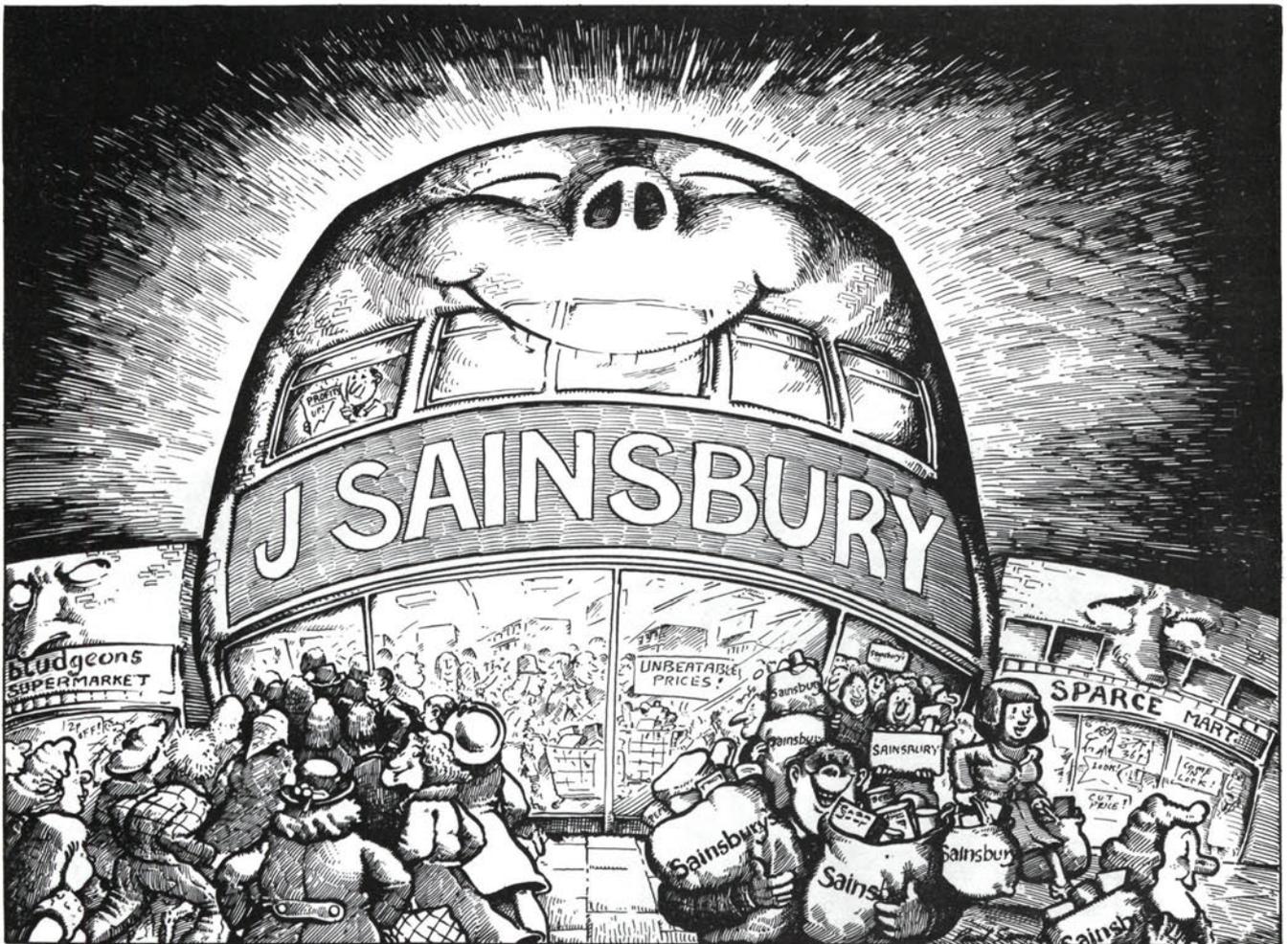


# JS JOURNAL

December 1976

## Didn't we do well!



A WELCOME RETURN to more normal profit levels, but a warning of 'a very tough time in 1977' are the central features of JS's half year results, published on November 10.

Compared with this time last year profits before tax are nearly double (£10.7 million against £5.7 million). This striking recovery must, however, be related to the very depressed trading conditions that prevailed in the first half of last year, when prices were rising at an unprecedented rate, customers were trading down and operating costs were increasing rapidly.

Compared with two years ago profits have risen by less than a half—which is roughly the same rate as inflation generally over that period and brings profit as a proportion of sales back to about 3.3p in every £1. Last year it had sunk to an all time low of 2p in the £1.

