

The Collective Review



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INSIGHTS & TREND FORECASTS

2022



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info@jkconfec.co.uk

jkconfec.co.uk

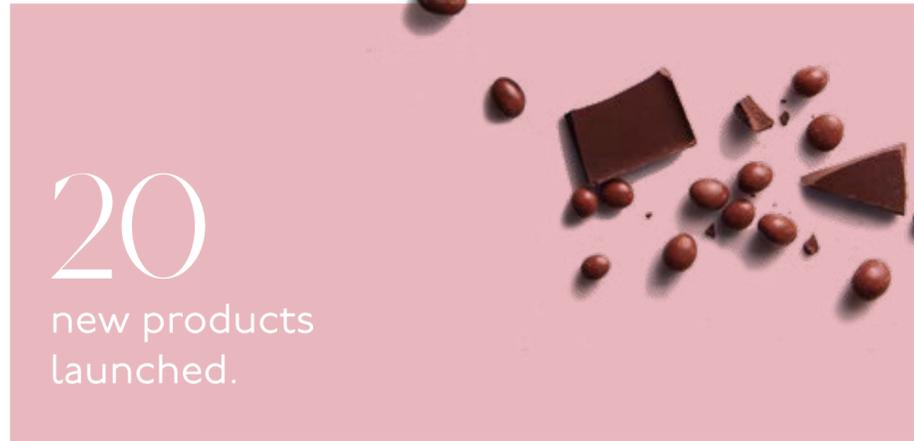
[@jk_confectionery](https://www.instagram.com/jk_confectionery)

OUR YEAR IN REVIEW:

Sweet Moments to Celebrate...



3
new
Directors.



20
new products
launched.

23%
↓
reduction in
complaints.

8
new
manufacturing
sites.

2078
trucks full
of products
delivered from
seven countries.

13
million
units sold.



Our
1st
J&K
conference.

484
new followers
on LinkedIn.

HELLO, FROM OUR CHAIRMAN & NEW DIRECTORS:

“We are delighted to have appointed our three newest Directors, Sophie, James & Jayne who have long been trusted and respected members of the team. We look forward to an exciting future for the business with them in their new leadership roles.”



JOHN DERBYSHIRE
Chairman



SOPHIE MCFERRAN
Commercial Director

I head up our commercial team to ensure we land new business, take care of our existing partners, and deliver exciting products to the shelves! I've found my home at J&K. The company has core family values and an innovative team, and I get to visit factories across the world – I couldn't be happier! My aim is to continue to enhance the Business Development strategy, and develop the network of Commercial teams across our suppliers and customers. J&K build long term relationships with our partners and I want to drive this forward with current and new partners.



JAMES SHELLEY
Technical Director

I'm supported by an amazing team of Technical Managers, Specification Managers and Compliance Coordinators. I cut my teeth at Asda, working through their graduate programme and, because I enjoyed working in the confectionery category the most, I couldn't turn down the opportunity to work for a fast-paced business like J&K. As we move from strength to strength and continue to grow, my focus is to ensure the team provides the same expertise and service to our growing network of partners. We also have ambitious plans to challenge ourselves with new certifications schemes, new systems, new product groups and we're always striving to find more efficient ways of working for our partners.



JAYNE EDGE
Development Director

I lead the team developing biscuits, cakes, confectionery and desserts at Park Cakes and Hain Daniels. I ensure all J&K products are on trend, innovative and delicious! I'm supported by an amazing team of Product and Packaging Developers who ensure we're creating the right products at the right time. My focus is on building strategies across the business and creating an effective pipeline with our customers and manufacturing partners. I promote a creative culture and make sure we are up to date with the latest insights and research to add value across our stakeholders. The next step for me is all about strengthening connections; to create a co-operative community across sites and customers and to encourage collaborations that will reinforce the J&K brand and the partnerships that surround us.



JAYNE SPILLS THE TEA (& BISCUITS) ON:

Creating Creativity

Since I joined J&K, my ideas and creative nature have been bolstered by many 'once in a lifetime' opportunities to travel the world in search of the 'next big thing', or the next big chocolate box. When in a three-month period do you get to fly to Paris, Milan, Barcelona, Tokyo and New York to shop for goodies and explore the local cuisines? The buzz, the people, the constant waterfall of inspiration allowed me to churn the concepts out without burning out, I felt like the luckiest Product Developer in the world.

