

“IT’S IMPROVED CASH FLOW AND ALLOWED US TO DELIVER VALUE FOR OUR CUSTOMERS. IT’S GIVEN US THE CONFIDENCE TO INVEST IN THE FUTURE, AND IMPROVED THE RELATIONSHIP WITH OUR MAJOR CUSTOMERS.”



Guy Poskitt, MH Poskitt Ltd

Benefited from Rural Development Programme for England (RDPE) support, delivered by Yorkshire Forward

Funding for rural businesses great and small



The Region's
Development Agency



The European Agricultural Fund for Rural
Development: Europe investing in rural areas.

FUNDING HELPS VEG BUSINESS GROW

Background

As an established family firm, MH Poskitt Ltd has more than 50 years' experience in growing, packing and distributing organic and conventionally grown carrots throughout the UK. Poskitts supply direct to major multiples, wholesalers and vegetable preparers on a daily basis, from their own farms in East Yorkshire (more than 6,000 acres under cultivation), and utilising produce from other areas in the UK, with Asda a major customer.

To keep at the forefront of their field, the company wanted to purchase the latest processing equipment to handle swedes and to pack mixed root vegetables. The company had already invested in the construction of a dedicated high care preparation and packing area in 2002, and had seen the value of offering prepared product - sliced, diced and chill-stored. Their product is low margin, and the cost of the equipment high, but Yorkshire Forward rural funding enabled them to invest in the vegetable processing machinery they needed.

About the funding

The £250,000 grant formed part of an overall investment of £844,983 in a high care vegetable processing line adjacent to existing facilities in East Yorkshire. The new facility means that the business can introduce added value swede to augment existing output and to create mixed product packs of swede and carrot.

Results

Outputs associated with the project include the creation of 10 FTE posts relating to line operators and a line supervisor, and an incremental turnover of £1,300,000+ per annum by the end of year three. Alongside that, Poskitts expect incremental purchase of swedes from Yorkshire and Humber producers to have reached 3,640 tonnes, valued at £1,512,000 per annum by the end of year three. The benefits are thus not only to Poskitts, but to the local economy too.

In their own words

Guy Poskitt explains that he originally felt that getting funding might be difficult and time consuming but found the funding application process reasonably easy. "Yorkshire Forward were very much on board, it helped a lot." He feels that the funding has directly benefited the business: "It's improved cash flow and allowed us to deliver value for our customers. It's given us the confidence to invest in the future, and improved the relationship with our major customers."

FOR MORE INFORMATION VISIT WWW.YORKSHIRE-FORWARD.COM/RURAL

RURAL DEVELOPMENT PROGRAMME FOR ENGLAND BUSINESS SUPPORT, IS PART OF SOLUTIONS FOR BUSINESS, THE GOVERNMENT'S PACKAGE OF PUBLICLY FUNDED BUSINESS SUPPORT DESIGNED TO HELP COMPANIES START AND GROW