### Interim results for the 28 weeks to 18 September 1976

	Interim Results 1976	1975	Full Year 1975/76
	£000	£000	£000
<b>Turnover (inclusive of VAT)</b>	<b>326,194</b>	275,971	543,443
<small>Turnover includes VAT of £5,259,000 (1975 £4,282,000)</small>			
<b>Profit before taxation</b>			
Retailing—Percentage margin 3.2% (1975 2.1%)	10,348	5,735	15,372
Associated Companies—Share of Profit	352	4	45
	<b>10,700</b>	5,739	15,417
<b>Taxation at 52% (1975 52%)</b>	<b>5,564</b>	2,984	8,018
<b>Profit after taxation</b>	<b>5,136</b>	2,755	7,399

An interview with the chairman on pages 12-15 examines the facts behind the figures

# JS JOURNAL

is published every four weeks  
for employees of  
J Sainsbury Limited  
Stamford House  
Stamford Street  
London SE1 9LL  
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**Designed by** Sue Lamble  
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Printed in England by  
Alabaster Passmore & Sons Ltd  
London & Maidstone

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## Updating gets updated

A NEW, MORE ACCURATE, easy-to-read system of updating the price book is now in operation at branches.

'It's a fundamental re-think of the whole system of price up-dating' explains branch trading manager Colin Etheridge. 'Before, we used to send out details of price alterations, and these had to be transferred manually to the price book at the branch.

'Now we send out replacement pages for the price book (which doubles as a price change advice). You just take out the old page from the price book and insert the new one.

'The main benefit is accuracy. One week recently we had about 400 price changes, and on the old manually adjusted system at the branches it only needed an error rate of half a per cent and you would have had a couple of wrong prices in the price book.'

The new price book has also been

arranged and printed differently, so that it is easier to find a commodity and to read off its price accurately, and the pages are different colours for each department.

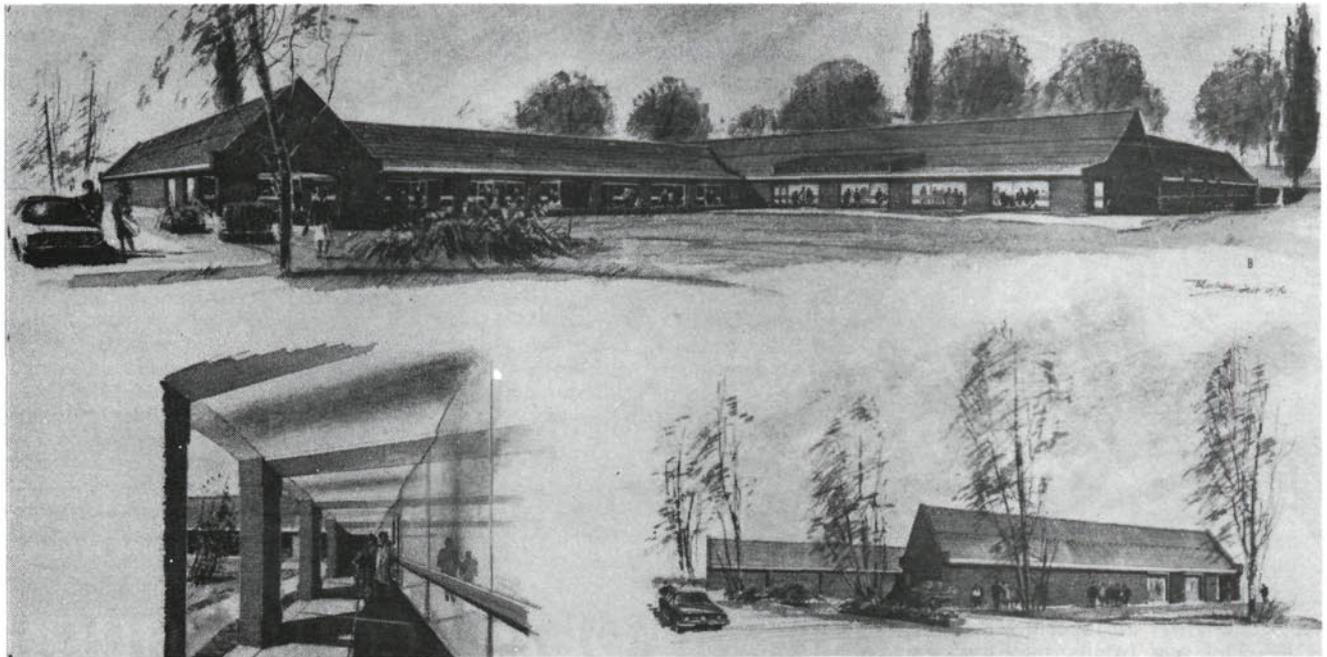
A new IBM typewriter is used for the new price book. This machine holds each page of the book on a magnetic memory card, and the page can be updated by simply typing in a new line.

