

# RETAIL NEWSAGENT

## PREMIUM TOBACCO

Why every retailer should still stock it

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**Back to his roots**  
**'I'm bringing a newsagent back to the community'**

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# PayPoint: 'If you don't like us, leave'



- Chief executive Dominic Taylor remains defiant on commission cap cuts, but will discuss waiving exit fee.
- 'Retailers are queuing up to join us'
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## Click & sip trials

150 Bargain Booze stores test drink collection service.

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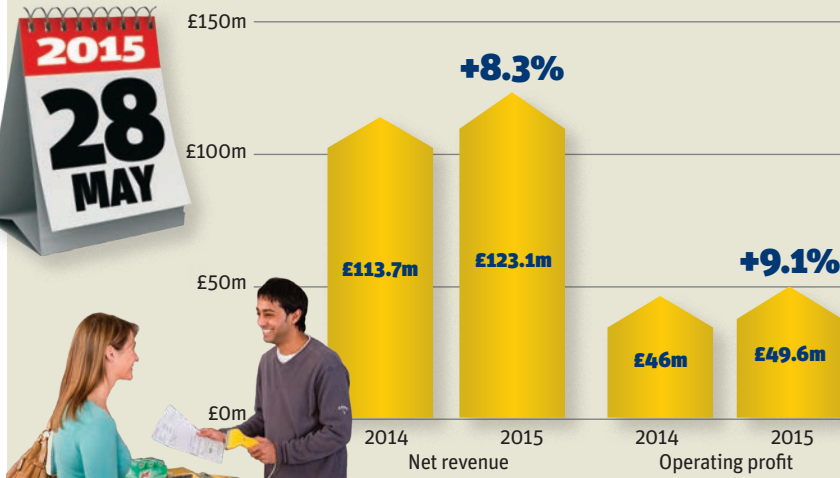
### What it tells retailers: a spokesman on commission cap cut



PayPoint is now making less while our costs are increasing, and the changes we have made are reflective of current market conditions



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## LEADER



**The fact Dominic Taylor has a team monitoring social media around the clock shows this is pure bravado**



CHRIS GAMM

Editor

@ChrisGammRN

“Every day when we get up we try to bring value into the retail community. That’s why retailers are queuing up to join us.”

PayPoint chief executive Dominic Taylor repeated this message a few times in RN’s interview following the company’s announcement of a 9.1% rise in profits last year, so he clearly believes it. Unfortunately, the rest of the 30-minute interview creates entirely the opposite impression.

When asked to justify his £2.2m salary while retailers make a loss, he said: “Well I don’t agree with that summation. As you may know I’ve run this business from the beginning for 18 years now.”

We asked if it is acceptable that retailers feel the need to turn customers away from paying bills at their stores because they can’t afford to make a loss on his services. He replied: “If retailers are unable to sell their products to the customers we are driving into the store then that’s for the retailer. They’re in the business of retailing and we’re in the business of trying to drive customers into the store.”

Does the pressure from the PayPoint Pay Fair Facebook group and negative national news coverage concern him about the share price, we asked, and he gave us a zinger.

“Some of the retailers are from India. I’m not trying to belittle in any way the retailers concerned. I don’t regard the 2,000 on the Facebook page to be completely representative of the level of concern.”

The fact he has a team monitoring social media around the clock shows that this is pure bravado.

The key line, though, is: “If retailers don’t like us and don’t want to stay with the network then they shouldn’t stay.”

I suggest he is careful what he wishes for.

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**WHY SHOULD PAYPOINT CLAIM THAT ONLY ITS CUSTOMERS GENERATE MORE FOOTFALL AND IT OWNS THAT FOOTFALL?**

— CHANDER HINGORANI, FORMER NFRN FINANCIAL CONTROLLER Page 18 ►►



# NEWS

## Illicit cigs trade 'up by 50%'

Illicit cigarette consumption rose by almost 50% in the UK in 2014, the second highest increase in the EU, according to a report by KPMG.

The study, commissioned by Philip Morris, JTI, Imperial Tobacco and BAT, says the problem has been escalated by an increase in black market tobacco coming out of Belarus and Pakistan.

One in two counterfeit or contraband cigarettes in the UK now come from those countries, as well as Poland.

The illegal brand 'Fest' accounted for 70% of cigarettes from Belarus.

Philip Morris director of corporate affairs James Barge said: "The KPMG report's findings are very concerning. The illegal trade in cigarettes is not a victimless crime."

The UK economy lost an estimated £2bn in tax revenues due to trading of illicit tobacco products in 2014.

## Health Lottery promos

The Health Lottery is hoping to boost sales over the summer by offering players the chance to win dream holidays and cars.

In a promotion running throughout June, any player who doesn't win the main cash draw will be automatically entered into a free raffle.

Prizes include nine holidays worth £3,500 each plus £1,000 spending money and nine new Ford Fiesta Zetec 1.2 cars.

Group joint managing director Martin Ellice said: "The chance of winning a dream holiday or a car can help retailers drive sales in a traditionally quiet summer period and incentivise new and existing customers."



## Spar store is star of village festival

Tristan King's Spar Clarborough store underwent a rustic makeover last month with the launch of a cider festival and scarecrow competition and the chance for shoppers to sit behind the wheel of a tractor. The activity was used to support the most recent Clarborough Festival, which is held every May in the village.

**'Those accountable must be held to task'** On-time deliveries are 'top priority' sales Mail Newspapers

# Late deliveries 'culture' must change, says NFRN

by Nicola Stewart

Publishers and wholesalers have slipped into a culture of accepting late deliveries, despite the knock-on effect they have on independent retailers, says the NFRN.

The comment came after data from the National Distribution Monitor showed incidences of publishers missing cut-off times rose 4.9% in the first five months of 2015, compared to 2014. This drops to 3.4% if the 45-minute extension for the election is not taken into account.

While it was an improve-

ment on the first three months, NFRN head of news Brian Murphy said the issue was taking "far too long to resolve".

"The Press Distribution Forum (PDF), along with the industry bodies it represents, must hold those accountable to task," he said.

"Publishers must understand the knock-on effect lateness is having on their copy sales in the medium and longer term."

RN approached PDF chairman Simon Gage for a response, but he said the PDF "did not wish to comment on the matter".

The Daily Mail was the worst performer in May, missing cut-off into depots on 138 occasions - 27.2% of total incidences.

Stuart Jackson, of Jacksons News in Stockport, said problems with the Mail culminated over the bank holiday weekend, with re-runs on both Friday and Monday.

"It's part of the business we are in I suppose, but I have 21 rounds of home news delivery in the morning, delivered by kids who have to go to school.

"We have a certain time window we need to meet."

It could take Mr Jackson up to three and a half hours to deliver the Mail to 160 customers if he was left to do it on a separate run.

"I think the problem stems from the Mail delivering a couple of pallets before cut-off time and then putting on second and third runs," he said.

Chris Cadman, head of logistics at Mail Newspapers, said: "We apologise for the inconvenience our lateness has caused and would like to reassure our retail colleagues that on-time deliveries remain a top priority."

## Call for guidance on workplace pensions

Retailers and trade bodies have called for greater clarity and guidance over auto-enrolment on workplace pensions, which began to be rolled out to small businesses this week.

The move means businesses with 30 employees or less will gradually be required to enrol qualifying

staff into a pension scheme.

Employers will also have to pay 1% of their employees' annual salary into the scheme, rising to 3% in 2018.

However, the Federation of Small Businesses (FSB) said while auto-enrolment has worked well for large and medium-sized businesses since being intro-

duced in 2012, it has raised concerns over how smaller stores have prepared.

John Allan, national chairman of the FSB, said: "Small business owners are not pension experts and a significant number will not have any staff saving into an existing workplace pension scheme. These busi-

nesses require a clear and simple process, and readily available impartial advice and support."

Gary Pilsworth, owner of Offley Stores in Hitchin, said: "We're still unsure about who qualifies for this. It seems the government is relying on retailers to do the work for them."

**Blunt message to retailers unhappy about contracts** 'It's arrogant' says angry newsagent

# 'If you don't like us, leave us' says PayPoint boss

by Gurpreet Samrai

Disgruntled retailers have been told if they "don't like PayPoint they shouldn't stay", by the payment services provider's top boss.

In an interview with RN, chief executive Dominic Taylor said his team will talk to retailers who want to leave on a one-to-one basis about their concerns and the terms of their contracts.

But, he said: "I don't think people will want to leave."

He added that retailers are "queuing up to join" because of the investment PayPoint makes in new products and services to drive footfall, despite retailers claiming basket spend for the average PayPoint customer is as little as 98p.

Gloucester newsagent Marcus Bergin, the man spearheading the PayPoint Pay Fair Facebook page, told RN two retailers have already told him they want out. It comes after he claims Andrew Goddard, PayPoint's retail director,

told him exit penalties will be waived if retailers work with the company.

Mr Bergin said: "I applaud Dominic Taylor for giving retailers that option, but it's also very arrogant. We're the retailers taking the money for them. Yes, he says he has a lot of retailers ready to come aboard the gravy train, but it won't take them long to realise how bad it is."

Payzone's commercial director Simon Newton this week called on retailers to put PayPoint

to the test.

He said: "It remains to be seen if disgruntled retailers will be allowed out of their contracts without PayPoint imposing termination charges and I think retailers should test them on that."

Last week, Paypoint announced a 9.1% increase in profits last year and a proposed increase of 9.2% on the final dividend. It also announced it is selling its parking and online payment processing companies.

## Booker's plan to get Smart

Booker is due to trial new technology in 100 of its convenience stores which will allow customers to redeem deals and vouchers using their smartphones.

Martin Swadling, head of Premier at Booker, told RN the group is looking to provide test stores with kits that will sit on counters and interact with smart devices.

He added: "Everyone has a smartphone now, and we need to look at how we can take advantage of that to drive new footfall and extra sales."

● RN symbol and franchise special, 12 June.

## We wouldn't do what it has done, says Payzone

Payzone has spoken out over its competitor's controversial commission cap cuts stating "we wouldn't do what PayPoint has done".

The company's commercial director Simon Newton told RN that Payzone has received hundreds of enquiries from retailers since the cuts were announced,

adding "needless to say we would welcome these people with open arms".

He admitted Payzone's commission isn't necessarily competitive, but added: "I think this has just highlighted the other drawbacks of working with PayPoint so the fact they won't let you have a Payzone

terminal on your counter at the same time and the fact they manage their retailers in an assertive way is what actually makes retailers upset. This is more of what's broken the camel's back."

Payzone has revealed it is working on the launch of a new business account,

which will solve the problems experienced by retailers taking a lot of cash.

"The deal is going to be open to all retailers not just those who are in the Payzone network," Mr Newton said. "In many ways we might be solving one of PayPoint's problems for them."

## NFRN chief's 'candid' meeting hits cap stalemate

PayPoint says it will work with the NFRN to help improve retailers' profitability - but has refused to shift on its commission cap cuts.

NFRN chief executive Paul Baxter met PayPoint head of UK retail manage-

ment David Tredgett and retail director Andrew Goddard last week for a "candid discussion".

"Although PayPoint has agreed to work to increase awareness of low cost banking options and

to increase business opportunities for members, it continues to place profits above paying retailers a fair commission," said Mr Baxter.

"That's why I have made it clear that the NFRN will

continue to pursue all legal and regulatory avenues open to us."

● Look out for coverage on more PayPoint talks from the NFRN annual conference in RN's 12 and 19 June issues.

## Sundays prices up

The Sunday Mirror and Sunday People are rising in cover price from this week-end with pro-rata terms for retailers.

All UK editions of the Trinity Mirror-owned titles are increasing by 10p to £1.30. Percentage margins for retailers are holding at 21%, meaning pence per copy earned by retailers will increase from 25.2p to 27.3p.

The Daily Mirror increased its price by 5p to 60p in May.

## Amazon's own label?

Amazon is reportedly looking to launch its own label range of food and drink products.

According to the Wall Street Journal, the e-commerce giant is in the process of trademarking a number of category products under its Elements brand. It plans to add a range of grocery items including milk, cereal, baby and household cleaning products, pet foods and vitamins.



### Olimpicks hero Harj

Cotswold retailer Harj Dhasee, far right, earned a unique accolade last Friday after winning the tug-of-war at the historic Cotswold Olimpicks. His store, Village Stores Mickleton, sponsors his team, which entered the event for the second time this year. "Tug-of-war is actually something I'm quite keen on," said Mr Dhasee. "It's nice to be involved and it's just a bit of fun really."



# NEWS

## BUSINESS

### Blakemore offers 40% on raft of products

Blakemore Wholesale is offering retailers margins of 40% and upwards on hundreds of products in a new promotion launching in its depots.

The deals will include branded and own label goods, and will be highlighted in specified zones with shelf-edge labels, posters and other PoS material.

Blakemore managing director Craig O'Connor said: "We recognise independent stores are often a vital means of support for local communities and we want to help stores not just survive, but thrive."

Blakemore has also launched a new online platform promising faster and more efficient ordering for retailers. The site will offer click and collect services along with downloadable planograms and promotional tools.

### Increase of 39% for Collect+

New retail partnerships have helped Collect+ increase parcel transactions by 39% during the last financial year.

Volumes for the service also grew by 91% for the year ending 31 March, which it attributed to growing consumer demand for click and collect services.

Collect+ chief executive Neil Ashworth said it has also grown its client base by 17% during this period, with more than 300 retail brands signed up to the scheme. He added: "We have focused on refining and widening the breadth of our store network so that people can access Collect+ services in the places that they live, shop and work."



### Leading indies get into the spirit for summer with Diageo

Leading independent retailers met up in London to discuss spirit sales opportunities for the summer during the fourth My Store Matters forum organised by Diageo. Raj Aggarwal, Rav Garcha, Kay Patel, Sunder Sander, Paul Cheema and Vip Measuria (pictured) all provided their insight on the sector, which will feed into category insight being provided to local stores by Diageo during its Summer of Spirits campaign.

**Franchise aims to 'challenge shopper perceptions'** Fresh fruit and veg deal signed

## 'Click to Sip' is Bargain Booze's latest sales idea

by Steven Lambert

Bargain Booze is trialling new fresh food supply routes and click and collect technologies in a bid to "challenge" shoppers' perceptions of the franchise.

Amanda Jones, chief operating officer at Bargain Booze owner Conviviality Retail, told RN she expects its franchisees to shift towards more convenience-led offerings in their stores

over the next five years.

Mrs Jones said the group is looking to accommodate this by agreeing a fresh food supply deal with Palmer & Harvey, which has just begun trials.

