

Close to the Consumer

Central to the Community

The heartbeat of the Economy





The retail industry in the United Kingdom is an outstanding success story. Retailers provide quality, choice and value to consumers. The retail sector invests heavily in its employees and its systems. Retail uses its space very productively – it is an innovator.

## The heartbeat of the Economy

The numbers speak for themselves<sup>1</sup>:

- 11% of all enterprises in the UK are retailers, with 184,695 VAT-registered businesses operating in 278,630 retail outlets
- UK retail sales were £246.3 billion in 2004 which was larger than the combined economies of Switzerland and Ireland
- Over a third of consumer spending goes through shops
- The retail industry employed 2.8 million people, as at the end of September 2004. This equates to 1 in 9 (11%) of the total UK workforce
- Over the last five years, employment in retailing has grown by 270,000, or 11%
- During the last decade, the price of shop goods rose only 8%, much less than the 30% increase in the all-items Retail Price Index.

1. These statistics do not include Retail Financial Services.

## Central to the Community

There are few business sectors as important to community life as retailing. Shops are more than distribution points. Retailing is a vital local service, the mainstay of most town centres and rural communities across the country.

Without shops there can be no communities. Whether in our towns and cities, in the countryside or online, retailers make an important contribution to the quality of people's lives. Retailers recognise the importance of providing clean and safe places for people to shop and work. By working with local communities and other partners in over 210 crime partnerships, retailers are helping to combat crime and anti-social behaviour. Retail investment in urban renewal offers a gateway to employment and a range of opportunities for those who live there.

Retail offers flexible employment for a diverse mix of people with good training and real career progression.

**Community involvement is at the heart of what retailers do – because communities are at the heart of our customers' lives.**

## Close to the Consumer

As the last link in the distribution chain, there is no one closer to the consumer. The retail industry reflects the changing lifestyles of its customers, bringing choice to millions through shops, catalogues and the internet. Retail issues affect everyone – after all everyone is a customer.

More than just a place to shop, retailers understand the needs of those they serve. As the fulcrum between the consumer and wider world, they know what issues concern ordinary people and they respond to these concerns through their products, services and stores.

**Legislation which fails to recognise that consumers are at the heart of what retailers do, is legislation that fails everyone.**

## Maintaining a Competitive Sector

The sector has made an extremely important contribution to economic growth in recent years, but in 2005, with an ever increasing regulatory burden and a slowdown in consumer spending, retailers face tougher trading conditions as demand weakens but costs continue to increase. Under these challenging conditions the retail sector requires a European and UK policy and legislative framework, which will encourage enterprise and growth, not stifle it in red tape.

**This is our manifesto for retail and we would ask you to support our sector to sustain competitiveness and reduce unnecessary burdens on business.**



## Driving Productivity

### Working for a fairer National Minimum Wage

...to ensure that future increases take into account the current economic climate and put an end to unjustified above-inflation increases.

*Retailers provide 1 in 9 of the UK workforce with a job.*

### Battling the rate burden

...to prevent both the introduction of a local sales tax and the costly relocation of business rates and protect retailers against unmanageable increases in rates bills in 2005.

*Estimated to cost retailers £14 billion.*

### Ending unfair leases

...by introducing legislation to abolish unfair leasing practices such as upward only rent reviews and deliver greater flexibility in the commercial property market for retail occupiers.

*Retail occupies 111 million sqm of floorspace in England and Wales.*

### Challenging Mastercard's retail "levy"

...by securing a final decision from the Office of Fair Trading on MasterCard's infringement of the Competition Act 1998 and seeking a reduction in the fees which act as a levy on retail transactions.

## Responsible Retailing

### Providing incentives for environmental improvement and best practice

...while avoiding burdensome environmental regulation and taxation.

*Retailers' attempts to use renewable energy are being thwarted by the taxation & planning systems.*

### Promoting the responsible retailing of alcohol

...while resisting any attempt to impose extra taxes on well-conducted off-licensed stores

*Retailers are now including alcohol units on own brand packaging.*

### Protecting our staff, customers and businesses

...by shifting retail crime higher up the Government's agenda, and continuing to play a substantial role in a wide range of initiatives to fight crime, protect employees and make our communities safer places to work and live.

*Physical violence against staff rose from 36 to 43 incidents per 100 outlets in 2003.*

### Promoting healthier eating,

...offering our customers the widest possible choice of clearly labelled healthier foods, while resisting attempts to impose unnecessary prescriptive regulation.

*Retailers now sell over 4,500 healthier eating product lines.*

## About the British Retail Consortium

The British Retail Consortium represents every type of retailer in the UK, from the large multiples and department stores through to independents. Between them they sell a wide range of products through town centre, suburban, out of town, rural and virtual stores.

### The BRC exists to make life easier for our members by:

- Campaigning to promote and protect retailers' interests
- Advising retailers on threats to and opportunities for their businesses
- Offering members a range of competitive, professional services which add value to their businesses
- Improving the general perception of the retail industry in the UK.

### The BRC aims to achieve:

- A framework of law and regulatory guidance which is friendly or at least neutral to retailers
- A competitive and more predictable structure of business costs
- A firm and constructive relationship with governments, regulatory agencies and a range of NGOs
- A retail industry which is generally regarded as a socially-responsible creator of wealth and jobs and a focus of entrepreneurial talent
- An expanding and broadly based membership.

### Membership services include:

- Campaigning
- Political, media and retail information
- Economic data and benchmarking products
- Networking
- Political intelligence
- Meetings with politicians and senior civil servants
- Representation
- Research
- Legal & Technical Helpline
- Business services and products
- StoreCall – Facilities Management
- Procurement – Group Buying
- Weather Analysis
- Events and Conferences
- Global Industry Standards and Guidelines
- Training
- Publications.

For further information contact:

### British Retail Consortium

Second Floor  
21 Dartmouth Street  
London SW1H 9BP

**Tel:** 020 7854 8900

**Fax:** 020 7854 8901

**E-mail:** [info@brc.org.uk](mailto:info@brc.org.uk)

© British Retail Consortium (2005)

The British Retail Consortium publishes information and expresses opinion in good faith, but accepts no liability for any error or omission in any such information or opinion, including any information or opinion contained in this document.



Printed on recycled paper.