'It's much clearer and easier to read' says Mr Etheridge. 'The quality of the print is much better.'

'The new system also makes it easier for branches to claim credits and debits at the end of the week. They just have to complete a standard style stock claim form, which makes it easier for the branch stock office, too.

'From the buyers' point of view the new system is a little more involved than the old one, but it does mean that the buyer can check that the price alteration has been actioned correctly.'

## The village shop



An artist's impression of Norfolk village life—Bowthorpe style, with the JS supermarket shown top right.

JS HAS BEEN SUCCESSFUL with its tender to construct a shopping centre of unusual design in a new housing project outside Norwich.

Called the Bowthorpe project, it involves the development of a site of just under 600 acres located on the outskirts of Norwich. When complete it will provide homes for 13,500 people and new jobs for another 4,000. It will contain facilities for people to live, shop, work and play in three separate but linked villages grouped around the main shopping centre.

Each of the three villages, with its focal point in a village centre, will have communal facilities, schools, public houses and a village hall.

The shopping centre is to be built in stages, in step with the population growth. The first stage comprises a supermarket with a sales area of about 22,500 square feet, six lock-up shops, a petrol filling station, public conveniences and a 300-space car-pack—all to be built by JS. A health centre is to be added later.

JS group architect Alan Smith is responsible for the shopping centre development. He says: 'The centre has been designed in traditional Norfolk style. This stipulation was laid down in the Bowthorpe design guide to ensure that any stranger visiting the area would know he was in Norfolk by just seeing the building.'

The roofs, though not thatched, are to

be lined with pan tiles. These tiles are curved and not flat like traditional tiles.

The car-park has also been designed differently. Says Mr Smith, 'It has been landscaped extensively. In fact it will be a landscaped area where cars can be parked rather than a traditional car-park.'

Work on the centre is expected to begin in June 1977 and be completed by late 1978. On its completion JS will take a 99-year lease on the supermarket and petrol filling station, leaving Norwich City Council free to deal with the management of the rest of the scheme.

The whole Bowthorpe project is expected to take between 10 and 12 years to complete.

## Rolling out the money

JS OWNS 80,000 ROLL PALLETS and at £33 each it is hardly surprising that they are expected to earn their keep by being kept on the move and in use.

About 40,000 of them are always at the branches at any one time. At peak trading periods, like around Christmas, naturally this number goes up and it becomes even more important that the turnaround from branch back to depot be as fast as possible.

'We have just bought another 1,000 pallets which are due for delivery at the beginning of December, in time for the Christmas rush' says Brian Tidd, who as warehouse and equipment control manager in the distribution division at head office has the headache of keeping JS roll pallets rolling.

'We realise it's difficult for branches to unload pallets immediately, but if it is possible to establish a positive one-for-one exchange routine, it would help considerably.'

Has the company enough roll pallets? Why can't the company just buy more?

'We shall be spending some £150,000 on new roll pallets next year' comments Mr Tidd. 'But we obviously have to ride a tightrope between the average requirements for the majority of the year and the three or four fold increase in demand for the few weeks close to Christmas.'

Roll pallets get some rough knocks during their life and keeping them in good repair costs the company around £100,000 a year. Add to this the cost of buying and maintaining the frozen food cabinets (which cost about £140 each) and security cages (about £150 each) and it amounts to a very sizeable slice of capital expenditure.

'I know they have tremendous problems at the branches' says Mr Tidd 'but if we can turn roll pallets, frozen food cabinets etc. round quickly, it will ensure a smoother journey for the whole distribution system.'



Before the crash, Graham Richardson.

## Long holidays ahead

LONG HOLIDAY WEEKENDS are ahead for most of us at JS as Christmas Day and New Year's Day fall on a Saturday this year.

As so many people work a Monday to Friday week, alternative days have been declared as holidays by the Government. This created some complications in the retail industry with regard to the New Year holiday period.

The company's primary responsibility as a service industry is to provide a suitable service to customers. Many competitors decided that they would open on Saturday, January 1. This forced JS into announcing a similar decision. Competitors have now changed their minds and, thus, pressure of competition no longer requires that JS opens on January 1.

'We are delighted that it has now been possible to achieve total closure of our stores on January 1' says departmental director, personnel, Angus Clark.

Here are the official JS holiday dates.