She added that franchisees will also benefit from updated supply agreements with Nisa, created to accommodate the 36 Bargain Booze sites acquired by independent retailer Jonathan James in February.

In addition, a click and collect service for shoppers, coined as 'Click to Sip', is due to be trialled in 150 Bargain Booze stores at the end of July.

Mrs Jones said: "There is this perception that Bargain Booze is just about booze, but this couldn't be further from the truth. We need to challenge that perception."

"We now have 141 Select Convenience stores with a

full grocery and fresh offer with food to go, coffee, and meal solutions.

"We expect to see more Select Convenience shops opening in the future, and where we have existing Bargain Booze shops, we will work with them to make sure they will be as relevant with their offering as they can be."

● Find out more in our convenience special feature in next week's RN.

## All is well says Costcutter after £17m sales plunge

Costcutter insists the long-term future of its retailers is secure despite the group seeing sales fall from £806.7m to £789.6m during the last financial year.

The figures were revealed in the latest results from the Bibby Line Group, with pre-tax losses at its retail arm also rising from £4.2m

to £34.1m between 2013 and 2014.

The company blamed the results on supply issues created by the shift from Nisa to Palmer & Harvey and the sale of its Rhythm & Booze stores.

Costcutter chief executive Darcy Willson-Rymer said: "2014 was a year of

significant planned investment into the business to support the transition to our new buy and supply arrangements.

"As we have stated previously, we have faced some challenges resulting from the transition.

"However, because of these changes our retail-

ers are already enjoying the benefits of margin improvement that comes through the value through volume capability we have in The Buyco, as well as the removal of unnecessary surcharges and minimum order penalties that are widespread among other symbol groups."



@RetailNewsagent for expert advice to help you grow your sales

## NEWSTRADE

'Kids Go Free' campaign to feature in range of kids' titles Move will 'increase market share'

# Immediate's Merlin deal will be magical for kids

by Nicola Stewart

Immediate Media is adding another dimension to its annual independents summer campaign with the trial of a 'Kids Go Free' offer.

The publisher has secured a deal with Merlin Entertainment to offer vouchers to various theme parks across its portfolio of children's titles through July and August.

The offer will run for the

first time alongside a PoS push that will see shelf strips, posters and leaflets sent out to 5,000 leading independent stores.

An Immediate spokesman said: "The aim is to raise awareness of Immediate's children's titles, increase distribution through independent retailers, drive sales over the key summer period and increase our market share."

It will also provide a unique selling point for its

magazines in one of the most competitive sectors on the newsstand.

In the five years to 2014, the summer campaign increased the share of Immediate's copies sold through independents to 30% and delivered an additional £5m in sales revenue.

Immediate is one of the top players in the children's sector with titles such as Lego Legends of Chima, CBeebies, Lego Ninjago and Girl Talk.

Lego Legends of Chima was the second ranked boys' titles for the independent channel in terms of sales revenue as of February 2015, while CBeebies is the best performing children's title in terms of year-on-year growth.

Lego Ninjago, launched in January, is already the fourth highest ranked children's title in terms of sales revenue, averaging £187,319 per issue between January and May.

## Revenue changes identified

Global newspaper circulation revenues have overtaken newspaper advertising revenues for the first time this century, according to the annual World Press Trends survey.

The survey, released by the World Association of Newspapers and News Publishers (WAN-IFRA), also showed that 93% of all newspaper revenues still come from print, and print will continue to be a major source of revenue for many years to come.

Secretary general of WAN-IFRA, Larry Kilman, said: "The basic assumption of the news business model – the subsidy that advertisers have long provided to news content – is gone.

"We can freely say that audiences have become publishers' biggest source of revenue."

## FHM goes tablet size

FHM has permanently reformatted to a unique compact size, based on measurements similar to a tablet device.

The move comes after readership surveys suggested the smaller format was preferred by FHM's target audience of young, modern men.

To support the first resized issue, distributor Frontline has sent shelf talkers to 2,000 independent stores, chosen based on past sales history.

Retailers are asked to display the issue at the front of fixture.



### Superstar Neymar aims to score in SoccerBible debut

Premium football title SoccerBible is coming to the newsstand, after its first two issues sold 10,000 copies each online. The magazine launches on 11 June with an initial print run of 5,000 copies and a cover price of £10. The first issue features Brazilian football star Neymar Jr on the cover. It will be distributed to independent stores, as well as WH Smith and non-traditional outlets such as Waterstones.

## Dennis mines a rich newsstand seam

Dennis Publishing has launched a monthly children's title based on the popular cross-platform video game Minecraft.

Minecraft World, aimed at seven to 11-year-olds was launched, from conception to newsstand, in five weeks, with an initial print run of 45,000.

The 52-page magazine

has a cover price of £3.99 and the first issue, on sale now, comes with a 101 Minecraft Secrets Guide supplement.

Minecraft, an open-world game where players build constructions out of cubes, has sold more than 55 million copies worldwide, with thousands of new players joining every day.

Minecraft World pub-

lisher Dharmesh Mistry said: "Minecraft has seen phenomenal success across the globe, increasingly so on mobile devices.

"There was a real gap in the market for a quality print magazine that could help children develop their game strategy.

"As a company, we pride ourselves on our agility and

innovation and Minecraft World is the perfect example of how Dennis Publishing can react quickly to opportunities in the marketplace."

Content-wise, the unofficial magazine features news from within the Minecraft community, tips on achieving various goals, tutorials, puzzles and expert advice.

## Telegraph profit fall

Telegraph Media Group has reported a fall in profit for 2014 after investing £8m into its digital operations. The publisher has released figures for 2014 that show operating profit (before exceptional items) of £54.9m, down from £61.2m the previous year.

Operating profit after exceptional items was £46.4m, down from £57.8m.

## Tour pack rides out

Time Inc is launching an Ultimate Tour de France Pack that will include copies of its premium one shot Tour and its Cycle Sport Tour de France special.

The bumper pack, on sale 10 June, has a cover price of £9.99, a saving of £3.95 for customers.



# NEWS

## PRODUCTS

### Ashes to Ashes in Stowford promo

Westons Stowford Press cider will highlight its British heritage with a new outdoor marketing campaign launching this month.

The campaign, featuring the strapline 'Effortlessly Refreshing', includes posters located in busy commuter spots, along with advertising on the London Underground in the run-up to and during The Ashes series, which starts on 8 July.

In addition, Stowford Press will use its status as the official cider of England cricket to launch a social media competition giving away Ashes tickets. The 'Message in a Bottle' scheme will encourage consumers to play an online game asking them to name England cricketers.

### Indies are our heart and Sol

The importance of independent businesses will be highlighted in a new ad campaign being used to promote Mexican beer Sol this month.

The Heineken-owned brand will be promoted under its new 'Local Heroes' banner, which will see it team up with the owners of various local businesses in a digital and press campaign. Craig Clarkson, category and trade marketing director at Heineken, said: "We're confident the campaign will help build consumer awareness."



### Cadbury's town takeover as Puddletown gets a Dairy Milk makeover

Residents of Puddletown in Dorset saw the village renamed 'Puddletown' as part of a publicity stunt to promote Mondelez's recently launched Cadbury Dairy Milk Puddles confectionery. The move also saw the creation of a sign linking the area with Cadbury's home in Bournville, which was created using 30 kilos of chocolate.

**Cheetos snacks coming across the pond for indies** Early impulse sales expected to be huge

## Yankee doodle dandy! US favourite heads our way

by Steven Lambert

PepsiCo is aiming to drive further snack sales for independents by officially bringing its Cheetos range to the UK for the first time.

The brand, which has a large following in the US and other markets, will be available for retailers to order from this month.

The full range includes two single-serve packs, Cheetos Twisted and Cheetos Crunchy, which will come pricemarked at 39p, and a £1 pricemarked sharing bag of Cheetos Twisted.

PepsiCo is aiming to grow early impulse sales of the new products by including them in a four-

case stacker unit along with Monster Munch lines.

The firm will also include Cheetos Crunchy and Twisted in a 'three for £1' promotional deal currently running on its value snacks range. Matt Goddard, head of field sales at PepsiCo, said: "We are excited to be introducing Cheetos into the sharing market."

Amit Patel, owner of Stratford Post Office in London, said: "We already sell quite a few American sweets and snacks, so I think these will go down quite well."

"The fact that they are 39p also means they'll be popular with the large amount of children and students we get here."

## iPro cricket competition to hit opposition for six

Isotonic drinks brand iPro Sport is aiming to grow awareness of its products among independent retailers with a competition, which starts on 15 June, giving stores the chance of winning a visit from a top cricketer.

The firm has teamed up with England players Moeen Ali and Ravi Bopara, who will visit 50 independent stores with the highest repeat orders of iPro Sport during the three month scheme.

The three-strong drink range, which comes in 500ml bottles in Mixed Berry, Orange & Pineapple and Citrus Blend flavours (RRP £1.29), will be available to order through Smiths News and Menzies.

In addition, the top six performing retailers during the competition - three supplied by Menzies and three by Smiths - will each receive a pair of tickets to a football, cricket or rugby game of their choice.

### Hot products for your shopping list



Stowford Press cider is offering tickets to The Ashes cricket series as prizes



PepsiCo is bringing US favourite snack Cheetos to the UK



Independent businesses are being celebrated in Sol's latest ad campaign



NEW



▶ From the **No.1 Savoury** biscuit in the World\*

▶ Major media investment  
TV from 4th July

▶ Scored **Outstanding**  
in consumer tests\*\*

PUT ON THE RITZ  
IN YOUR STORE NOW!



# NEWS

## PRODUCTS

### Rockstar winners will be LA-bound

AG Barr is giving away VIP trips to Los Angeles in a tie-in between its Rockstar energy drinks and the launch of upcoming Hollywood film, *Entourage*.

The manufacturer is offering the prize in a promotion running on 10 million 500ml Rockstar cans, which will also see winners treated to a private screening of the film and a tour of the Warner Brothers LA Studios.

Runner-up prizes of Rockstar *Entourage* t-shirts will also be up for grabs.

The promotion will run on standard and price-marked large cans of Rockstar Original, Punched Guava, Xduration Blueberry and Xduration Electric Fruits from now until July.

### Smirnoff 'standout' revamp

Diageo is updating pack designs on its Smirnoff No.21 vodka on the back of the brand's recent marketing campaign.

Smirnoff bottles will now feature new fonts and imagery to give the product a more modern and premium feel, according to the company.

Diageo said the move would help Smirnoff stand out more prominently on retailers' shelves, and will run in conjunction with the brand's current £4.5m 'We're Open' marketing campaign.



### 'Five stages of tang' is theme for latest TV and media campaign

Tango is back on TV this month in an ad to promote the soft drink brand's 'five stages of tang'. The campaign, which follows on from the launch of Tango Blood Orange, is being backed with video on demand and social media activity.

**Relaunch of campaign to fulfil shoppers' 'bucket list' dreams** Public vote on social media

## 'Squeeze the Day' with Capri-Sun's latest promo

by Steven Lambert

Shoppers will have the chance to win a prize from their 'bucket list' in the latest promotion by Capri-Sun.

The soft drink brand has relaunched its 'Squeeze the Day' campaign, to encourage shoppers to win using a sticker appearing on

Capri-Sun packs.

Entrants must post their prize suggestions online and gain votes on their choices using social media.

The 10 entries receiving the highest number of votes will be announced every month. From these, one entrant will have the chance to win a prize worth £2,000, and the other nine will win

prizes worth £100 each.

The campaign is being targeted at 20 to 35-year-old shoppers and is designed to grow sales and awareness of Capri-Sun 330ml, according to brand owner Coca-Cola Enterprises (CCE).

It marks the latest activity for Capri-Sun this year, which also offered family trips to New York in a tie-in

with the *Minions* movie two months ago.

Caroline Cater, operational marketing director at CCE, said: "We're pleased to bring a new social element to the activity this year."

'Squeeze the Day' will run on standard and price-marked pouches of Capri-Sun Orange and Apple & Blackcurrant.

## Xbox One every day of the year from Skittles

Skittles is developing its partnership with Microsoft giving keen gamers the chance to win an Xbox One console every day until the end of the year.

Launching on 8 June, the promotion will see codes printed on 55g and 174g bags

of Skittles Fruits, Sours, Confused and Wild Berry, which buyers can then check online.

The codes will permit access to a Skittles-branded game, which can be played to win a games console. They can also be used to

redeem free downloadable Skittles wallpapers for digital devices. The campaign follows a similar scheme last October.

Dan Newell, marketing manager at Wrigley, said: "Last year's partnership was a huge success and

helped increase sales.

"We expect this year's to be bigger and more successful."

The promotion is being supported by TV, social media activity and PoS material as part of a multimillion pound investment.

### Hot products for your shopping list



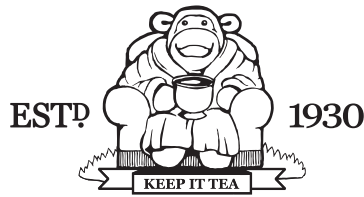
Capri-Sun is offering bucket list dream prizes in its 'Squeeze the Day' promo



Smirnoff No.21 is to get a packaging update with new fonts and imagery






An Xbox One is to be won every day this year in Skittles' competition



# TEA-DAH!



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\* NIELSEN, Total Tea Market - Volume 28.1% Share (MAT), Period Ending: WE 28.03.15.

**KEEP IT TEA**



# NEWS

## REGIONAL

### Salford's Star back to shine

The Salford Star has returned to print for the first time in seven years – soon after the closure of Trinity Mirror's weekly newspaper the Salford Advertiser.

The community-run title went online-only in 2008 but, after raising £10,000 in donations from the public, has relaunched as a free quarterly tabloid magazine.

The first 48-page issue has a print run of 20,000 and will be distributed to homes and businesses in the Greater Manchester town.

Editor Stephen Kingston said: "The Star is needed now more than ever, with the local Salford Advertiser closing.

"It's vital people have a voice and the information to challenge authority."

The Salford Advertiser was one of six weekly titles closed by Trinity Mirror in Greater Manchester in April.



### MEN on a mission to inform NFRN North West district members

Executive members of the NFRN's North West district will be sharing their new knowledge of the print process with retailers at their next meeting after visiting the Oldham MEN Media plant. District president Suleman Khonat said the visit was arranged after several changes to the Manchester Evening News and members reporting issues including too many inserts going into one paper. Retailers, he said, will benefit from their better understanding of the print and complaints' procedure and improved relationship with the plant.

### New policy slammed as open invitation to crooks 'I called the police – they weren't interested'

## Forecourt retailers' anger at fuel theft law change

by Steven Lambert

Forecourt retailers in Devon and Cornwall are furious at a new local police policy preventing officers from chasing up motorists who fill up from service stations and drive off without paying.

