

ATLANTE
— FOOD OF THE WORLD —

GUIDE TO:
EGGS



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HOW DO YOU LIKE YOUR EGGS?

Unlike their European cousins, Brits love eggs for breakfast as well as enjoying them for lunch, dinner and in baking too. Boiled, scrambled, fried, poached, whipped into meringues, beaten into cakes, mixed into flans and tossed into pancakes, the possibilities are endless. Which goes to explain the **strong retail demand** for eggs in the UK. Between 2008 and 2021, retail egg sales soared by **+50%**, and while all sectors of the population ate more eggs, growth was particularly strong among younger (18-44-year-old) consumers (Kantar Worldpanel, annual sales figures).

The UK is mostly self-sufficient in egg production, **91%** in 2022 (industry estimate). But there have been **shortages in recent years** and Atlante has been swift to help fill UK supermarket shelves with Italian eggs until our retail partner could source British eggs again. **We pride ourself on sourcing fresh eggs that meet high animal welfare and food safety standards**

This guide looks at egg production and the egg supply chain, how Atlante works with its customers and producer partners, and opportunities and challenges in the UK egg market.



WHY WORK WITH ATLANTE?

We're motivated by passion for our work and the ability to innovate, brainstorming side by side with our partners to create winning products that **interpret market trends** and **satisfy customer needs**.

Atlante is unique as we are neither an agent nor broker. We see ourselves as a value-adding link between retailers and producers. We do not represent producers and, being totally independent, use our expertise to identify the producers best suited to meet a customer's high standards, requirements and expectations. Some Atlante customers include:



Our customers receive a **tailor-made, timesaving and cost-efficient package of products and supporting services**. The experience we have gained from working with highly professional, structured and demanding organizations, such as a leading UK supermarket chain, is an invaluable asset when it comes to assessing the strengths and weaknesses of producers.

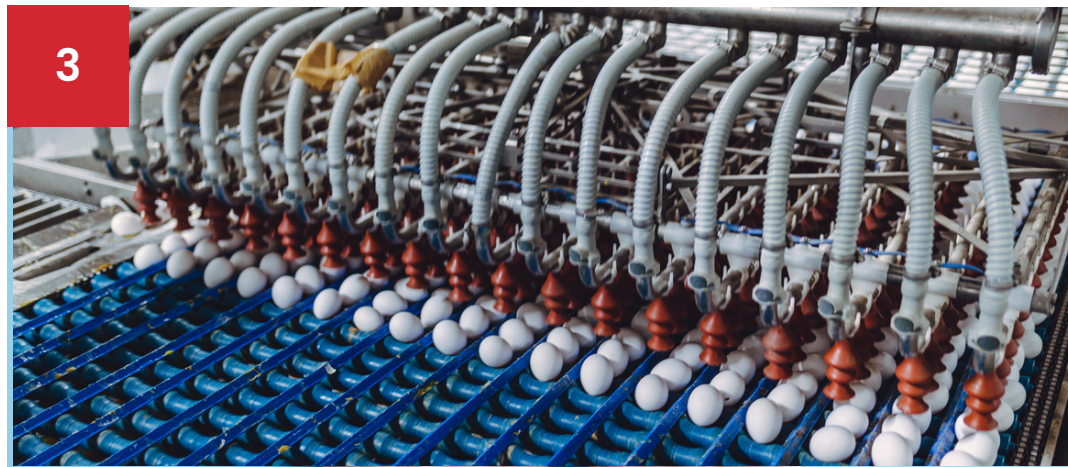
EGG PACKING



1 We work with an egg producer that has three large packing sites in Italy – two in the north east and one in the north. Each packing site receives freshly laid eggs from 10-15 nearby farms.



