



# UK Seafood Processing Industry Performance

2021 Survey: Covid-19 & EU Exit business impacts

Published November 2021

# Responses to business performance questions by region & site size

**168 majority<sup>1</sup> + minority processing sites responded to the business performance questions<sup>2</sup>.**

This sample covered 40% of the population of minority + majority processing sites and 67% of 2021 survey respondents (minority + majority processing sites).

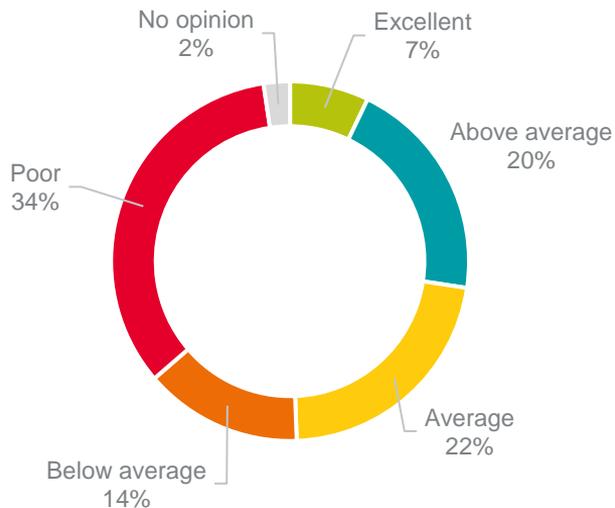
Employees	Number of sites/Percent of population sampled			
	England	Northern Ireland	Scotland	Wales
1-10	46 / 33%	3 / 38%	25 / 43%	3 / 43%
11-25	12 / 32%	2 / 33%	12 / 39%	0 / 0%
26-50	12 / 52%	2 / 100%	12 / 60%	-
51-100	9 / 36%	-	7 / 58%	-
100+	10 / 50%	1 / 100%	12 / 46%	-

<sup>1</sup>Majority processing sites derive ≥50% of their annual turnover from seafood processing activity.

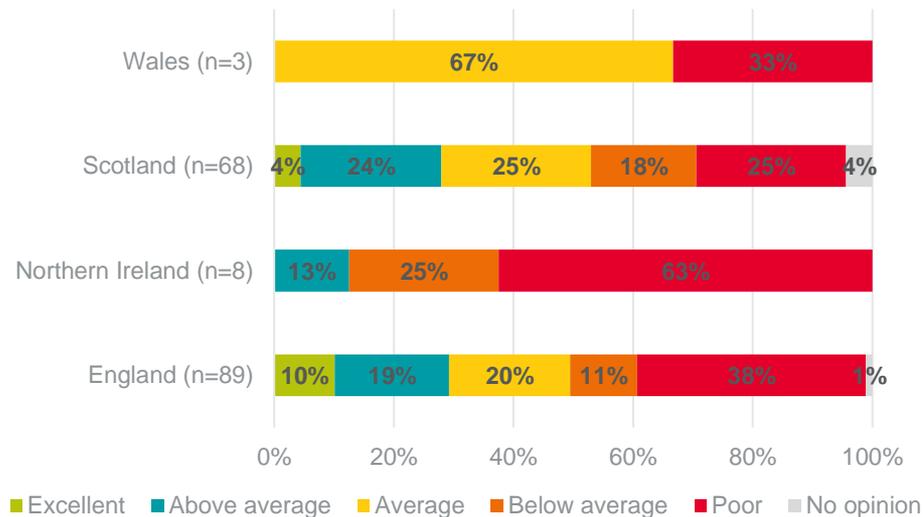
<sup>2</sup>Response rates vary per question. Response rates shown above show the maximum number of responses to business performance questions per group.

# Business performance (previous 12 months)

Business performance rating over the last 12 months UK level, (n=168)



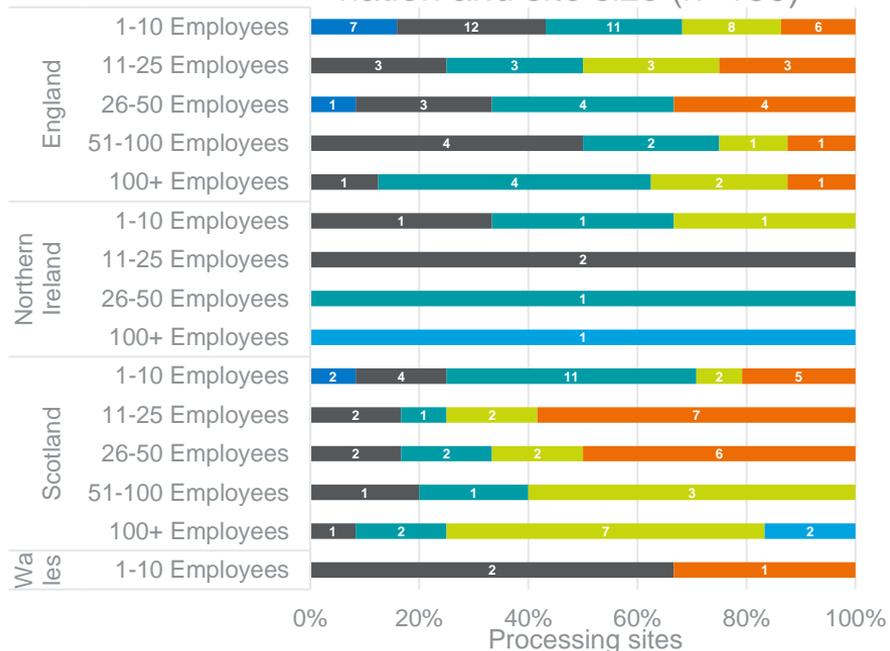
Business performance rating over the last 12 months by home nation, (n=168)



