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## SGF ANNUAL CONFERENCE 2022 TAKES PLACE DURING A CHALLENGING TIME FOR RETAILERS



SGF's annual conference returned to Glasgow this year with the overall theme being 'The Future is Now!'. The event hosted industry experts across both days covering issues such as what lies ahead for the convenience sector, the outlook for tobacco and nicotine in Scotland, and how data and technology can help develop businesses in the sector. A conference first, the event had both UK and Scottish Government Ministerial representation.

This year's conference, however, was held amid worrying findings from SGF's survey on energy prices which brings into focus retailer fears on escalating costs. With many businesses struggling to cope with rising energy bills and calling in question their immediate business survival. On top of many other key issues affecting the sector, such as

rising inflation and interest rates, cost of living, supply chain issues and a mountain of regulatory changes.

SGF Chief Executive Dr Pete Cheema OBE said: "Clearly, our sector is more relevant than ever as Scottish convenience store numbers continue to rise. The crucial strength of our sector is that we stimulate economic growth and build resilience into the communities which we serve.

"This year's sold-out conference was very well attended with representation across the board, and engagement from retailers in key issues affecting our sector is at an all-time high. There are very real threats that continue to progress, however, and it is more clear than ever that governments, both north and south of the border must do more to address these serious problems, and quickly."

## FLAGSHIP REPORT UNDERLINES THE ESSENTIAL ROLE OF LOCAL CONVENIENCE STORES FOR COMMUNITIES

SGF has published its annual spotlight on the retail market in Scotland, providing the most comprehensive overview available on one of the countries key sectors. The Scottish Local Shop Report 2022 breaks down the substantial contribution of the convenience retail sector to the Scottish Economy and highlights the lifeline services many local shops provide for their communities across Scotland.

The latest figures show an increase in the number of convenience stores over the past year, up 61, to 5098 in 2022. Accounting for a total of 49,000 jobs across Scotland - signalling a rise of 16.7% over the same period.

Dr Pete Cheema OBE, CEO of the

Scottish Grocers' Federation, said: "The contribution of convenience stores and retail over the past few years cannot be overstated.

"Despite very difficult and challenging circumstances for many in convenience retail, staff and local shop owners across Scotland have continued to play an absolutely essential role in both the Scottish Economy and for people in their communities.

"The information gathered in the report clearly make the case for targeted support from government, for our industry. So that we can continue to deliver for our local economies and communities."



**The Scottish Local Shop Report 2022**

A report by the Association of Convenience Stores and the Scottish Grocers Federation

ACS the voice of local shops SGF

Download a copy of the report at:  
[www.sgfscot.co.uk/publications/sgf-scottish-local-shop-report-2022](http://www.sgfscot.co.uk/publications/sgf-scottish-local-shop-report-2022)

# ENERGY COSTS TOP CONCERN FOR RETAILERS IN SGF SURVEY



Many businesses are struggling to cope with the mountain of issues affecting both convenience retail and the sector as a whole. Over the course of four weeks in October and November, SGF ran a short two-minute survey to assess the impact on our members.

At the time of writing, energy costs were the number one concern for members. With almost 50% of respondents noting it as their biggest worry. Results showed that 98% of those who completed the survey were concerned or very concerned. However, our findings also show that retailers are experiencing a wide spectrum of issues that it could put their business at risk.

The issues SGF highlighted in the survey include Cost of Living, Legislative Burden, Interest Rates, Inflation, Energy Prices, Supply Chain issues, Retail Crime and Uncertainty in government & business.

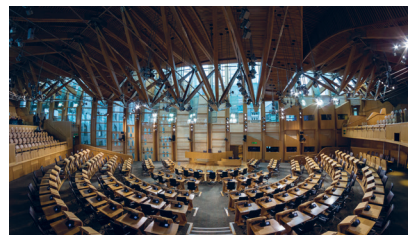
The information gathered is vital to help SGF convince and provide evidence to government ministers, and to aid us in making the case that more need to be done to support retailers.