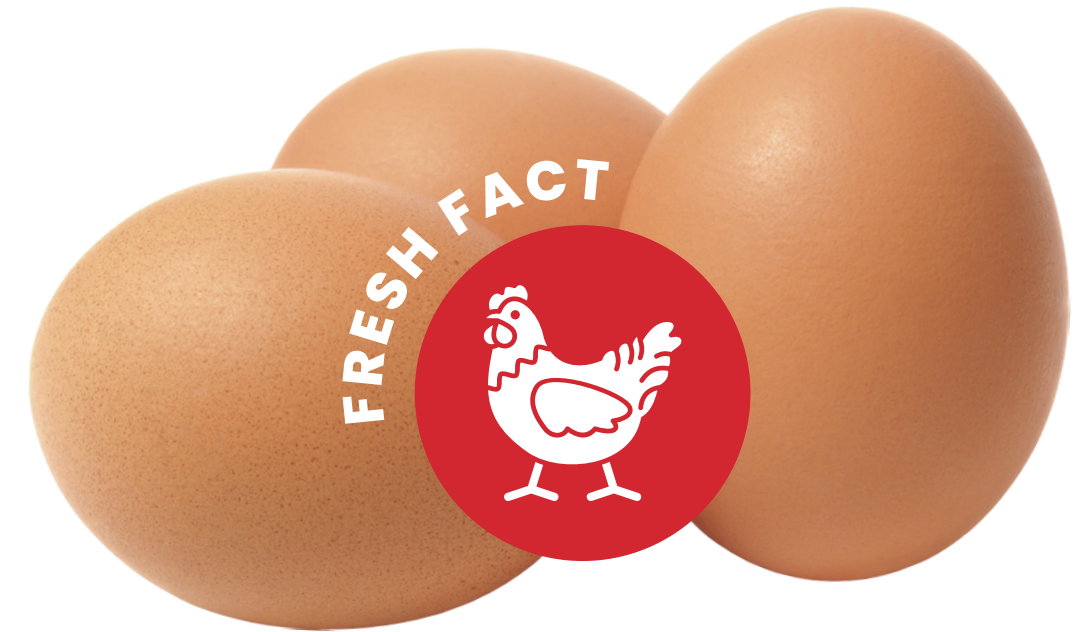
2 Crates containing trays of 36 eggs are taken to the packing line where they are removed automatically.



3 Electronic devices check and remove any dirt or excess packaging from each egg. Human operators also perform visual checks.



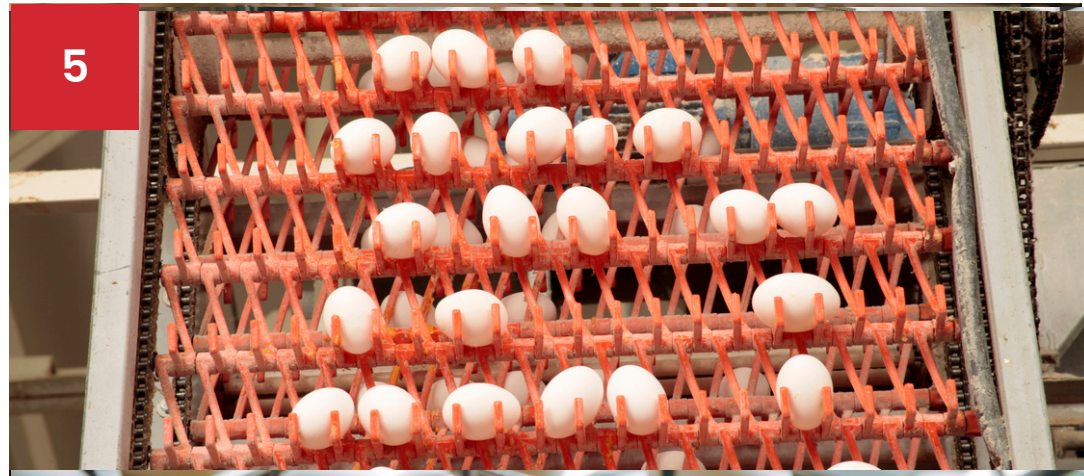
4 A third control process checks whether there is any blood within the egg – those that do contain blood are removed from the line.



An egg can be described as fresh only if it is packed **within 24 hours** of being laid.



EGG PACKING, CONT'D



5
Sorting machines divide eggs according to weight: small are 53g and under; medium are 54-63g; large are 63-73g; very large are 73g and over.



6
Every egg is printed with an ID code, similar to a car registration. The digits denote the farming method (eg barn), country of origin, region and farm. Every single egg has full traceability.



7
Eggs travelling to the UK are packed into robust plastic containers, which are placed in another box before being loaded onto a pallet to be transported in lorries.



"We have sold millions of eggs to Sainsbury's, and not one was broken!"
– Natasha Linhart, Atlante CEO



LOGISTICS

Transporting eggs to the UK is a relatively unusual and precarious operation. Fortunately, Atlante and our partners have the expertise and proven track record of doing this successfully and swiftly. We have a logistics team with 25 people specialising in different product categories.



KEY CHALLENGE: TEMPERATURE CONTROL

Our production partners are experts in **maintaining the correct temperature along the supply chain** and our trucks are designed to maintain a steady temperature of **18-24 degrees centigrade**. Drivers are selected for their skilled handling of these delicate but heavy loads.

The journey from a packing site to the UK takes **two to five days**, depending on variables such as traffic conditions and whether it's the weekend. We work efficiently and effectively to optimize shelf life, which is 28 days from packing.