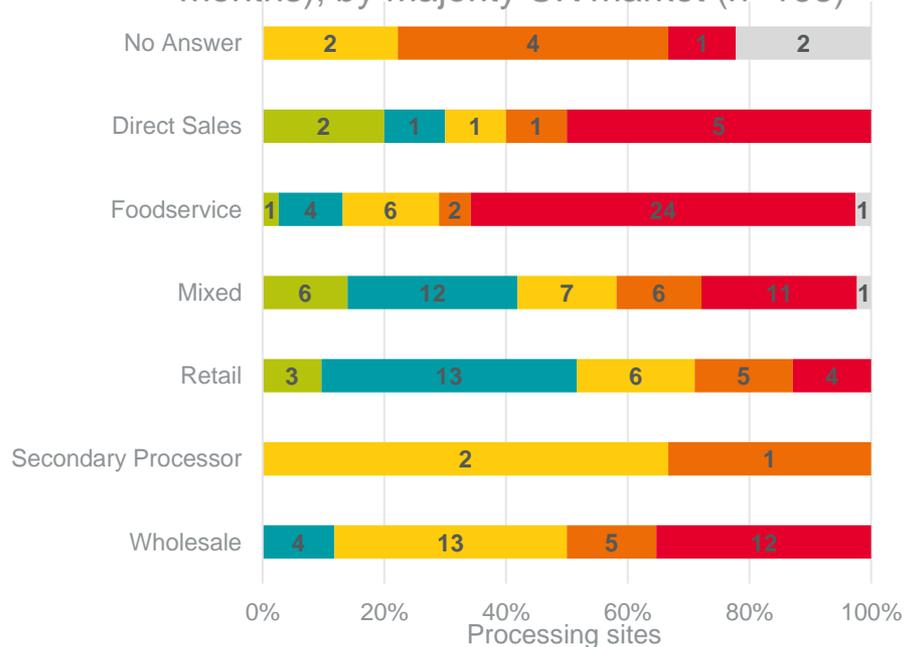
Almost half of respondents reported below average or poor business performance over the 12 months prior to April 2021. Businesses in Northern Ireland and England had the largest proportions of negative responses, while responses from Scotland were more evenly split.

# Business performance by majority\* UK market type

Businesses majority UK market by home nation and site size (n=159)



Business performance (previous 12 months), by majority UK market (n=168)



■ Direct Sales 
 ■ Foodservice 
 ■ Mixed 
 ■ Retail 
 ■ Secondary Processor 
 ■ Wholesale 
 ■ Excellent 
 ■ Above average 
 ■ Average 
 ■ Below average 
 ■ Poor 
 ■ No opinion

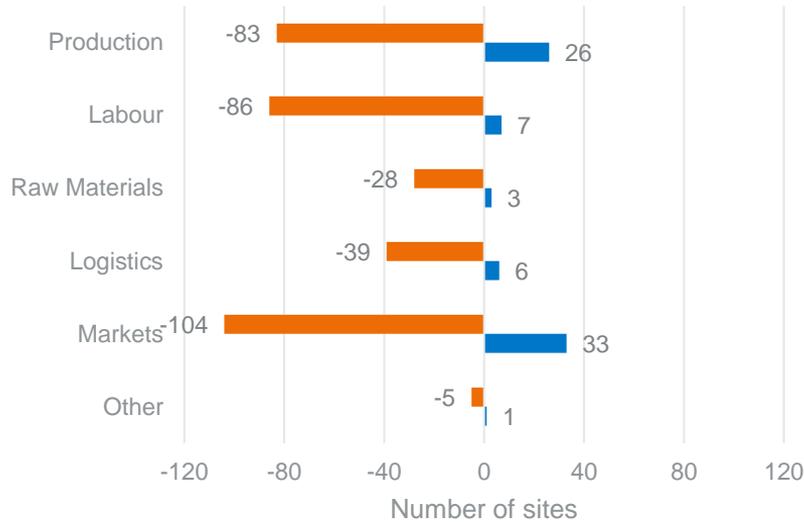
A large proportion of majority 'foodservice' and 'wholesale' (likely feeding into foodservice) sites reported below average or poor business performance in the 12 months to April 2021. Businesses mainly supplying retail were the most positive about their business performance.



\*Majority market allocated if an individual market share was >50%. If no individual market share was >50%, site classed as "mixed".

# Factors affecting business performance (previous 12 months)

Factors affecting business performance in the last 12 months:  
Covid-19 (n=168)\*



Factors affecting business performance in the last 12 months:  
EU Exit (n=168)\*

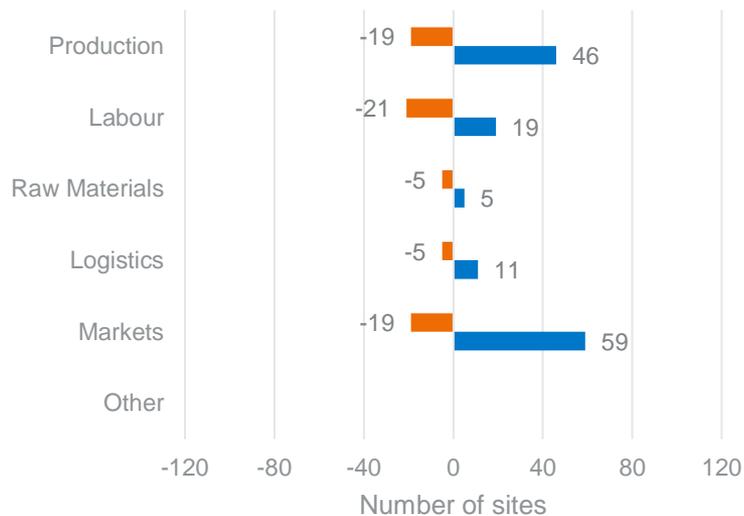


Businesses reported negative impacts of both Covid-19 and EU Exit on production, labour, raw materials, logistics and markets in the 12 months prior to April 2021. Covid-19 was reported by the most businesses to have had a negative impact on markets, while EU Exit was reported by the most businesses to have had a negative impact on logistics.

