



Special points of interest:

- ACC Help
- Tips for riding out the Recession
- IRD Tool for business

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Its in the bag!

Green no longer means just a colour, but a concept as well. Being 'green' in the way we do everyday tasks means being aware of the impact on the environment of everything we do. Although our country is small and recycling is still in its infancy, there is an area where we can all help to save our planet, this is in the use of plastic grocery bags.

According to research, over 10 billion plastic bags are given out in England every year to carry home groceries. These bags, a by-product of crude oil, are usually only used for about 20 minutes before being thrown into the garbage. From there, it can take 1,000 years for the bags to decompose on land, and even 450 in water. That means that if Christopher Columbus had stored his groceries in plastic bags, they would still be washing up on our beaches today.

It's so simple to take your shopping bag with you when you go to the neighbourhood grocery or supermarket, and to refuse the use of a bag entirely if it's only for your takeout lunch or for one or two items.

These articles and many more have been widely circulated over the last couple of years, and have helped to change some customer's habits in the use of reusable bags. Years ago we thought we had it sussed when we switched to bio-degradable bags as going back to paper bags was too expensive. Later, if a customer only had a few items we started asking if they would still like a bag which helped to reduce usage by 10%. A few months ago The Warehouse started to charge for plastic bags and we all thought now that's a brave move.

Very soon we are going to start charging 5 cents for a bag, my first thought was "oh no the little old ladies who use the bags for their rubbish bins are not going to like it and they and other customers will crucify my Checkout Staff". I had a friend who spent two years in the U.K say some chains are already doing it over there and it's no problem, most people now use re-usable bags. Public opinion is changing and I am positive that the move will reflect well on my Supermarket. I think most people will admire Supermarkets making the decision to charge as long as the money is used to help the environment.

I believe that over the next few months you will see an increase in the use of re-usable bags, re-view your security with this, and ensure your Checkout has the correct system for mode of sale to ensure reusable bags are put up on the checkout for the goods to be scanned. Be aware that rubbish bag bin liner sales may go up – I drove around Inglewood the other day, it was rubbish day and the number of supermarket bags with the recyclable products in lining the street was unbelievable. Talk to your checkout staff, brief them on how they can answer questions, but most of all be positive, like the abolition of the 5 cent coin it is just another change.

Ross Jordan

Nargon Board Member

Supplier Awards Update

We have secured the civic stage in Auckland through our caterer Austin's food designs as the venue for the supplier awards.

As the photo shows this is an exciting venue . Don't miss out on being there!

Supplier nominations close at the end of July

so if you have not nominated your company yet do so NOW!

Nomination forms are available for download off our website at www.nargon.co.nz



Retail HOT SPOT Focus

There are still many stores who do not have employment agreements for their staff. Those that do may not have agreements for all staff.

There have been many cases lost by the employer simply because they had no employment agreement in place.

Do all of your staff have an employment agreement?

Does the person who stocks your coke fridge have an Employment Agreement? If they are working for you they should do!

Note:

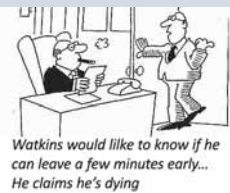
NARGON Supplies employment agreements free of charge to its members. You can ring the office on 471 1338 or download them from www.nargon.co.nz

Identify energy and cost saving opportunities

Funding for business energy audits >>

"energy is one large variable cost that can be easily managed"

Government says it remains committed to dropping personal and business tax rates in the future



"managing illness and injury in the workplace can be challenging"

Little change in retail statistics

Figures from Statistics New Zealand show that seasonally adjusted total retail sales rose just 0.5 percent (\$27 million) in April 2009. Motor vehicle retailing contributed two-thirds of this month's increase. 21 of the retail industries measured showed increases or decreases of less than \$7 million, including

supermarket and grocery retailing which had a small increase.

Food prices increased 0.3 percent in the May 2009 month with the most significant increase coming from the grocery food subgroup (up 1.0 percent). This growth was driven

by higher prices for bread (up 2.6 percent) and cakes and biscuits (up 2.9 percent). These increases were partly offset by lower prices for yoghurt (down 5.7 percent). For the year to May 2009, food prices rose 6.8 percent with all five subgroups recording increases.

Saving power equals saving money

With steadily rising energy prices and the arrival of cold weather, most stores will be noticing a marked increase in their power bills. The Energy Efficiency and Conversation Authority (EECA) has launched a new website targeted at small and medium

businesses. EECA Business says "successful businesses are always looking for ways to reduce operating costs and energy is one large variable cost that can be easily managed and reduced." The site contains a range of no-cost and low-cost

tips and resources to help NARGON members save money on power. The website address is: www.eecabusiness.govt.nz/how-to-be-energy-efficient/small-and-medium-businesses

ACC can help in managing illness and injury in the workplace

ACC has advised NARGON of a range of free services available to help businesses around New Zealand. They note that "managing illness and injury in the workplace can be challenging, often there is no consistent structure in place. Research has shown that annual disability costs can range from 8 to 15% of a company's payroll. ACC's Employer Injury Management Team has the expertise to help employers of any size develop a system to

assist with effective absence management. Here are some of the things we help with:

Improving Recruitment outcomes

- getting the correct job fit and identifying the demands of jobs

Return to Work Policy

- development and delivery

Occupational risk management and managing a return to work plan.

Using ACC-funded initiatives or providers early

- Develop capability and confidence to manage staff back to work beginning on day one
- Easy to use templates for informed consent, return to work plans, communication with providers and ACC
- Establishing a practical system that is tailored to suit organisational requirements."

To contact a consultant email returntowork@acc.co.nz.

