

**Info**

**From:** [Redacted]  
**Sent:** 17 March 2022, 11:51  
**Subject:** Bidfood - Market place item price increase

Good Morning

From Monday we have been forced to increase the price of chicken. These latest prices are likely to move again and there are already talks of costs hitting £70 for 83893 (fresh chicken breasts 2 x 5kg in a case) and equivalent. Cost is not the only issue, but supply will be too.

These issues are nationwide and we have been advised to be mindful of new customers coming to us because they are experiencing the same problems from their incumbent supplier, as we are committed to looking after our loyal customers base but we are not alone in this current situation.

How the war in Ukraine is affecting the poultry markets (our thoughts are with the People of Ukraine)

1. Direct import from Ukraine has stopped. Last year 80,000 mt was imported from Ukraine that is not coming now. In the same period the population in Europe rose by 1 %
2. The retail in Slovakia, Czech and Hungary was largely supplied with Ukrainian birds. They now have to source on the Polish and Romanian markets
3. 60 % of the total grain and wheat import in Europe is normally coming from Ukraine. That has also come to a full stop. This month, is the month to plant the corn and grain in order to harvest this year. It doesn't seem likely that will happen now.
4. Energy costs are now 4 times higher than before in Poland, Gas and feed are main cost components in poultry farming.
5. Workforce : Ukrainian men were a large part of the workforce in slaughterhouses and transport and they have gone back to Ukraine. Women and children are coming in as immigrants but it leave's a big gap
6. On top of that we are facing high costs on documentation to the UK as import and export regulations have been put in place
7. From 01-04 we will have the extra costs of transport as a result of the European mobility package

The supply issues are therefore impacting price immediately. We are maintaining a good price as best we can for March, but it is likely that April will see some big increases.

Please login to Bidfood Direct and check your pricing, however, an alternative could be the frozen option 81865, currently at £19.48 for 20 Fillets.

As soon as I have a further update, I will ensure it is communicated out. Should you have any questions please do not hesitate to contact me.

Thanks for your understanding

Kind regards

[Redacted Signature]  
Business Manager, Bidfood Scotland

