

Former Novel Group cheese and olive businesses are pulling back from the supermarket sector

H&B and Fresh Olive Co to court premium stores after double buy-out

By **PATRICK MCGUIGAN**

Cheese wholesaler H&B Foods and The Fresh Olive Company both plan to re-focus on top-end retailers and restaurants after being taken over in separate management buy-outs.

The businesses were previously part of the Novel Group, which went into administration in April. The group, which was controlled by Icelandic majority shareholder Sigurdur Sigurdsson, acquired the two companies in 2006. Last year, it set up a 112,000 sq ft HQ in London as part of a plan to build sales of speciality food with major foodservice operators and the multiples.

H&B Foods was bought as a going concern last month by the founding management team of Nick Martin, Jonnie Archer and Simon Yorke, in conjunction with the Icelandic Straumur Burdardas Investment Bank. The company has an annual turnover of £76.3m and employs 300 people.

Archer told *FFD* the company planned to "go back to the basics of high quality dairy at

great prices and with great service", focusing on foodservice and independent retailers.

The Fresh Olive Company plans to take a similar approach, after it was bought from administration by the management team of George Bennell, Adam Wells and Charlie Hodges. The company has given up contracts to supply Sainsbury's and M&S with fresh olives and antipasti, as well as cancelling deals with food manufacturers, in an effort to concentrate on independents and foodservice customers. It will still supply the major multiples with Belazu olive oil.

Around £5m worth of business has been jettisoned, taking annual turnover to around £15m, said commercial director Charlie Hodges. The company has also moved to smaller premises and the workforce has been cut from around 100 to 70.

"We're building a leaner, more focused operation," said Hodges. "We had become distracted by dealing with supermarket buyers and the manufacturing sector."



H&B and The Fresh Olive Co both say they will refocus on top-end retailers

Food Inc back in new guise

The Food Inc market at Whiteleys shopping centre in West London is still trading and has launched several new concessions, despite the company that set it up being put into voluntary liquidation.

The original business was put into liquidation in March, but Food Inc immediately resumed trading under a new company name.

"Overriding factors forced the company into a corner," said Pat McDonald, who founded Food Inc with ex-Harvey Nichols director Dominic Ford, in June 2008. "It was put into liquidation because it was about to become insolvent."

The market-cum-food hall, which has stalls spread throughout the ground floor of Whiteleys in Queensway, has continued to trade throughout the period and has introduced new concessions including a Middle Eastern deli called Lana's, a halal butcher's and a fishmonger's. The concessions have their own identities, as well as coming under the Food Inc umbrella brand.

"Changing the mix meant the survival of the business," said McDonald. "It was also important to serve the big Middle Eastern presence in the area."



Farm shop chain grows with purchase of Green Fields

Country Food and Dining has added a third outlet to its growing chain of farm shops, taking over Green Fields Farm Shop in Telford.

The company, funded by private investors via the Enterprise Investment Scheme, bought the shop from founder Rob Ward in April and plans to extend the premises with a café.

Over the next five years, Country Food and Dining plans to build a group of up to 10 farm shops in the South, each trading under its own branding. The company first took over Highclose Farm Shop in Hungerford in September 2007, renaming it Cobbs Farm Shop & Kitchen. The site has been extended from 5,500 sq ft to 7,500 sq ft with a 60-cover café and concessions run by local businesses, including a butcher's counter and bakery.

The company's other site – Springlease Farm Shop in Bath – is being refurbished with a 55-cover café and in-house butchery.

Operations director Tom Newey told *FFD* that sales at Cobbs Farm Shop had doubled since the refurbishment was completed last October and he was hopeful of a similar increase at Springlease.

"Green Fields is already trading very well and sales are growing 5-8% a year, so less work is required on the retail side. However, we do plan to extend the site to include a café."

Over £5m has been raised to fund the business



Sales at Cobbs in Hungerford have doubled

via the Enterprise Investment Scheme, which encourages private individuals to invest in small businesses by offering generous tax breaks.