Amal-Grow

Amai-Grow Produce Limited • Beau Champ Farm • La Grande Route De St Jean
St John • Jersey • Channel Islands • JE3 4FL

Telephone: (01534) 863711 • Fax (01534) 865449 • Email: amalgrow@jerseymail.co.uk

Economic Affairs Scrutiny Panel Scrutiny Office States Greffe Morier House St Helier JE11DD

FB Han set 19/2

STATES OREFFE REGISTERED

8th February 2007

Dear Sirs

Retail Strategy

I must state initially that my submission to the panel is not impartial, as suppliers to the existing supermarkets of locally grown fresh produce we have vested interest in maintaining the equilibrium that we have currently in the retail sector.

Amal-Grow is a specialist vegetable producer with over 1,000 vergees of land dedicated solely to supplying the local market with a wide range of crops. We also purchase produce from several smaller independent growers that we package and distribute.

My concern is based primarily on the effect the introduction of a major multiple would have on the fine balance of supply and demand that is crucial to our business. If this new entrant did not support wholeheartedly the growers of local produce the future of Amal-Grow and other local growers would be in jeopardy.

We have no contracts to supply, or protection under the law from imports, but rely on the Coop, Checkers, Safeway and Spar to make Jersey Produce their preferred choice whenever it is in season. We are fortunate that because our existing customers are entwined in the Jersey economy they recognise that there is a much wider benefit to the fabric of the Island by supporting a vibrant local agricultural industry than spending money outside the Island on imports, even if at times they may be cheaper. My fear is that any UK or European retailer would have no understanding or indeed interest in maintaining a local supply chain especially if they have been encouraged by our government to operate in the Island solely to reduce consumer price without any regard to the broader issues.

Page 1

Cont.

Growers and Suppliers of Quality Vegetables

With the support of the Genuine Jersey Organisation, Jersey has made great strides in recent years to become more self-sufficient and reduce some of our reliance on imports. With a rapidly changing world this would seem to be the right course of action, as there is much to gain both economically and environmentally from local production. It would be tragic if all this progress was thrown aside by the introduction of more retail space specifically to encourage another operator who may not support local growers in the same way our existing retailers do.

I think it is essential for scrutiny to ensure that in the quest to provide more choice and greater competition in the food sector, that any new entrant is made fully aware of the existing range of local services and encouraged to use them. There needs to be a clear understanding by all parties of the very wide effect any shift in attitude would have on the economy of the Island if those services were ignored by a new supermarket. If this situation was not challenged the existing retailers could easily follow suit assuming that their current support for the local businesses was no longer valued.

Our business has had to adapt to great changes in food retail in Jersey over the past 10 years and we are well aware that this may be the case in the future, however, those changes have been commercially driven and we have had to react to them. If government is now going to involve itself in how food retail is structured it needs to be reminded that it also has a duty to provide a balanced economy for the whole of Jersey, this should not be overlooked.

Yours sincerely

Anthony Le Brun Managing Director