Then, in early 2020 everything just stopped. The world I'd become so inspired by reduced to my local area and a single topic of conversation. At first the novelty factor kept me going, I'd never worked from home before and the extra thinking time was gladly received, but I knew I needed something solid to rely on to make sure I could maintain the level of output I pride myself on. I decided not to panic and to take a step back. It didn't take long to find what I was looking for. The innovators had acted immediately, looking for ways to meet unmet needs. Nearby pub restaurants converted kitchens to feed frontline workers, bakeries developed letterbox brownies so people could treat loved ones from afar, a local bloke sold homemade pizzas from his back garden for a bit of excitement and extra income. Little, clever, inspiring 'why didn't I think of that' ideas started popping up, and I fed off the creativity.

The J&K team were doing the same. James told us all about becoming an expert sourdough baker and growing his own veg, Emma set up a chocolate

bar 'bake off' style competition, and Jane, Susan and Sarah made sure we had fun with various quizzes and opportunities to chat. We even hosted a virtual webinar and invited our manufacturing partners to join us in celebrating successes, and to focus on the future. The wider creative community didn't disappoint either. Webinars, online workshops and thought pieces enabled valuable connection and for even more 'a-ha' moments. I'm particularly grateful to Richard Holman for his series on the creative process, inspired by the genius that is Christina Tosi's Bake Club, and thankful to our Design Agency Creative Spark's Danni Bramall for presenting a reassuring thought piece to me virtually, in my garden at which point I realised everything really was going to be OK.

By the end of 2021 I felt more creative, better connected and immensely proud of the resilience of the industry in which I work. The J&K team adapted quickly and not only survived but thrived, working together in new ways and innovating every day. Some of our best work came to life in 2021, growth, innovation and exciting avenues explored, and a lot of happy customers. I attribute this to a new way of thinking and a talented group of individuals striving for the same things, bound by shared values. I've learnt that the creative juices don't rely on having to go anywhere new. The connections you need to grow creatively are the people who surround you. You just have to be open to noticing them.

"I kind of think... How can I break the rules like a kid? Those daily moments and decisions that make me feel lighter inspire me."

CHRISTINA TOSI

New York in December was a wonderful and inspiring experience, and certainly the most efficient way to scan the food trend horizons. The most valuable moments for me were the conversations and observations we shared, along with quality time spent in a new environment with like-minded people ready raise the bar even higher in 2022. We hope you enjoy Sophie's interview with GSCOP and all-round industry expert Ged Futter, J&K team members Emma and Laura give a motivating insight into all things Product Development, and James has written a thought provoking take on challenges surrounding HFSS. I'm very proud to be a part of this Expert Collective and I hope you enjoy this taste of J&K.

JAYNE EDGE

Development Director

Some Sources of Inspiration:

@butterfieldnyc	creativereview.co.uk
@sophieteaart	Lee Attwood at fabric-food.com
thefemalelead.com	Danni Bramall at creativespark.co.uk
stylist.co.uk	richardholman.com
thedolectures.com	christinatosi.com



TECH INSIGHTS TO REALLY GET YOUR TEETH INTO WITH JAMES:

There's no doubt that the government's step to restrict promotions of products high in fat, sugar and salt (HFSS) is going to be a challenge for the industry as a whole.

The new rules, which we expect to be enforced from October 2022, will restrict the practice of volume promotions, and this will have different effects across the retailers depending on their approach to promotions.

The one rule which will affect all is the restriction on where HFSS products can be in store; significantly not at store entrances, aisle ends or within two meters of a checkout area. While many retailers moved away from selling confectionery items in these areas several years ago, many of the products used to replace them may also be classed as HFSS.

When the items we produced for our different retail partners could no longer be sold on till points or queuing areas, we instantly noticed how sales reduced. Many lines were impulse pick-ups, like a tin of mints to freshen your breath after lunch. Getting the consumer to walk to the fixture to pick up a small tin of mints proved challenging. Now, the HFSS legislation goes further and covers products that fall into different purchase occasions. We simply don't know what impact it is going to have on shopping behaviours, but we hope that the customer is willing to walk to the fixture to pick up a great gifting line, if it can't be at a front of store event zone.