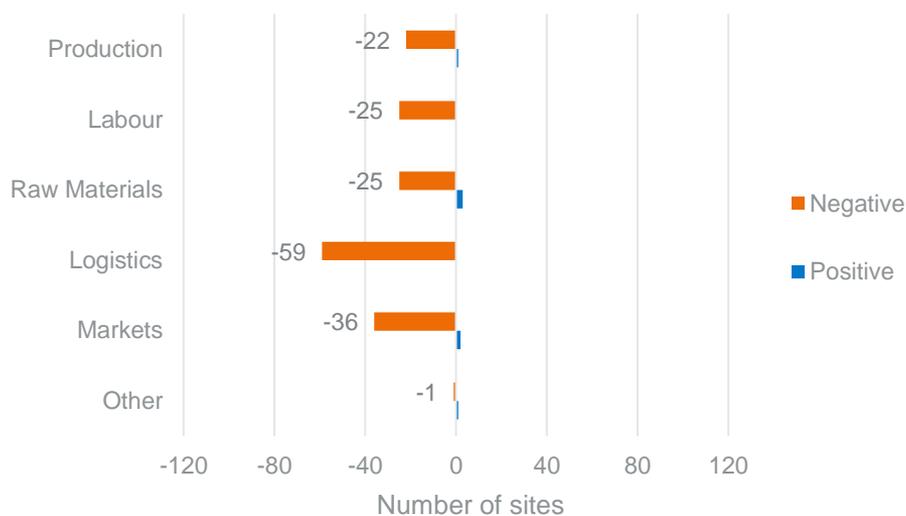
*"No effect" and "No Answer" responses are not included in this figure.*

# Factors affecting business performance (next 12 months)

Factors affecting business performance in the next 12 months: Covid-19 (n=168)\*



Factors affecting business performance in the next 12 months: EU Exit (n=168)\*

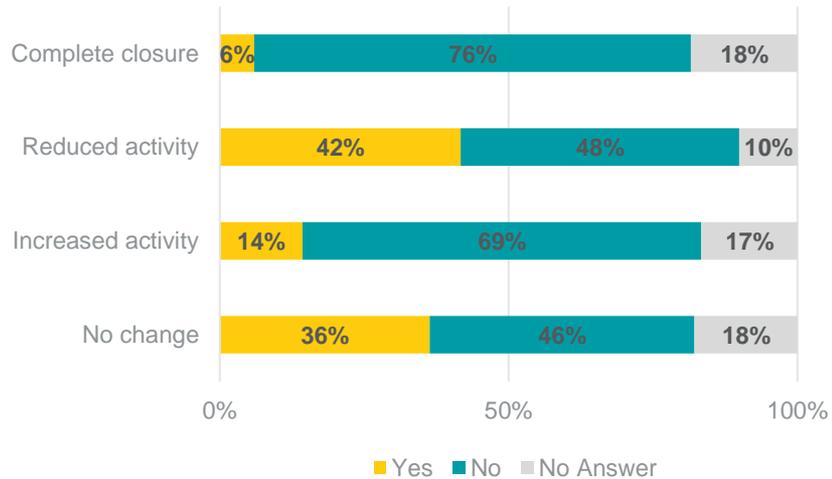


Starting from April 2021, fewer businesses expected negative impacts of Covid-19 and EU Exit on business performance compared to the previous 12 months. Businesses generally anticipated a reduction in negative impacts related to Covid-19 in the next 12 months as restrictions eased in 2021. Logistics issues caused by EU Exit was the most cited expected negative impact on business performance for the next 12 months.

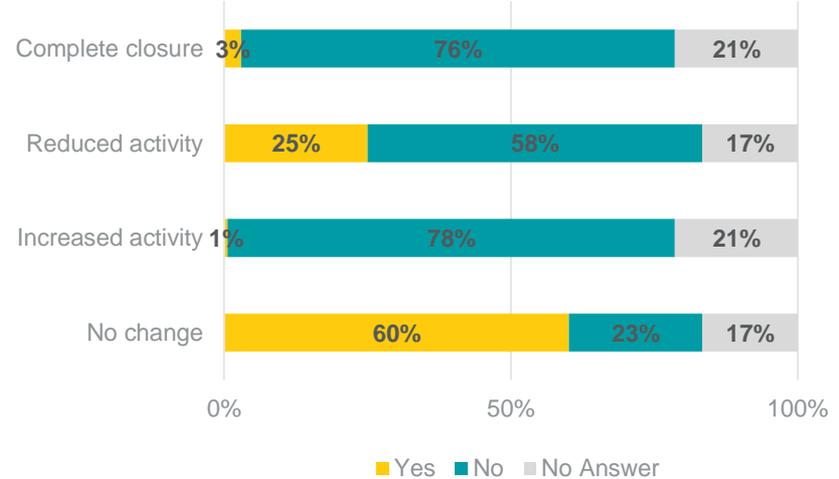
*"No effect" and "No Answer" responses are not included in this figure.*

# Ceased, reduced, or increased operations at any point during January-March 2021 due to Covid-19 or EU Exit

Businesses stopped, reduced or increased operations during Jan-Mar 2021 due to: Covid-19 (n=168)