Devon and Cornwall Police has told retailers that the act of fuel 'bilking' is no longer considered to be an act of theft or fraud, and it will not take action

against offenders.

Authorities are now directing victims of this crime to the DVLA, where they must fill out forms to claim 'civil recovery of debt'.

Alex Whittam, owner of Fal Garage in Tresillian, said: "We recently had someone drive off without paying but when I raised this with the police, they didn't want to know. I couldn't believe it.

"They seem to have de-

ecided that if you are a petrol station in Devon and Cornwall, you're on your own."

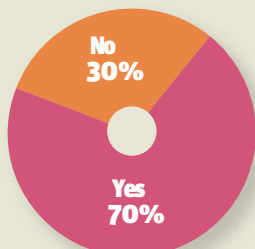
Clive Sheppard, owner of the Winning Post service station in Exeter, added: "We haven't really had that problem here but my concern is that if it becomes common knowledge that people can get away with this, more will try."

A statement from Devon and Cornwall Police read: "Across Devon, Cornwall

and the Isles of Scilly in 2014 the Force received around 1,600 reports where a customer had left without paying for fuel from a garage forecourt. These are not offences of fraud or theft.

"The Force will no longer be deploying officers to attend these reports and make contact with the member of the public on behalf of the garage, unless there is evidence of linked offending or vulnerability."

### RN READER POLL



Have you stopped taking PayPoint transactions recently and told customers your terminal isn't working?

### NEXT WEEK'S QUESTION

Do you feel prepared for auto enrolment on staff pensions?



Have your vote now

Go to [betterretailing.com](http://betterretailing.com)

## €15.5m illegal cigs seized in ROI so far this year

More than 30 million illegal cigarettes with a retail value of over €15.5m have been seized by customs officers operating out of Dublin, Ireland so far this year.

According to new Revenue figures, Don Corleone cigarettes were the most

smuggled brand with 10.3 million cigarettes with a retail value of €4.7m seized in March after they arrived in Dublin Port from Belgium. Dorchester cigarettes were the second most smuggled, with more than nine million estimated to be worth €4.5m seized at Dublin Port

last week.

The other most confiscated brands included Manchester (7.6 million), Marlboro (449,221), Septwolves (252,752) and Benson & Hedges (222,864).

More than 50 million cigarettes and 9,824 kilos of tobacco, valued at €25.47m

and €4.22m respectively, were seized in 2014.

Revenue is reported to have said it is committed to combating the illegal tobacco trade through a range of measures designed to identify those who are engaged in the supply or sale of illicit products.

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# NEWS

## REGIONAL

### 'Man on the run' gets five years' jail

A man on the run has been sentenced to five years in jail after he pleaded guilty with his partner to a £3.8m excise fraud involving more than 25 tonnes of counterfeit tobacco.

Feng Gao and his partner Mingshu Yang, from Salford, were linked to more than 28 deliveries of illegal hand-rolling tobacco and eight tobacco seizures in Manchester, Liverpool and the Netherlands.

The pair used 'cover loads' of shoes and shelves to smuggle the tobacco into the UK.

When the couple's home was raided the back garden was strewn with debris from the smuggled loads and the garden shed was full of boxes of illegal tobacco and fake packaging.

Yang was jailed for nine months. A warrant was issued for Gao's arrest and he was sentenced in his absence.

### Heron Foods raises £230k

Discount retailer Heron Foods has raised £230,000 for the Teenage Cancer Trust.

Funds were raised through challenges and in-store fundraising, including staff taking part in 'The Heron Foods Mega Challenge'. The challenge included running the 13-mile Great North Run, completing the 110-mile cycle ride between Silloth in Cumbria and Tynemouth and the 24.5 mile Yorkshire Three Peaks route, all in three days.

Mike Igoe, Heron Foods commercial director, said: "It's testament to the generosity of our customers and the passion of our employees who have fundraised tirelessly."



Left, after the fire in April; above, top, how the store looked before; above, work on the big clear-up and re-building starts

**Owners promise 'bigger and better' shop** Temporary premises serve community for now

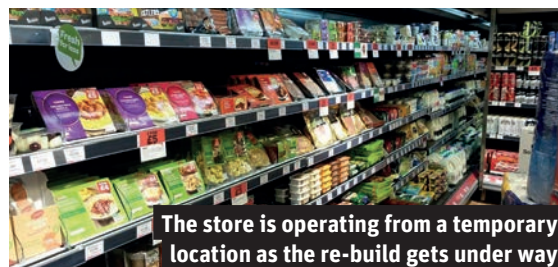
## Anglesey store to rise from ashes after fire devastation

by Gurpreet Samrai

Work will start in a few weeks to build "a bigger and better" Spar store in Pentraeth on the Isle of Anglesey, which has re-opened for business at a temporary on-site location just four weeks after it was completely destroyed by fire.

The new forecourt store is set to open before Christmas, and will feature a Subway, four new pumps taking the total to 10, and will offer longer opening hours. There will also be a post office and food to go section.

"We hope we can bring back to the community what they had before the



The store is operating from a temporary location as the re-build gets under way

fire, plus additional services which we hope will help increase revenue," Jill Lewis, who runs the store with husband Paul, said. "It will also bring 10 new jobs."

A blaze engulfed the store in the early hours of 3 April, burning it to the ground. Days later, with the help of Blakemore Trade Partners and an interest-

free stock loan, work began to build a temporary store on the driveway of the house next door, which the couple also owns. The temporary store re-opened for business last month with grocery and chilled ranges, food to go, local produce, alcohol and fuel.

Mrs Lewis said: "I was really impressed by the speed

of response from Blakemore Trade Partners. Within just hours of us contacting the team, they had set to work helping us with a plan to re-open. They kitted out our temporary store with a great range and all the necessary shelving and refrigeration completely from scratch.

"The incident really highlighted the benefits of backing from a strong symbol group. Without the support of Blakemore Trade Partners and the stock loan it provided, our forecourt could have been closed for months, but the whole site was back trading after just four weeks."

### Sood lays out her stall for deputy vice president vote

Portsmouth retailer Linda Sood has pledged to help NFRN members address newstrade issues and prioritise commercial deals if she is elected as the federation's next national deputy vice president.

Elections will take place on Monday at the NFRN's

annual conference, being held in Torquay, and Mrs Sood - who owns a 550sq ft convenience store and has been in business for 34 years - said she was standing in order to support grassroots NFRN members.

"We need to deal with

members' daily wholesale and publisher problems.

"They blame each other while retailers suffer cut supplies and late papers," she said.

"But we also need to make shops more viable by concentrating more fully on commercial deals."

Mrs Sood, who is the only candidate standing for the position, currently serves as a national councillor and on the NFRN's national executive committee and the board of its credit union, and has also served as president of the Southern district.



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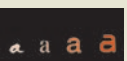
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## YOUR SAY Which apps and social media do you use and how do they help your business?

### Aman Sadana

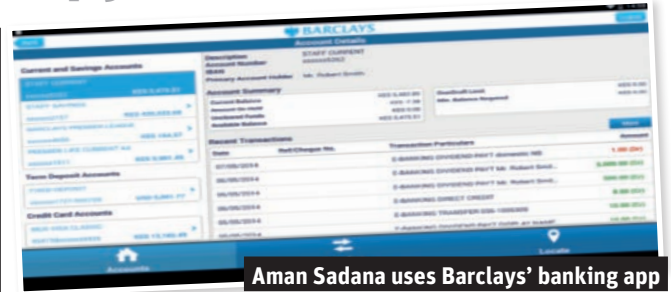
Wood St Post Office,  
Walthamstow

I use the Barclays banking app, which helps me with my day-to-day banking, and the CCTV app which allows me to remotely login anywhere in the world and see the office. I also use the Royal Mail Track and Trace app, which allows me to check the status of any item for a customer. The apps all help with the day-to-day running of the post office. Without them I would have to spend more time sat at a desk. I use Twitter and Facebook for social media.

### Bintesh Amin

Blean Village Londis,  
Blean, Canterbury

We use LogMeIn for remote access, PayPal for payments, Facebook, Twitter and YouTube



Aman Sadana uses Barclays' banking app

for social media and Ipcam to access the CCTV cameras in the shop remotely. LogMeIn means I can remotely access the back office systems and place orders from anywhere. It means I don't have to be onsite, which saves me time.

### Sandeep Bains

Simply Fresh,  
Faversham, Kent

We use Twitter to engage with suppliers, which is how we have sourced all our

local suppliers. Facebook is more customer-focused and we have put promotions and competitions on there.

We have also started to use GoKart. A lot of our suppliers aren't on there yet, but it is a great idea. The Bestway app is also good for finding promotions. Social media gives us more interaction with businesses and customers, which is invaluable, while the ordering apps help save us time.

## YOUR STOCK Red Bull has announced it is going to focus more on health and wellness. Have you noticed consumers buying more zero-calorie and no-sugar energy drinks?

### Ben Walker

Debbens News,  
Waterlooville, Hampshire

No, not really. There are certain people who go for them, but most of the time people don't seem to care. We sell pretty much every flavour of the Monster range, including the low-calorie one, but I don't sell many of those. I don't know if it's because people have their favourite flavours, but it doesn't seem to be that popular. With Coke, we sell normal Coke plus Diet Coke, Coke Life and Coke Zero and I have seen a lot more people buy those, but I haven't really seen it with energy drinks.

### Christine Hope

Hopes of Longtown,  
Longtown, Herefordshire

No, I haven't. With energy drinks I think the last thing you are worrying about is the extra sugar because you're tired and need something

to pick you up, so these items don't really appeal to the market we have got here. However, I do think it is a good idea what Red Bull is trying.

### Balvir Singh Atwal

Atwal News  
Hatton, Derbyshire

I stock a large variety of soft drinks, and sugar-free and zero-calorie drinks have, if

anything, declined. I only stock Pepsi Max (the bestseller for my shop in this segment) and Diet Coke, and a fraction of sugar-free Red Bull – the majority of which is bought by women and young ladies. I've recently had to de-list Coke Zero, and no longer sell any of the sugar-free Monster drinks since they failed to sell even when on offer.



Some customers prefer their usual brands to healthier alternatives



# YOUR ISSUE


  
**Gurpreet Samrai**
  
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## PARKING RESTRICTIONS COULD BE END OF THE ROAD FOR CLIFTON VILLAGE RETAILER

When a new parking scheme is proving beneficial to some local stores, but is putting the livelihood of others at risk, should it be reversed?

That is what Bristol retailer Tony Golledge, of The Mall Newsagents in Clifton Village, is fighting for.

Mr Golledge says he will have to close his newsagent next month after nine years in business because he has been making a loss of £1,000 a week since the introduction of a new residents' parking zone.

The changes mean that the parking bays customers used to use to pop into his traditional newsagents have been changed into pay-and-display and permit bays. Although his includes 30 minutes free parking, Mr Golledge says there is never any space for his customers.

Mr Golledge says: "There was loads of opposition before these changes went ahead, but we have a mayor in Bristol now who has the power to do whatever he wants so he bulldozed them in.

"The problem I have is that all the other traders like what we have now and I'm the only one who's been making a big fuss about it.

"A lot of the other traders are not affected because they are upmarket clothes shops selling jackets that cost £800 and jewellers selling diamond rings from £15,000, but my problem is nobody can park and run in for their cigarettes, newspapers or bars of chocolate. That's why I am virtually the only one that's been affected."

Mr Golledge, whose traditional CTN has a weekly turnover of around £6,500 and annual margins of around 21%, says he is no longer making a profit, leaving him with two options - to shut up shop or become a convenience store.

"At this current rate we're losing a lot of money and unless things change I'm going to run out of money in two months' time," he says.

"We need to get the parking changed so we can get back to the way it was before. We had a



record-breaking year last year; my sales were up to around £7,000 a week. This is a good business and my NFRN rep said he thinks it's a goldmine here. He thinks it's a shop where everybody would love to be.

"I'm a CTN, not a convenience store. But I think the only way we are going to be able to survive is to extend the opening hours, turn it into a convenience store and add alcohol and that sort of thing. We've always wanted to keep it quite traditional, but I probably knew deep down that we wouldn't be able to forever."

Mr Golledge, who has 20 years' experience running CTNs, says he has announced he will be closing in July, but is not giving up yet and plans to continue to fight for the changes to be reversed.

Peter Mann, the city council's transport service director, said: "It's still early days for the Clifton Village Residents' Parking Scheme - we've only been enforcing it fully for eight weeks - and although it's very sad to hear that a business is closing it seems unfair to blame

this on the RPS, especially as the 30 minutes free parking was designed specifically to support local businesses such as newsagents.

"As a local authority we are responsive to the needs of all our citizens, whether they are residents, visitors or part of the business community, and we work hard to balance the needs of all of them. "As incentives, we have introduced pay and display parking for up to three hours in the south of Clifton Village and for up to five hours north of Clifton Park.

The 30 minutes free parking improves the turnover of parking spaces, benefiting customers who only want to pop into a shop as they pass through an area; I do know that some businesses have found their initial experience of the scheme to be positive so it's certainly not all bad.

"The local bus service has been enhanced and two new park and ride services were introduced specifically to provide alternatives to parking in Clifton Village. These have experienced increases in

passenger numbers in the last few weeks and we expect this growth to continue as time goes on.

"Every household and business will be invited to participate in the six month review, which will happen in the autumn, but we are always ready to listen to feedback outside review periods and monitor problems with the scheme."

# “

**We're losing a lot of money and unless things change I'm going to run out of money in two months' time**

**Tony Golledge**

The Mall Newsagents,  
Clifton Village, Bristol

# LETTERS

✉ letters@newtrade.co.uk  
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@RetailNewsagent



The opinions on this page do not necessarily represent those of the editor

Letters may be altered by the editor for reasons of clarity or of length

## MENZIES SERVICE 'NOTHING SHORT OF A DISASTER'

Since Menzies took over my magazine supply from Smiths News a few years ago, it has been nothing short of a disaster.

So far this year, Menzies hasn't bothered to supply me with any information on any partworks. It sends out 'headlines' once a month, but doesn't provide any information on partwork launches, how many parts each collection has or when a collection will be on firm sale.

I keep on complaining but the response has been unbelievable. I spoke to the call centre up in Scotland and the reply was: 'We don't have the information'.

When the 3D printer partwork came out, a customer enquired about it. So I rang Menzies to order a copy. It didn't have any and when I asked for more information on it, I was told to 'watch the ads on TV'.

Why doesn't Menzies have this information on its system? Isn't it Menzies' responsibility to provide its customers with information they need?

