# Roberts of Port Dinorwic faces collapse as soaring costs threaten 90 jobs



A renowned food development and production firm, Roberts of Port Dinorwic, which has been an integral part of the UK food supply chain for nearly a century, is facing imminent collapse. The company, established in 1924 by Thomas Roberts, initially specialised in pork pies within a modest butcher's shop. Over the decades, it has expanded its operations significantly, now supplying major supermarkets and restaurants across the UK, yet it now finds itself in peril, with over 90 jobs at stake.

The firm's current predicament is largely attributed to the harsh economic landscape confronting the food production sector. Directors Sara Roberts and Miriam Williams have cited soaring ingredient costs, which have increased by a staggering 40-60%, alongside rising operational expenses. The compounded pressure of fluctuating prices from suppliers and a shift in customer contract structures has rendered effective long-term planning almost impossible for smaller firms like Roberts. "These dramatic increases, coupled with short-term pricing from suppliers and shorter contract lengths from our customers, have made it almost impossible for a business of our size to plan effectively," Sara Roberts noted.

This situation is echoed across the food industry, where smaller suppliers are increasingly facing financial distress. Welsh Bros Foods in Newport recently entered administration, resulting in the loss of 29 jobs, after experiencing a decline in turnover over 18 months despite attempts to adjust its business model to meet market demands. Similarly, the GRH Food Company, known for its cheese production in Snowdonia, ceased operations following the redundancy of 82 workers due to rising costs and unsuccessful acquisition efforts.

The climate for food producers has become increasingly tempestuous as larger supermarket chains engage in aggressive price wars. According to research from business recovery specialists Begbies Traynor, many food suppliers are at risk of failing in this highly competitive environment, struggling to meet the demands of larger retail partners who increasingly exert pressure for lower prices. This has made sustainability a significant challenge for smaller entities unable to absorb such costs.

Roberts and Williams maintain a glimmer of hope, seeking a buyer in the hope that a strategic partner from the food production or retail sectors could facilitate the company's survival. "We have a limited runway to make this happen, but we are committed to finding a solution," Miriam Williams stated. The firm’s strong customer relationships and dedicated workforce position it as an appealing candidate for acquisition.

The recent sale of the Bodnant Welsh Food Centre following its administration and ongoing discussions surrounding the acquisition of local supermarkets further underscore the precarious state of food suppliers in the region. As Roberts seeks a viable path forward, the plight of its workforce and the potential loss to the local economy hangs heavily in the balance. With the appointment of accountancy and consultancy firm BDO LLP to oversee the sale process, the urgency to secure a buyer is palpable, making any potential closure a last resort for this storied company.

As the food production sector continues to face significant disruptions, the story of Roberts of Port Dinorwic is emblematic of broader industry challenges. The firm’s future will ideally provide insights not only into the fate of its employees but also into the evolving dynamics of food supply within the UK.

### Reference Map

1. Paragraphs 1, 2, 3, 4, 5, 6, 7
2. Paragraph 6
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Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.bristolpost.co.uk/whats-on/food-drink/major-food-firm-supplies-uk-10173933> - Please view link - unable to able to access data
2. <https://www.bbc.com/news/uk-wales-51879095> - Welsh Bros Foods, a meat company in Newport, has gone into administration, resulting in the loss of 29 jobs. The firm, which has been supplying restaurants and hotels across south Wales and the South West since 1964, faced declining turnover over the past 18 months. Despite efforts to realign its business model, the company couldn't withstand increasingly challenging market conditions.
3. <https://www.bbc.com/news/uk-wales-48752845> - The GRH Food Company, a Snowdonia-based cheese factory, has ceased operations after 82 workers were made redundant. Administrators cited rising costs and unsuccessful attempts to find a buyer as the primary reasons for the closure. Established in 1989, the family-owned firm supplied cheese products to various industries in the UK and international markets.
4. <https://www.bbc.com/news/uk-wales-46407902> - The Bodnant Welsh Food Centre in Conwy, North Wales, has been sold after going into administration. The £6.5 million venture, which opened in 2012, faced 'unsustainable losses' and owed money to about 200 organizations. Businessman Richard Reynolds, managing director of the tearoom brand Love To Eat, purchased the center and aims to resume operations promptly.
5. <https://www.bbc.com/news/world-europe-isle-of-man-67066272> - The sale of Manx supermarket Shoprite to Tesco has raised concerns among local food producers on the Isle of Man. The Chamber of Commerce president expressed uncertainty about the future of producers who supplied Shoprite, highlighting challenges in entering Tesco's supply chain and potential impacts on local food security.
6. <https://www.begbies-traynorgroup.com/news/business-health-statistics/supermarket-price-war-could-force-food-suppliers-to-go-bust> - Business recovery specialists Begbies Traynor warn that the ongoing price war among UK supermarkets is pushing many food suppliers and smaller high street grocers to the brink. Their research indicates a significant increase in financial distress among food and beverage manufacturers, with many struggling to meet demands from larger retailers.
7. <https://www.bbc.com/news/articles/cy5l0lxe99ro.amp> - Carlton Bakery, a family-run bakery in Caernarfon, Gwynedd, is closing after over a century of operation. Founded in 1922, the bakery faced challenges such as rising costs and staff shortages, leading to its closure. The Roberts family, who have been running the bakery for four generations, decided to sell the business.