## SCOTTISH GOVERNMENT ANNOUNCE FURTHER REDUCTIONS IN EMERGENCY BUDGET REVIEW

The Scottish Government has published an additional £615m of cuts to the 2022/23 budget, on top of the £560m which were announced in September. Inflationary pressures mean that Scotland's annual budget is now worth £1.7 billion less than when it was published last December.

The Scottish Government has also committed to consider all options to ensure that online takeback obligations under DRS are applied in a proportionate way, and to engage with stakeholders on legislative proposals to restrict the promotion of less healthy food & drink.

The range of reductions include a number of cuts to economic spending. Such as a £1.8m reduction in grant expenditure and demand led funding



and a £1.5m reduction to the Tourism Recovery Programme. Around £180 million of capital and Financial Transaction to support wider financial management, taking account of the market outlook for demand-led investment, global supply chain issues and construction capacity have also been cut.

Other reductions include a £10m re-profiling of expenditure in City Deals programme into future financial years

and £4m of expenditure within South of Scotland Enterprise on loans/equity investment in business.

Plan are, however, to double the energy efficiency cashback element of the Loan & Cash Back Scheme to £20,000; protect the Small Business Bonus Scheme; and establish a Joint Taskforce with COSLA, local authorities, regulatory agencies and business to consider the differing impacts of regulation on business.

Find the Deputy First Minister's statement at: [www.gov.scot/publications/emergency-budget-review-ministerial-statement/](http://www.gov.scot/publications/emergency-budget-review-ministerial-statement/)

Read the full Emergency Budget Review 2022-23 at: [www.gov.scot/publications/emergency-budget-review-2022-23/](http://www.gov.scot/publications/emergency-budget-review-2022-23/)



# THOMPSON'S POURING THE PERFECT CUPPA

In 1896, from a tea warehouse near Belfast docks, founder Robert S Thompson, trained in the art of tea tasting and soon became known for his uncompromising devotion to quality.

Today, Thompson's Tea, who make Northern Ireland's favourite tea, Punjana, have been blending and packing their award-winning range in Belfast for over 125 years.

As fourth generation Thompsons, they share a rare passion for quality and take great pleasure in selecting teas from only the very finest gardens in Assam, Kenya and beyond. These tea leaves, which are highly prized and command a greater price are the ones selected for the Thompson's blends. It takes a certain amount of courage to choose what is best over what is most profitable, but they simply can't be persuaded to do it any other way.

Joint Managing Director Ross Thompson comments, 'For generations of Thompsons, tea has been our obsession. We care about every single pack of tea that we produce and select teas only from growers who share our passion for making something special. These teas are grown in exotic climates, far from home, but our frequent visits to tea gardens in Kenya and Assam have helped us forge trusting relationships with growers, based on our mutual love of great tea. We choose to pay more to secure the best growth, picked during peak quality periods when sunshine and rainfall are in perfect balance'.

This commitment to better quality has been recognised by the judges from the much-respected Guild of Fine Foods once again at this year's Great Taste Awards, taking the Thompson's tally to over 130 Stars since first submitting their teas a decade ago.

Their considerable success in the prestigious Great Taste Awards is undoubtedly due to their obsessive love of quality and the fact that they personally taste-test each and every blend they produce. This is their personal assurance that the tea inside every pack they ever produce will be the same award-winning taste and flavour that tea lovers in Northern Ireland, Scotland and England have been enjoying since 1896.

## CONTACT INFO

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***“It takes a certain amount of courage to choose what is best over what is most profitable”***





# SGF Annual Conference 2022



This year SGF held its annual conference at the Crowne Plaza, Glasgow with overall theme being 'The Future is Now!', covering issues such as what lies ahead for the convenience sector, the outlook for tobacco and nicotine in Scotland, and how data and technology can help develop businesses in the sector. The event was sold out.