When RN arrives each week, the first thing I do is read This Week in Magazines to see what is coming out.

Several times I have called Menzies to place an order and been told the title isn't on its system and it doesn't have any information. It is just incredible.

The other problem with partworks is Menzies will send me a copy one week, and then won't send me any the next two or three weeks.

So my customer will end up missing issues and I will have to back order.

When I ask Menzies about it, it is always put down to short supply. Why is there short supply?

Why isn't anyone trying to resolve the issue?

Sales from these customers can be worth several thousand pounds by the time they finish a collection - we should be looking after them.

The trouble with Menzies, at the end of the day, is its service charges keep increasing, but the service isn't getting any better.

**Manish Mehta**  
Williams News,  
Streatham,  
London

**Menzies did not respond to RN's request for a reply to this letter.**



**Supplying customers with partworks has been a source of constant frustration for Streatham retailer Manish Mehta**

## Tremors of unease will become a tsunami for PayPoint

Before PayPoint was born, the normal commission paid to retailers by utility companies such as gas and electricity suppliers was 2.5% to 3%.

Newsforce Marketing was the leading organisation that co-ordinated the link with thousands of newsagents.

PayPoint made various presentations to the trade setting out its business plan but, despite repeated requests, never disclosed its commission rate.

After it was established, it announced the commission cap rate of 13p. Although many newsagents joined, they were never happy with the commission rate and did not make any money when taking into account

the time it takes to complete the transaction, paperwork, bank charges, etc.

Now, PayPoint has reduced the commission cap to a mere 7p. It is incredible to believe that, in 2015, any organisation can pay 7p per transaction. Assuming the retailer does 30 transactions per hour that works out at £2.10 an hour - a fraction of the minimum wage. National Lottery pays 5%.

The main plank of PayPoint's argument is footfall.

Let us dismiss that argument straight away. Footfall belongs to the retailer and no-one else. Newspapers generate footfall as invariably a customer will buy something else. Chocolates, drinks and tobacco generate footfall. Someone goes into a shop to buy 10 items and invariably buys a couple more. So why should PayPoint claim that only its customers generate more footfall and it owns that footfall?

If PayPoint is such a success why don't supermarkets provide the service? Millions of customers visit

the supermarkets and could easily pay their bills while they are there.

PayPoint's success is commendable. Its turnover, profits and share price have done exceedingly well. But let us consider why this has happened? The answer is obvious. The commission it gets from service providers such as utility and other companies is far higher than it pays out.

PayPoint, if you want to be transparent, tell us how much you are being paid.

Who is benefiting from PayPoint's success? The shareholders, directors and managers. How long will this last? The stock market and the business community will soon wake up and realise the flaw in the business model of PayPoint and the concerns of retailers who have hit social media.

I am delighted the NFRN is championing the cause of retailers and is seeking legal advice to refer this case to the competition authorities.

I am also sure PayPoint

has felt the tremors and is expecting a tsunami.

**Chander Hingorani,**  
Former NFRN financial controller

**A PayPoint spokesman responds:** "We sympathise with concerns raised by retailers and others, such as Chander Hingorani, and are aware of the broader challenges facing retailers. We are keen to work together to find solutions and our team has been out across the UK in recent weeks to listen, talk and find a way forward.

I encourage any retailers who wants to discuss their business with us to contact their local territory development manager or call us to arrange a visit.

"Our results are representative of a strong performance across our whole group, not just the UK. In the UK retail services, such as Collect+ and ATMs are the main area of growth, overtaking bill and general payments for the first time.

"We continue to pay our retailers more than our competitors and are also continuing to work with the major banks to see what they

can do to support our retailers.

"Since the early days of the business, we have been very clear that the value of PayPoint is not just in commission. This is a contribution to the cost of offering the service but the real value comes in the footfall that is driven into stores. A recent study has shown again that PayPoint shoppers drive 20% more basket spend and visits than the average convenience shopper."



**If you want to be transparent, tell us how much you are being paid**

**Chander Hingorani**



# Make the most of your Male Grooming fixture



## John Drake, head of emerging channels at P&G, comments:

“Convenience is an extremely important market for the Gillette brand. More men than ever are using convenience as a top-up to their weekly shop, and shaving products are one thing they will usually run out of and need in a hurry. Whether it’s a new blade or shaving gel, there’s a big opportunity to provide the Gillette range for distress purchases in the channel.”

“Driving trial and purchase of system razors can happen in any store. It’s all about capturing the attention of the shopper and interrupting their autopilot. All independent retailers have the opportunity to grab the shopper and drive purchases if they’re stocking the right range in the right way.”



The new Flexball Technology is engineered to give noticeably smoother skin in a single stroke. The razor combines the very finest Gillette® blades – Fusion ProGlide – with an advanced handle (featuring the breakthrough Flex-Ball™ technology) that allows the razor to pivot in multiple directions over the contours of the face. Launched at the same time is the brand’s NEW Gillette® 2-in-1 Shave Gel Plus Skincare, featuring an innovative formulation that offers both shave gel and skin care in one product.



## Ground-breaking innovation from Gillette

The Gillette® Fusion ProGlide with new cutting edge FlexBall Technology is expected to follow in the footsteps of Mach3, Fusion, and Fusion ProGlide as one of the biggest FMCG launches in the UK.

## Top 5 Gillette skus to stock:

- Gillette Blue II Disposables x5
- Gillette Sensor 3 Disposables x4
- Gillette Mach 3 Blades x4
- Gillette Classic Shaving Foam Regular
- Gillette Series Shaving Gel Sensitive

Use the P&G ShelfHelp category management planograms to help maximise sales. To access these planograms and for further advice on merchandising and what to stock in your total health & beauty fixture, visit [www.shelfhelp.co.uk](http://www.shelfhelp.co.uk)



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Alan Waterson,  
J Walsh Newsagents  
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## NFRN set for battle

**PayPoint's 'deplorable, unjust and untimely' treatment of independents is set to be a key issue at the NFRN's 96th annual conference, along with plans to battle carriage charges**

**A**s the NFRN's dispute with PayPoint escalates following the recent cuts to retailers' commission caps, it's not surprising that all eyes will be on Torquay next week when its Riviera Centre provides the venue for the NFRN's 96th annual conference.

PayPoint's deplorable, unjust and untimely treatment of small independent retailers has seen a cap of 13p per transaction cut to 10p for general bills and to 7p for energy bills, making it well-nigh impossible for any NFRN member to make money from providing the service, once shop overheads and banking charges are factored in.

Leaving no stone unturned in its fight for justice, the NFRN has already called on energy regulator OFGEM to launch an immediate investigation and we are in the midst of preparing a formal complaint to the Payment Systems Regulator and seeking a full market investigation into the over-the-counter payment and collection services market. This complaint will not be restricted to the reduction in commission caps but will include all of PayPoint's terms and conditions of business and will set out in detail how the utility service provider's exclusivity clauses impact detrimentally by limiting consumer access to alternative services.

And with members from all corners of the UK and the Republic of Ireland converging on Torquay, it will come as no surprise that this

issue will be firmly on the conference agenda, with a motion calling for a better return on PayPoint and Payzone transactions likely to provoke passionate discussion.

Another highlight during our two-day conference will be the launch of a new NFRN campaign to show wholesalers that enough is enough and that carriage charges can no longer spiral ever upwards when fuel prices have come down significantly. As we continue to push for carriage charges to be fairer and clear, we will be encouraging members to share their anger at the current delivery rates.

As the news industry continues to fail basic service levels, the newstrade motions are also



**Commission cap cuts by PayPoint have left retailers furious - and out of pocket**

likely to bring forth some heated debate, with calls for a reduction in charges when retailers receive wet tote boxes, new secure packaging for voucher envelopes, a clamp-down on market stalls selling cheap magazines and a request for all sides of the industry to work on a campaign to encourage people to

read more magazines.

Finally, as the retail marketplace continues to change - with margins on many products coming under increasing pressure, traditional markets in decline and chaos in the supermarket sector as the big four struggle to adapt to consumer demands and suffer unprecedented losses and closures - it's imperative that the NFRN and its members adapt and evolve. With customers' expectations rising and shopping habits changing, the challenges facing independent retailers are huge but the opportunities are greater.

For that reason, alongside the debates over the key issues facing independent newsagents and convenience stores, there will be a host of inspirational presentations from leading suppliers.

So all the best to delegates. I assure all those new to Torquay of a warm welcome and look forward to meeting all members and guests at the event.

*Paul Baxter is chief executive of the NFRN*

### ★ Winning your share of the multi-billion pound news market

**Delegates will hear** how to get a fair share of the multi-billion pound news industry during a business presentation on the Monday afternoon of conference. The news development session will bring together an exciting line-up of key newstrade speakers to discuss new ways of growing newspaper and magazine sales and profits. Among those presenting will be Paul Sadler, head of retail sales at magazine distributor Frontline, Greg Deacon, independent sales manager at Sun, Times and Sunday Times publisher News UK, Chris Coward, consumer sales director of regional press giant Local World and Tony Engleman, director of sales from Advance First Technologies. NFRN head of news Brian Murphy will update delegates on the latest developments for the federation's Newspro and Store2Door initiatives, while I will explain the benefits of joining N3, the newly-created company to help news retailers develop their newspaper and magazine profitability. A question and answer session at the end of the presentations will be hosted by the NFRN's news development committee chairman Ray Monelle.



**COMING UP  
THIS SUMMER  
EXCLUSIVELY IN**

**RETAIL**  
**NEWSAGENT**

**19 JUNE: READY FOR THE HOLIDAYS**

Children's magazines,  
sugar confectionery  
and soft drinks  
in focus



**NEXT WEEK: 2020 VISION**

How symbol groups and their retailers  
are preparing for the future of convenience

# Grow summer sales with RN



**19 JUNE: CIDER'S GROWING**

Stalwart bestsellers and the challenger  
brands looking to take their place

**10 JULY: IT'S MOVIE TIME!**

Essential products  
for their big  
night



**PLUS**

- How innovative formats are transforming the beer market
- Catch up with developments in e-cigs and vaping
- Puzzle magazines: we've got the answers for better sales



# ACADEMY IN ACTION



P&G's John Drake talks with Kamlesh Patel about his staff's category knowledge

Share ideas and progress

@IAAcademy #IAA15



## Staff Development

Stocking products to meet your customers' needs is essential. But having well-trained, knowledgeable staff who provide great service is just as vital. The IAA's Darren Rackham joined Procter & Gamble's John Drake at Kamlesh and Geeta Patel's east London store to find out how they train their



**Name** Kamlesh Patel

---

**Store** Londis

---

**Location** Manor Park, London

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**Size** 2,800sq ft

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The Independent Achievers Academy is a business development programme to help retailers like you improve your store. This is the 6th in a series of 12 features that help show how retailers are using the Academy's advice to grow their sales.



**K**amlesh and Geeta Patel have run their purpose-built Londis store in east London for 25 years. They have a good customer base made up of hundreds of families from local housing. There are no factories and offices nearby, but there are five schools which provide plenty of additional young customers. Most people using the store come in for basic groceries but then take advantage of the broad range and the multitude of promotions the shop runs. Sales at the store are good, but could be better. But with 13 other shops in the vicinity, competition is stiff, so Kamlesh and Geeta need to ensure their six staff are on top of their game at all times to make sure they provide the absolute best service.

### My challenge

Local competition is tough, so Kamlesh's staff need to be on top of their game at all times, providing excellent service while abiding to new regulations and red tape.





## IAA ADVICE

1

### Train staff regularly to perform key tasks and understand their legal responsibilities

John Drake, head of emerging channels at P&G, advises Kamlesh on the importance of keeping his staff up to date on legislation. He asks what Kamlesh does presently.

"We target staff in specific areas," Kamlesh says. "This ensures they understand their legal obligations when selling age-restricted products."

John suggests that Kamlesh identifies his staffs' key strengths so he can use them effectively. Kamlesh says he does try to place them in areas where they work well.

"Some are good on the counter, so I let them work there. Another is good at creating displays so I encourage him to do them."

John is impressed with Kamlesh's methods and suggests he could take it further. He says: "I would like to see you help staff become leaders by continuing to identify peoples' strengths and setting targets."

Kamlesh agrees, saying he wants to encourage leadership in his team to provide strong support when he and Geeta are not around.

2

### Ensure staff have good listening skills, product knowledge and are encouraged to take responsibility for customer service

John is impressed by Kamlesh's range of household cleaning and laundry products. He tells Kamlesh how vital it is for his staff to be fully knowledgeable of the health and beauty category and its margins in order to maximise profits.

Kamlesh agrees, saying he educates himself online and by reading RN before imparting information to his staff.

"I want all the staff to be experts in all areas of the store," he says. "I want them to feel confident."

John is pleased with this, adding that full product knowledge across all categories would also help Kamlesh's staff to communicate well with customers.

He says: "I would like to see Kamlesh's staff listening to customers' needs and then actively selling at the till."



3

### Teach staff about all parts of the business, create a process for them to provide feedback and encourage them to bond as a team

John tells Kamlesh he is pleased with his efforts to build a strong team.

Kamlesh tells John that he wants his staff to feel like part of the family, not that they just work in his shop.

He says he and Geeta work closely with them across the store and value their feedback on all areas.

Kamlesh says: "The staff work together and that builds a good team. We're always open to their views because we know they represent us to customers and it's important to have customer views on what we are providing."

Kamlesh tells John he carries out category training once a month. John says he is impressed by the structures he and Geeta have put in place. He adds: "It's brilliant to have a formal structure for monthly feedback and training. I would like to see

you create a way of showing you are using their feedback to improve the business."

**Kamlesh tries to make his staff category experts**

## WHAT WE LEARNT



John says

"Kamlesh and Geeta are doing such a good job in their store, and that's great to see. They have excellent staff who work well as a team. Kamlesh is managing categories brilliantly with good, regular training that keeps his staff up to date. The store is a well-oiled machine. Everyone understands the business so the cover element of it is strong. It will be interesting to see how they get on with the agreed action plan."

### John Drake

Head of emerging channels, P&G



Kamlesh says




"John's visit was very useful. It was reassuring to hear about the things we are doing well but also to listen to his advice on areas we could improve upon. We want to invest further in our staff and encourage them to take on more responsibility. When we're away, they need to run the shop, so they need to know exactly what they're doing. The better they are, the better the business is. I look forward to implementing our action plan."

