

CONTENTS

NEWS

4-10

Cash in on last-minute Christmas shoppers; Zapper app off to a flying start in trials; Heated electronic tobacco system hits the UK; C-stores make record Q4 investment in their businesses; McColl's reaches 1,000 c-store milestone

ADVICE CENTRE

12 Dear Jac

PayPoint spreads a little seasonal cheer, plus just how safe is contactless payment?

15 Accessibility

Retailers recount how making their aisles and doorways wide enough for all needs has widened their customer base

FEATURES

20 Cover feature

An in-depth look at how the Booker/Musgrave buyout has affected its symbol retailers one year on

26 Retailer profile

Vic Price's escape to the country has placed him and his Spar store squarely at the centre of his East Devon community

31 What's in store 2017?

Store owners and leading industry figures predict what the coming year will hold for the trade, while suppliers outline market trends and their plans for the next 12 months

64 Classified

66 Coffee break

Retailers consider impact of sugar tax

Store owners predict the effects of a soft drinks levy announced for 2018

SIMON BANKS

C-store retailers have begun considering how they will respond to the soft drinks levy, after ministers announced that the tax will be introduced in April 2018.

The government confirmed last week that the levy would see drinks containing 5g of sugar per 100ml face a lower rate of tax, while those with more than 8g per 100ml will face a higher rate.

Arjan Mehr, owner of a Londis store in Bracknell, Berkshire, said he would not merchandise differently and be "dictated to by the health lobby".

"I will continue to let my customers decide what products they want to buy and we will continue to stock them. Make no mistake, this is just the start; confectionery is next and I predict that the government will continue to tax products that are high in sugar," he added.

"I reject the government's claims that this is for the good of consumer health, I think it is just another way to extract money from people and pass on another tax to small businesses and there is a real danger that we are just becoming tax collectors for the government."

CALLS FOR A RETHINK

The Association of Convenience Stores (ACS) has called on the government to cancel the plans.

ACS chief executive James Lowman said: "We fear that the levy will

disproportionately impact smaller businesses and we will be urging the government to work with suppliers and retailers on a partnership approach instead." British Soft Drinks Association

director general Gavin Partington commented: "We will review the legislation when it is published and continue to work with Treasury officials during the legislation's implementation."



C-store owners are looking at their options in light of the impending soft drinks levy

But Simon Biddle, owner of Biddle's Simply Fresh, said the levy could improve consumer health and shake up the category. "I can see how it could potentially be a positive thing as I do think soft drinks, chocolate and confectionery can be priced too cheaply and people can overload, so hopefully some good can come from this and it isn't just another tax.

"I expect sugar-free soft drinks to grow in popularity and perhaps in the next few years the soft drinks category will look a bit different with more of a half and half offering."

David Knight, owner of two Knight's Budgens stores in West Sussex, has already begun remerchandising his soft drinks chillers to extend the number of facings of zero-sugar variants (see What's in Store? p37).

The sugar levy rates will be announced in the 2017 Budget.

OPINION

Looking to 2018

“The biggest concern is that this is just the start of taxation on products high in sugar. I expect the same action will be taken against confectionery in the next five years at least.”

Mark Canniford, Spar Weston-super-Mare, Somerset

“We stock lots of reduced-sugar lines in soft drinks and they are growing in popularity, but full-sugar variants continue to be most popular and I don't expect that to change.”

Jon Ellis, Town Common News, Dorset