Conference dinner saw former SGF President Dan Brown transfer the role to our new President Craig Brown, who welcomed everyone present and highlighted that SGF was in a unique position to bring the industry together and that the SGF was continually growing and moving forward. Those at the conference dinner also enjoyed a drinks reception which had been generously provided, courtesy of Flavoury who supplied the beer bar, an Edinburgh Gin bar sponsored by Ian MacLeod Distillers and a welcome drink provided by City of Glasgow. Thanks also to JTI for sponsoring the Thursday business session and JUUL for sponsoring the

Platinum & Gold Members Dinner on Wednesday.

Dinner guests later took in entertainment from comedian Ray Bradshaw. There was also a charity raffle draw in aid of the SGF Benevolent Fund to which dinner guests donated generously. Camelot also organised a Lotto Prize Draw on the evening and SGF would like to thank all those companies who provided prizes.

A conference first, the event also hosted both UK and Scottish Government Ministerial representation with Lord Offord of Garvald, Parliamentary Under Secretary of State at the Scotland Office addressing delegates (via live video link) on day one and Tom Arthur MSP, Minister for Public Finance, Planning and Community Wealth at the Scottish Government providing the keynote address on day two. Conference also featured a trade exhibition and highly innovative breakout sessions.





## BREAKOUT SESSIONS

- Amberstone Security Ltd
- Camelot
- JUUL
- PayPoint
- TOMRA

## EXHIBITORS

- AG Barr
- Aldomak Ltd
- Argo's Bakery Ltd
- Bobby's Foods
- Bon Accord Soft Drinks
- Buchanan Distribution Limited/  
Nudie Snacks
- Calbee
- Camelot
- Coca Cola
- Cold Town Beer
- Courageous Spirits
- Envipco
- Gander
- GIG Grafter
- Golden Casket
- GroceryAid
- Harviestoun Brewery
- Hebridean Food Group
- Henderson Technology
- Healthy Living Programme
- Invest NI
- Isle of Skye Distillers
- James Rizza & Sons Ltd
- JTI
- Juul
- Mackays Ltd
- Macsween Of Edinburgh
- Mhouse Solutions
- Modern Standard Coffee
- Motor Fuel Group
- MRS UNIS SPICY FOODS LTD
- Peter Equi & sons ltd
- Red Bull
- RVM Systems
- Sielaff UK Ltd
- Snappy Shopper
- Stockan's Oatcakes Ltd
- Swarna Spice t/a Praveen  
Kumar
- Tayto
- Tennents
- Tilly Confectionery Ltd
- Toll House Spirits Ltd
- Tomra
- Two Birds Drinks
- VaporinQ
- Vertegrow
- Vertex

# CLARKE MILLAR ARE ADDING VALUE TO THE FLAVOURED MILK CATEGORY IN SCOTLAND



**clarke millar**



Clarke Millar began in the food business over 30 years ago working in the family bakery alongside his brother Robert and his father Hazlett. The bakery manufactured sausage rolls and pies under their own brand and private label goods. Clarke then moved into sales and eventually moved up the ladder to Commercial Director where he worked with some of the leading supermarkets and convenience stores in the United Kingdom and Republic of Ireland.

In 2013 Clarke branched out on his own as founder and CEO of Clarke Millar Foods.

Today Clarke Millar are an established business operating from a purpose-built BRC 'AA' graded factory in Dunmurry, Belfast. Clarke Millar's mission is to provide great choice, service and value for money to ensure the highest levels of customer satisfaction. Specialists in the production and supply of convenient chilled foods and ambient drinks to the retail, wholesale and food service sectors across Ireland and the UK.

In April 2021 Clarke Millar launched Millar Moo, their flavoured milk brand with SPAR Scotland. 3 variants of Millar Moo; Strawberry, Chocolate and Banana variants are available in SPAR company owned and independent stores across Scotland. Millar Moo has a total of 5 variants within the range.