### Kamlesh Patel

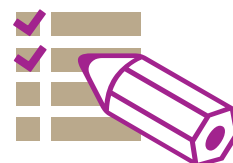
Londis, Manor Park, London

## Kamlesh's action plan



-  Create a formal way to show staff how you are acting upon their feedback
-  Introduce active selling at the till. Staff could use their knowledge to sell one additional line a week
-  Set targets that challenge staff more and encourage their growth to become leaders

## Your action plan



-  Go to [betterretailing.com/IAA](http://betterretailing.com/IAA) to download the free tools to improve your store
-  Complete the benchmarking form by **26 June** to enter the IAA and be in with a chance to receive a mystery shop visit
-  Email [iaa@newtrade.co.uk](mailto:iaa@newtrade.co.uk) to order your copy of the IAA's Retail Profit Guide

COMING UP IN

RETAIL  
NEWSAGENT



W H A T W I L L

y o u r s t o r e

L O O K l i k e i n



2020?

How symbol & franchise groups are shaping the future of your business



Don't miss RN's **12 June** issue. Order from your wholesaler today



# INDUSTRY PROFILE

## Perfetti Van Melle

**How do you grow sales in a flat market? For Perfetti Van Melle's trade marketing manager Mark Roberts it's about investing in both new and existing products, advertising and sales force**



**Nadia Alexandrou**  
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 020 7689 3350  
 @NadiaAlexRN

### **RETAIL NEWSAGENT How is the sugar confectionery market performing?**

**MARK ROBERTS** Fairly steadily. Although there has been a slight decline over the past few years, this is now levelling out. Bags, sticks and rolls are the most popular formats, and account for almost two-thirds of sales in sugar confectionery.

### **RN Has this decline affected your brands' performance?**

**MR** Not at all. We have experienced a general uplift in sales across all our brands. Our family-focused brand Fruitella has grown by 54% in the last five years while Chupa Chups has grown by 74% in the same period. We also have one of the fastest-growing mint brands, Smint, which has grown 15% in the past year.

### **RN How have you managed to grow these brands in a flat market?**

**MR** We have supported our core brands by investing heavily in advertising. We want to keep people engaged with them and drive relevance, for example by advertising Mentos on E4 and digital. Product development has also been a big focus for us. We have launched a number of different formats for Fruitella including Super Shakes, Juicy Chews and Stix.

### **RN What are your most recent product developments and how do they tap into current trends?**

**MR** Last month Airheads was added to the Chupa Chups range. When it comes to sweets people seem

to want try something new and Airheads, which has five different flavours in each bag, offers this. It's too early for sales figures, which we can only obtain after 12 weeks, but the feedback so far has been really positive. Our limited edition consumer-designed Smint packs are selling well, too.

### **RN What is the biggest challenge you face with independents?**

**MR** Space and getting the right message across. For space, we know that retailers don't want their cash tied up in stock, so we're working on ways around this. The right message is getting retailers to understand the importance of visibility and placement in store. To help with this we offer a variety of point of sale material including counter top



**The right message is to understand the importance of visibility and placement**

units, shelf-ready packaging, clip strips, dump bins and shelf wobblers.

### **RN What else are you doing to support the impulse market?**

**MR** Almost two thirds of customers shop on impulse in stores, and pricemarked packs help encourage more of these purchases as well as building trust with customers. We offer pricemarked packs across Mentos, Fruitella and our liquorice-brand, Klene. We also have a 20-strong sales force that offers advice and support to retailers across the UK.

### **RN What type of advice do they give?**

**MR** As well as sharing market insight and performance of our brands, they also give tips on how to merchandise our products, for example putting mints around food to go sections and sharing bags around larger soft drinks to encourage incremental purchases.

### **RN Which areas of the market do you expect to perform well this year?**

**MR** Sales of seasonal products and confectionery given as gifts are both growing. Retailers should also have a range of bagged sharing sweets for nights in at these times.

### **RN What are your plans for the next year?**

**MR** We will continue to work hard to enhance our brands' relevance to retailers. Expect similar activity around what we're doing with Airheads, and we're also returning Mentos to TV.

## \*\* Company CV \*\*

**Company** Perfetti Van Melle  
**Trade marketing manager** Mark Roberts



**Profile** One of the world's largest manufacturers (operating in over 150 countries) and distributor of confectionery and chewing gum, Perfetti's brands include Mentos, Smints and Chupa Chups.

**Latest news** Last month Perfetti launched limited edition packs of Smint Mints, as well adding Airheads to the Chupa Chups range.

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# PRICEWATCH

# ROSÉ WINES

## BEST-SELLING ROSÉ WINE PRICES AROUND THE UK

PRODUCT	AVERAGE	RRP	RETAILER 1	RETAILER 2	RETAILER 3	RETAILER 4	RETAILER 5
<b>Echo Falls</b> 75cl	£5.00	£5.99	£5.49	£5.49	£5.99	£6.00	£6.99
<b>Blossom Hill</b> 75cl	£5.14	£6.49	£5.79	£5.79	£5.99	£7.19	£6.29
<b>Echo Falls Summer Berries</b> 75cl	£5.04	£5.00 (Offer)	£4.99 (Offer)	£4.00 (Offer)	-	-	£4.99
<b>Jacob's Creek Shiraz</b> 75cl	£7.71	£8.49	£7.99	£6.49 (PM)	£7.75	£7.99	£8.29
<b>Mateus Rosé</b> 75cl	£6.19	£5.99	£7.49	£5.99	£7.75	£6.29	£6.99
<b>Isla Negra Merlot 2003</b> 75cl	£5.60	£6.19	£5.49 (Offer)	£5.99	£5.99	£4.99 (Offer)	£5.99
<b>Casillero Del Diablo Shiraz</b> 75cl	£7.01	£7.49 (Bestway)	£5.99 (Offer)	£6.99	£5.25	-	£5.99 (Offer)
<b>I Heart Zinfandel</b> 75cl	£6.06	£5.99 (Best-one)	£5.49 (Offer)	£5.99 (2 for £10)	-	-	£6.49
<b>Hardys Bin 545</b> 75cl	£6.46	£7.09 (Best-one)	£4.99 (Offer)	-	£6.99	-	£5.99
<b>JP Chenet Merlot</b> 75cl	£6.67	£6.99	-	£5.99	-	£6.99	£6.49
<b>Kumala 2003</b> 75cl	£6.24	£6.99	£6.49	£5.99	-	-	£6.99
<b>Kumala Zenith</b> 75cl	£7.23	-	£4.99 (Offer)	-	-	£9.99	£6.45

## Pricing strategies

### RETAILER

# 1



**NAME SAT DEO**

**STORE** Costcutter

**LOCATION** Maltby, Rotherham

**SIZE** 1,400sq ft

**TYPE** estate

We generally stick to Costcutter's RRP's, adjusting them slightly to get a 25% margin. The exception to this rule is when wine is on offer, in which case we accept a lower margin. Sometimes we keep it at the same price even after it's gone off promotion because that's the price our customers are used to paying. We then try to recover our margin by bulk-buying the discounted stock. I find that Echo Falls and Blossom Hill sell whether they are at full price or discounted. With most of the wines priced over £7.99 - Isla Negra, for example - we only buy them when they are on offer.

### RETAILER

# 2



**NAME KAMRAN HAFEEZ**

**STORE** Best-one

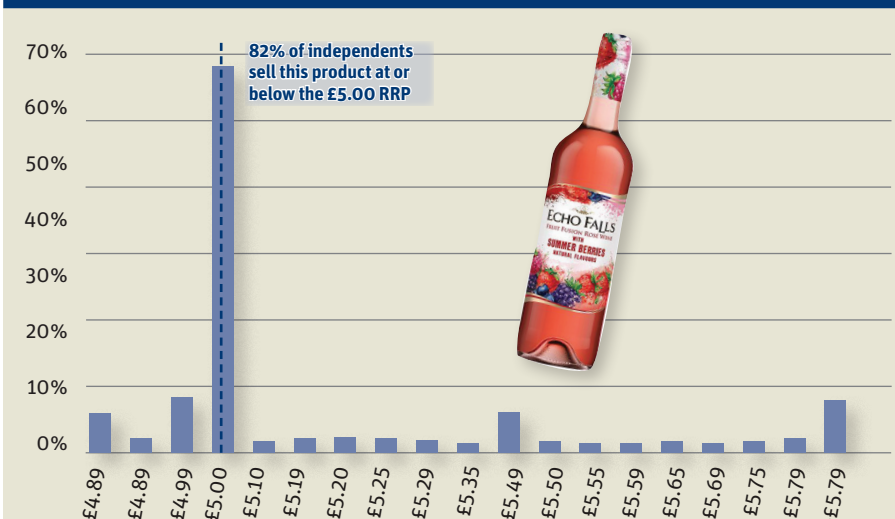
**LOCATION** Cowley, Oxfordshire

**SIZE** 1,400sq ft

**TYPE** neighbourhood

We use Best-one's RRP's then round them up or down depending on how awkward the price is or what margins we get. Our promotions are near the end of their cycle and we're starting a new one next week, which includes the new Echo Falls Summer Berries for the first time. That will be offered at £4, and will cover the new flavours in red and white as well. I Heart Zinfandel will also be going on promotion. Echo Falls and Pinot Grigio are our best-selling rosés but, generally speaking, we do well on rosé all year round.

## ECHO FALLS SUMMER BERRIES 75cl Price distribution %



Average selling prices and best-selling products rankings are sourced by EDFM Ltd from EPOS data from over 2,000 independent retailers throughout the UK. The prices given on this page are the prices at point of purchase.

RRPs are sourced from Booker and are correct at time of going to print.



➔ **Nadia Alexandrou**  
 ✉ nadia.alexandrou@newtrade.co.uk  
 ☎ 020 7689 3350

**RETAILER****3****NAME ERIC JORDAN****STORE** Evenwood News**LOCATION** Bishop Auckland, County Durham**SIZE** 250sq ft**TYPE** village

We tend to stick to either Batleys' or Booker's RRP's. Rosés are getting popular now the weather's picking up, although we find this category is a fairly steady seller all year round. Paul Masson is our best-selling wine and Echo Falls sells very well, too. We haven't done promotions in a while, but we do label all stock so prices are visible and clear. When we do deals they are mostly multibuy offers such as three bottles for £10, which we both do ourselves and pass on from the wholesaler. We put all rosés behind the counter on a display unit.

**RETAILER****4****NAME UGAR ADIS****STORE** Mace Essentialz**LOCATION** Cambridge**SIZE** 1,300sq ft**TYPE** main road

I stick to my supplier's RRP's, but I will look at the margins it offers and increase my prices to get an average 25% margin if necessary. If something is on promotion this will drop to 15%. If the margin is particularly high I will lower the price for my customers. This is important as I have a lot of competition in my area, and I try to match the supermarkets' prices and also run a lot of promotions. Basically any promotion I see, I bulk buy, especially wine, which has a long shelf life. Rosés tend to do better in the summer.

**RETAILER****5****NAME JULIAN HULL****STORE** Nisa Local**LOCATION** Southminster, Essex**SIZE** 1,000sq ft**TYPE** village

We don't stick to RRP's and typically stick wine up to get a 28% margin, unless it's on promotion, in which case we get 15%. We tend to go with any promotion Nisa runs, which is quite often when it comes to rosé. Our best-selling lines are, for the majority, the ones which are on promotion. Rosés do slightly better in the summer, although sales are fairly strong all year. We've just got the new Summer Berries flavour from Echo Falls. We merchandise all rosés in the chiller, in no particular order.



# THE ENTREPRENEURS

The world's best business brains and what you can learn from them

**BILL BERNBACH****Route to the top**

One of advertising's original 'Mad Men', Bronx-born William "Bill" Bernbach was an American advertising creative director and founder of the international advertising agency Doyle Dane Bernbach (DDB). After graduating from New York University, Bernbach had his first experience of marketing at a distiller, where he landed a job in the advertising department. After serving in the Second World War and working at a couple of agencies, he struck out on his own, and started DDB in 1949 with a few peers. From the start, Bernbach played an integral role in the writing of advertising and helped

billings increase from \$1m to more than \$40m by the time he retired.

**Key achievements**

- Bernbach was among the first to pair a copywriter with an art director, creating two-man teams – a model that quickly became the industry norm.
- His "Think Small" campaign for the Volkswagen Beetle made such an impression at the time that Advertising Age magazine named it the best campaign ever produced.
- His creativity-first approach was so successful that it was later embraced by pioneering companies such as Saatchi & Saatchi.

**You don't have to be Jewish**

**to love Levy's**  
 from Jewish life

**Lessons for your store**

- 1 Market your business creatively – Bernbach once said that "advertising is fundamentally persuasion, and persuasion happens to be not a science, but an art."
- 2 Don't get side-tracked from your core duties – Bernbach deliberately distanced himself from the administrative and promotional aspects of his business.
- 3 Connect emotionally with your customers – Bernbach said this was key to selling, and used both humour and clarity to accomplish this.

# RETAILER PROFILE

»  
THIS WEEK IN  
MAGAZINES  
Pages  
41-45

5 June 2015 Retail Newsagent



## Kay goes back to his roots

East London retailer Kay Patel has been in the business for as long as he can remember. But his passion for retail has not faded since working in the family newsagent in Stratford nearly 30 years ago.  
**Gurpreet Samrai reports**

**W**hen the owner of a newsagent five doors down from Kay Patel's east London convenience store decided to sell up and retire he saw it as the perfect opportunity to eliminate the threat of competition and go back to his roots.

What started out as a "pet project" led to him investing £25,000 to turn the "dilapidated" shop into "a real CTN again", adding to his ever-growing business ventures which include two more Global News newsagents in Stratford, two Global Food & Wine convenience stores, with another in the pipeline, a fireworks shop and a café. He is also hoping to add an Indian restaurant to his empire.

The 450sq ft Global News in Wanstead, which now has an average basket spend of £3, has seen turnover increase by 20% since its refurbishment. Its services range from home news delivery and Western Union to greeting cards, e-cigarettes and a large sweets section.

"Before I bought it, when you walked in it felt like you were walking into the 1970s," Kay says. "We've refurbished it from the bottom up so nothing in here is old."

"We have introduced some new lines such as stationery and Western Union, created additional impulse purchase areas, and changed the flow of the shop. Before the refurbishment you could only walk in one

way so people wouldn't go around the other side, but now it really flows. We are trying to get our customers to use the whole of the shop rather than leaving areas cold."

Kay says the store has been designed to complement his 1,000sq ft Global Food & Wine convenience store metres away, rather than compete with it.

"We never had the space in the convenience store to offer a true CTN range with kids' sweets and more stationery even though there was demand for it," he says. "We had to balance that against space for alcohol and other profitable lines so this was the perfect opportunity."

