

News release

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Shake-up of geographic origin labels scheme “must educate consumers to support UK food heritage”

- **Education of consumers and minimising red tape is essential as the UK develops its own ‘geographical indication’ (GI) labelling system for traditional food products following Brexit, new research shows**

The introduction of a new system for protecting unique British food products such as Cornish pasties and Melton Mowbray pork pies will depend on better educating consumers and minimising the regulatory burden for producers to be successful, researchers have said.

An economic analysis by researchers from the [Enterprise Research Centre](#) found that the primary benefits of the geographical indication (GI) scheme came from the protection of unique, heritage foods from imitation and the safeguarding of jobs in rural locations, rather than any significant revenue boost to individual producers.

But the study authors said the success of a new UK labelling system, being launched following Britain’s departure from the EU, would depend on a marketing drive to educate consumers and also keeping the burden of red tape to a minimum.

The UK Government has announced that a new, British system of Protected Food Names (PFNs) will run from 1 January 2021, with all products that have an existing EU designation automatically receiving the new status. It is expected that food products intended for export will continue to use the European system.

According to Defra, the UK’s 86 food and drink products with GIs generate more than £5 billion in UK export value each year, accounting for 25 percent of all UK food and drink exports by value.

But the research, which focused on firms producing products such as Buxton Blue cheese, Cornish Pasties, Cumberland sausage, Herefordshire cider and Melton Mowbray pork pies, found that the impact on turnover and job creation from GI status was small, with only a modest impact over the longer term.

Nevertheless, in interviews with producers it was clear that the importance of protected status went far beyond any immediate benefits to the firms themselves.

One Melton Mowbray pork pie producer thought the main benefit was from heritage food tourism, helping the Leicestershire town position itself as “the rural capital of food”, adding that it reinforced the town’s position as the heart of an important rural economy.

For a producer of Newmarket sausage, one of three in the Cambridgeshire town, GI's significance was more about preventing imitation, citing an example of a firm in South West England that attempted to market a non-local version.

However, the sole remaining producer of Buxton Blue cheese remarked that GI status alone was not sufficient justification for a retail price premium, due to low levels of awareness of the designation among UK consumers.

Stephen Roper, Director of the Enterprise Research Centre and Professor of Enterprise at Warwick Business School, said:

“What this research tells us is that the value of geographical indications to food producers does not rest primarily on any growth impact for individual firms. What it does do is help those firms to defend their unique heritage products from copycats and support the food industry in often more rural and isolated parts of the UK.

“In introducing a new labelling system, the Government must consider how it intends to support firms themselves in educating British consumers about how the system helps to create a thriving heritage food sector and support jobs in places where perhaps they wouldn't otherwise exist.

“And in introducing new inspection and regulatory regimes, it must ensure that this doesn't create onerous additional burdens for firms that are often small and are aiming their products at the domestic and export markets simultaneously.

“While the direct growth benefit to firms of having geographical indication may be small, the economic boost to rural communities and their wider cultural significance should be justification enough for getting the new system right.”

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Notes to editors

1. Full report

A copy of the full report, 'What's in a Name? The impact of Geographic Indication of Origin on producer growth and food heritage', is available on request. Please contact James Tout (details below).

2. About the Enterprise Research Centre

The ERC is the UK's leading independent research institute on growth, productivity and innovation in small and medium-sized enterprises (SMEs). It is funded by the Economic and Social Research Council (ESRC), Department for Business, Energy and Industrial Strategy (BEIS), Innovate UK, The Intellectual Property Office (IPO) and the British Business Bank (BBB).

The ERC is producing the new knowledge around SMEs that will allow us to create a business-friendly environment nationwide, grounded in hard evidence. We want to understand what makes entrepreneurs and firms thrive so we can spread the lessons from best practice and make the UK a more successful economy.

The Centre is led by Professors Stephen Roper of Warwick Business School and Mark Hart of Aston University, Birmingham. Our senior researchers are world-class academics from both Aston and Warwick Universities as well as from our partner institutions which include Queens University Belfast and the University of Leeds.

<http://www.enterpriseresearch.ac.uk>

Contact

For further information, please contact James Tout at ZPB Associates on 07989 610 276 or email james.tout@zpb-associates.com