



Improving Scotland's  
food and drink businesses  
through collaboration



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## C2 Project Review

### October 2008 to September 2011

The Cultivating Collaboration (C2) project has been operational since October 2008 and the first phase is due to conclude at the end of September 2011. It is supported by the Scottish Government and SAOS and has been delivered in partnership with Scotland Food & Drink and its member organisations. The project aims to:-

- Make companies more aware of the business benefits of collaboration and help them to become more collaborative through practical interventions
- Help businesses look at how they can collaborate to access new markets, develop new products and make their supply chains operate more efficiently and effectively
- Help companies to learn more about partnership working through tried and tested supply chain management techniques

This is a summary of the impacts of the project to date...and a glimpse of the future.

The project has:

- engaged with **272** companies
- worked with **86** organisations
- involved **864** people in C2 events

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### Impacts of C2

Since the beginning of the project, C2 has helped companies:

- Generate additional total sales and cost savings of **£10.9m**, equivalent to Gross Value Add (GVA) of **£4.43m\***

These companies have also

- Launched **75** new products
- Accessed **30** new markets
- Accessed **9** new suppliers
- Accessed **57** new customers in the UK and overseas
- Created **32** new jobs
- Developed **10** new processes
- Developed **5** new products ready for launch
- C2 has also helped form **7** new collaborative groups

Critically, the project has also begun to change attitudes to collaboration - of the companies polled for the C2 interim evaluation in July 2010:

- **73%** were more inclined to collaborate
  - **65%** were implementing or planning to implement collaborative activities as a result
  - **72%** had made new contacts due to their involvement with C2
  - **56%** indicated they had learnt/would be learning more about collaboration
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*Anne Thomson, (Ella Drinks)  
Wholesome Whole Foods Scotland:  
"Developing the joint marketing  
venture among the four companies  
was an intensive process and one  
which required a lot of  
commitment from all of us. It was  
very helpful to have the C2 team  
and John Richardson from JBR to  
lead us through the procedure and  
assist us to work out the potential  
business benefits and the best  
mechanism for achieving this."*

## How We Did It

- C2 has raised awareness of collaboration by producing **41** case studies to date. These highlight successful collaborations ranging from three Highland transport companies working together to improve margins where competition is not an issue, to the Mackie's @ Taypack joint venture.

*Angus MacFadyen, Argyll Hill Lamb Farmer: "The hill lamb project was a great example of people coming together to understand and improve their supply chain to achieve a commercial advantage. The help we were given by C2 and the Argyll and Bute Agricultural Forum was invaluable."*

- C2 has helped companies and farmers to understand better how their supply chains work by holding **18** events around Scotland attended by **655** delegates. Many of these have been held with partner organisations, e.g. Quality Meat Scotland, Scottish Land & Estates, HGCA and the Potato Council.
- C2 has helped businesses to improve their competitiveness and efficiency by working with **31** supply chains. Many companies have taken part in our Supply Chain Innovation programme with Eureka! Ranch, which fosters innovation within companies and chains.
- C2 has also worked with **37** groups, helping them to identify improvements in supply chains and new opportunities for collaborative ventures. These include Marks & Spencer, as part of its Sustainable Supply Chain project, and in Orkney with farmers trialling the growing of hardy malting barley for the distilling industry. We've also worked with food producers in Argyll and the North East helping them to form groups to take advantage of new markets and improve marketing and sales.

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## The Future

*We are progressing the creation of a next generation project with Scotland Food & Drink and its member organisations which aims to address issues of scale within the Scottish food and drink industry, through developing collaborative supply chains on a much broader and more intense basis, across a wider range of sectors. It will build on the successful awareness raising and pilot development activity achieved by C2 and has the potential to produce much greater impacts, seeking to embed real cultural change for commercial benefit. The process will involve close working with our partner organisations to co-ordinate and deliver innovative solutions and expertise.*

Further information about C2 can be found at [www.ctwo.org.uk](http://www.ctwo.org.uk)



*\*These figures are based on information obtained from 30 companies, and provide a snapshot view of some of the benefits achieved to date with the assistance of C2. There has been no attempt to extrapolate upwards, or forwards, from this sample to gain an estimate of the overall potential impact, nor to discount the figures to obtain the net gain attributable to C2. However the companies interviewed all stated that the assistance received by the Scottish Government, SAOS and its partners through the C2 project was a significant contributory factor. Gross GVA is estimated at 40% of sales – based on industry-wide statistics from the Scottish Government's Scottish Annual Business Statistics report – and 100% of efficiencies gained.*