



NACM

CIDER MAKERS LTD

THE NATIONAL
ASSOCIATION OF CIDER MAKERS



Introduction

UK Cider Industry Association



- 11 Full Members, representing c85% of UK Cider Volume



- 6 Affiliate Members, representing c240 craft cider makers

UK Cider Market

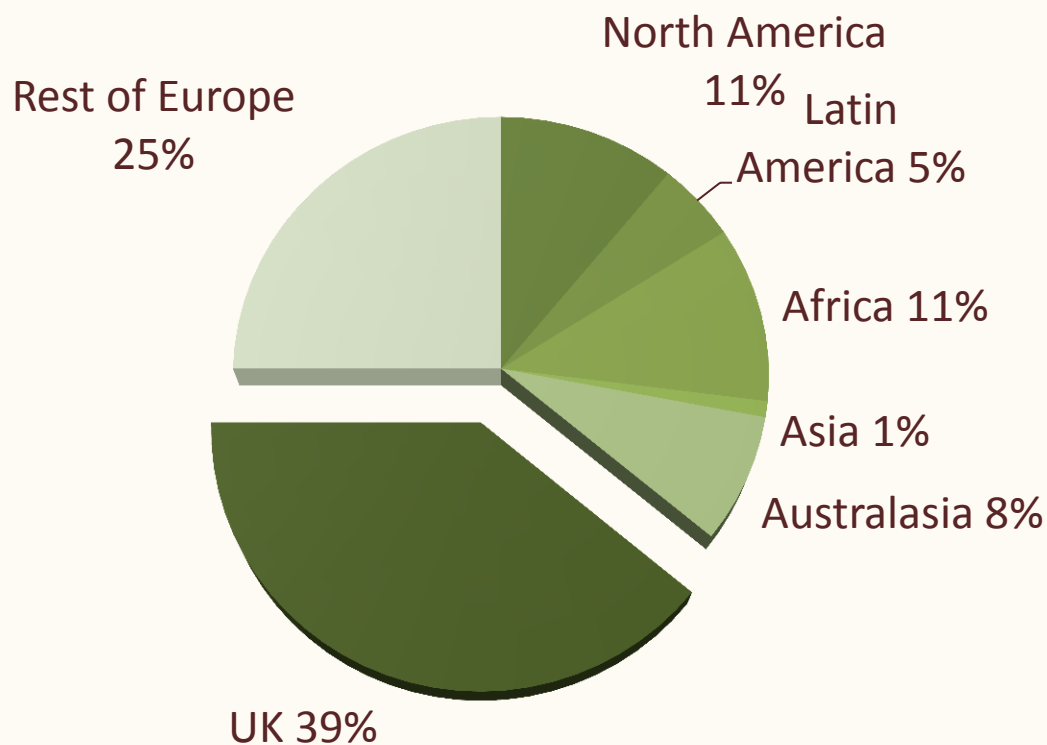


UK Market

39% of Global Cider



Global Cider Volumes



UK Cider Headlines



**£2.88
Billion**

*Cider Annual
Market Value*

**6.6%
Market
Share**

*Of total alcohol
consumption*

**787 Million
Litres**

*Cider Annual
Market Volume*

**£100
Million**

*Value of UK Cider
Exports*

11,000 Jobs