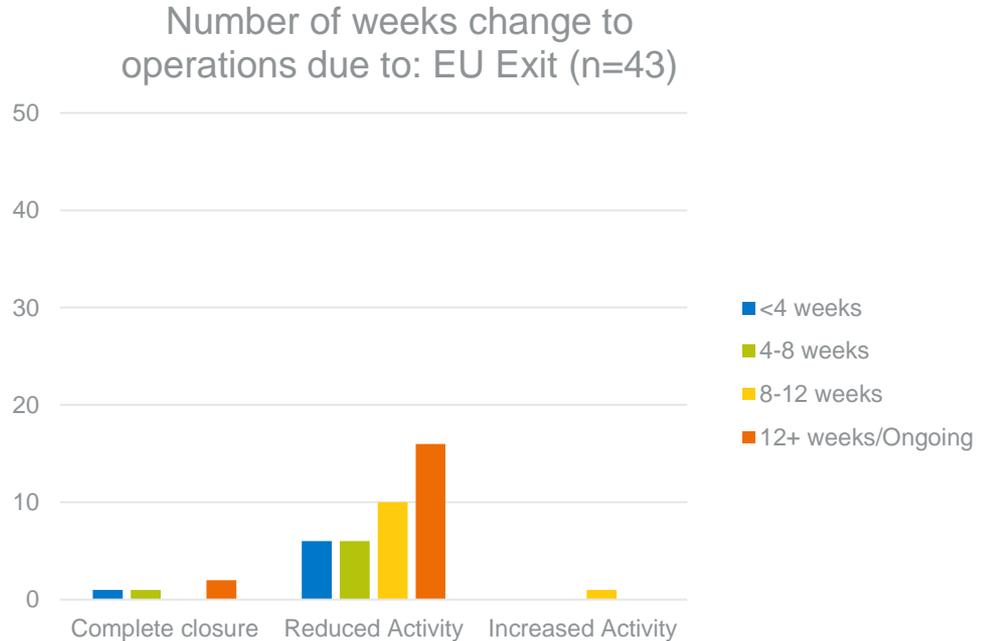
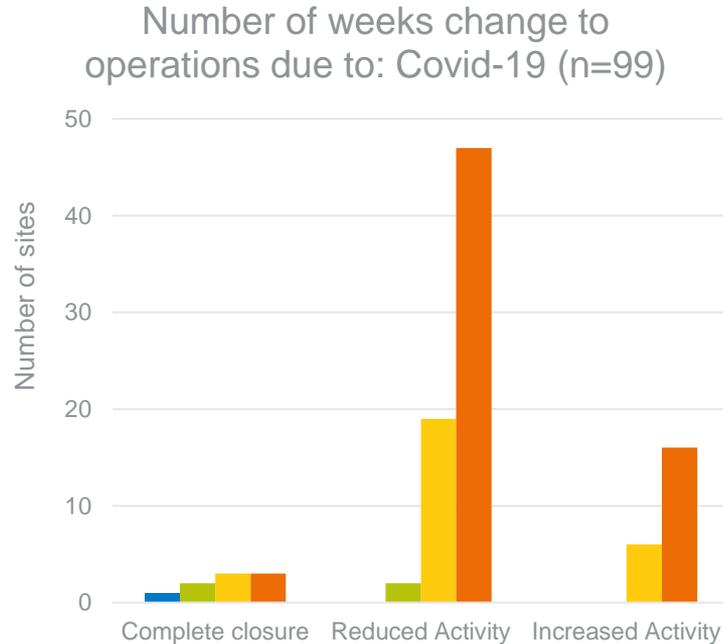


Businesses stopped, reduced or increased operations during Jan-Mar 2021 due to: EU Exit (n=168)



During January-March 2021, 42% of respondents reduced activity due to Covid-19, while 14% of respondents saw heightened demand and increased activity due to Covid-19. 25% of respondents reported reduced activity during this time due to EU Exit. Fewer businesses ceased operating during the period as a result of either Covid-19 or EU Exit.

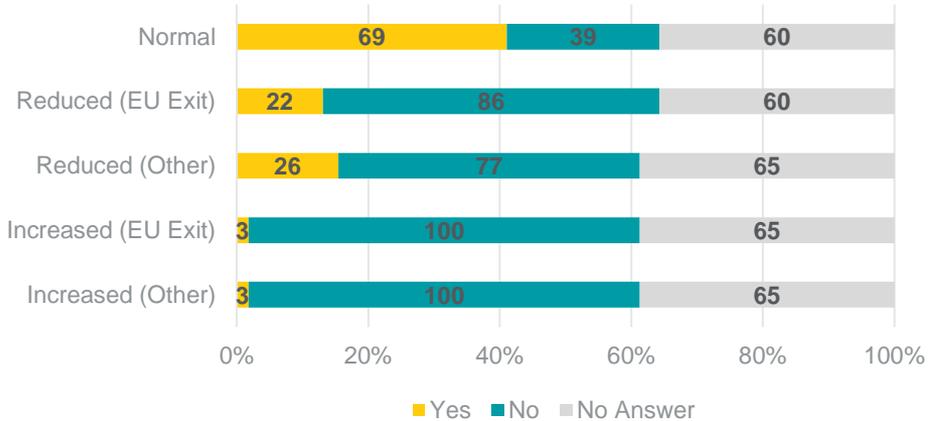
# Ceased, reduced, or increased operations at any point during January-March 2021 due to Covid-19 or EU Exit



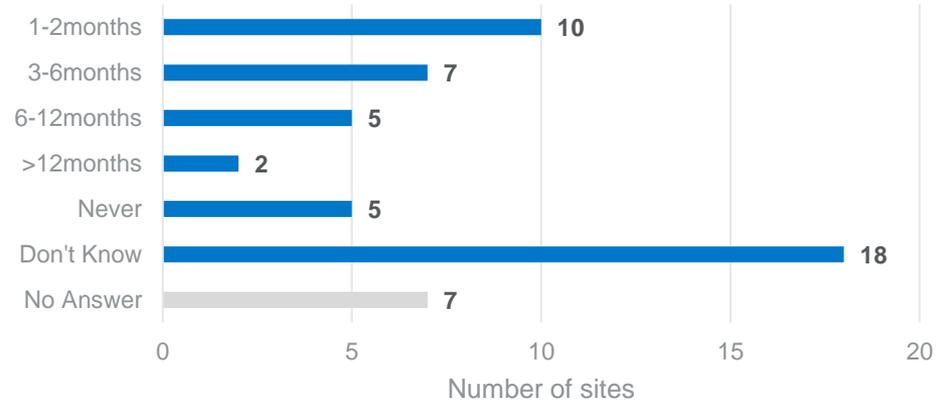
A number of businesses continued to operate at reduced levels due to Covid-19 or EU Exit beyond the first three months of the year. Most businesses that increased activity in January-March due to Covid-19 continued to operate at increased levels after this period. Almost all businesses that temporarily ceased operations due to either Covid-19 or EU Exit during this period were mixed species or shellfish only sites.

