.

-
- Supply chain businesses should have access to funding to bridge the gap caused by non-payment by customers. Support is needed to ensure that UK registered businesses are able to provide foodservice equipment for future Government projects.
 - Regular reviews of supply chain issues are required, and changes should be incorporated into Government support proposals in order to ensure that supply chains do not suffer short term irreparable damage leading to loss of skills and experience. Failure to do this will prevent effective recovery as and when the operator industry recovers.
 - Employment support packages must be made for all companies immediately. By giving PAYE 'holiday' for a one-off period of 3 months would be the SINGLE biggest help government could do for all businesses to ensure companies can continue to guarantee salaries to employees and therefore give employees / staff the confidence they need that salaries will be met for at least 3 months.
 - Not for profit organisations such as ours, are directly engaged in the sector and arrange events and activities to facilitate networking and to generate business for members. Losses due to the need to cancel such events should be covered by Government in the case of not for profit organisations where these cannot be recovered by insurances.

We support the Government need to manage the safety and health of the nation, but immediate support is required in order to ensure that our members can sustain their businesses through the recession that is being caused by its necessary action.

Yours sincerely,

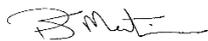


Adam Mason

Director General

ceda.co.uk

adam@ceda.co.uk

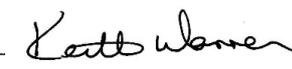


Phil Martin

Chairman and Chief Executive

cedabond.co.uk

phil@cedabond.co.uk



Bob Adams

Managing Director

enseuk.co.uk

bob@ense.co.uk

Keith Warren

Chief Executive

fea.org.uk

keith.warren@fea.org.uk