### Central offices and depots

Closed Friday, December 24.

Back to work Wednesday, December 29.

Closed after work Friday, December 31.

Back to work Tuesday, January 4.

### Branches

Closed from 2.30 pm Friday, December 24.

Open again Wednesday, December 29.

Closed after trading,

Friday, December 31.

Open again Tuesday, January 4.

## Busy going nowhere!



The persistent pedallers are, left to right, Elaine Kitson, Bob Bartlett, Helen Critchell, David Day and Karl Gregory.

SIX PEOPLE travel nearly 300 miles on two bikes. That may sound like a long-distance stunt riding team, but it was just the way that some of the staff at Basingstoke depot raised almost £100 for charity—without moving an inch.

The bikes were hung from an iron bar mounted on trestles so that the back wheels were off the ground, and mileometers showed the distance the cyclist would have travelled.

On Sunday October 24 the intrepid six—Helen Critchell, Elaine Kitson, Bob Bartlett, David Day, Karl Gregory and Graham Richardson—donned their bicycle clips and set off . . . or rather, stayed

where they were.

They were sponsored by staff for each mile they travelled . . . or rather, didn't travel, with the money going to the Save the Children Fund, the Cheshire Homes and leukaemia research.

Every one of them covered . . . or rather, didn't cover, at least 40 miles, and some managed 50 in a long day's pedalling that lasted seven hours in all.

But even though the bikes were stationary Graham still managed to crash. He leant too far back, the bike slipped, the back wheel hit the ground and he was thrown off. He was shaken and cut, but he didn't need stitches.

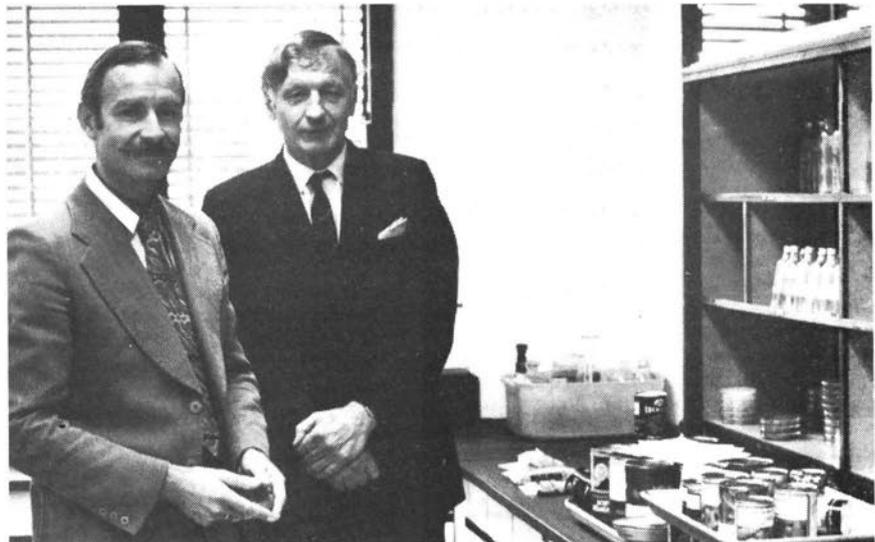
# Top Dutch food technologist visits JS

A LEADING food hygiene technologist from Holland, Dr Michael Van Schothorst, visited JS's research and scientific services division at Blackfriars on Friday October 29.

Dr Van Schothorst, from the National Institute of Public Health in Holland, was visiting England to address a meeting of the British Food Manufacturers Industrial Research Association (BFMIRA) where he hoped to get an insight into 'the European attitude to legislation on food'.

Among the subjects discussed by Dr Van Schothorst and his JS host Cyril Monty (head of the microbiology department) were the microbiological aspects of pie making and the way food specifications are handled.

Said Dr Van Schothorst, 'I was most impressed with the set-up of the quality control laboratory. It was a useful visit, giving me an opportunity to discuss sensible ways of dealing with common problems'.



Cyril Monty (right) shows Dr Van Schothorst round the new laboratories.

## A model evening at Telford

ALL SMILES and informality from 21-year-old JS cashier Erica Lattauschke as she relaxes in the spacious and well laid-out Telford shopping precinct.

Only a few days earlier in the same setting Erica was one of four JS staff from Telford branch—together with the two children of another—who paraded on a catwalk modelling the fashions of traders in the shopping centre.

Says BPO Mrs June Chamberlain, 'It

was a very successful evening, with the JS representatives modelling a range which included day wear, separates, evening wear and swimwear.

'The write-up in the local press was very favourable to us. It said that had it been a competition JS would have won hands down.'