# Change in Production Levels January-March 2021 & expected time to return to normal

Production levels compared to “normal” for the time of year (n=168)



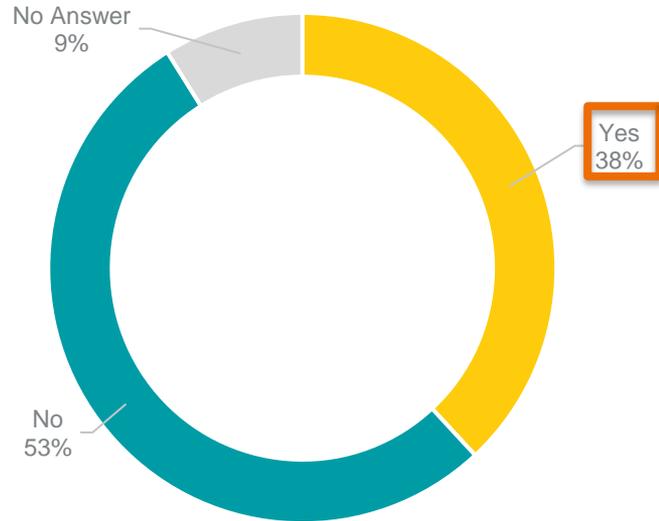
If production levels abnormal, estimated time to return to normal production levels (n=54)



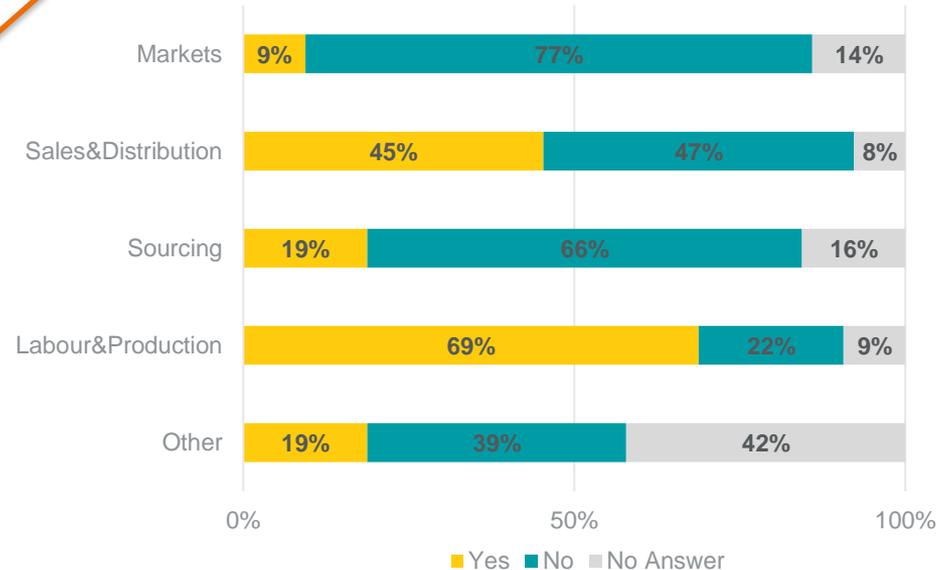
Some businesses reported reduced production levels in January-March 2021. Most of these businesses were either mixed species or shellfish only processing sites. Some specifically cited EU Exit as the reason for this reduction, while others did not. A few businesses reported an increase in production levels during this time, either due to EU Exit or for other reasons. Of those businesses that reported a change, one-third were unable to estimate when production levels would return to “normal”. 40% expected production levels to return to “normal” within 12 months, while 13% either expected changes in production levels to be permanent or take more than 12 months to return to “normal”.

# Changes to operations due to Covid-19 since 1<sup>st</sup> of January 2021

Changes to operations due to Covid-19 restrictions since 01 Jan 2021 (n=168)



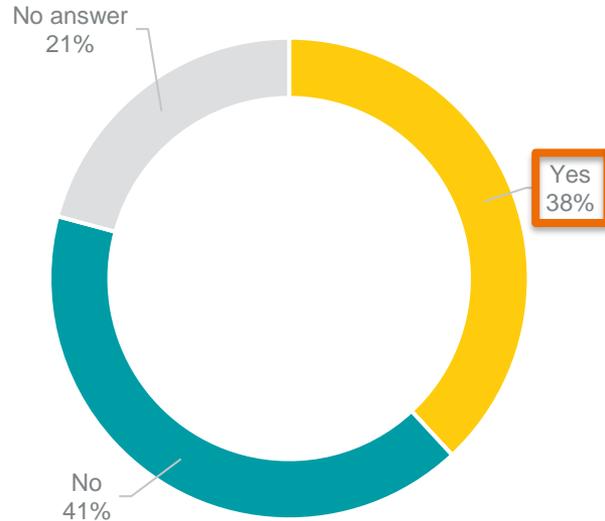
Changes to operations due to Covid-19 restrictions since 01 Jan 2021 (n=64)



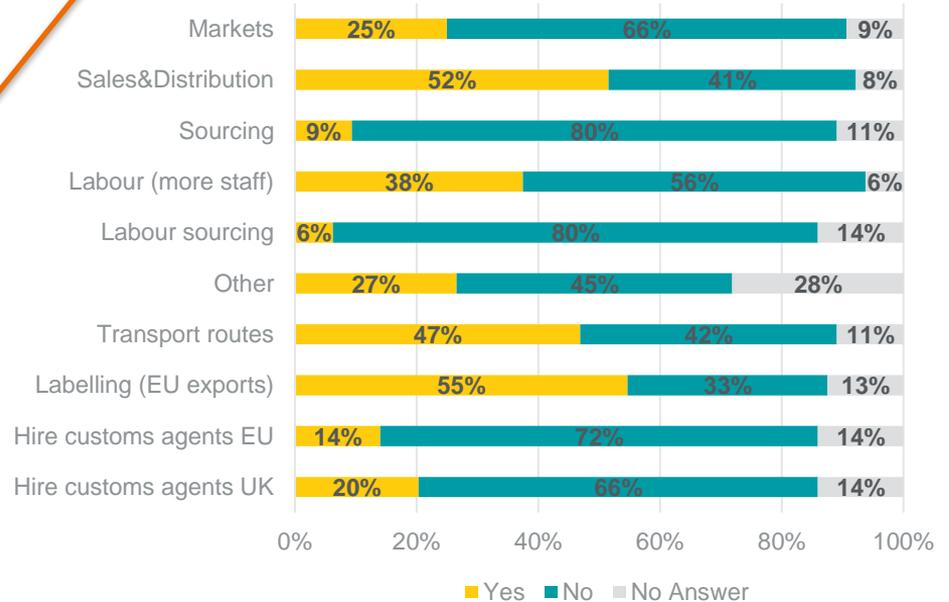
38% of businesses reported changes in operations due to Covid-19 restrictions since 01 January 2021. The most cited changes were in Labour&Production including shift patterns and production lines (69%) and Sales&Distribution including routes to market (45%).