Feedback received from retailers at the recent SPAR tradeshow in Aviemore was very positive with all flavours of Millar Moo cited as being popular with customers and are selling well, particularly when on offer! Off the back of this success Clarke Millar are now looking to expand the footprint for Millar Moo further across Scotland.

Millar Moo has several competitive advantages over other



brands within the category.

Firstly, Millar Moo is packaged in 500ml glass bottles which are 100% recyclable providing consumers with a premium and more sustainable option making them ideal for take home or on the move.

Secondly, Millar Moo is an innovative brand introducing new flavours to market, an important consideration for consumers looking for new flavours to trial. In January 2022 Clarke Millar launched Salted Caramel NPD after running a 'choose your new flavour' online

poll with a key customer, and in early 2023 Clarke Millar are launching new Cookies & Cream, a much anticipated flavour.

Thirdly, Millar Moo provides consumers with a lighter-styled, healthier flavoured milk option. Millar Moo is fat and gluten free, is lower in sugar and calories, and naturally high in protein.

Lastly, Clarke Millar have developed a fun and engaging brand and regularly activate the brand via their social media channels. The brand has a dedicated social media team who run regular activation across Clarke Millar's channels, with the option available to run dedicated campaigns with new customers to support a launch.

For more information on Clarke Millar please get in touch with Mark Hermsen, Commercial Director on 07591 833543 or by email [mark@clarkemillar.com](mailto:mark@clarkemillar.com). Follow us on Facebook, Tik Tok and Instagram



# NEW PRIME MINISTER APPOINTS LATEST MINISTERIAL TEAM

In October 2022, the new Prime Minister Rishi Sunak appointed his latest Cabinet, making significant changes to ministerial teams across several departments, on top of the changes made by former Prime Minister Liz Truss. Key appointments affecting the retail sector in Scotland include:

- The Rt Hon Jeremy Hunt MP as Chancellor of the Exchequer
- The Rt Hon Alister Jack MP has been re-appointed as Secretary of State for Scotland
- The Rt Hon Grant Shapps MP as Secretary of State for Business, Energy and Industrial Strategy



[news/ministerial-appointments-25-october-2022](https://www.gov.uk/government/news/ministerial-appointments-25-october-2022)

Meanwhile, you can find guidance on the breakdown of UK Government departments and ministerial responsibilities here: <https://www.gov.uk/government/publications/government-ministers-and-responsibilities>

The full list of ministerial appointments to Rishi Sunak's new government can be viewed at: <https://www.gov.uk/government/>



## NOTES FROM THE PRESIDENT

JUST over a month ago, we gathered in Glasgow for the annual SGF Conference. I got so much out of the event, not least the opportunity to see many people face to face for the first time in a couple of years.



people to take away just one thing from the conference to act upon & to be bold and decisive. That could be something from a presentation, from one of the excellent breakout sessions – or something you discussed with colleagues in the bar or over dinner.

I left feeling hugely uplifted and motivated by the experience and my thanks again to our speakers who delivered presentations that were both inspiring and relevant to the many issues and challenges we are currently facing within our businesses and on a personal level too as the cost of living spirals.

Often, the best ideas don't cost money – and it's good to get your staff involved too. Ask them for ideas. They live in your community, they know your customers well and have their finger on the pulse when it comes to all things local.

Since my official appointment as president, there have been two prime ministers – Liz Truss was in post at the time of our conference in October and Rishi Sunak is the present incumbent. For how long? No-one can predict that but the whole situation reminds me of something the SGF has in buckets: longevity & stability.

Meanwhile, the cost-of-living crisis may be dominating the headlines but there are many important issues that you shouldn't put on the back burner despite all the other distractions. The deposit return scheme is one of them and, like it or, it's coming although there's huge pressure on the Scottish Government just now to pause it.

That's an important and powerful message to send out at a time of uncertainty. The SGF is here to support Scotland's independent retailers in the same way that your stores are there to support your local communities.

