

Production

The Coop Group also includes numerous manufacturing companies, chief among them the Bell Food Group, in which Coop is a majority shareholder. The Bell Food Group, which is one of the leading companies in meat processing and the production of convenience products in Europe, gives Coop a strong international presence.

1.5 bn in sales
of sustainable products in
Production

Net sales of the Coop Cooperative Production segment grew to 852 million francs in 2020. Added to this are net sales for the Bell Food Group, which increased to over 4 billion francs. Total sales of sustainable ranges in Production came to around 1.5 billion francs in 2020. Coop therefore increased its sales of sustainable products in the production area by 15.7% year on year.

Bell Food Group

Thanks to its broad-based business model, the Bell Food Group had a successful financial year in 2020 in overall terms and made clear progress at the operating level. The upturn was attributable to the strategic measures implemented in previous years. In addition, the outbreak of the coronavirus crisis – coupled with the impact of the government measures taken to contain it – had a substantial influence on business.

Challenges met

During the pandemic, Bell Food Group focused its attention on protecting the health of its employees and at the same time being a reliable partner to its customers. Comprehensive protection and hygiene measures were put in place at all sites. Thanks to the unstinting efforts of its employees, the Bell Food Group nevertheless succeeded in maintaining production and delivery readiness at all times.

Contrasting impacts of the coronavirus pandemic

The government measures taken to contain the coronavirus pandemic significantly affected consumer behaviour. Restrictions on mobility, coupled with the temporary closure of the catering sector, meant that food service and the to-go segment – which had been expanding in recent years – had to contend with a significant fall in sales. At the same time, the retail business benefited from the fact that consumers were increasingly eating at home.

Growth in core business

The core business in meat and meat products benefited from the higher sales in the retail market. This was particularly the case in Switzerland, where the temporary abandonment of shopping tourism during the lockdown provided an additional boost. In the Bell Switzerland business area, encouraging growth in the retail market more than offset the decline in sales in the food service segment. The Bell International business area likewise saw a significant improvement in results thanks to its consistent pursuit of the strategy adopted after the sale of the German sausage business of focusing on its core competency in cured ham and further expansion of poultry programmes that meet higher animal welfare standards. By contrast, the Convenience business area was more heavily impacted by the negative effects of the coronavirus pandemic due to its greater focus on out-of-home consumption as well as to-go in the retail segment. In contrast with the other business areas, the decline in sales was only partially compensated via the retail channel.

Well equipped for the future

In addition to the special efforts invested in the operating business last year, the Bell Food Group revised its strategic focus and adjusted it to the coming challenges. Three strategic thrusts were defined for implementation: Strengthen the core business of meat products, achieve growth through convenience and vegetarian, and invest in efficiency and productive capacity.

Highlights from the Bell Food Group

The table below lists highlights from the year under review at Bell Food Group AG. For more information about the Bell Food Group, please refer to the factsheet below and visit www.bellfoodgroup.com.



Bell Food Group AG

- The coronavirus pandemic had a defining impact on business performance. Thanks to its broad-based business model, the Bell Food Group proved its extreme resilience to the crisis: The health of its employees was protected and delivery readiness was guaranteed at all times.
- The retail channel developed positively, in particular the core business of meat and meat products in the home market of Switzerland. Thanks to a consistent focus on core competencies, cured ham and poultry contributed to the international success posted for the financial year.
- The coronavirus pandemic had a negative effect on the food service and convenience to-go segments.
- Successful financial year, with progress made at operating level across all business areas.
- Strong growth in retail sales from March 2020 across all product groups.
- The Bell Food Group generates around 21% of its sales from vegetarian/vegan foods.
- Food service ranges under major pressure; gratifying sales for retail ranges except to-go and fresh convenience.
- Core business in meat and meat products encouraging across Europe. In Switzerland, charcuterie, poultry and seafood were significantly stronger than in the previous year.
- Demand for sustainable poultry products developed well, especially in Switzerland and Austria. Poultry processor Hubers gained market share in Austria.
- Pleasing progress for vegan and vegetarian products. The plant-based meat alternatives segment got off to a successful start with "The Green Mountain" brand.
- Bell Switzerland announced an extensive investment programme designed to strengthen its leading position in its home market.
- Around CHF 400 million is to be invested in the complete renewal of its production infrastructure at the Holinden site in Oensingen by 2025.
- The aim is to centralize downstream processes such as the cutting of charcuterie products, packaging and order picking, thus making them more efficient, customer-friendly and sustainable.
- In line with its sustainability strategy, the Bell Food Group is committed to a responsible approach to people, animals and the environment. In 2020, for example, it reduced plastic waste by around 352 tonnes thanks to new packaging solutions.