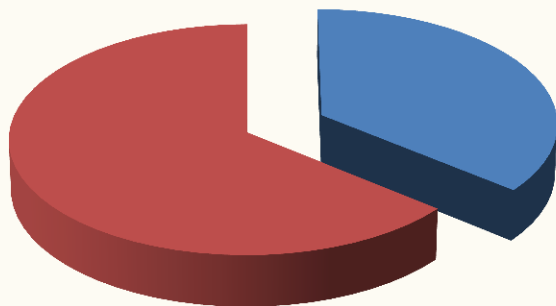
*Rely on UK Cider
Industry*

UK On Trade Market



36%

**Cider Volume sold in
On Trade**



**+2.2%
Annual
Growth**



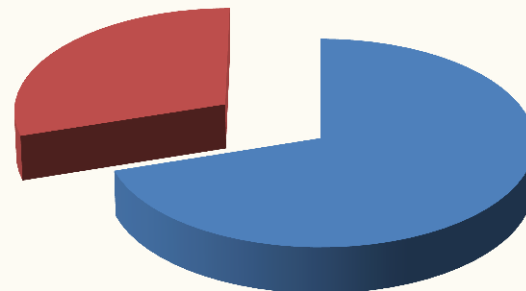
**68% Cider sold on
draught**

**53% Male
vs
47% Female**

**28% of UK Adults
Drink Cider in the on
trade**

63%

**Cider Value from On
Trade**



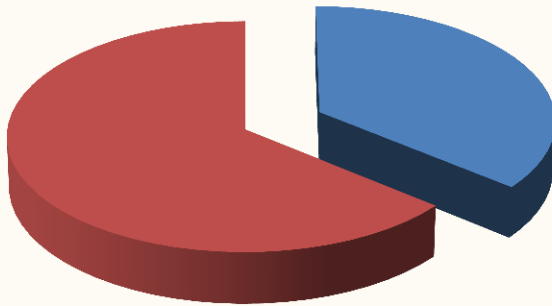
**£3.60
Average price
per pint**

UK Off Trade Market



64%

Cider Volume sold in
Off Trade



-0.6%
Annual
Decline



45%

*UK Households
Buying Cider*

41%

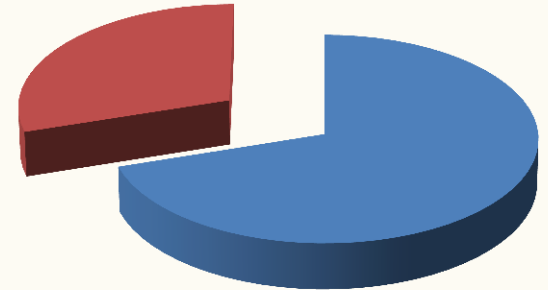