"This is an affluent area with a lot of older customers who like the look and feel of a real newsagent, which this area lacked, so we did it partly because we were curious if a true newsagent would still work in this climate and also for the benefit of the community."

Kay's family have been in the business for nearly 40 years, since his father bought his first newsagent in Stratford, which was shortly followed by a nearby grocery store.

"I grew up in this environment so I know it, I live and breathe retail," he says. "I like products and have an interest in how they're made, where they come from, brands and who owns them."

"Store layout is also a passion of mine and I have designed all of my stores. I have



**“If I have any issues with wholesalers or suppliers I tell the NFRN. I see my local rep often and ask them to raise my issues at their meetings. It helps get our voice across.”**

**KAY PATEL**



**Sweets are one category Kay's new store can give more space to**



**“I grew up in this environment so I know it, I live and breathe retail. I like products and have an interest in how they're made, where they come from, brands and who owns them”**

#### **VISIT MY SHOP**

**Global News**  
5 Cambridge Park,  
Wanstead,  
London  
E11 2PU



a certain way I think a store should look so they are really tailored to my needs.”

All of Kay's stores are independent, Best-one members. He says they are “customer-focused” and offer competitive prices, citing one of their main strengths as the many promotions on offer.

“Our customers are very important to us,” he says. “My staff know all our regular customers and look after them.

“The stores are all very presentable and tidy, and our prices are very keen. If we buy from Best-one, for example, a lot of our prices are below the RRP they set for us because we understand that, even though this is an affluent area, a lot of people are on low budgets. We also offer a lot of promotions, any we can get we will run, as well as some of our own.”

Kay was named an Independent News Retailer of the Year finalist in the NFRN's awards last year. He says he entered following a nudge from his local NFRN representative, who has supported him over the years.

“When I've had issues with wholesalers and suppliers I have given them a call and they have resolved a few issues for us. They have also given me ranging advice for our magazines and newspapers and really helped with going dark.” ●



**Want to see more of Kay's store?**  
Go to **betterretailing.com**



# PAYPOINT ANALYSIS

PayPoint's decision to cut its commission cap sparked anger and protests from retailers across the UK. Six weeks on and the company is feeling the heat. Is this a new model for retailers to campaign with?

**Tom Gockelen-Kozłowski reports**

## Is it one attack too many?

**I**n late April a phone call came into the RN newsroom. Raaj Chandarana, owner of Premier Tara's News in High Wycombe, rang to say that he and every other PayPoint retailer had just received a letter informing them that their commission cap was being cut.

Six weeks on, almost 2,000 retailers have joined an online campaign against the terminal operator and city analysts warn that PayPoint's valuable network and long-term profitability are at risk. How did it get to this?

Retailers' complaints against PayPoint are nothing new. As far back as December 2000 the then-fledgling company was featuring in RN's Your Issue pages with a retailer complaining that their terminal had been removed for underperforming despite processing twice the number of transactions of a nearby Co-op.

Most recently the profits generated and the charges that retailers face have attracted the ire of the trade. Shahid Razzaq, who owns Premier Mo's convenience store and a Family Shopper on the outskirts of Glasgow, was already looking into the profitability of PayPoint to his business before he received the letter.

"I worked out the transactions that we were doing, the commission and also the costs and did the sums,

including staff wages. I was alarmed to see that we were actually making a loss with PayPoint," he says.

As soon as the terms were cut further, Shahid encouraged others to check the impact of PayPoint on their stores.

"A lot of retailers did their own sums, something they'd never done before. We realised we'd all sleepwalked into the situation where we were losing money," he adds.

One of these retailers was Marcus Bergin of Supernews in Gloucester. Seeing that an NFRN-organised hashtag, #paypointpayfair, was already gaining traction on Twitter he decided to up the ante by setting up a Facebook group. "It snowballed rapidly. It started with five or six members but soon I was getting 300 new members a day, and one day I got 700.

"Nobody has ever managed to bring together a large group of retailers before. Thanks to social media we were able to grab PayPoint's attention," he says.

With the strength of the group behind him, Marcus produced a poster that informed customers of the costs involved for retailers of offering PayPoint services. The reaction from customers was supportive and immediate. "Initially, the posters worked dramatically, improving



**Thanks to social media we were able to grab PayPoint's attention**

**Marcus Bergin**

Supernews, Gloucestershire

secondary sales, and we were getting basket spend approaching what PayPoint claims we get," Marcus says. But since the company has forced him to soften the wording - adding "please" to the message requesting an extra purchase - his basket spend for PayPoint transactions has plummeted again.

"I have made 130 transactions today, processing £7,500, and I'm going to get an average basket spend of around £1 each time," he adds.

Until this point, PayPoint's responses had been consistent, defending its commission cuts while seemingly deaf to the growing complaints of retailers. The posters were one of the first moments when this veneer of calm appeared to crack and it immediately threatened to remove the terminal of any retailer who either charged customers a fee or put up posters.

"PayPoint's reaction meant many retailers didn't want to put up posters so I thought the next port of call was





Within six weeks retailer outrage has turned into city concern

to get these directors into a shop. They seemed happy to talk to the trade press, but they weren't talking to independents on a proper scale."

Marcus knew that PayPoint's leadership would have no choice but to hold such a meeting if its shareholders began to wake up to the issues facing the company. "I knew I had to move on to the big energy companies, and the shareholders if I was going to get any traction. I've been hitting a lot of the financial markets with information about what's happening with PayPoint on the ground. At the end of the day it's us who make them their money. Who will take it on if we don't do it?" He asks.

While Marcus was cranking up his efforts, signs of panic within PayPoint started to emerge. A week after the posters had gone up in retailers' stores it was announced that two key figures in the company were to leave.

Warren Tucker, the company's chairman, had already quietly gone



### A lot of the retailers in the Facebook group are not even from this country

**Dominic Taylor**  
Chief executive, Paypoint



RN has followed the story every week since 24 April

a week previously and the news that managing director Seamus Smith and retail director Andrew Goddard were also on their way out raised eyebrows across the industry.

The most conclusive evidence that retailers' campaigning and loud complaints was having an effect came from the City. Stockbroker Numis Securities released a report a fortnight ago, voicing concerns that any short-term financial benefits that the commission cuts could give to PayPoint could come at its long-term costs.

"There is a risk in our view that some retailers will decide that having a PayPoint terminal in their shop is simply no longer worth it... If this is truly the case, then clearly this is not sustainable and could put pressure on longer term volumes. There could also be a risk of a regulatory investigation if the [NFRN] are successful in their lobbying," it said.

While the company has yet to cave in to this pressure, the cumulative effect of city concerns, retailer action and (increasingly adverse) attention from the Times and the Financial Times has made PayPoint's refusal to engage directly with the trade impossible.

Marcus has secured agreement that PayPoint bosses will come before a panel of independent retailers, chosen by store owners themselves, to hear their concerns and anger

first hand.

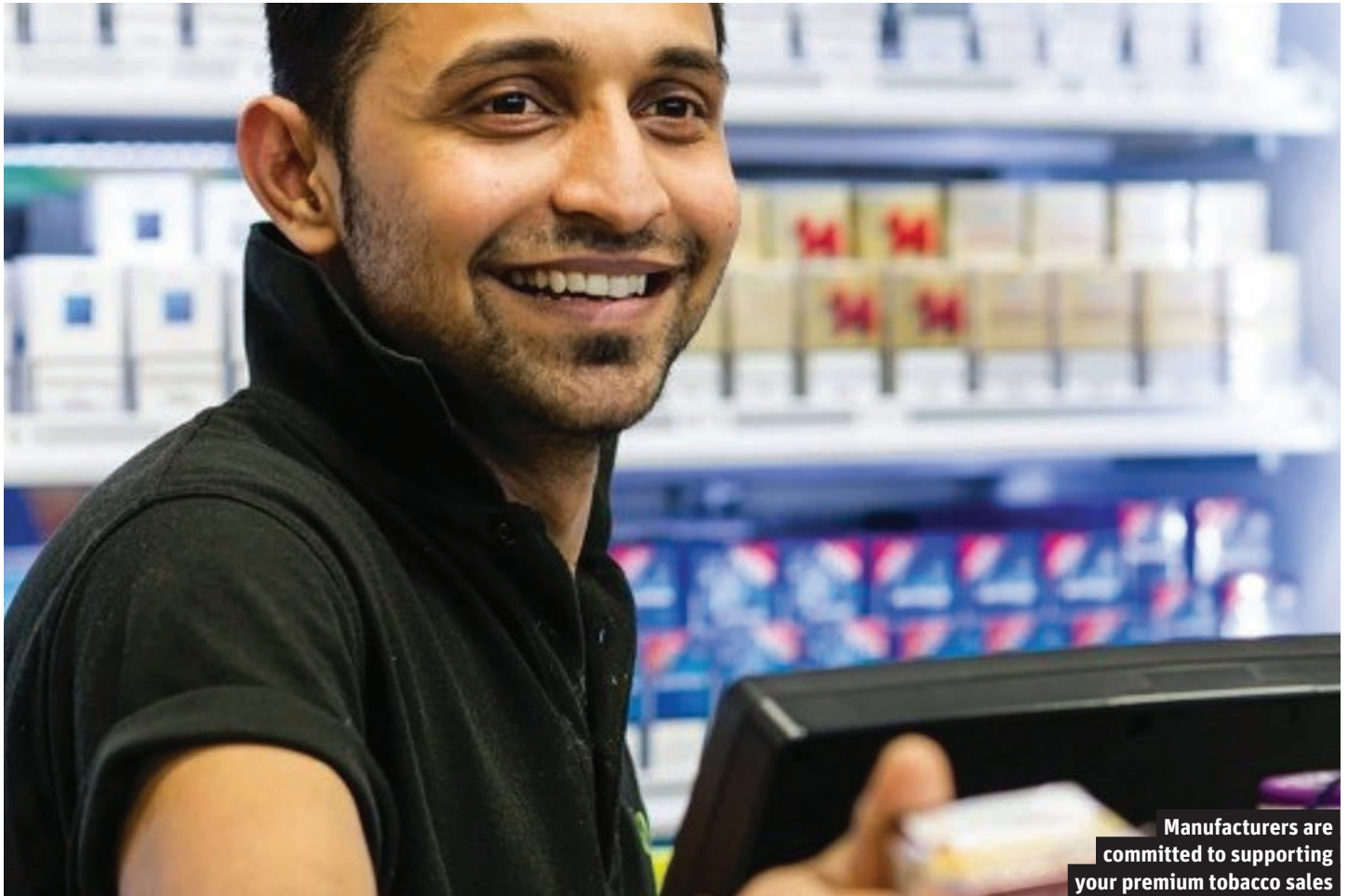
As the company's chief executive Dominic Taylor continues to tell RN that he's happy to deal with retailers only on an "individual basis" and belittles the 2,000-strong Facebook group for not being "a true representation... especially given that a lot of the retailers are not even from this country" this commitment is significant.

Deflecting criticism by telling retailers it is "their fault if they're unable to sell their products to customers", rather than engage with retailers en masse further suggests that PayPoint is feeling the heat.

For an industry in which retailers often feel their views are overlooked, whether on plain packaging or the newstrade monopoly, all of this reaction is no mean feat. It highlights how social media, the trade press and retailers' network of peers can all be used to show larger companies that they undervalue the independent sector at their peril.

Marcus agrees that this is an important moment for the industry: "I think that the campaign model that we've got now is one we can use again. Because we've managed to have this success with such a big PLC, chucking out three directors, I think we have the ability to take things forward and I would be quite happy to take up other campaigns on other retailer issues." ●

# PREMIUM TOBACCO



Resurrecting an army of sales reps, utilising customers' demand for natural products and making the most of the final months of branded packaging – tobacco manufacturers are doing everything they can to ensure their premium cigarettes remain in your gantries. **Nadia Alexandrou** reports

## Sales support guaranteed

**W**ith premium cigarettes now on the cusp of costing £10 per pack, and most consumers yet to feel the benefit of an improving economy, manufacturers need to do all they can to ensure that costlier products earn their place on retailers' gantries.

The challenge is made bigger by the temptation to rationalise tobacco ranges in the dark market. So, how have firms reacted?

Here, RN highlights the innovations, extra support and trends that suppliers are using to make their oldest and most valuable brands strong enough to survive the cut-throat modern cigarette market.

### Bringing premium to the mainstream

What's the best way to ensure that more consumers buy your premium brands? Create products that maintain the quality, but reach a keener price, is the deceptively simple answer. The manufacturers of premium brands Lambert & Butler and Benson & Hedges have both invested in lower-cost 'Blue' variants for this reason. JTI's Benson



#### New variants increase brands' appeal

& Hedges Blue range – launched last year – expanded in March with a lower-priced 18-pack, while Imperial Tobacco reported strong sales for Lambert & Butler Blue, which now commands a

market share of over 3%. "L&B Blue is entirely different from the more premium L&B Silver range and continues to offer retailers strong margins of over 6% making it a must-stock product," says Imperial

Tobacco's brand manager Madeleine Pearce. Imperial Tobacco says it will bring further value to the Lambert & Butler brand with the arrival of Lambert & Butler Superkings 10s from June (RRP £3.78) it says.







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TOBACCO  
UNITED KINGDOM

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# NEW BLEND 55

## IT'S ALL ABOUT THE TASTE

Great taste. Rich and rounded.  
Great pack. Premium look and feel.  
Great price £5.90 PMP.



LOUIS' LAWS: No 14

*It's by listening to our customers that we can see the way ahead.*

For tobacco trade use only – not to be left within sight of consumers.

# Smoking kills



# PREMIUM TOBACCO

## Opening up the capsule market

When capsules arrived in the UK market in 2011, manufacturers used premium brands to launch them, including Silk Cut (with Choice) and Lucky Strike (with Click & Roll). Since then manufacturers have added capsules to cigarette brands from across the value to premium spectrum, from BAT's Vogue Perle to JTI's Sterling Fresh Taste. Most recently, Imperial Tobacco announced it is launching a capsule variant to its Players range. Players Crushball, available in pricemarked packs of 18, will be rolled out from June. The boldest move so far, however, was BAT's decision to make all Pall Mall cigarettes capsules in 2013, a move that highlights just how major an effect innovations that start at the premium end of the market can have on the whole industry.



## Sales support

Ensuring that you and your staff understand the products you stock is vital in any category but the fact that tobacco manufacturers are increasing their teams of reps highlights how vital it is for the cigarettes market. While much of this is thanks to the increases in regulation it is also about their need for you to champion their biggest brands. While JTI and Imperial have a long tradition of investing in reps, Philip Morris' decision

to invest in a 200-strong sales force shows how important all sides view supporting retailers after the display ban. "For stores like mine, which have a very small customer base of premium cigarette smokers, sales reps - in particular Philip Morris' ones - have been essential to keeping me fully stocked and aware of what's going on in the market," says Bob Sykes, who runs Denmore Premier Foodstore in Denbighshire.



