



Picture: Iain Buist www.journallive.co.uk/buyphoto ref: 01219763

EXPANSION Paul Martin and David Price, of David Price Food Services are delighted at their Scottish acquisition.

Boost for frozen food firm after Scotland depot deal

Christopher Knox

☎ 0191 201-6258
✉ chris.knox@ncjmedia.co.uk

A FROZEN food delivery company expects to boost its revenues by £2.5m after an acquisition allows it to expand into Scotland.

Newcastle-based David Price Food Services has bought a 40,000sq ft cold store depot in Glasgow, which it plans to use to build up its customers in Scotland as a way of fighting through the recession.

The firm, which stores and delivers chilled and frozen foods for a large number of wholesalers and manufac-

turers, decided to expand after seeing its work begin to dry up in the North East as the region's food companies struggle with the economic downturn.

Recent months have seen a number of David Price's customers hit hard by the recession, such as the Findus plant in Longbenton, North Tyneside, where 400 jobs were axed in January after Newcastle Production, which operated the site, went into administration days after it was damaged in a major fire.

However, David Price managing director Paul Martin believes that the company, which was established in 1988, is set to grow following the acquisition, which has already added

£2.5m to its £11.5m turnover.

It now expects this to grow to around £16m in two years and intends to more than double the 30 staff at the Glasgow depot as well as grow its 140-strong workforce in Newcastle and at its offices in Doncaster.

The firm, was able to purchase the depot, previously ran by logistics firm DHL, with the help of a loan from Yorkshire bank's Tees Valley Financial Solutions Centre (FSC) in Stockton.

Mr Martin said: "Darnley is a strategically important depot, and will allow us to better serve our customers in Scotland. In fact we are already in discussion with a number of firms

north of the border who will benefit from the new depot.

"The fact is that there is no new manufacturing going on in the North East, so it was important that we looked at other areas."

The firm had been working with DHL for several months to buy the depot and was pleased when it was able to secure funding, despite current frugal lending in the money markets.

Michelle Sullivan, Yorkshire Bank and Tees Valley FSC business partner, said: "We are prudent in our lending but are pleased to have backed the business in this strategic expansion. We are very much open to supporting trading businesses."