# Changes to operations due to EU Exit since 1<sup>st</sup> of January 2021

Changes to operations to adapt to EU Exit since 01 Jan 2021 (n=168)



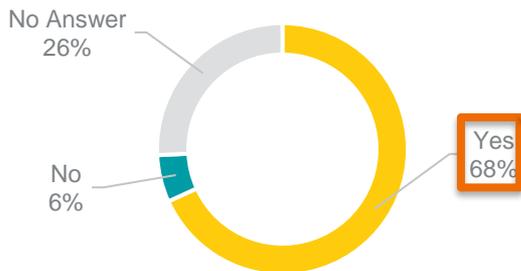
Changes to operations due to EU Exit since 01 Jan 2021 (n=64)



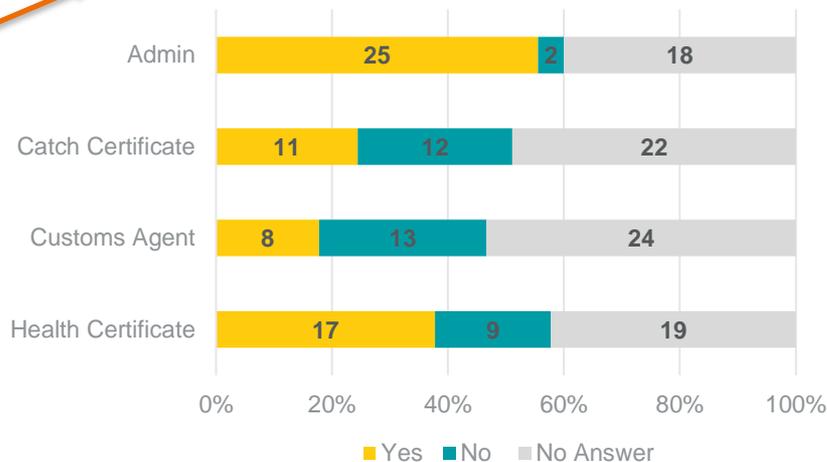
38% of businesses reported changes in operations due to EU Exit since 01 January 2021. The most cited changes were in Labelling on EU Exports, Sales&Distribution including changes to consignment size and frequency (52%), Transport Routes and Freight Services (47%) and Labour including hiring more staff (38%).

# Increase in export costs since 1<sup>st</sup> of January 2021

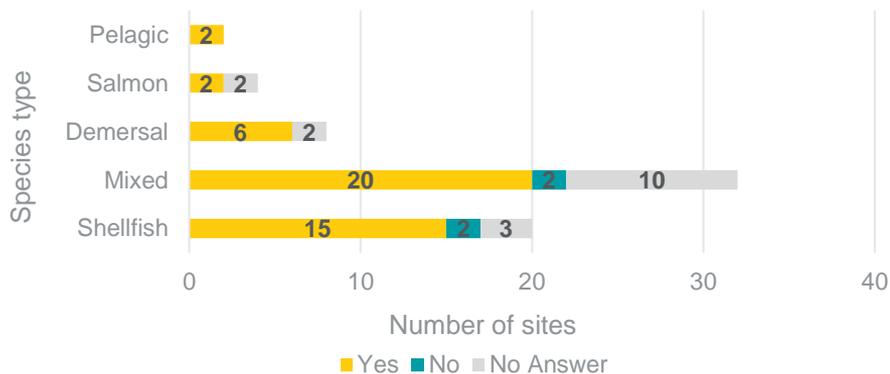
Changes to export costs (exporters only), overall (n=66)



Type of export cost increase, (n=45)



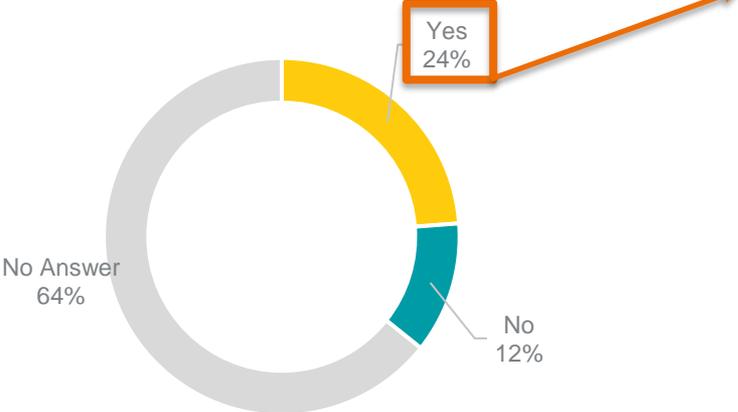
Changes to export costs (exporters only), by species type (n=66)



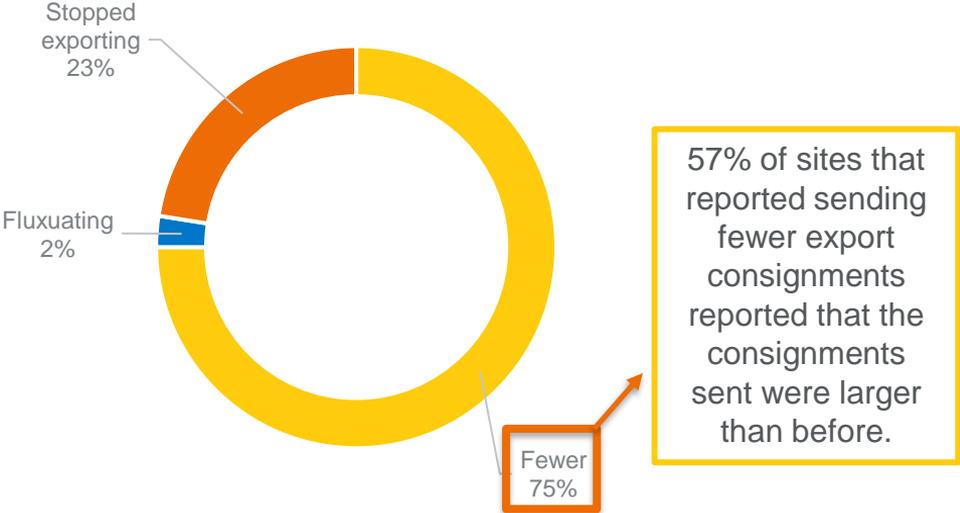
Businesses found it difficult to provide exact cost increases across a range of cost categories, however increased admin costs were cited by the most businesses, followed by costs associated with health certificates. Mixed species and shellfish only sites accounted for the majority of sites that reported increased export costs.