## Focus on brand heritage

Part of the appeal of premium brands - in any category - is that they allow consumers to buy into a lifestyle associated with them. It's no surprise, therefore, that tobacco manufacturers work hard to emphasise the heritage of their premium brands - none of which is younger than 50 years old. The centenary of Imperial Tobacco's Embassy brand last year, for example, commemorated events occurring around its launch including the beginning of the First World War, the launch of Henry Ford's Model T-Ford car and Charlie Chaplin's film debut. "As one of our most iconic brands, Embassy is, and continues to be, an intrinsic part of Imperial Tobacco's heritage," Imperial Tobacco's brand manager Rebecca Cottee says.



**Sales reps have been essential to keeping me fully stocked and aware of what's going on in the market**

## Additive Free

Convenience consumers care more than ever before about where their purchases come from and are willing to pay more for products which meet their discerning needs. It might be for this reason that 'additive free' tobaccos are gaining a foothold in the tobacco market. Key to the Natural American Spirit brand (now owned by Santa Fe), there are signs that other brands are getting in on the act too. British American Tobacco's Lucky Strike brand, as one example, has launched an additive-free variant internationally in markets includ-

The days of branded packaging may be nearing their end but for manufacturers, which have often traded heavily on the strength of their brands, this will mean the end of a long history of colourful, limited edition packs. Most recently JTI announced it was launching three limited edition pack designs for 20-packs of its Camel range this June and July. "Camel offers retailers the opportunity to make generous



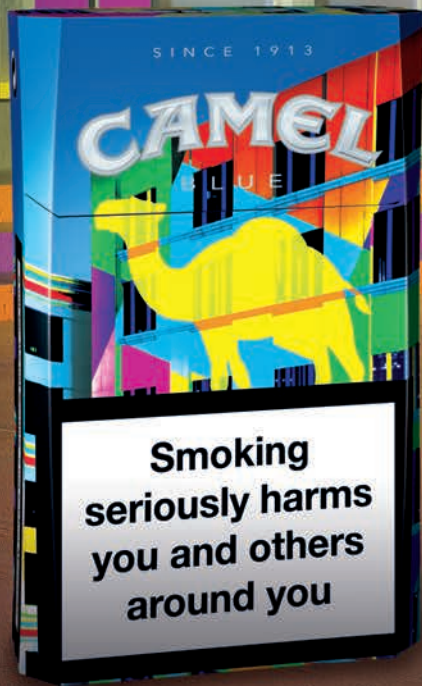
profit margins and with premium cigarettes accounting for almost 19.9% of the total market, these three limited edition Camel packs are a must stock for tobacco retailers," says JTI's head of communications Jeremy Blackburn. Philip Morris, meanwhile, made permanent changes to its iconic Marlboro packaging earlier in the year, using its new sales force to roll out the new simplified designs.



To find out more about how David Worsfold sells premium, go to [betterretailing.com/worsfoldonpremium](http://betterretailing.com/worsfoldonpremium)







**NEW LIMITED  
EDITION PACK  
WHILE STOCKS LAST**

**EVERY CAMEL  
TELLS A STORY**

**INSPIRING  
CREATIVITY** 



# SPECIAL DIETS

Offering choice and convenience to customers with dietary needs can transform them into some of your most loyal and valuable customers. **Tom Gockelen-Kozłowski** speaks to two retailers already reaping the rewards

## Be their local hero

**I**magine attracting customers to your store who knew that their needs were catered for only by you, for whom your range meant freedom and choice in a way other convenience stores could never achieve. This is the opportunity that specialist dietary foods provide retailers who embrace them.

"We get people travelling to our store from Leicester, Kidderminster and Northampton for these products alone," says Coventry-based Nisa retailer Pinda Cheema.

The store's range of meat-free Alterna'meats – including beef-style steaks and chicken-style wings – makes it the sole stockist in the area – a fact that any visitor to the company's website is informed of.

According to Pinda, the success of the soya-based products was as immediate as it was impressive. "Customers are picking up 10 to 15 boxes a time, so our initial delivery only lasted a few days. It means the average spend is around £40," he adds.

For Pinda, and retailers like him, the confidence that this instant performance gives means that he's happy to increase the range and reap the benefits of even greater basket spend.

The newly-refurbished Malcolm's Nisa Local he runs with his family stocks Warburtons' gluten-free Newburn Bakery range as well as Amy's Kitchen ready meals and even £1 gluten-free cakes from SOS Foods.

Another retailer who has seen his range of specialist foods grow is



### MAINSTREAM VS SPECIALIST

As the food industry reacts to the growth of gluten-free, lactose-free and other specialist diets, suppliers who have always catered for these diets are getting listed by wholesalers and supermarkets alike. Yet, at the same time, some of the biggest food brands on earth are launching products that also meet the needs of more customers. RN takes a look at brands that sit on the two sides of this divide.

#### Mainstream

**Philadelphia**  
Mondelez has brought cream cheese back on to the menu for lactose-intolerant customers with Philadelphia Lactose Free.

**Heinz** Bringing Italian flavours to those following a gluten-free diet, Heinz supplies penne, spaghetti and macaroni pastas with three accompanying sauces. Heinz Baked Beans, Tomato Ketchup and Tomato Soup are all naturally gluten-free too.



**Newburn Bakehouse** Warburtons has brought out a range of gluten-free and dairy-free products under the Newburn Bakehouse brand which includes seeded wraps, sourdough loaves and muffins.

**Nestlé** Cereal Partners launched Glu-



ten Free Corn Flakes under the Nestlé brand last November. The company recommends stocking it alongside its other major brands such as Cheerios and Shreddies.



**Walls** Unilever has brought its free-from ice cream brand, Glace, into the Walls portfolio. The soy-based range is suitable for gluten-free and lactose-free diets and comes in both raspberry and vanilla flavours.





**“**  
**We get people travelling to our store from Leicester, Kidderminster and Northampton for these products alone**

**Pinda Cheema shows off one of his most popular gluten-free products**

Bethnal Green Simply Fresh owner Mehmet Guzel. “We started with one bay of gluten-free foods but that led to customer requests for gluten-free and lactose-free products and we now have a reputation as a place to find these products.”

These customer requests, supplemented with advice from his two specialist wholesalers Marigold and Goodness, have meant that the growth of this part of his business has happened almost naturally. The one major development in his approach – mirrored by the Cheemas’ experience – is that gluten-free and lactose-free products are now stocked alongside their non-specialist alternatives, meaning customers do not feel restricted to only one area of the store.

The loyalty these customers show retailers who cater for them is twinned with an understanding that these products will come at a premium price. “Unfortunately, because of the way they are produced and the flours used, gluten-free products are often significantly more expensive,” says Mehmet.

This means higher value sales and, thanks to the volumes he sells, higher margins of 35% as a result of a discount from the wholesalers he works with.

With up to 500,000 Britons unaware that they are wheat intolerant and a great understanding of the needs of those with specialist dietary requirements, Pinda and Mehmet are unlikely to be the last retailers to discover the importance of this growing category.

## Specialist

**Alterna’m meats** Egg, fish and meat free, Halo Veg Co.’s Alterna’m meats range includes ‘bacon’ rashers, spicy ‘buffalo’ wings, ‘cod’ chunks, hot dogs and ‘chicken’ drumsticks. The company says it shows compassion and kindness to “all Mother Earth’s creations”.



**Amy’s Kitchen** The American vegetarian foods company makes everything from breakfast foods to Indian takeaways. Its large gluten-free range includes a rice crust cheese pizza, cheese enchiladas and a macaroni cheese.

**Doves** Baked in Wiltshire, Doves’ range of cakes and biscuits includes



flapjacks, cookies and digestive biscuits. The company also produces a range of gluten-free baking products such as flours and bicarbonate of soda plus breakfast cereals and pastas.

**Nairns** Gluten-free oatcakes, porridge and muesli are available from Nairns and are produced to ensure they are never contaminated by gluten in the journey from farm to store. The company’s story dates back to 1896.



**Lactofree** Think people with lactose intolerance aren’t able to enjoy yogurts, cream or butter? Lactofree produces a range of dairy products which do not contain the all-important natural sugar in cows’ milk, lactose. ●



# PREVIEW

**rn**  
RETAIL  
NEWSAGENT  
RECOMMENDS



## For younger fans of tea

PG Tips is introducing bolder colours and a larger logo to its tea range in a bid to attract younger shoppers to the brand.

**RRP** various

**Outers** various

**Contact** 01293 648 000



## Babybel back on TV

Mini Babybel has launched a TV ad starring new brand mascot 'The SuperCheese', on air until September.

**RRP** £1.99

**Outers** 6

**Contact** 01622 774844



## Britvic set for summer

Britvic is supporting 15 of its core soft drink lines with marketing under its latest Taste of Summer activity.

**RRP** various

**Outers** various

**Contact** 0845 755 0345



## Tangerine addition

Tangerine Confectionery has launched soft gum sweets under its Wham, Refreshers and Fruit Salad brands.

**RRP** £1 - £1.49

**Outers** not given

**Contact** 01253 603 613



## Sensitive approach

Procter & Gamble has launched Fairy Non Bio Pods targeted at consumers with sensitive skin.

**RRP** £4.50 - £12.49

**Outers** not given

**Contact** 0800 597 3388



## Super Green investment

Tetley is investing £1m in outdoor and print ads and sampling to support its Super Green Teas range.

**RRP** various

**Outers** various

**Contact** 0800 387227





### Colourful Camel

JTI has introduced a limited edition design on its Camel King Size 20s packs this month.

**RRP** not given

**Outers** not given

**Contact** 0800 163503



### Chelsea star onboard

Made in Chelsea celebrity Millie Mackintosh has been unveiled as the face of a new £1.5m campaign for J2O Spritz.

**RRP** £1.19

**Outers** 12

**Contact** 0845 755 0345



### Watch out for Puddles

Cadbury Dairy Milk Puddles is being backed with a TV ad campaign featuring new fluffy mascot, Duckie.

**RRP** £1

**Outers** 18

**Contact** 0870 191 7343



### Coming up Roses

Cadbury Roses is benefiting from a new pack design and the addition of an Almond Caramel flavoured chocolate.

**RRP** not given

**Outers** not given

**Contact** 0870 191 7343



### Butter wise up

Müller Wiseman Dairies has launched 250g butter blocks for the convenience sector.

**RRP** £1.49

**Outers** not given

**Contact** 01355 244261



### Red Bull's in the race

Red Bull is launching a limited edition Air Race design on its energy drink cans this month.

**RRP** £1.19

**Outers** 24

**Contact** 01344 418 396



# INDEPENDENT Achievers Academy



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PACKETS  
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RRP

STICKER  
ALBUM  
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RRP





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**A MOVIE  
EXCLUSIVE!**



**MINIONS**



## FHM

FHM has relaunched with a unique single compact size format, measuring similar to a tablet device, which readership surveys suggested was the preferred size. Retailers are asked to support the title by positioning it at the front of fixtures, with the top 2,000 independent stores being sent a shelf talker to promote the title. The first relaunched issue features The Only Way is Essex star Sam Faiers on the cover.



**On sale 4 June**  
**Frequency monthly**  
**Price £3.99**  
**Distributor Frontline**  
**Display with GQ, Men's Health**



## TAKE A BREAK

Frontline has sent out shelf talkers and posters to 17,000 independent stores to encourage them to promote best-selling women's weekly Take a Break. The title consistently sells more than 600,000 copies a week, generating an estimated £28.7m in sales revenue each year. Retailers using the PoS have the chance to win one of two cash prizes of £100, with about 1,200 stores to be visited by merchandisers.



**On sale 4 June**  
**Frequency weekly**  
**Price 90p**  
**Distributor Frontline**  
**Display with Closer, Hello!**



## WOMAN & HOME

The July issue of Woman & Home includes a special 'Best in Beauty 2015' feature, revealing 100 top products from only £5. Produced alongside House of Fraser, the guide covers make-up, skincare, bodycare and hair. Products have been chosen by a panel of experts, along with readers. The issue also includes a voucher and online code offering readers a 20% discount on fashion label Phase Eight.



**On sale 4 June**  
**Frequency monthly**  
**Price £4.10**  
**Distributor Marketforce**  
**Display with Good Housekeeping, Prima, Red**



## CYCLE SPORT

The summer edition of Cycle Sport is a complete guide to the 2015 Tour de France, with 164 pages of content dedicated to the world-renowned event. Taking readers behind the scenes in the build up to the biggest race of the season, the issue reveals key information on every stage, including maps and profiles, in addition to analysis of all the pre-race favourites vying for the yellow jersey.



**On sale 3 June**  
**Frequency monthly**  
**Price £4.95**  
**Distributor Marketforce**  
**Display with Cycling Weekly, Cycle Active**



## HEALTHY FOOD GUIDE

The June issue of Healthy Food Guide features the winners of the 2015 Healthy Food Guide Food and Drink awards, each of which were nominated by readers across six categories. Judged by an expert panel from the magazine, the third annual rewards received the most reader submissions so far. The issue also looks at a new diet said to reduce cholesterol as effectively as statins, without the side effects.



**On sale 2 June**  
**Frequency monthly**  
**Price £3.20**  
**Distributor Comag**  
**Display with Jamie, Delicious, BBC Good Food**

## Industry viewpoint

**Keith Foster**  
 Publishing director - Cycling, Time Inc



## GEAR UP FOR THE CYCLING SEASON

Interest in cycling peaks during the Tour de France and the summer months, making it a key selling period for cycling magazines.

Typically, the market for road cycling titles grows to £2.3m and this year we anticipate independents to benefit from a 106% sales boost during the cycling season.

Our series of specials offers readers comprehensive coverage, while also giving retailers the opportunity to drive high sales revenue from premium cover prices while interest peaks.

This year's Tour magazine, on sale now, comes with two gift options, both offering high value, and driving increased sales.

In 2014, independent retailers grew their sales of this title by 53.7%, taking an 11% share of sales, making them one of the fastest growing retail groups for Tour. While having the race visit the UK in 2014 undoubtedly contributed to this uplift, the long-term influence on interest in cycling generally and the race itself should not be underestimated.

Our special Tour de France edition of Cycle Sport hits the newsstand with a cover price of £4.95, followed closely by the Ultimate Tour de France Pack at £9.99.