*Glass bottles share of
market*

43%

Can share of market

37%

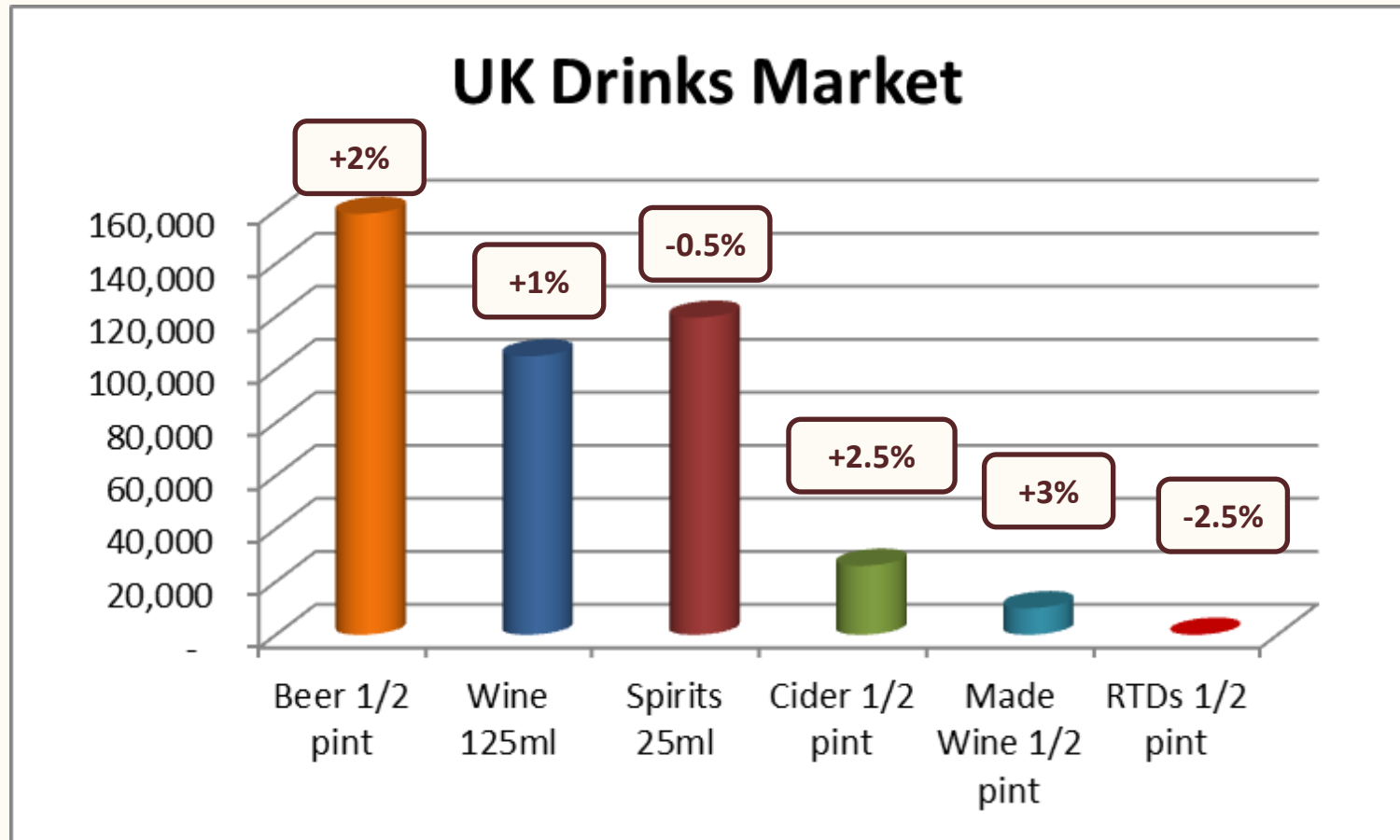
Cider Value from Off
Trade



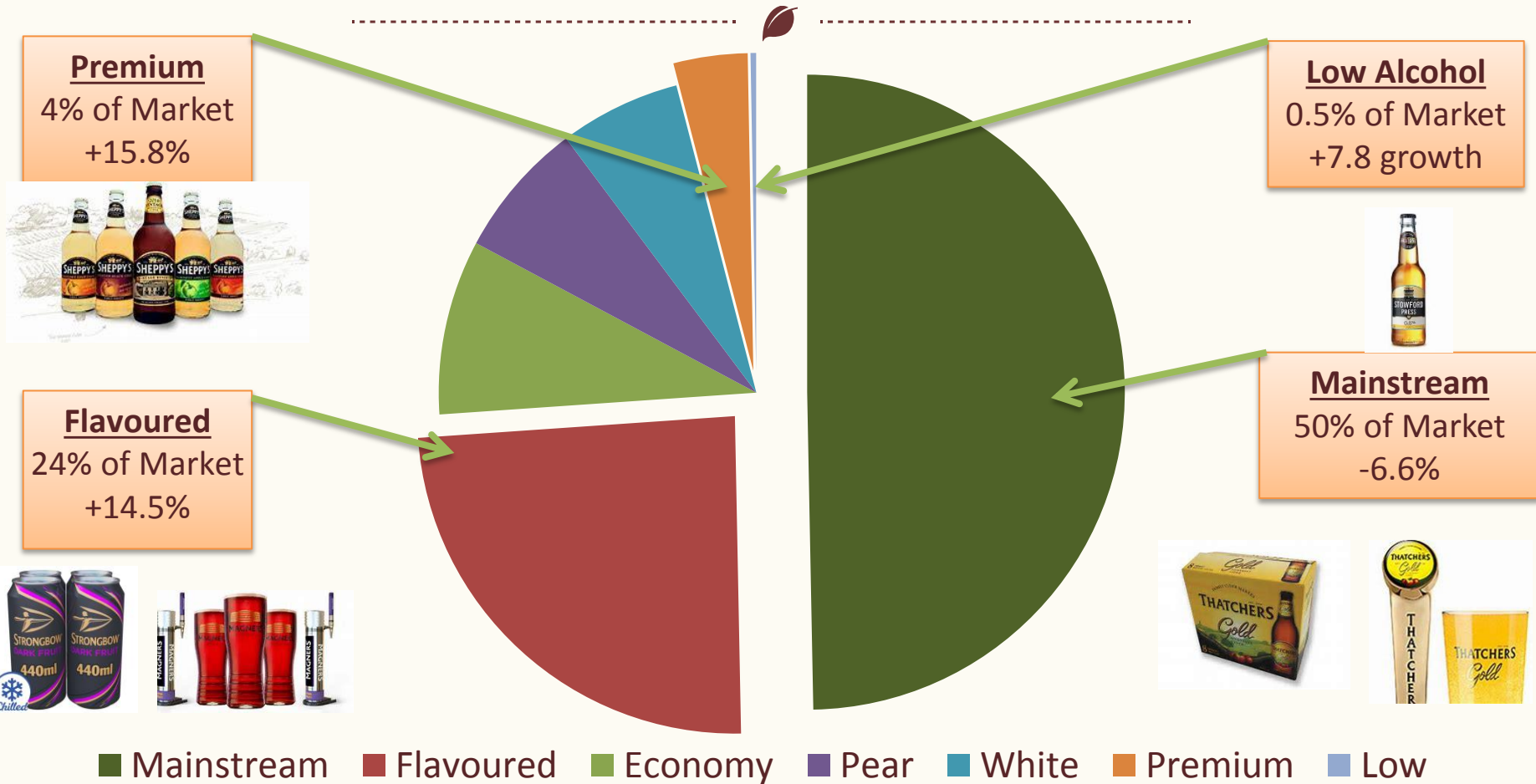
£1.88

*Average price
per litre*

Cider : 6.6% Alcohol Share



Cider Market Trends

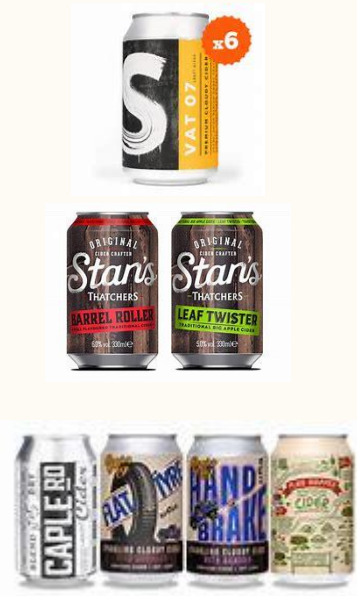


Consumer Trends

Fruity; Sweeter; New Flavours



Smaller Cans Speciality Cans



Cloudy Cider



Spiders Cider / Spirit





Cider & Legislation



Llywodraeth Cymru
Welsh Government



GOV.UK

Welcome to GOV.UK



Food
Standards
Agency



GOV.UK



Northern Ireland
Assembly



HM Revenue
& Customs



The Scottish
Government



trading standards
institute



efsa

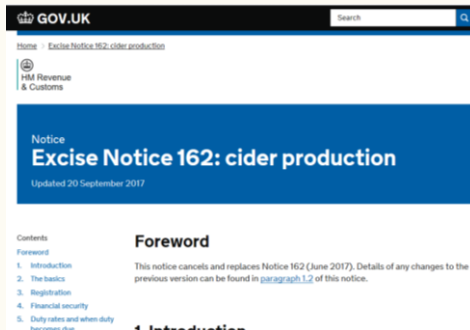


European Food Safety Authority



10 DOWNING STREET
LONDON SW1A 2AA

Cider Definition



HMRC NOTICE 162

Fiscal definition for excise duty

Restricts ingredients used in cider making

Non-compliance results in higher duty rate



Food labelling and packaging

1. Overview
2. Food labelling - what you must show
3. Ingredients list
4. Food and drink warnings
5. Nutrition, health claims and supplement labelling
6. Organic food

1. Overview

To sell food and drink products, the label must be:

- clear and easy to read
- permanent

FOOD LABELLING/FOOD STANDARDS

Allergen Labelling rules

Weights & Measures Act

Protected definitions

Consumer protection

Use of 'Cider' as description

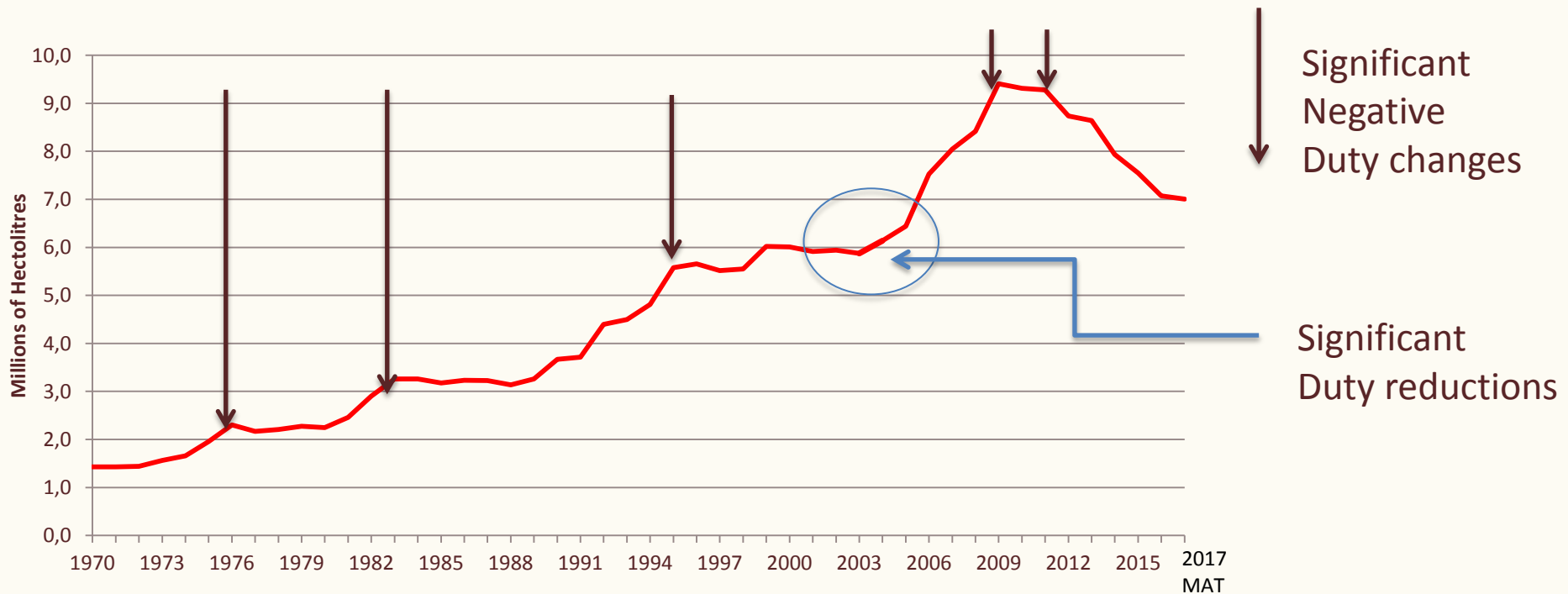
No UK Standard – Relies on EU legislation



50 Years of Cider



Cider Industry Long Term Trends



UK Excise Duty Rates



	Per Litre
Cider (<7.5% ABV)	£0.40
Flavoured Cider (4% ABV)	£0.89
Sparkling Cider (<8.5% ABV)	£2.79
Beer (4% ABV)	£0.76
Wine (5.5 – 15% ABV)	£2.89
Sparkling Wine (<15% ABV)	£3.70
Spirits (40% ABV)	£11.50