# Changes to export consignments since 1<sup>st</sup> of January 2021

Changes to export consignments normally sent to EU countries per week since 01 Jan 2021 (n=168)



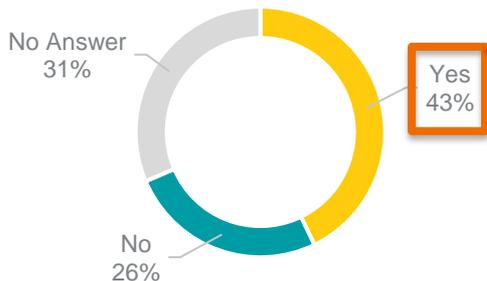
Changes to export consignments sent (n=40)



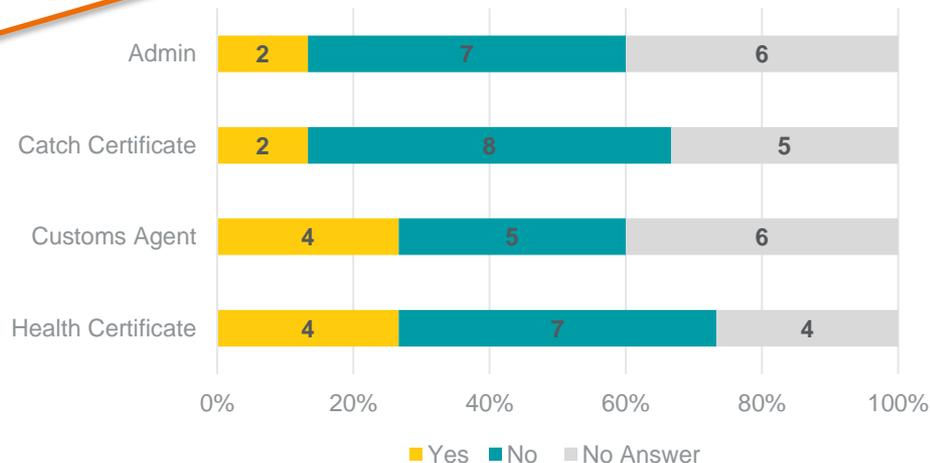
Nearly a quarter of respondents reported a change to consignments from 01 January 2021. 75% of these businesses reported a reduction in their consignments, while most of the rest stopped exporting all together. Of those that sent fewer consignments, 57% reported sending fewer but larger consignments due to EU Exit.

# Increase in import costs since 1<sup>st</sup> of January 2021

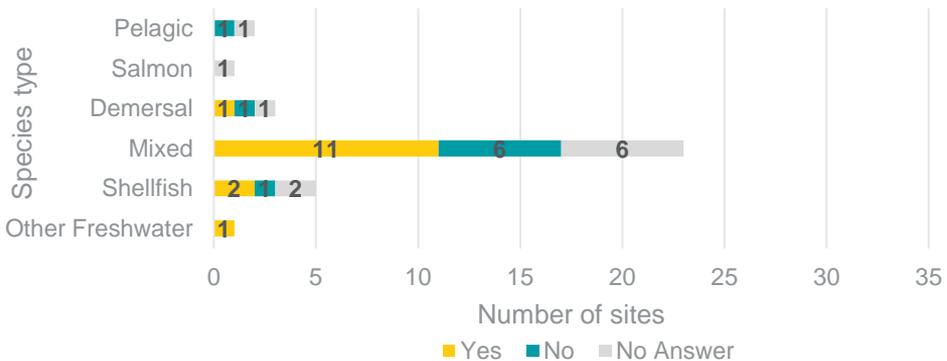
Changes to import costs (importers only), overall (n=35)



Type of import cost increase, (n=15)



Changes to import costs (importers only), by species type (n=35)



Businesses found it difficult to provide exact cost increases across a range of cost categories, however increased customs agent costs and costs associated with health certificates were the most cited by businesses. Mixed species sites accounted for the majority of sites that reported increased import costs.

# Annex: Business Performance Questionnaire (1)

Seafood Processing Sector Census 2021



## 6. Business Performance

6a. Overall how would you rate your business performance over the last 12 months?

- Excellent  
  Above average  
  Average  
  Below average  
  Poor  
  No opinion  
 No Answer

6b. How do you expect your business profits in the last 12 months to compare to your business profits in the previous year? (give an approximate percentage i.e. 20% lower)

[Click here to enter text.](#)

No Answer

6c. In the last 12 months, what factors have affected your business performance? (Please describe all that apply, explaining the factor and effect, indicating whether they were positive or negative. See the table below for prompts on the factors and effects)

Factors affecting performance: [Click here to enter text.](#)

No Answer

\* complete this table after the interview to place the participant's responses in this matrix, illustrating each with examples.

Factor	Effect					
	Production	Labour	Raw Materials	Logistics	Markets	Other
Covid-19	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect
EU Exit	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect
Other <a href="#">Click here to enter text.</a>	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect
Other <a href="#">Click here to enter text.</a>	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect

Seafood Processing Sector Census 2021



6d. In the next 12 months, what factors do you expect will affected your business performance? (Please describe all that apply, explaining the factor and effect, indicating whether they may be positive or negative. See the table below for prompts on the factors and effects.)

Factors affecting performance: [Click here to enter text.](#)

No Answer

\* complete this table after the interview to place the participant's responses in this matrix, illustrating each with examples.