During the race, fans want more up-to-date coverage and Cycling Weekly has a very strong unique selling point in that respect, being the only weekly news title in the market.

**Top tip**  
 Capitalise on likely impulse purchase potential. Make sure you display the magazines prominently with additional facings, or near the till point.

**NEW FROM TOPPS!**  
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 PACKETS 50p  
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# THIS WEEK IN MAGAZINES

## Partworks

Title No Pts £

### Amercom

Great British Locomotives 34 48 **8.99**

### Amermedia

Military Vehicles 38 48 **5.99**

### DeAgostini

Build the Millennium Falcon 22 100 **8.99**

Cake Decorating 168 180 **2.99**

Cake Decorating Relaunch 117 165 **2.99**

Dinosaurs & Friends 15 60 **5.99**

Official Star Wars Factfile 71 120 **2.99**

Something Sweet 73 90 **2.99**

### Eagle Moss

3D Create & Print 20 90 **6.99**

Batman Automobilia 64 80 **9.99**

DC Chess Collection 88 96 **8.99**

Disney Cakes & Sweets 91 120 **4.50**

Doctor Who 47 70 **7.99**

Knit & Stitch 125 176 **5.00**

Marvel Chess Collection 39 64 **8.99**

Marvel Fact Files 116 150 **2.99**

Military Watches 34 80 **9.99**

Star Trek Off. Starships Coll. 47 70 **9.99**

### Hachette

Art of Knitting 19 90 **2.99**

Art Therapy 11 100 **2.99**

Black Pearl 73 120 **5.99**

Build the Mallard 40 130 **7.99**

Build the U96 40 150 **5.99**

Classic Pocketwatches 73 80 **8.99**

Judge Dredd Mega Collection 10 80 **9.99**

Marvel's Mightiest Heroes 38 60 **9.99**

My 3D Globe 22 100 **5.99**

Your Model Railway Village 80 120 **8.99**

### RBA Collectables

Amazing Dinosaur Discovery 14 80 **5.99**

Precious Rocks, Gems & Minerals 19 100 **5.99**

Real Life Bugs & Insects 37 85 **5.99**

## Collectables

### Topps



**Disney Frozen Activity Cards**  
Starter **£4.99**  
Cards **£1.00**



**Merlin's Official Premier League 2015**  
Starter **£2.00**  
Cards **£0.50**



**Disney Frozen Fashion Pack**  
Packets **£1.00**



**Minions**  
Starter **£2.99**  
Stickers **£0.50**



**Hero Attax Marvel Avengers**  
Starter **£4.99**  
Cards **£1.00**



**Minions**  
Starter **£4.99**  
Cards **£1.00**



**Lego Chima**  
Starter **£2.99**  
Stickers **£0.50**



**Moshi Monsters Mash Up Party**  
Starter **£4.99**  
Cards **£1.00**



**Lego Friends**  
Starter **£2.99**  
Stickers **£0.50**



**Skylanders Trap Team**  
Starter **£4.99**  
Cards **£1.00**



**Match Attax 2014/2015**  
Starter **£2.99**  
Cards **£0.50**



**Star Wars Rebels**  
Starter **£2.99**  
Stickers **£0.50**



**Match Attax Extra**  
Starter **£3.99**  
Cards **£1.00**



**WWE Slam Attax Rivals**  
Starter **£4.99**  
Cards **£1.00**



**Match Attax SPL 2014/15**  
Starter **£4.99**  
Cards **£1.00**

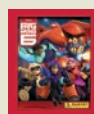
### Panini



**Avengers 2: Age of Ultron**  
Starter **£2.99**  
Stickers **£0.50**



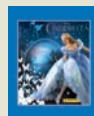
**Manchester United 2014-2015**  
Starter **£2.99**  
Stickers **£0.50**



**Big Hero 6**  
Starter **£2.99**  
Stickers **£0.50**



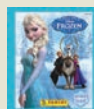
**Disney Princess Palace Pets**  
Starter **£2.99**  
Stickers **£0.50**



**Disney Cinderella**  
Starter **£2.99**  
Stickers **£0.50**



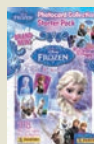
**Road to UEFA Euro 2016**  
Starter **£4.99**  
Stickers **£1.00**



**Disney Frozen Enchanted Moments**  
Starter **£2.99**  
Stickers **£0.50**



**Sofia the First**  
Starter **£2.99**  
Stickers **£0.50**



**Disney Frozen Photocards**  
Starter **£3.99**  
Cards **£1.50**



**UEFA Champions League Adrenalyn XL**  
Starter **£4.99**  
Cards **£1.00**



**Disney Frozen Winter Magic**  
Starter **£4.99**  
Cards **£0.75**



**UEFA Champions League**  
Starter **£2.99**  
Stickers **£0.50**



**Disney Planes**  
Starter **£2.99**  
Stickers **£0.50**



**2015 FIFA Women's World Cup**  
Album **£1.50**  
Stickers **£0.50**



**Liverpool FC 2015**  
Starter **£2.99**  
Stickers **£0.50**

## COMING UP IN NEXT WEEK'S RETAIL NEWSAGENT



# RN PAYS A VISIT TO MARCUS BERGIN'S TRADITIONAL CTN IN GLOUCESTER

Plus, the evolving international foods market as seen through just one popular dish, chicken curry, and industry expert Neville Rhodes on tobacco regulation



## Newspaper terms

## Daily newspapers Margins/pence

Sun	40p	9.28p
Mirror	60p	13.92p
Mirror (Scotland)	65p	15.08p
Daily Record	60p	13.20p
Daily Star	40p	9.68p
Daily Mail	60p	13.92p
Express	55p	13.31p
Express (Scotland)	50p	12.10p
Telegraph	£1.40	32.62p
Times	£1.20	28.20p
FT	£2.50	50p
Guardian	£1.80	41.40p
i	40p	10p
Independent	£1.40	31.08p
Racing Post	£2.20	53.35p
Herald	£1.30	29.90p
Scotsman	£1.30	29.25p

## Saturday newspapers Margins/pence

Sun	70p	14.98p
Mirror	90p	19.26p
Mirror (Scotland)	90p	19.26p
Daily Record	85p	18.70p
Daily Star	60p	14.52p
Daily Mail	90p	19.26p
Express	85p	18.19p
Express (Scotland)	80p	18p
Telegraph	£2.00	48.00p
Times	£1.50	35.25p
FT	£3.00	67.80p
Guardian	£2.70	62.10p
i Saturday	50p	12.5p
Independent	£1.80	42.48p
Racing Post	£2.50	58.125p
Herald	£1.70	39.10p
Scotsman	£1.70	38.25p

## Sunday newspapers Margins/pence

Sun	£1.00	21p
Sunday Mirror	£1.30	27.30p
People	£1.30	27.30p
Star Sunday	£1.00	22.10p
Sunday Sport	£1.00	24p
Mail On Sunday	£1.60	33.60p
Sunday Mail	£1.60	33.60p
Sunday Mail (Scotland)	£1.60	33.60p
Sunday Telegraph	£2.00	45.50p
Sunday Times	£2.50	52.50p
Observer	£2.90	72.50p
Independent on Sunday	£2.20	55p
Scotland on Sunday	£2.10	49.90p
Racing Post	£2.50	60.625p
Sunday Herald	£1.50	34.50p
Sunday Express	£1.40	29.68p
Sunday Post	£1.50	33.00p

## Daily newspapers Margins/percentage

Sun	40p	23.20%
Mirror	60p	23.20%
Mirror (Scotland)	65p	23.20%
Daily Record	60p	22.00%
Daily Star	40p	24.20%
Daily Mail	60p	23.20%
Express	55p	24.20%
Express (Scotland)	50p	24.20%
Telegraph	£1.40	23.30%
Times	£1.20	23.50%
FT	£2.50	20.00%
Guardian	£1.80	23.00%
i	40p	25.00%
Independent	£1.40	22.20%
Racing Post	£2.20	24.25%
Herald	£1.30	23.00%
Scotsman	£1.30	22.50%

## Saturday newspapers Margins/percentage

Sun	70p	21.40%
Mirror	90p	21.40%
Mirror (Scotland)	90p	21.40%
Daily Record	85p	22.00%
Daily Star	60p	24.20%
Daily Mail	90p	21.40%
Express	85p	21.40%
Express (Scotland)	80p	22.50%
Telegraph	£2.00	24.00%
Times	£1.50	23.50%
FT	£3.00	22.60%
Guardian	£2.70	23.00%
i Saturday	50p	25.00%
Independent	£1.20	23.60%
Racing Post	£2.50	23.25%
Herald	£1.70	23%
Scotsman	£1.70	22.50%

## Sunday newspapers Margins/percentage

Sun	£1.00	21.00%
Sunday Mirror	£1.30	21.00%
People	£1.30	21.00%
Star Sunday	£1.00	22.10%
Sunday Sport	£1.00	24.00%
Mail On Sunday	£1.60	21.00%
Sunday Mail	£1.60	21.00%
Sunday Mail (Scotland)	£1.60	21.00%
Sunday Telegraph	£2.00	22.75%
Sunday Times	£2.50	21.00%
Observer	£2.90	25.00%
Independent on Sunday	£2.20	25.00%
Scotland on Sunday	£2.10	23.00%
Racing Post	£2.50	24.25%
Sunday Herald	£1.50	23.00%
Sunday Express	£1.40	21.20%
Sunday Post	£1.50	22.00%

## Newspapers

## Scale of third-party advertising insert payments

Insert weight	Original scheme	Mail	Mirror	News UK	Express	Guardian	Telegraph	Independent
Cumulative?	no	yes	no	no	no	no	no	no
0-69g	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
70-100g	1.5p	2.5p	2.57p	2.7p	2.15p	2.75p	2.65p	2.49p
101-200g	2p	3p	3.36p	3.3p	2.75p	3.35p	3.30p	2.77p
201-300g	4p	5p	6.09p	5.5p	5p	5.75p	5.66p	5.32p
301-400g	5p	7p	7.43p	6.7p	6p	7p	6.38p	6.65p
401-500g	*	7.5p	*	*	*	*	*	*
Over 500g	*	8p	*	*	*	*	*	*

\* By negotiation

## Weight Watchers 30 - 31 May

	Total weight	Supplements weight	Ad inserts weight	Number of Inserts	Heaviest ad insert
Telegraph	1,455g	1,095g	135g	5	70g
Guardian	935g	255g	230g	3	120g
Times	785g	430g	105g	5	70g
Mail on Sunday	755g	315g	85g	5	35g
Sunday Telegraph	700g	420g	30g	3	20g
Sunday Times	665g	280g	50g	2	30g
Mail	650g	205g	160g	5	70g
Observer	540g	100g	0g	0	0g

## Insertion payment guide

Per copy sold Guardian Newspapers =2p. News UK =2p. Associated Newspapers =2p. Express Newspapers =2p. Telegraph Group =2p.  
Per copy supplied Independent News & Media =2p. Financial Times =2p. Mirror Group Newspapers =2p



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## Back in the day

**100**  
YEARS AGO

5 May 1915

Street traders have been “in the wars” lately. There were prosecutions at Stoke and Walsall of boys under age selling newspapers on Sunday, and at Blackpool for the employment of an unlicensed boy as a street trader.



**50**  
YEARS AGO

5 May 1965

Lyme Regis Recreations Committee has recommended acceptance of the Dorset Evening Echo's application for permission to employ a pensioner to sell evening newspapers on the Marine Parade and on the beach during the summer.



**25**  
YEARS AGO

5 May 1990

A major reassessment of how the newtrade is run was called for this week by Terry Mansfield, chief executive of The National Magazine Company. He said: “The relationship between retailers, publishers and wholesalers is not as close as I'd like to see.”

NATIONAL  
MAGAZINE  
COMPANY

## Reassuringly expensive

The majority of retailers we speak to at RN ensure that they offer their customers reasonable and fair prices on goods.

But one shopper in London has potentially been given the wrong impression about independent stores, after being charged £223,000 for six bottles of beer from his local off licence.

The man had decided to treat himself to some craft beers from Kris Wines in Islington over the bank holiday.

However, when he went to tap in his PIN code to pay for them, he feared he might have accidentally stepped into Harrods. The unnamed shopper told The Daily Telegraph: “I wasn't really

paying attention but I glanced down and saw the first two numbers. They looked fine so

I tapped in my PIN. As soon as it was declined the shop assistant and I realised what had happened. We just laughed.”

Fortunately, the shopper did not have enough money in his account to pay the extortionate amount and the transaction was declined. But he added: “I will definitely pay more attention when I pay by card from now on.”

A manager at Kris Wines believed the error had been caused by the customer entering his PIN in too quickly, which added extra digits onto the actual price of the beers at £22.30.



## Water way to raise charity cash

Regular readers of Extra Extra! will be aware of our thoughts on the wealth of trendy pop-up ventures springing up recently, mostly located on the hipster-friendly streets of east London.

So when we got word of a new pop-up venture opening in Shoreditch that would only serve its customers tap water, we were already sharpening our knives.

But, as it turns out, the recently opened H2Only Bar

actually has a serious message behind its ridiculous premise.

The bar has been set up by the Royal National Lifeboat Institution in order to raise awareness and funds for the organisation.

Visitors will only be served a single cup of tap water and will be invited to take part in the RNLI's 10 day H2Only challenge.

For once, this is one pop-up scheme we would endorse.



## AROUND WITH THE ROUNDSMAN with Blanche Fairbrother



I didn't deliver any of my daily i or the Independent on Wednesday 27 May because they weren't here in time.

All my other papers were here and I was ready to start my round, so off I went without them.

I told the folks who usually have the paper why they hadn't got them and they didn't seem too bothered, but don't you think it's a tad odd there are never any problems over the bank holiday weekend?

It's been the annual Staffordshire County Show this week, so all the farmers from miles around have gathered for their yearly get-together. The latest machinery has been on show for them all to see.

One of my customers, Mr Billington from Adbaston, who has been a member of the Staffordshire Agricultural Society for more than 60 years, was presented with two special brandy glasses in recognition of his dedicated services – a very proud moment for his family to witness.

Thursday 28 May was a very special day. I was at Doley when I actually heard a cuckoo calling out.

Some people say they haven't heard one for years as these birds are becoming so rare, which means I am quite privileged to have been able to stand for a few minutes and listen to something that is rarely heard at all.

There are three wild ducks, which have come to realise that if they arrive in my garden very early in the mornings, there is a pretty good chance that some food will appear by courtesy of the lady who lives there.

They've got me so well trained they get fed before I sort the papers – how clever is that?

I would like to wish Doug and his wife a long and happy retirement, I'm sure he will be greatly missed by all his customers.

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