In 2019 Sensient submitted the following:

2019

In 2019 the significant driver for the business was Brexit. The site exports in excess of 60% of products manufactured with a significant proportion of these exports going to mainland Europe. Preparing the business for the two Brexit deadlines compromised many business KPIs including specific energy consumption. Customers were placing last minute small orders in order to build stocks in case post Brexit exports were delayed. When ultimately both deadlines passed without an exit from the EU customers utilised the stock they had pre purchased leading to further periods of small batch sizes. Smaller batch sizes have a significant effect on energy efficiency.

In addition to Brexit the business continues to evolve. Output efficiency is improved on the main dryer, as a direct result there have been periods when the dryer has been shut down completely. Whilst having only a minor effect on the energy use on the dryer (which is directly correlated to the volume of water removed) the increased output increases resource efficiency on the peripheral services that support the drying operation e.g. water use.

The increased efficiency on the main dryer means that the second dryer can be dedicated to the smaller volume products. These are generally shorter runs of higher value products. Whilst less resource efficient than drying HVP such products are not comparable to the products that were previously dried on this dryer.

The evolving business makeup and Brexit make comparisons with previous years less valid than last year, however the site continues to seek opportunities to improve resource efficiency within the changing framework.

2020

The two significant drivers for the business in 2020 were Brexit and the Covid 19 pandemic. Each has had both positive and negative impacts on the business and have necessitated the introduction of rapid and far reaching changes.

Covid 19:

Due to the international nature of the parent company Sensient were aware of the potential for disruption early in 2020. Additional stock of “at risk” raw materials were purchased and either called off or delivered early. Contingency plans were agreed and implemented as the pandemic spread.

During the first wave there was a fundamental shift in customer demand due, we think, to consumers moving away from eating out and purchasing foods to cook at home including ready meals. The net effect was a 5% uplift in sales however the changes in tonnage are more difficult to ascertain as many customers were purchasing additional floor stock in case of supply issues.

During the summer the business mix changed profile somewhat again, some customers used their floor stock and there was increased demand for products that had faltered during the first wave.

The impact of the second wave on product mix was less obvious than previously, perhaps because customers were starting from a more knowledgeable position. However considerable changes to ways of working at Felinfach have been necessary to reduce risks to our staff. Changes include:

- Enhanced cleaning regimes are in place
- Personnel and goods flow has been altered in the factory to maintain social distancing
- Admin staff are, where possible, working from home
- Temperature checks and health questionnaires for all staff, visitors and contractors on arrival at site
- No visitor policy and only business critical contractors permitted on site.

Brexit:

The preparations for Brexit have had a major impact on the business in the latter half of 2020. The facility exports around 60% of output with a significant portion of this output destined for EU countries (or passing through EU countries)

To minimise the potential for supply disruption additional stock was manufactured and exported to mainland Europe ahead of 31st Dec. 2020. The manufacturing window for this stock was during the second lockdown which hampered efficiency.

Conclusion:

The Covid 19 pandemic and the uncertainty over Brexit have had far reaching and unpredictable effects on the business. Understandably changes in the metrics from previous years are difficult to interpret. Looking forward Brexit is done, however the mid and long term impact on our business is yet to be determined. The pandemic continues and, although the vaccine program is having a positive effect the long term socio-economic damage is likely to be severe, with the effects on the facility difficult to predict.

The site has continued to seek opportunities to improve efficiency. The following energy efficiency projects were completed in 2020

1. Energy efficient LED lighting installed in primary goods stores with programmable occupancy sensors. 2020
2. Programmable occupancy sensors fitted to lighting in Engineering stores 2020
3. The hotwell in the boiler house was replaced, the replacement hotwell has improved insulation resulting in better heat retention of boiler feed water.
4. Steam and hot water pipes around hotwell replaced and lagged to conserve energy.
5. Hot well steam sparge control was changed for a more efficient accurate control system, better temperature control ensures energy use is optimised.
6. Rotary vacuum filter (RVF) reached end of life, replacement uses less energy for the same effect.
7. The initial project work on a CHP system has been completed and the project submitted for capital approval. If approval is given it is likely that the works will commence in 2021.

Tim Pink, EHS Manager Feb 2020