

## UNITED KINGDOM

### Diversification & job creation

#### Location

Willand, Devon

#### Programming period

2014 – 2020

#### Priority

P6 – Social inclusion & local development

#### Measure

M6 – Farm & business development

#### Funding (EUR)

Total budget 161 441.41  
RDP contribution 64 576.56  
Private 96 864.85

#### Project duration

2018 – 2018

#### Project promoter

Little's Ltd (David Latham)

#### Contact

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#### Website

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A family business, trading high quality instant coffee, used EAFRD support to expand its business by installing a new more efficient production line.

### Summary

Little's Ltd is a family business, which has been trading in instant coffee for over 30 years. The company has evolved and looked to move with the trends in flavoured coffees. The project was needed to expand an existing business by supplying products to an expanding market in flavoured coffees.

# LITTLE'S



Their production line was only able to handle 50g size jars. There was demand in the market for own label instant coffee, requiring 100g jars. A new production line was purchased which was more efficient, products could be filled 50% faster and it could handle the 100g jars.

### Results

A new decaffeinated product range was launched.

Three new full time jobs were created including one operator role, one administrative role and one marketing role. They also hired one part-time operative and a consultant General Manager.

The company's production is now certified 'Organic and Fairtrade'.

Sales increased from £1.4m in 2018 to £1.6m in 2019 and are expected to increase to £1.8m in 2020, to £2m in 2021 and £2.2m in 2022.



## Context

Little's Ltd. produces flavoured instant coffee and premium single origin coffees. They purchase a very high-quality freeze-dried instant coffee and then add natural flavours to a range of 13 products. They also buy high quality premium freeze-dried coffees which they fill into 50g jars. Little's supplies several large companies, including Sainsbury's, Waitrose and Holland & Barrett.

Little's production line was originally built by the Managing Director's (MD) father, using second hand equipment. It had been fit for purpose but had some limitations; only the MD's father could fix it if it broke down (and he wanted to retire) and it could only handle a 50g size jar.

Little's current and potential customers had enquired about own label instant coffee which required a 100g jar, which the production line could not handle.

The business had grown to £1.4m and more production capacity was required.

## Objectives

The objectives of this project included:

- To mechanise and automate Little's artisan coffee process, to improve efficiency and significantly increase production capacity, thereby delivering significant additional turnover.
- To purchase a new production line which would be easy to repair and be able to produce 100g jars.

## Activities

A new production line was purchased to replace the old machinery. No extra space was required for the new machinery. Little's had three options for the new production line. The one they chose was selected as it met all of their requirements. It can fill 35-40 jars per minute with the option of two jar sizes (50g and 100g), allowing jars to be filled 50% faster. Little's still have the old production line as some of the parts are still valuable.

All staff were trained on the new production line by the manufacturer as part of the commissioning.

The old line could only fill 50g jars. Little's have launched some new products in the 50g size and also in a larger 100g size jar. Little's purchased glass moulds for the 100g jars. This also gave them the opportunity to completely review the packaging and they launched new packaging for the 50g and 100g jar.

Little's applied to be organic certified. They had an organic audit as part of the process, which Little's passed and were issued with a certification licence. Little's then applied to be Fairtrade and were again certified. Little's plan to start production of Organic Fairtrade products at the end of September 2019.

## Main results

Since the installation Little's:

- Base year - launched four premium products: Ethiopian, Columbian, Italian and Brazilian Decaf in line with their plan.
- Recruited one full time operative on a permanent contract (40 hours).
- Year one - launched four new decaf products: vanilla, hazelnut, choc caramel and coconut. They added to their existing range of choc chai and gingerbread cookie. This exceeded their forecast of three new products for the year.
- Recruited one administrative person (40 hours pw), one marketing person (40 hours pw), one part time operative (20 hours pw), plus a consultant as general manager (30 hours per week). This exceeded Little's plan by 0.75 FTE over two years to 5.67 FTEs.
- Year two - launched four x 100g jar products (Ethiopian, Columbian, Italian and Brazilian decaf).
- The 100g jars arrived 7/6/19 and products were produced for sale to Cyprus on 10/6/19 meeting the plan to launch four products and one new technique.
- Now certified to handle organic and Fairtrade products.
- About to launch an own label organic product for a customer in 100g jar.

Little's project growth in sales from £1.4m in 2018 to £1.6m in 2019, to £1.8m in 2020, to £2m in 2021 and £2.2m in 2022.