Factor	Effect					
	Production	Labour	Raw Materials	Logistics	Markets	Other
Covid-19	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect
EU Exit	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect	<input type="checkbox"/> Positive <input type="checkbox"/> Negative <input type="checkbox"/> No effect
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## 7. Responses to Covid-19 impacts on the business

If you indicated that Covid-19 has affected your business in the last 12 months...

7a. Did you stop, reduce, or increase operations at any point during Q1 of this year (January-March 2021) due to the Covid-19 pandemic?

- Yes, complete closure  
  Yes, reduced activity  
  Yes, increased activity  
  No

No Answer

7b. If yes, for how long (in weeks)?

Number of weeks:   [Click here to enter text.](#) Complete closure.   [Click here to enter text.](#) Reduced activity.

[Click here to enter text.](#) Increased activity.    No Answer

7c. Have you made any additional changes to your business operations to adapt to Covid-19 restrictions, since the start of the year (January 2021)?

- Yes  
  No  
  No Answer

7d. If yes, what did you change?

- Labour & production (e.g. shift patterns, production lines)  
  Sourcing (e.g. raw material)  
 Sales & distribution (e.g. direct sales, deliveries, etc.)  
  Markets (e.g. international vs domestic)

Other (please specify): [Click here to enter text.](#)

Please explain how: [Click here to enter text.](#)

No Answer



# Annex: Business Performance Questionnaire (2)

Seafood Processing Sector Census 2021 

**8. Responses to EU Exit impacts on the business**

*If you indicated that EU exit has affected your business in the last 12 months...*

8a. Did you stop, reduce, or increase operations at any point since the 1<sup>st</sup> of January 2021 due to the EU exit?  
 Yes, complete closure    Yes, reduced activity    Yes, increased activity    No  
 No Answer

8b. If yes, for how long (in weeks)?  
 Number of weeks:  Click here to enter text. Complete closure.  Click here to enter text. Reduced activity.  
 Click here to enter text. Increased activity.    No Answer

8c. Did you introduce any additional measures to prepare for the expected changes in trade conditions prior to 1<sup>st</sup> of January?  
 Yes    No

*If yes, tell us what measures you implemented prior to 1<sup>st</sup> of January: [Click here to enter text.](#)*

8d. Have you changed your normal operations to adapt to EU exit and the associated changes in trade requirements, since 1<sup>st</sup> January 2021?  
 Yes    No    No Answer

8e. If yes, what did you change?  
 Hire customs agents in the UK    Hire customs agents in the EU  
 Labour sourcing (e.g. from UK instead of EU)    Labour (e.g. extra personnel to handle import/export)  
 Labelling on the products exported to the EU    Markets (e.g. international vs domestic)  
 Sourcing (e.g. raw material from non-EU countries)    Sales & distribution (e.g. bigger consignments)  
 Transport routes and freight services  
 Other (please specify):  Click here to enter text.

Please explain how:  Click here to enter text.  
 No Answer

8f. Have your export costs increased since 1<sup>st</sup> of January 2021?  
 Yes    No    No Answer

8g. If yes, please indicate which export costs have increased and by how much:

Item	Cost per month
Admin staff costs	£ <input type="text"/> Click here to enter text.
Catch Certificate	£ <input type="text"/> Click here to enter text.
Customs agents	£ <input type="text"/> Click here to enter text.
Health Certificate	£ <input type="text"/> Click here to enter text.
Other (please specify): <input type="text"/> Click here to enter text.	£ <input type="text"/> Click here to enter text.
Other (please specify): <input type="text"/> Click here to enter text.	£ <input type="text"/> Click here to enter text.
Other (please specify): <input type="text"/> Click here to enter text.	£ <input type="text"/> Click here to enter text.
<b>TOTAL ADDITIONAL COST PER MONTH</b>	£ <input type="text"/> Click here to enter text.

Use this space to add and additional notes:  Click here to enter text.  
 No Answer

8h. Have your import costs increased since 1<sup>st</sup> of January 2021?  
 Yes    No    No Answer

Seafood Processing Sector Census 2021 

8i. If yes, please indicate which costs have increased and by how much:

Item	Cost per month
Admin staff costs	£ <input type="text"/> Click here to enter text.
Catch Certificate	£ <input type="text"/> Click here to enter text.
Customs agents	£ <input type="text"/> Click here to enter text.
Health Certificate	£ <input type="text"/> Click here to enter text.
Other (please specify): <input type="text"/> Click here to enter text.	£ <input type="text"/> Click here to enter text.
Other (please specify): <input type="text"/> Click here to enter text.	£ <input type="text"/> Click here to enter text.
Other (please specify): <input type="text"/> Click here to enter text.	£ <input type="text"/> Click here to enter text.
<b>TOTAL ADDITIONAL COST PER MONTH</b>	£ <input type="text"/> Click here to enter text.

Use this space to add and additional notes:  Click here to enter text.  
 No Answer

8j. On average how many consignments did you normally send to EU countries per week (before 1<sup>st</sup> January 2021)?  
 Click here to enter text.

What was the average weight per consignment?  
 Click here to enter text.

8k. Has this changed since the 1<sup>st</sup> January 2021?  
 Yes    No

*If yes how? (e.g. fewer, larger consignments): [Click here to enter text.](#)*  
 No Answer

8l. Are you currently producing at 'normal' levels for this time of year (e.g. if you stopped or reduced production at any point due to EU-exit, is production back to normal levels)?  
 Yes, normal levels    No, production reduced due to EU exit  
 No, production reduced for other reasons    No, production increased due to EU exit  
 No, production increased for other reasons    No Answer

8m. If no, when do you expect to return to business as usual?  
 1-2 months    3-6 months    6-12 months    More than 12 months    Never  
 Don't know

Any other comments:  Click here to enter text.  
 No Answer

8n. Have you experienced any loss in value as a result of delays at the border since 1<sup>st</sup> of January 2021?  
 Yes    No

*If yes, please estimate the value of those losses: [Click here to enter text.](#)*

# For more information contact:

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Here to give the UK seafood sector  
**the support it needs to thrive.**