

# What's he got in store for you?

His choice of global buddies looks decidedly suspect, but some say Donald J Trump's apparent affection for the UK could bode well for trade with the US. ANDREW DON asks what a reinvigorated 'special relationship' could mean for US fine food in British stores.



**news analysis**

BY ANDREW DON

**A**t a UK reception at the Winter Fancy Food Show in San Francisco on January 23 – three days after Donald Trump's inauguration as 45th president of the United States – the mood among British exporters was buoyant.

Ron Tanner, a vice-president of the Speciality Food Association, which organises the USA's twice-yearly Fancy Food Shows, says this was in marked contrast to the summer show in New York last June. It was three days after the Brexit referendum and the atmosphere was "extremely sombre".

Tanner says US exporters to the UK are, on the other hand, filled with trepidation on two fronts: the continuing strength of the US dollar compared with sterling – although some forecasts suggest the British currency could make a recovery later this year – and uncertainty about how Trump's presidency will develop.

The billionaire businessman and former reality TV star promised more trade than ever before between the two countries when he met Prime Minister Theresa May in Washington on January 27.

The two leaders approved a Trade Negotiation Agreement when they met, designed to establish a free-trade deal they say will be ready as soon as the UK leaves the European Union.

It could mean that £1.9bn of food and drink exported to the US and the £1.3bn imported from there into the UK, as reported by our own Food and Drink Federation, could both rise sharply post-Brexit.

Ann-Marie Dyas, co-founder of Bath-based The Fine Cheese Company, a Fancy Food Show exhibitor, says: "If we could have a trade deal that was reciprocal, it would benefit the passage of goods by making importing easier and the



**Importer Buckley & Beale sees the exchange rate as more of a threat than ill-feeling towards Trump. 'Good food is good food, no matter where it's from,' says director Adrian Beale.**

She points out that the duty currently paid on American products coming into the UK, and vice versa, can be complicated to administer and adds cost.

The US is not a cheap producer and its distance from the UK only pushes costs higher. A reciprocal trade deal would enable more US products "to find their way to our stores at the best possible price", she believes.

But will UK foodies still want to buy American products from speciality food retailers when so much anti-Trump sentiment exists here?

Demand for US products certainly exists in some of the UK's speciality food shops, which is something The Fine Cheese Co is

making the most of with its launch of American Originals – a range of artisan-made American cheeses which it will fly in every two to three weeks.

It will also launch a new fruit product from California at IFE this month under The Fine Cheese Co 'Partners for Cheese' umbrella.

Dyas says: "We have a special relationship with America and it's about to get even better.

"I think it [anti-Trump sentiment] will have no effect psychologically – the British buy products not presidents," Dyas says. "If anything, a Trump presidency and a better trade deal with America should help us both buy from and sell more products to the States."

She continues: "As a nation,



**If anything, a Trump presidency and a better trade deal with America should help us both buy from and sell more products to the States**

US exporters are concerned, not just about the weakness of sterling, but how Trump's maverick presidency will develop

Gage Skidmore

we're also deeply receptive to the food of other nations – just look at our national cuisine: curry, pasta, sushi.

"The current issue is that there are relatively few American products available here and there really should be more. Increasingly, America has genuine artisan-made foods of great quality and individuality as well as Oreos and Hershey bars."

Adrian Beale is sales and marketing director at Buckley & Beale, an importer, distributor and wholesaler of speciality gourmet foods from the US, the UK and Ireland. Like Dyas, he doesn't see anti-Trump feeling having a major effect on demand for US food products, particularly speciality foods.

"Anti-Trump sentiment doesn't necessarily translate into anti-US sentiment," he says. "If anything, we've seen an increase in demand with America being in the news far more."

The negative public mood might start to affect other industries, such as tourism, Beale acknowledges. However, the awareness and desire



## What about scope for exports?

A healthy US market combined with adventurous consumers and a weak pound means prospects for UK exporters



remain positive, despite uncertainty about the new administration, according to Sandra Sullivan (left), director of the UK Food

& Drink Exporters Association.

"The long-standing trends in natural and speciality food and drink – organic, convenience, authentic, experimentation – should continue to help UK exporters in the US market.

"That aside, we should not ignore that Trump ran on a largely protectionist platform, which may mean the introduction of barriers to importers in the next few years.

"The President already suggested a 20% tax on goods imported from Mexico, which will immediately increase the prices of imports of food and drink."

is concerned would ameliorate the impact of a weak sterling."

The "slow and steady drop" in the US exchange rate over the last 36 months has already had a major effect on business for US exporters and UK importers as margins have been squeezed for all concerned, Beale says.

"While there is still a demand for US foods here in the UK, there is a limit to what consumers will be prepared to pay. Prices on the shelves have increased by 10-15% over the last few months and probably won't take much more, at least not in the near future."

However, speaking on behalf of UK speciality producers, Ron Tanner adds: "I think everyone is eager to do business with the UK. We have 3,600 members, 1,600 exhibitors at the Winter Fancy Food Show and around 600 of our members export to the UK."

"The ones that I know are enthusiastic about continuing doing that business. They feel they've got products that are very different to typically UK products."

## Anti-Trump sentiment doesn't necessarily translate into anti-US sentiment



**ADRIAN BEALE,**  
SALES & MARKETING DIRECTOR, BUCKLEY & BEALE

for world food is "very much alive", he says, and led by millennials who appear to be easily able to separate their politics from their spending habits.

While there might be "small pockets of resistance" from some retailers, he adds: "Good food is good food, no matter where it's from, and this is still the message we take to our customers."

The fact that both the UK and US governments both want to do a quick trade deal should help enormously, Beale believes.

"We have a new president clearly focused on the American economy and people, who's made it very clear this means supporting American-based businesses. For us as a business importing American

speciality food, this can be seen as great news. The more supportive he is towards US

food businesses, especially when it comes to exports, the better."

The Speciality Food Association's Ron Tanner believes there is an appetite in the UK for American regional products – items that are distinctly American "like salsa, barbecue sauces, maple syrups, pancake mixes, even some Southern things like biscuits and cheese straws".

And while Ann-Marie Dyas says it is still too early in Trump's administration to be able to predict what will happen, she is hopeful. "The UK market is important to US producers because it's the same language and the cultures are not that different.

"A lot of them are more eager to sell into the UK than to Japan

and [South] Korea. Those are much bigger export markets for US products but they just feel more comfortable with the UK."

But Tanner says reaching relatively small-order speciality outlets in the UK is tricky. "Our members have ideal products for farm shops and delicatessens but the distribution system is challenging."

Beale also points out that it is not yet clear if Trump still intends to look at fundamentally changing his country's powerful Food and Drug Administration, establishing a free trade deal and reducing red tape for exports to the US, which he says "would be very welcome indeed".

He says: "The reduction, or even removal of import tariffs would be of huge benefit, and as far as import

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**RON TANNER,** VICE-PRESIDENT, PHILANTHROPY, GOVERNMENT & INDUSTRY RELATIONS, SPECIALTY FOOD ASSOCIATION