Legislative Risks



Target 'High Strength Cider'
From 1st February 2019
New Duty Band 6.9 – 7.5% ABV



Scotland – Minimum Unit Pricing
From May 2018



Deposit Return Scheme
To encourage recycling



UK Cider Making



Harvesting



**Milling
&
Pressing**

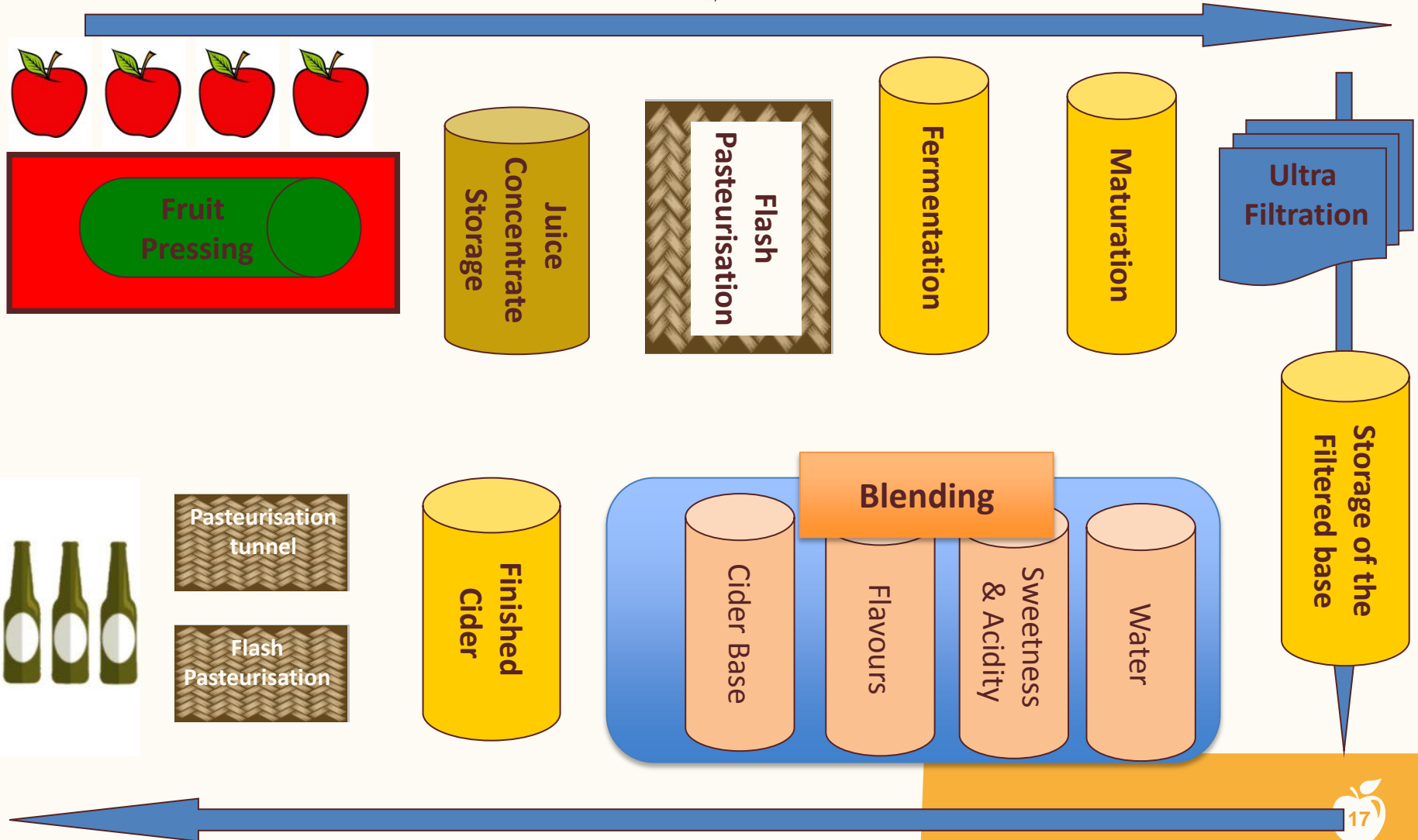


**Fermentation
&
Maturation**

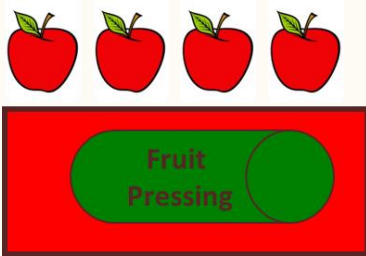


**Blending
&
Packaging**

UK Cider Making



Looking To The Future - Apples



ISSUES

- **Oversupply of Bittersweet Apples**
- **Demand for Lower Tannin Ciders**

RISKS

- **Orchard Treatment Restrictions**
- **Changes to Farming Subsidies**

OPPORTUNITTIES

- **Research**
 - **Disease Resistance**
 - **Reduced use of Pesticides**
- **Extending Milling Season**

Looking To The Future - Ingredients



Blending

Cider Base

Flavours

Sweetness
& Acidity

Water

ISSUES

- Demand for new flavours and Styles

RISKS

- Sugar Tax
- Restrictions on Ingredients
& Processing Aids

OPPORTUNITTIES

- Innovation

Looking To The Future - Apples



ISSUES

- Deposit Return Schemes
- Flexibility & adaptability

RISKS

- Innovation in other categories

OPPORTUNITTIES

- Smaller Pack Sizes

2018



AN EXCITING YEAR AHEAD FOR UK CIDER



THANK YOU

