



Department of Trade and Industry

Fair Markets Group

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2 December 2004

Dear Stakeholder

**Consultation on the proposed simplification of weights and measures law relating to the sale of foodstuffs and alcoholic drinks.**

Further to my letter of 12<sup>th</sup> October, we would like to draw your attention to the recent publication by the European Commission of its proposals to simplify EU law in relation to specified quantities for pre-packed products. Para. 5.4 of our consultation document noted that these proposals were in preparation. A copy of the Commission's proposal can be accessed electronically at

[http://europa.eu.int/comm/enterprise/prepack/index\\_en.htm](http://europa.eu.int/comm/enterprise/prepack/index_en.htm).

In essence, the Commission's proposal is for the repeal of all existing specified quantities for pre-packages as detailed in Directive 75/106/EEC and Directive 80/232/EEC, and for a new Directive which would substantially reduce the number of product categories subject to specified quantities. Only the following categories would continue to be covered:

- Wine (still, sparkling, liqueur, aromatized and "yellow" wines)
- Spirits
- Soluble coffee
- White sugar

The specified quantities for these products would all be mandatory - that is, there would no longer as at present be any additional sizes permitted at national level. All products except those listed above would be free of restrictions as to packing sizes, and Member States would be prohibited from legislating for specified quantities at national level.

We would welcome views generally on the Commission's proposal, which would be valuable input into decisions as to the view which HMG should adopt when the proposal is

## Continuation 2

discussed in the Council. If you have views on the proposal, you may like to provide these by replying to Q. 13 of the consultation document. It will be noted that one important implication of the proposal for the UK is that it would no longer be possible to impose specified quantities on products not included in the list above. The products for which specified quantities are at present imposed by UK legislation are listed in Annex K to the consultation document. In particular, the proposal would mean that there would no longer be specified quantities for bread, milk and tea.

You may also like to take account of the timing of this proposal when considering Chapter 9 of the consultation document. Q. 19 invited views on whether the reforms of UK weights and measures legislation which we have proposed should be carried through as soon as practical, or should await the completion of the Commission's review. It is too soon to say at this stage just when the Commission's proposal is likely to be considered by the Council and the Parliament, but it seems unlikely that any resulting changes in UK law would take effect any earlier than 2007. And since the Commission have yet to produce their proposals to revise Directive 76/211/EEC in the light of the SLIM Review (see para. 9.3 of the consultation document), it seems safe to assume that the implementation of any resulting new measures would in that case fall somewhat later than 2007. Feedback to date from stakeholders has suggested that the majority would prefer to see the UK legislation modernised as soon as reasonably practicable, rather than waiting for the completion of the Commission's review. But we would welcome any further or differing views on these issues.

Also, we would like to draw your attention to the attached letter from the Federation of Bakers, proposing a wider range of specified quantities for bread. We would welcome views on these proposals as part of the response to Q. 14 of the consultation document.

Finally, you might like to be aware that the Department proposes to hold a meeting for stakeholders after the close of the consultation, to give an opportunity to report back on and discuss the responses. This will provisionally be held on 26<sup>th</sup> January. If you would like to be invited to this meeting, please send an e-mail to Amanda Walton ([amanda.walton@dti.gsi.gov.uk](mailto:amanda.walton@dti.gsi.gov.uk)).

Yours faithfully

**Lynnette Falk**  
**Assistant Director**  
**Consumer and Competition Policy**

# THE FEDERATION OF BAKERS

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Director: John S. White

26 November 2004

29.11  
Mr. John Arnott  
Dti,  
1 Victoria Street  
London SW1H 0ET

Dear John,

## **PRESCRIBED QUANTITIES**

As requested I set out below the reasons we feel that an extension to the PQ range for bread would be a sensible deregulation measure which should help UK businesses develop new products for consumers and which at the same time retains the consumer protection inherent in prescribed quantities.

### **The current position**

As you will know bread weighing more than 300g must be sold only in weights of 400g, 800g and multiples of 400g thereafter. In practice this has meant two loaves have been offered to consumers – a 400g small loaf and an 800g large loaf. Occasionally retailers have sold larger loaves at 1200g, but this has represented a tiny fraction of the market.

Historically the bread industry has been reluctant to move away from the current 400g and 800g regime on the grounds that its removal would allow loaves that weighed less than this being made which would nevertheless appear to be the same weight. If this was to occur not only would consumers be misled, the industry would damage its hard won reputation for quality and fairness.

At the same time there has been some pressure for the abolition of the regime to allow progressive new product development and promotional activity. Some companies, particularly smaller ones, have argued that it is difficult to compete with larger companies within such a restrictive regime. They go on to say that they could produce a range of different products of interest to consumers at a range of weights, and further that with unit pricing the need for prescribed quantities has gone. Also with the removal of prescribed quantities it would be possible to offer 'extra slices for free' or variations thereon which are currently effectively prohibited.

## **Our suggestion**

Having discussed this widely we believe there is an opportunity to release these clear opportunities of new product development and promotional activity without the very real problems a complete removal of PQs would entail.

This could be achieved through the introduction of additional PQ points at 600g and 1000g. Coupled with the existing points at 400g and 800g, one at 1200g (because a 1200g loaf already exists) and a 1500g point (with 500g multiples thereafter), we would arrive at a regime that we believe would satisfy businesses large and small. It would also encompass the typical bread weights found in other European countries although with mutual recognition this is not particularly relevant.

It is however the 600g and 1000g loaves that offer the greatest potential for new product development and promotion.

Currently the 400g loaf slice has to be smaller than the full 800g slice. Full slice 400g loaves have been tried but excluding the crusts (which some consumers discard anyway) the loaf doesn't have enough slices to satisfy some of the typically single person households that buy it. A smaller slice offers the consumer more slices but their size can be a disappointment to those consumers who like the satisfaction of the normal slice size for toasting and sandwich making. The market for the 400g loaf is therefore limited. However a single person household can often find that an 800g loaf is simply too big and a portion of the loaf is thrown away before it is consumed. The 600g loaf we believe will solve this problem by providing an appropriate single person household loaf with enough but not too many slices at the full size best for toasting and sandwich making.

A 1000g loaf would similarly provide a suitable size for larger households which are currently faced with the dilemma of buying one 800g loaf and not having enough bread to satisfy the family or buying two loaves and finding a portion has to be thrown away.

These two ranges therefore bring choice to the consumer as well as opportunity for businesses.

The other aspect of the proposal which would do likewise is the opportunity for promotional activity mentioned above and that simply doesn't currently exist. A 1000g loaf for example could be sold at the price of an 800g loaf or with 25% extra free or as containing x number of extra slices. The intervals within the current range are just too large to make this kind of offer attractive to the baker/retailer.

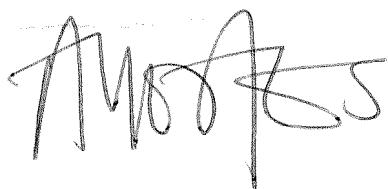
Interestingly this proposal would also give bakers in Northern Ireland the opportunity to compete with the 600g loaf delivered from the Republic (which as I am told is quite popular). Currently it would be against the law for them to make a 600g loaf and sell it even if it was shipped via the South! Although I appreciate Northern Ireland has its own legislative competency in this area it would likely follow the rest of the

UK and is a very real example of one of the benefits that could be derived from our proposal.

Please let me know if you require any further information about our suggestion or if you have any further questions.

I hope that these proposals can be considered in the context of your current consultation on consolidating and simplifying the food orders.

Yours sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'J. S. White'.Small, handwritten initials in black ink, possibly 'JS'.

**John S White**  
**Director**