The expectation is to encourage manufacturers and retailers to reformulate their products to reduce fat, sugar and / or salt levels so products can be placed in more desirable locations. We're actively working on this with products like mints, jellies, and savoury snacks and we're proud of how quickly we've been able to work with our manufacturing partners to develop a great offering. Many products also carry additional marketing claims such as vegetarian, vegan, a source of fibre or sugar-free. As we look to innovate and respond to customer briefs, we always consider whether the product could reasonably be made non-HFSS. There are also times where reducing the fat, sugar or salt isn't possible, or to do so would make the product poor quality. Across our business, we all agree that if we push for a non-HFSS solution, the product quality still must be excellent. J&K are uniquely positioned to be able to deliver a solution to HFSS for our retail partners. Our strength lies in our manufacturing partners who are experts in their fields. We are in a good position to bring together different components from across our sites to create a mixture of indulgent and healthier items that are both non-HFSS and worthy of sitting on an aisle end in the run up to Christmas.

JAMES SHELLEY

Technical Director



A Recipe for Commercial Success



Q) It's a tough market at the moment, with inflation, supply issues, and long lead times on materials – how do you see this changing, if at all, in 2022? Will it get worse before it gets better?

The past couple of years have been tough for Suppliers & unfortunately I don't see this changing in the next 18 months. The inflationary headwinds that all Suppliers have been facing show no signs of abating. The cost of containers from the Far East will not be falling until mid 2023 & I am afraid that energy costs will be a similar time frame. What I think will happen is that the really high inflation numbers that we have seen in the past six months will fall but inflation won't be going away. This year will be one of two halves, with high inflation in the first half & then falling in the second half.

Q) What are the key themes you're hearing from suppliers at the moment? What is your key piece of advice?

I keep hearing from Suppliers that getting real engagement from their Buyers is difficult & that their Buyers are constantly changing. It is so important to build relationships with Retailers and with as many different teams as possible; product managers, technical & supply chain can all build strong relationships & this will cement the importance of J&K to all of your customers. With the high level of inexperience in many of the Retailers it is vital that any Supplier who has real expertise regularly demonstrates what they know & helps guide the Retailer. This will cement you within the Retailer & demonstrate what you have to offer, aside from great products.

“Ged has been training for over 10 years, offering insight into what makes a retailer tick and how to use this to improve profitable relationships.”

Ged, as the GSCOP expert, having specialist experience for over 26 years in retail at senior level has worked in some of the fastest moving categories, including beer, grocery and frozen food. His approach is engaging and innovative, building collaborative and strategic relationships with suppliers ranging from global FMCG manufacturers through to small start-ups with niche products. His experience gives him a pragmatic and insightful approach to having successful and profitable relationships with Retailers.

CC The Retail Mind
www.theretailmind.com



Q) How can GSCOP help?

GSCOP has been law for almost 12 years now but many Suppliers still haven't been trained or don't understand how to use it. GSCOP is a framework that the 13 designated Retailers have to abide by. It is not optional. It should give a framework that gives the Supplier more certainty & prevents costs being a surprise or being imposed on a Supplier. We say that if a Supplier uses GSCOP properly then it won't have a negative impact on your Retailer relationships and it will protect your revenue & profit. GSCOP is not something that the Retailer or the Supplier should be afraid of, it is there for a reason, to stop Suppliers being bullied.

Q) What do you see as the biggest opportunity for 2022?

2022 will have many wider challenges for both Retailers & Suppliers, with HFSS on the horizon as well as high inflation it is crucial that the customer is at the heart of all decisions. Customers will be much more careful about where they spend their money & what they spend it on. The Retailers & Suppliers who put the customer at the centre of all decisions will be the ones who are successful. The customer will be looking for high quality, innovative products that don't break the bank.

Q) What do you miss about being a Buyer? What advice would you give to New Buyers just starting out?

I was a Buyer at one of the UK's largest Grocery Retailers for almost 15 years & I truly did see the world. I went to Alaska (salmon), Chile (mussels & salmon), Thailand (chicken & party food), India / Indonesia (prawns), Spain (olive oil & olives), New York (burgers & cakes) as well as so many different parts of the UK. My trips would often be a week long with long days & lots of time spent in taxis or mini buses. I miss being able to travel to all corners of the world searching for new products & new Suppliers, every trip was with Suppliers who became friends. Business is all about people & buying is about getting to know your Suppliers, wherever they may be based.

The best piece of advice I would give to any new Buyer is that they have the best job in the world, grab every opportunity to visit your Suppliers, listen to your customers & always make things simple. Spend time in your category getting to know it, three years should be the minimum time spent in any category so that you understand it and know how to make a positive difference for your customers.

