



TEAM BRIEFING

EXTRA VIRGIN OLIVE OIL & OLIVE COST INCREASES WHAT IT MEANS FOR PRODUCTS

AIM

The aim of this brief is to explain why Extra Virgin Olive Oil and Olives have increased so much in cost and what we are doing about it and how the products you stock from us are going to change and how to explain that to your customers.

SITUATION

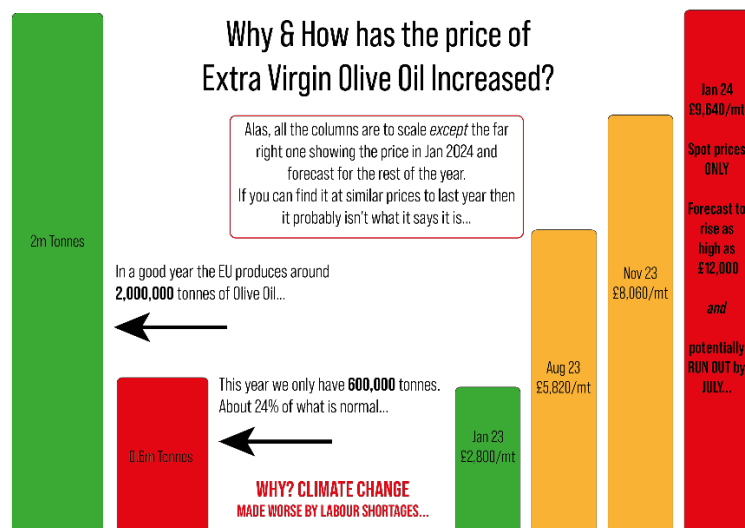
Since January 2023 the cost of Extra Virgin Olive Oil has increased by around 300% and is forecast to go even higher. The Olive Harvest took place in October/November and prices of olives have increased for new season olives by up to around 80%.

The reason is all down to Climate Change – Not the war in Ukraine or the war in the Middle East or any of the fires or floods or other political issues (although they haven't helped)

DETAIL

In a good year, Europe produces around 2 – 2.5million tonnes of olive oil. Around 1.5-1.75m tonnes gets consumed each year meaning we normally have some excess to “carry over” from one year to the next making sure olive oil is available all year round. The last three years have all been much less than normal so there is now no carry over and the harvest was only 600,000 tonnes – about 24% of a good year.

The graphic below illustrates how the lack of supply has driven price:



WHAT DOES THAT MEAN FOR PRODUCT?

We have revisited some of our old techniques to create some new recipes with less olive oil so that we can still deliver great quality, fully fermented and mature olives without huge price increases.

We have dusted off an ancient cool brining curing method using a blend of Brine and Oils to replace the 100% Extra Virgin Olive Oil – the overall flavour and quality of the olives remains the same and, in fact, can help keep the product fresher for longer whilst keeping the price where it is.



WHAT ABOUT YOUR ORIGINAL RECIPES?

The 5 icon recipes that we've done since day one: Classic, Sunshine, Moorish, Pistou and Verde are all staying in the jars exactly as they are – still in 100% Extra Virgin Olive Oil but the prices are going to increase in line with the ingredient costs – if people still want them, we'll certainly make them. To combat the hike in oil costs, we've created 7 new recipes of all new brine cured olives with a little oil which will be at the same price as now.

These are the All New Big Seven – 4 newly created flavour combinations and 3 different styles with Herbes de Provence:

- **Fennel & Orange** – Stoned Mixed Olives
- **Cumin & Chilli** – Stoned Mixed Olives
- **Thyme & Shallot** - Stoned Green Olives
- **Orange & Cardamon** – Whole Kalamata
- **Firmly Green** – Stoned Green with Herbes de Provence
- **Very Deli** – Mixed Stoned with Herbes de Provence
- **Darkly Rich** – Stoned Kalamata with Herbes de Provence



IN SUMMARY

- The cost of Extra Virgin Olive Oil & Olives means we need to make some changes
- We have reformulated to keep our prices the same whilst still keeping the same quality and flavour
- Our loose olives are switching to a 70% / 30% Brine / Oil Blend
- We have made some new recipes of olives in jars in a Brine / Oil blend
- All this allows us to maintain price, quality and flavour despite increases in raw ingredients

LASTLY

Your customers may well notice the difference in appearance of the loose olives but the taste will be the same and, if they ask, you're armed with the information you and your team need to answer any questions.

Rest assured, the quality and flavours you and your customers are accustomed to is not changing, we're simply reformulating the most expensive part of the loose olives, which is the liquid.

ADDITIONAL INFO:

OPERATION WATER TIGHT 2 – SAME BIKES, DIFFERENT CHALLENGE

You may not be aware, but Olives Et Al was born out of a year-long trip on 2 motorbikes around the Med, Middle East and North Africa undertaken in 1992-3 by the two founders of the business, Giles & Annie Henschel, in a bid to raise the issue of water rights across the region. Olives Et Al was the result of that trip.

Now that Climate Change is a clear and present issue, Giles & Annie are embarking on the same motorbikes, some 32 years later, to research, at first hand, what is really going on with climate change and what we, as a business, can do to help the farmers, growers and producers we work with.

The research will last for around 90 days and take them to France, Italy, Croatia, Montenegro, Albania, Greece, Sicily, France, Spain and Portugal covering around 8,000 miles and visiting over 45 farmers, growers, producers and contacts we know and work with.

They leave in early April and plan on being back early July 2024. Weekly Blogs and Daily Pics will be published and shared – please do follow us on Instagram and Facebook.

Ask for details about how your business can be involved, too.