



Profit-making Produce World announces organic grower acquisition

March 6th 2015

The Produce World Group has announced a third successive profitable year, the acquisition of leading organic grower Taylorgrown, and a streamlining of its Management Board.

The company continued the trend of recent years by delivering profits of just over £4 million on a slightly reduced turnover of £172 million for the year to the end of June 2014. This covers the period before the recent acquisitions of organic roots supplier TIO and Fenmarc's roots division.

At a shareholders' meeting held yesterday (March 5th), the company also announced a streamlining of its management structure and the addition of Taylorgrown Ltd to the Produce World Group.

Neil Fraser, who becomes Chairman and Chief Executive, said: "Retailing is more competitive than it has ever been and there have been big changes in the way that consumers shop which have impacted on volumes. Only the most efficient and agile businesses will thrive in this environment. We have done well to deliver a good performance over the past three years, but we cannot afford to rest on our laurels.

"The strength of the business over the past three years has put us in a position to make the acquisitions announced in 2014 and to go ahead with the recently announced restructuring proposals including our planned joint venture with LFP.

"We are also delighted to be announcing the acquisition of Taylorgrown. Produce World was instrumental in the founding of the company, has worked closely with it over the years and has been a shareholder in the business from the start. Organic vegetables is an important sector for us and this further strengthens our position in that area.

“The changes we have made to the business in the past nine months have broadened our customer base, increased our penetration in key sectors and helped to grow the business in line with our strategic plan. With the latest proposed changes, the Produce World Group will continue to evolve to meet the challenges ahead.”

The revised management structure will mean that William Burgess becomes Vice-Chairman and Strategy Director. While Jason Burgess and Andrew Burgess will take more strategic, ambassadorial and advisory roles as part of the Group’s investment board and will be less involved in the day-to-day running of the company.

Other direct reports to Neil Fraser will include Group HR and Organisation Development Director, David Frost, Group Finance Director, Phil Jones, Group Commercial Director, Frank Robinson, Group Procurement and Trading Director, Jon Campbell, and the new post of Group Supply Chain Director, responsible for the Group’s operating sites. This position has been filled externally and the new recruit will join the group over the coming weeks.

Taylorgrown MD John Taylor will also report into Neil Fraser, as will Martin Tate, who will be MD of the new company Produce World LFP, if, as expected, the Joint Venture with LFP goes ahead following a period of consultation.

Neil Fraser added: “Growing is a core part of our business and the acquisition of Taylorgrown serves to reinforce this. For the Produce World Group our Joint Ventures with LFP and Tompsett Burgess Growers, our direct relationship with Greenshoots and our partnerships with many other growers, demonstrate that we continue to be heavily involved in growing across the business.”

Ends

Notes for Editors

Turnover for the Produce World Group in 2013/14 was just under £172 million. Pre-exceptional profits were £4.6 million, while retained profit was £4.1 million.

The Produce World Group announced the acquisition of TIO, a Scottish organic roots supplier, in July 2014, and the roots division of Fenmarc based at Swinderby, Lincolnshire in October 2014. In February 2015 it announced that it intended to form a joint venture with LFP for the growing, processing and packing of brassicas. If this goes ahead all processing

and packing will take place at LFP's site at Wykeham, which will be managed by the Produce World Group. It also proposes to move all its conventional roots production to its site at Isleham.

Produce World Group Website: www.produceworld.co.uk **Produce World Group Twitter:** [@produceworld](https://twitter.com/produceworld)

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