



## 540 Bakery jobs to go

Cake company **R&K Wise** has announced its two Swindon factories are to close with the loss of 540 jobs.

The family firm, which was £5 million in debt, has been bought out by convenience food and pie manufacturer Northern Foods, which will transfer the baking business to its factories in Oldham and Bolton. R&K Wise has been independent since it was established in 1938 and expanded to new £5 million premises in Groundwell Road in 1993, supplying high street shops like Marks and Spencer. That factory and the older one built in Headlands Grove in 1955 are now facing a gradual scaling down of operations over the next year, with the resulting closures expected next autumn. The closures mean every job at R&K Wise is under threat, including management positions, although Northern Foods say alternative employment will be offered within the company where practicable. The firm's spokesman Peter Woodall said that was only likely to happen where people were willing to move to the north. He said all staff were told the news in a series of briefings yesterday, although they would already have been aware of the company's serious trading difficulties experienced in recent months. "It is simply a case of too many producers chasing not enough sales and the whole cake-making industry is having a difficult time at the moment," he said. "It was certainly not anticipated when R&K Wise put £5 million into the new factory seven years ago that the business would fall into such decline." He said the firm had recently fallen into debt, which will now have to be swallowed up by Northern Foods. Lance Burn, until yesterday the managing director of the Swindon firm, said it had become increasingly difficult for smaller independent firms to prosper in the industry. "We have investigated all avenues to keep R&K Wise independent and viable but unfortunately this has not proved possible," he said. "Sadly, we have had to conclude that we have no option but to sell the company." Around 80 per cent of the firm's products are sold to struggling retail giant Marks and Spencer, which has left many suppliers reeling as its profits plummeted over the last 18 months. Mr Burn said in December that the firm had been forced to cut volumes of production and reduce temporary staff from 400 to 200 at Christmas as a direct result of the M&S decline. The closure plans mean there are likely to be even fewer temporary positions this Christmas. Dave Dash, South West official for The Bakers, Food and Allied Workers Union, said he was disappointed by the news. "It's terrible news," he said. "I would have thought Northern Foods could have taken the company on and kept things going in Swindon, but I hear they tend to buy the product rather than the staff. "We knew something was going on and the morale has been very low at the factories, so it's not totally unexpected. "There will be a number of meetings over the next few days and our message to the staff is we will do as much as we possibly can for them. We may yet decide to fight this."

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### **OPC note:**

R & K Wise's Bakery : Situated on the Green Road and using the former NAAFI bakery built in 1942, Wises's was founded after the war. They made cakes for a lot of major outlets including Marks & Spencer, the same cakes, but not in posh boxes, were also sold under their own label.

The business finally closed in March 2001 after being bought by Northern Foods, the buildings were demolished in 2001 for housing and is now Wise Close.