Q) Would you be able to give a summary of the GSCOP report year on year and if retailers are getting better? (or not!)

The GCA's annual Survey is out now, it will give the GCA a real understanding of what is happening. I am expecting that this year's Survey shows that Retailers' overall compliance will be getting worse. After working so well & so closely during the early months of Covid it seems that many Retailers have forgotten that collaboration works so much better than conflict. The horizons that Retailers are working to are way too short & I think that this year's Survey will confirm this.

SOPHIE MCFERRAN
Commercial Director



J&K GOES TO NEW YORK:

A Bite out of The Big Apple

New York City, affectionately known as the concrete jungle, the city that never sleeps, the big apple, and to anyone in the food industry, the ultimate location for future food and drink trend inspiration in the world. With a smorgasbord (or more geographically accurately, an all-you-can-eat buffet), of cultures and cuisines, the city is bursting with the world's top chefs, bakers, chocolatiers and unique food establishments. It's literally where dreams are made of.

In December 2021, six of the J&K team covering product and packaging development, commercial and technical functions spent four days trawling all of the hotspots and must-see venues the city had to offer to curate the ultimate guide to product, packaging and flavour trends and our predictions for 2022 and beyond. Cheddar cheese & salted caramel popcorn or ube brownies & miso ice cream? We'll see you in a major UK retailer in a couple of years!

TOP PRODUCT TRENDS FROM NYC:



1. Munch 2.0

Healthy v's indulgent, mixes and single flavours, sweet and savoury, munching and snacking innovation was by far the most varied and established trend we saw in New York. The possibilities really are endless, and the consumer is engaged making this a high priority in food NPD.



2. Gourmet Spreads

The gourmet spread 'Foodie Gift' trend is already present in the UK, but the sheer volume of options in the states shows the trend is only set to grow over the next few years with bolder and more complex variations.



3. Keto

We found a large presence of Keto specific products across the supermarket retailers, which ties in with Mintel's findings that the number of NPD launches in America touting Keto in the title doubled between 2020 and 2021 as people lean towards the high fat, low carb way of life.



4. Single Serve

Portion controlled versions of indulgent products was a theme running across all retail categories. From mini bars and single foiled chocolates to a taster of unusually flavoured caramels, the pack format offers choice, portability, low risk experimentation and a little bit of indulgence.



5. Rainbow Brights

Already a well-established trend in the UK but still very prominent in the USA across confectionery and bakery, suggesting this trend is here to stay. This also aligns with wider fashion trends of bright, energizing colours predicted for the next few years as we emerge from the pandemic.



6. 'Everything' Trend

Already a strong trend in bakery, we predict the everything trend will grow rapidly as life gets back to normal and the consumer is eager to experience everything they have missed. Why pick just one on-trend flavour when you can have them all!

TOP PACKAGING TRENDS:

1. Wood
2. Houses
3. Holographic
4. Shades of Green
5. Light Up Show
6. Upgraded Tubes

TOP FLAVOUR TRENDS:

1. Fruity
2. Herbs & Spices
3. Very Berry
4. Savoury
5. Coffee
6. Swavoury

TRENDS TO WATCH:

1. Peppermint Bark & Candy Canes
2. Moon & Stars
3. Pop Tarts
4. Gourmet Popcorn
5. Salt 2.0
6. Oatmilk

WHERE WE STAYED:

Public Hotel, New York City
publichotels.com

WHERE WE ATE:

Buddakhan NYC | buddakannyc.com
Momofuku | momofuku.com
Nai New York | nairerestaurant.com

WHEN WE VISITED:

December 2021

Delving Deep with Developers



Product Image: Jude's Kefir Range

J&K's new product developers, Laura and Emma, talk all things foodie and uncover what's new in the world of flavours, trends and the next big ideas.

L: Hi Em! So, tell me about your role at J&K as a PD and how you got here!

E: I knew when I was in Sixth Form that working in the Food Industry was what I wanted to do, I loved everything to do with food, so I went to Sheffield Hallam University to study Food Marketing Management – the course is a hybrid between food and business. I then did a placement at Dr Oetker frozen pizzas and absolutely loved NPd from there on. I worked as the PD for Chicago Town before moving to McVities. And now here I am at J&K! My favourite role to date.