Budget 2009 – What it means for the sector

In May, Finance Minister Bill English delivered Budget 2009 which, as expected, was tough but relatively fair given the harsh global economic climate. A great deal of commentary focussed on the postponement of the promised personal tax cuts but the Government says it remains committed to dropping personal and business tax rates in the future. A working group has been appointed to look into tax issues. On a more positive note for business, there will be a Regulatory Responsibility Taskforce to reduce red tape and further reviews of the Resource Management Act and the Building Act to streamline proc-

Retail Quiz (2)

All NARGON members should know the answer to these three questions: (answers on page 4)

1. How much does it cost to use ACC's Employer Injury Management Team?
2. Who is the Minister of Revenue?
3. What does EECA stand for?

Political comment – United Future

The Leader of United Future and the Minister of Revenue, Hon Peter Dunne, sets out his thoughts on the big issues affecting our sector:

"The retail grocery sector is one of the most exposed in our economy. From the cool winds of economic change, to the public safety issues faced by smaller retailers, or the calls to regulate more strongly the sales of certain items, your sector is in the front line.

Many of these reactions serve no purpose and are just an undue cost burden on small retailers which they have no option but to pass on to customers. The current public health campaign to ban all displays of tobacco products is a case in point. Nobody seriously argues that smoking is not a health risk, and that some restriction on the sale of tobacco is appropriate, but where should the line be drawn?

For many retailers, tobacco sales contribute significantly to overall profitability, so requiring them to be on a literally under-the-counter basis will impact on this for a questionable impact on smoking levels. There are surely more effective ways of curbing smoking than this.

Alcohol is another vexed issue. There is no doubt that "off licence" sales have grown sharply, and that loss-leading is a widespread practice. But, again, where should the line be drawn? Since alcohol is legal to sell, is it reasonable to restrict the way retailers market it? Is that the real issue, anyway, or is the more fundamental problem the hours at which alcohol can be sold "off licence"? There is an argument that the supply of cheap alcohol after the closure of licensed premises is a more serious matter, and that therefore, maybe, some prohibition on the sale of alcohol

beyond a certain time in the evening is the answer.

And then there is the issue of the purchase age and its enforcement. Would a mandatory proof of age requirement for both alcohol and tobacco, using a standard identifier, make a difference?

All these issues are on the table at present. My view is simple: retailers are required to uphold the law and should be penalised when they fail to do so. But, the law also has to be workable and credible, not just something with a "feel good" flavour to it. At the coalface, you know what will work and what will not. As the debate unfolds over the next year, I encourage you to make your views known to Parliament, so that the law that emerges has a chance of being workable and is not just another cost imposition on your already exposed sector."



"There is an argument that the supply of cheap alcohol after the closure of licensed premises is a more serious matter"

Tips for riding out the recession

Accounting and business advisory firm Grant Thornton has developed a list of tips for retail survival in these hard times. The "Gloom Buster" kit includes straightforward advice such as cutting down on expenses and monitoring cash flow as well as more adventurous suggestions. They suggest that moving to internet or mail-order offers can

help or even increase market share. The current economic climate may also make it easier for stores to favorably renegotiate major contracts or push for a potential rent holiday or rent reduction. The full list is available at: www.grantthornton.co.nz/Press/not-all-doom-and-gloom-for-retailers.html

The tool for business

The IRD has recently launched "The Tool for Business" to provide businesses with better access to tax information. They have advised NARGON that "everything you need to know about tax is gathered together in one convenient place. You can be more confident that you're meeting your obligations and not missing out on your entitlements.

There are links to business services provided by other government agencies. Information is presented in a variety of interesting formats, including templates, worksheets, and electronic calculators. There are FAQs based on real questions received at Inland Revenue call centres. You'll find it at : www.ird.govt.nz – the link is on the homepage."

The "Gloom Buster" kit includes straightforward advice such as cutting down on expenses and monitoring cash flow

On a lighter note

As more beers struggle for space on store shelves, some brewers in America are making sure their brews stand out with some incredible names:

Moose Drool Brown Ale (from Big Sky Brewery – "we make water fun")

Nodding Head's Monkey Knife Fight Lager ("everybody loves a monkey")

McQuire's I'll Have What The Gentleman On The Floor Is Having Barley Wine
(hardly surprising at 12% alcohol)



Wasatch Polygam Porter ("Why stop at one?")

Buffalo Bill's Alimony Ale ("the bitterest beer in America" – ouch.)



Visit the NARGON Website for the latest news and information
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Store Spotlight - Waipukurau New World.

This issue the NARGON News talked to Trevor and Debbie Walters from Waipukurau New World.

How long have you been in the supermarket and grocery industry?

Trevor has been in the industry for 33 years and we have been owner operators for ten.

What is your favourite drink?

Trevor – Speight's, **Debbie** – glass of nice Marlborough Sav.

How many staff at your store?

Seventy.

What's your least favourite aspect?

Seven day trading - it is hard to accommodate people and give quality time off for young families.

Tell us one thing your staff may not know about you?

They might not know that **Trevor** likes to write songs and send them to famous musicians.

What part of the industry do you love the most?

Interacting with a different range of people – customers, reps and staff.

If you were banished to one section of your store, which one would it be?

Debbie - bakery, **Trevor** – definitely the beer aisle!

Contributions welcome

NARGON members are welcome to contribute articles, opinion pieces and letters to the NARGON News. We are also always looking for volunteers for our Profile section.

Visit *Nargon News* at
www.nargon.co.nz to fill out the Store
Spotlight questions so your store can
be featured in this section

Answers from page 2

1. Nothing. The service is free
2. Hon Peter Dunne.
3. Energy Efficiency and Conservation Authority.