

Dairy exports won't be hurt by a Brexit - Ornuu director

Food giant's goods have a firm foothold, says Randles

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Anne Randles, a director and the company secretary at dairy giant Ornuu, told the Irish Independent that the company's UK-bound exports would not be dented in the event of a so-called 'Brexit'. Photo: WSF

Ireland's largest exporter of dairy products believes its market access into the UK won't be hit in the event of a British exit from the European Union.

Anne Randles, a director and the company secretary at dairy giant Ornuu, told the Irish Independent that the company's UK-bound exports would not be dented in the event of a so-called 'Brexit', and that it was not contingency planning.

Britain's economy has been growing in recent years, but economists worry that an EU exit could hurt its prospects if exporters face higher barriers, a weaker pound make imports into the UK more expensive and uncertainty over the shape of a Britain without the EU curbs investment. There is also concern over the impact that a possible withdrawal could have on trade flows between Ireland and Britain.

Ms Randles said Ornuu, the company behind the Kerrygold brand, was concerned about the uncertainty.

"It's on our radar, but we're not contingency planning," she said, at the Export Leadership Forum. "The UK is a deficit dairy market. They need our products. I think whatever happens, they won't be closing off the market to us, so a contingency in terms of market access, I don't think is a concern for us.

"I think we will still be exporting what we currently export to them. But it's more to do with the businesses themselves and the uncertainty that is created around it which is the concern for us."

The UK accounted for 29pc of Ornu's sales from Ireland in 2014, the same as the previous year. Ms Randles said the UK was likely to remain Ornu's number-one volume market, but that there would be uncertainty around the currency and the cost of doing business in Britain.

"We need to take it carefully, be mindful of what the challenges are, but we don't need a contingency plan in that we're going to lose that market - we don't believe so."

Meanwhile, asked if there were any regions that Ornu was not in but would like to be, Ms Randles said Latin America was a potential future market.

She said the company, which was formally known as the Irish Dairy Board, had focused its efforts on Africa, China, the Middle East and Russia.

"In terms of a strategic focus where we're actually going to invest, put money in, put people on the streets... we probably have enough at the moment. If we were going to go anywhere, maybe some of the Latin American countries."