



Like-for-like sales are up for a third consecutive quarter at Morrisons

Morrisons turnaround continues

Morrisons has announced a third consecutive quarter of like-for-like sales growth as its turnaround continues.

Announcing its first-half interim results, the multiple retailer reported a 2% increase in like-for-like second quarter sales and an 11.3% rise in pre-tax profits to £157m in the six months to 31 July.

It said consumer grocery spending had not been affected by Brexit and that its priorities to become more competitive and improve the shopping experience had not changed.

Chief executive David Potts said: "Our priorities are unchanged. We have made improvements to the shopping trip for customers and we plan to do more."

Sales and profits dip at Waitrose

Waitrose has blamed market conditions and not Brexit for the fall in like-for-like sales and profits revealed in its half-year results.

Operating profits fell by 10.5% to £121.3m in the half-year to 30 July, while like-for-like sales decreased by 1%.

Gross sales increased by 2.2% to £3.25bn and on average stores generated 250,000 more customer transactions a week compared with the same period last year.

Sir Charlie Mayfield, chairman of the John Lewis Partnership, said: "We have grown gross sales and market

Stores missing out on potential of fresh

Study finds that just 17% of kids' packed lunches contain fruit or vegetables

SIMON BANKS

Retailers could be overlooking a big opportunity in fresh as a new study reveals only 17% of children's packed lunches contain any vegetables or salad and only a tiny proportion meet nutritional standards.

Research from the University of Leeds found that more than half of primary children's packed lunches contain sweet snacks and just 1.6% meet the nutritional standards set for schools.

The University's School of Food and Nutrition identified that lunch standards improved just 0.5% in the past 10 years.

Dennis Williams, owner of Premier Broadway in Edinburgh, said fresh was one of the biggest opportunities for growth in convenience.

"Some retailers are worried about waste when it comes to fresh, but if it's merchandised and priced right, it will all sell.

"Retailers have a responsibility to offer balance," he said.



Very few primary school packed lunches meet nutritional standards, research found

"We had a healthy eating day in store. We had a 'buy two get one free' offer on fruit bags, that resulted in a 250% uplift in sales of fresh. We also support the national 'Eat Better, Feel Better' campaign, with messaging in store and have a counter display specifically designed for single units of fruit."

The store also delivers fresh and healthy food to the school

breakfast club, providing healthy breakfasts to 400 children daily.

"It's a worthwhile investment because children are our customers of the future," he added.

Dr Charlotte Evans, nutritional epidemiologist in the University's School of Food and Nutrition, warned that more stringent policies for schools, manufacturers and retailers might need to be introduced if "real change in the nutritional value of children's packed lunches" was to be achieved.



Changing market conditions hampered Waitrose results

share across both Waitrose and John Lewis, but our profits are down. This reflects market conditions and, in particular, steps we are taking to adapt the Partnership for the future.

"These are not as a consequence of the EU referendum result, which has had little quantifiable impact on sales so far."

Children cut back on sugary soft drinks

The UK soft drinks industry has strengthened its call on the government to abandon plans for a soft drinks tax, after official figures revealed a 23% fall in children's sugary soft drink consumption over the past six years.

According to figures from government body Public Health England, children aged four to 10 drank 100mls of sugary drinks a day on average in 2012 to 2014, down from 130mls in 2008 to 2010. An 8% fall in teenagers' consumption of sugary soft drinks was also noted.

However, despite the fall, children's diets still contain

almost three times more sugar than is recommended and sugar still makes up 13% of children's daily calorie intake, while the official recommendation is no more than 5%.

The report comes as the British Soft Drinks Association launches the second phase of its 'Face The Facts, Can The Tax' campaign.

With a month to go before the government's consultation on the soft drinks levy closes, the BSDA is distributing postcards to stores in a bid to help retailers voice their opposition to the tax. Look out for your postcard on p37 of *C-Store*.