OUR PRODUCTION PARTNERS

All Atlante partner producers are vetted and onboarded according to **strict sustainable, ethical, technical, quality and safety parameters**. The key criteria for our production sites include:



All the producers we work with have produced and packed eggs for decades and there is little that can be taught to them in terms of quality. What can often be improved is the overall efficiency and safety of the production process. Atlante's input has helped **improve producers' efficiency, safety and hygiene standards** while **increasing customers' awareness** of the challenges around maintaining egg supply in the event of avian flu outbreaks.





KEY COST DRIVER

Anything that affects **corn yields** will impact egg prices. Normally, our producer partners in Italy have control of the supply chain from feed to fork, but **low rainfall** in 2022 meant poor corn crops, with producers forced to import corn from America at a higher cost..



80% of egg producers' costs is feed corn.

Atlante has developed relationships with mills and grain dealers. While working with our contacts and tracking the AGER grain index cannot totally insulate Atlante from the vagaries of **adverse weather, drought** or **other phenomena**, it puts us in a good place to evaluate and adopt mitigating actions to provide the optimum solution for our customers.

Indexes reflect market prices, give an indication of trends and, combined with industry insights, are a useful tool to help guide sourcing strategies.

ATLANTE'S GUIDANCE FROM ITALY TO THE UK

1

Understand

We work with customers to develop a brief incorporating product quality, volumes, supply chain and ethical considerations.

2

Find

We look at our existing producers and consider all of the potential producers who could meet the brief.

3

Assess

We study the capabilities, strengths and weaknesses of the producers for achieving the objectives in the brief.

4

Develop

We work with the producer to develop products to the sample stage, or develop projects to the business case stage.

10

Review

We complete a post-implementation review to identify issues and future improvements.



5

Select

We benchmark producer capability and then select suitable producers or projects to propose to the customer.

9

Launch

We provide dedicated resource to support a successful product launch at point of change.

8

Forecast

We collaborate with the customer to identify a joint forecast and order profile.

7

Manage

We manage the project at all stages, from processing to packaging through to launch.

6

Cost

We work with the customer and the producer to submit carefully considered and delivered costs.

PRODUCT DEVELOPMENT

Passion and **extensive experience** enable Atlante to source high quality brand and own label eggs in a range of sizes and packaging formats:

EGG SIZES



We supply eggs in all sizes and mixed sizes.

TIERS



We can brief, develop, supply and manage across all product tiers, from entry to premium.

PACK SIZES



We produce pack sizes for retail own label ranges incl. half dozen and dozen formats; alongside food service pack sizes of up to 180 eggs per unit.

PACKAGING



Packaging can be designed and supplied in a range of materials.

UK EGG MARKET

UK EGG MARKET SNAPSHOT

£1.3bn

RETAIL MARKET VALUE*

+8%

VALUE GROWTH 2022*

* Source: Industry estimate, egginfo.co.uk

The majority of eggs are sold through the retail channel, equating to about **65% of total sales**, up from 48% in 2004.

Food service equates for 16% and food manufacturing **17% of total sales** (in accordance with industry data based on industry estimates, Kantar Worldpanel and government data comparing data from 2004 and 2021).



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UK EGG MARKET CONT'D

CHEAP AS CHIPS

In times of economic crisis, people tend to buy more eggs as an affordable, nutritious food staple. As consumers take a larger share of fresh eggs, there are fewer available to the food industry, so prices are driven up.



MERRY EGGS-MAS!

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CHALLENGES AND OPPORTUNITIES

Meeting expectations for **animal welfare** while maintaining **continuous egg supply** can be particularly challenging in countries such as the UK, where free range conditions are preferred.



KEY CHALLENGE: DISRUPTION

Since the pandemic, businesses have discovered that long-term planning does not always prove possible and a **crisis**, such as avian flu, can hit any country.

Barn egg production can mitigate against avian flu thereby securing the supply chain. While animal welfare standards are high, they could be improved further by increasing the amount of space available to the hens, for example. **But would consumers be able or willing to pay more to cover this cost factor?**

CONTINUES ON NEXT PAGE



CHALLENGES AND OPPORTUNITIES CONT'D

The UK retail market for eggs keeps growing, so empty supermarket shelves are not just frustrating for consumers, they're **lost opportunities** for businesses too.

KEY OPPORTUNITY: CONTINGENCY PLANNING

Having a **contingency plan** in place means retailers can swiftly refill their shelves with Italian or Spanish eggs in a crisis – just while they wait for British farmers to get back on track.

Atlante works with retailers to approve potential producers in advance, setting up processes & systems ready for an agile response if/when an occasion arises.

REACH OUT TO ATLANTE

We simplify the process so you can do more with less.



Email us at
uksales@atlantesrl.it



Ring us on
07784240352

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THANK YOU

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