# Concerns rise over Britain's expanding waistline as sweet treat consumption soars



The expanding waistline of the British population has raised concerns among health specialists, as new data indicates a significant increase in consumer indulgence, particularly in sweet treats. This trend is exemplified by the success of Mr Kipling, the UK's top cake brand, which boasts annual sales exceeding 200 million packs. Last year, nearly half of all adults in the country enjoyed a product from the well-known brand, highlighting a discrepancy between public health advisories and consumer choices.

Premier Foods, the owner of Mr Kipling and other household brands such as Ambrosia, Angel Delight, Bisto, and Oxo, is reaping the benefits of this growing appetite for confectionery. The company has successfully navigated a challenging financial landscape over the past decade, characterised by substantial debt and complicated pension obligations. However, the leadership of chief executive Alex Whitehouse and finance director Duncan Leggett, who took over in 2019, has facilitated a marked transformation.

Under their stewardship, Premier Foods has made significant strides in reducing debt, halving interest payments, and addressing longstanding pension deficits. This financial reprieve has enabled a renewed focus on growth and innovation, with recent investments aimed at enhancing production efficiency and capacity. In addition to launching new recipes for popular items like Angel Delight ice cream, the company has responded to dietary trends by introducing low-sugar cakes and pies while also reducing salt in various soups and sauces.

Expanding its portfolio, Premier Foods has acquired brands such as Fuel10K, which caters to health-conscious consumers with its protein-enriched granola aimed at fitness enthusiasts. This acquisition has yielded impressive growth, making Fuel10K’s chocolate cereal the best-selling granola in the UK last year. Whitehouse and Leggett continue to seek new brands to complement their offerings, with the recent purchase of Spice Tailor aimed at providing consumers with convenient meal kits filled with natural ingredients for preparing Indian and Asian dishes.

Despite the rising cost of living impacting consumer habits, there has been an increased interest in premium options that offer affordable indulgence. Products like the Mr Kipling Signature Brownie Bites and Ambrosia Deluxe desserts have met with a positive response, leading to optimistic profit forecasts. In a statement made in January, Whitehouse announced that profits for the financial year ending in March would exceed market expectations, bolstered by strong growth from acquisitions and new product enthusiasm.

Additionally, Premier Foods is extending its reach internationally, with a burgeoning business presence in Australia and plans to expand further in America. The company has also found success with British curry dishes, such as Sharwood's Butter Chicken and Chicken Tikka Masala, and is poised to introduce afternoon tea treats from Mr Kipling to new markets.

Financial brokerage estimates suggest that Premier Foods is on track for sales of £1.15 billion and profits of £164 million for the current year. Following a lengthy suspension, dividends were reintroduced in 2021 and have been steadily increasing, with expectations for more growth over the coming years.

The share price of Premier Foods has risen significantly from 23p five years ago to £1.82, reflecting the company’s turnaround and transformation into a more profitable entity. With ambitious growth targets and a promising track record, industry analysts advocate viewing the company as a long-term investment opportunity.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.healthexpress.co.uk/obesity-statistics-uk> - This URL supports the claim about the expanding waistline of the British population by providing data on obesity rates in the UK, which is linked to consumer indulgence in sweet treats.
* <https://www.gov.uk/government/statistics/update-to-the-obesity-profile-on-fingertips/obesity-profile-short-statistical-commentary-may-2024> - This URL further corroborates the trend of increasing obesity in the UK, highlighting the prevalence of overweight and obesity among adults and children.
* <https://www.bbc.co.uk/news/business> - Although not directly mentioned in the search results, this URL could provide general business news that might include updates on Premier Foods' financial performance and market trends.
* <https://www.reuters.com/markets/deals> - This URL could offer insights into business acquisitions and financial news, including Premier Foods' recent acquisitions and financial turnaround.
* <https://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html> - This URL provides access to market news and updates on listed companies like Premier Foods, supporting claims about their financial performance and stock price.