L: Funny you should mention that, as I also worked at Dr Oetker! I was the NPd Technologist for the Baking department during my placement year. Very much like J&K in terms of how they work with suppliers so that was a great foundation for this role. I studied Food Science at Leeds University and after that I went to a handcrafted brownie company, where I led NPd and innovation. It's a good job I have a sweet tooth!

E: What's your inspiration whilst working in product development?

L: I love food bloggers on social media, they're always showing the latest food trends and it's a great way to learn about new product launches.

The latest craze of Instagram reels and TikTok recipe videos are mesmerising! I'm fascinated by food styling as I love the effort that goes into creating a post. Social media gives you alternative ways to use a product which might inspire a different packaging format or things to shout out about to your customers. What about you?

E: I get so much inspiration from being out and about. Whether it's in cafes, restaurants, eating and cooking with friends, social media – so much of my vision comes from little bits and pieces of other brands and small independent companies. I think that's where real innovation lies; the risk is much smaller when you can produce content and products on a smaller scale, and this is where the fun is! This weekend I drove past a small cookies & coffee van. The products they were offering were so visually appealing, so tasty and the concept was so simple! If you were to pick one thing that is your next top product – what would you choose?

L: We're definitely open to sharing again. Everybody loves sweets and nostalgic pick and mix has come back so let's make it bigger, bolder and brighter! Think exciting rainbow or celestial cosmic moon and stars! Nowadays we can do so much more with natural colours and flavours, along with sugar-free, vegan and added benefits such as fruit juice and vitamins, it doesn't quite seem as unhealthy as it once was and it's fun! Plus, the possibilities are endless with packaging formats, making it much more giftable. What's a product that you think is a must!



Joe&Seph's Popcorn Bars



M&S Cereal Milk Clusters



Doughnut Time DIY Kit



Costa B12 & Protein Lattes

E: Well, there's nothing nicer than going for a coffee and a cake on a Saturday afternoon. We're seeing more of the café culture feeding into retail space products. I think the next big thing in biscuits and baked goods is indulgent, fully stuffed cookies and cakes. Can you imagine going to the supermarket and picking up a freshly baked style cookie stuffed full of your favourite fillings such as Biscoff, Oreo or Nutella ready to warm up at home! The Biscoff flavour profile boomed in 2021 and I'd love to see where we can take it!

L: Well, I'll be here if you ever need someone to try samples with!

E: What would you say are the three biggest trends we're going to see this year?

L: A couple of my favourites would be; Blonde – whether this is purely chocolate, with nuts or in caramels; in terms of flavours we're going to see chocolate orange, Biscoff, alcohol, retro flavours with a modern twist, all filtering through sweet categories. Finally, in terms of packaging, sharing occasions, different materials to plastic and card; simple crowd-pleasing products inside showstopping packaging.

E: Amazing! I'm watching vegan, plant based and free from, and we'll see products we never thought would make it into vegan or free from formats work well. It will change consumer buying and eating behaviours. Characters & novelty especially within confectionery, bakery, biscuits, children's snacks; we'll see a lot more of this which helps to build a social media presence as this industry booms. DIY kits are also everywhere and filter through season by season.

L: Sharing formats with the family are on the up! Which highlights from the past 12 months have inspired you?

E: M&S Plant Kitchen Chocolate Cookie – it's an ISB line, and one of the tastiest cookies around. Joe and Seph's is a really innovative brand in my eyes, and they launched a Popcorn Bar which is only 136kcal (who doesn't love that!). I also love Jude's who sit in frozen ice cream; the ice cream and sorbet category are such inspirational areas for me. Mango & Passion fruit Kefir and the Plant Based Salted Caramel are my faves. Also, I love the launch of the functional coffees from Costa Coffee. Lattes with added nutritional benefits such as a protein, zinc and vitamin B12 – they're my go-to's now! Tell me some of yours.

L: One product has to be the Cereal Milk Clusters from M&S. Playing on the "Everything Trend" they've incorporated birthday cake sprinkles, cereal milk and clusters which is a huge trend in snacking. Comes in a sharing tub format but when it comes to these, there's no sharing! I love the idea of DIY kits; one brand that does this so well is Doughnut Time. They have a huge range of flavours and concepts. My favourite is the Mr Fizz, it has some super sweet sauces to drizzle which go great with the fizzy sour sweets to top!

E: We can't wait to see what the big bets of 2022 are and looking forward to some exciting J&K product launches!



LAURA & EMMA
Product Developers



The Collective Review