It has published new guidance to simplify the process for retailers who are applying to be exempt from the scheme, which goes live on August 16 next year and while that is to be welcomed, there remain many questions to be answered. So, I would urge all retailers to get up to speed on the legislation and ask the SGF for advice, before you make any decision to opt out, be sure of your decision as this may have a detrimental effect on your footfall – we are here to help. Remember, you have to communicate how it's going to work to our customers.

When a business is ingrained in its community, it breeds familiarity and what can be more reassuring for people just now than something that is always there – the local store they can pop into most days for all their essentials, where they can speak to the people who are always there. That's what local retailing is all about.

I will no doubt touch on DRS again in this column, along with the other key issues of the day, in future issues of Community Shop.

At our conference, Ed Sibley presented from data from Lumina Intelligence that confirms that a clean, tidy and well-stocked store is still the most important thing for customers. That is something we should always strive to achieve – along with best-in-class customer service. These are things that are very much within our control whereas price inflation is not.

Trade well!

Also at the conference in Glasgow I challenged

*Craig*



# THE PROGRAMME TO HELP DRIVE HEALTHY SALES

**SGF**  
**healthy**  
**living**  
programme

The SGF Healthy Living Programme is a fully funded Scottish Government programme and has been running since 2004. Their key role is to Increase range, availability, quality & affordability of fresh produce and other healthier products in all categories in the convenience store.

HLP works with all the major symbol groups within the convenience trade and currently has 2403 stores involved with the programme with 67% of the stores situated in areas of deprivation.

Throughout the pandemic reports show that consumers are shopping local and more importantly there has been a rise in sales of other healthier products. The demand is increasing from consumers for their local c-store to stock fresh and healthier alternatives.

HLP understand that every store is different, and they bespoke there offer for each retailer, whether you sell no healthier products when they first walk through your doors, or you already have a vast array of fresh and healthier alternatives. With the advice and education that the Field team can provide they will advise the most productive way to use their FREE stands and point of sale.

Health must be an individual choice, however as retailers you can encourage consumers to make that choice through creating an instore theatre of healthier products and help drive sales in this category.

HLP mobile stands are ideal for sitting at the till point at peak selling times, or at food to go stations or front of store. Data shows impulse purchases of loose fruit increase by an average of 30% when stands are located at till point, and HLP now have 53% of their retailers siting their stands there throughout the course of the day. We all know if a consumer is coming into buy a chocolate bar, then they will go looking for favourite kind however fruit is more challenging although we can motivate a consumer to make that impulse purchase of fruit when placed right in front of them.

Community engagement has undoubtedly been a key to the success



of the HLP in recent years and assisted in the opportunity for retailer to link with their local community, help educate their future shoppers, and highlight the healthier products that the store has to offer.

HLP run a number of community links all focused around the retailer and their local store. Big breakfasts, healthy living days, free fruit and loyalty clubs are only a selection of what they have to offer.

The recent pandemic saw the emergence of a new trend in people cooking at home, working with raw, fresh ingredients rather than heating up ready meals or working with readymade sauces etc, from home. HLP saw an opportunity to pursue the option of making cooking at home accessible to all communities.

In partnership with Parent Club, HLP have selected 8 recipes that are family friendly, cost effective, quick & simple to prepare and most importantly all ingredients are readily found in convenience stores.

Speaking with C-store Retailers, HLP recognised that support was needed to encourage consumers to purchase ingredients in store and then cook the dishes at home. HLP enlisted the help of former MasterChef Chef winner and now Scotland's National Chef, Gary Maclean. Gary was happy to get involved and assist with making this challenge work.

Gary has filmed the 8 recipes which give step by step guidelines on how to cook the dishes. The films can be used on social media, in store media screens or the HLP team can also come and demo the films instore and create conversation with your customers.

For more information or to get a Development Manager to come and speak to yourself please contact:  
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or call **0131 343 7602**

Facebook **@healthylivingprogramme**

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LinkedIn **healthylivingprogramme**