The show, which was attended by nearly 300 people, wound up with a disco and dance.



That model smile from Erica Lattauschke.

## SSA membership grows and grows

SSA MEMBERS attending their annual general meeting at Stamford House on October 27 were told that more and more staff, attracted by the variety of activities, are joining up.

In his report SSA secretary Allan Kettley gave a comprehensive round-up of the association's yearly activities. These varied from the Wembley ice pantomime to mini cruises to Denmark and holiday camp weekends and sports days.

The report also referred to the increased revenue from members' subscriptions which went up in March 1976—the first real increase since the inception of the SSA in 1947.

The time and effort given by the area and section committees towards ensuring a 'thriving and vital social life', did not go unrecorded. Said Mr Kettley, 'The entire operation could not continue without them.'

## Inside (leg) information

CHELTENHAM BRANCH were given a more-than-usually detailed tip-off by the local shops' early warning system.

'Suspected shoplifter, male, 53-60 years old, 5ft 6in, very slim, 36in chest, 30in waist, 29½in inside leg.'

With such comprehensive low-down on the suspect he must have left behind more clues on his last job than the customary button or thread of cloth.

Or perhaps he is a stalker/shoplifter... or perhaps the tip-off came from a local tailor!

# A new best of health service

HEALTH EDUCATION for JS branch staff—that is the programme now under way, organised by the employee services department at Blackfriars.

Already officials from local health departments have visited selected branches and staged displays and demonstrations and distributed leaflets about all facets of health.

Implementing the programme at JS is the responsibility of Vic Lonnon (manager, medical and veterans services) who explains how it all came about.

'A few years ago the company felt that staff in branches should be made aware of the medical facilities, both private and NHS, available in the area in which they lived and worked. A trial scheme was held at Tunbridge Wells, and as a result of its reasonable success branch personnel officers were advised to find out what facilities were available in their respective areas. Unfortunately, due to transfers of BPOs, continuity of interest was not maintained.

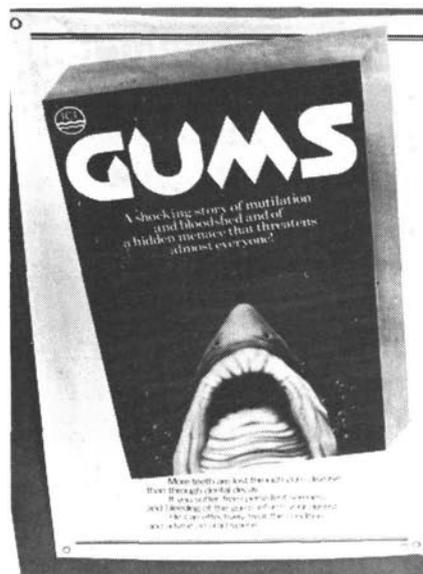
## Pilot scheme

The present programme was put into operation earlier this year with a pilot scheme at three branches—Central Croydon, Bitterne and Wood Green. It came about mainly as a result of a meeting between Mr Lonnon and Miss Pauline Collyer during an anti-smoking campaign conference at Westminster Central Hall, in London.

Miss Collyer, liaison officer of the Health Education Council, and Mr Lonnon discussed matters of health education, especially from the JS point of view. At this discussion Miss Collyer offered JS

assistance in any programme it implemented.

Says Mr Lonnon, 'Some time later Paul Calvert Lee (head of employee services department) and I had a further meeting with Miss Collyer and council officials. The eventual outcome of our talks was the



pilot programme which was launched in the three branches.

'Reaction and response at the three branches was so good that it was decided to extend the services to a further ten branches.'

The *JS Journal* caught up with the scheme at Telford, where a section of the staff restaurant had been given over to the

health education team. The team, consisting of 'Bomber' Harris (area health education officer) and two members of the area health office, had set up a display of posters extolling the virtues of safeguarding one's health. (Including one telling of the 'nasties' that can happen to our gums.) There was also a dummy—called Resus Ann—on which staff were given instruction on resuscitation.

Further education was provided through a wide selection of attractive and descriptive leaflets. Numbering over 50, these bore titles such as 'Cheers . . . alcohol: basic facts.' 'Measles is misery'; 'Are you a stinker?' 'Breast self-examination'; 'Food and hygiene' 'Sleep well' and 'Sensible slimming'.

## Keen interest

The display was staged from 12—3 pm, and staff showed keen interest in it. Some took instruction in resuscitation, whilst others posed questions to the health education officials who were in attendance.

Also present was a local medical officer, Dr Ann Hargreaves, to answer questions or to advise on any personal health problem.

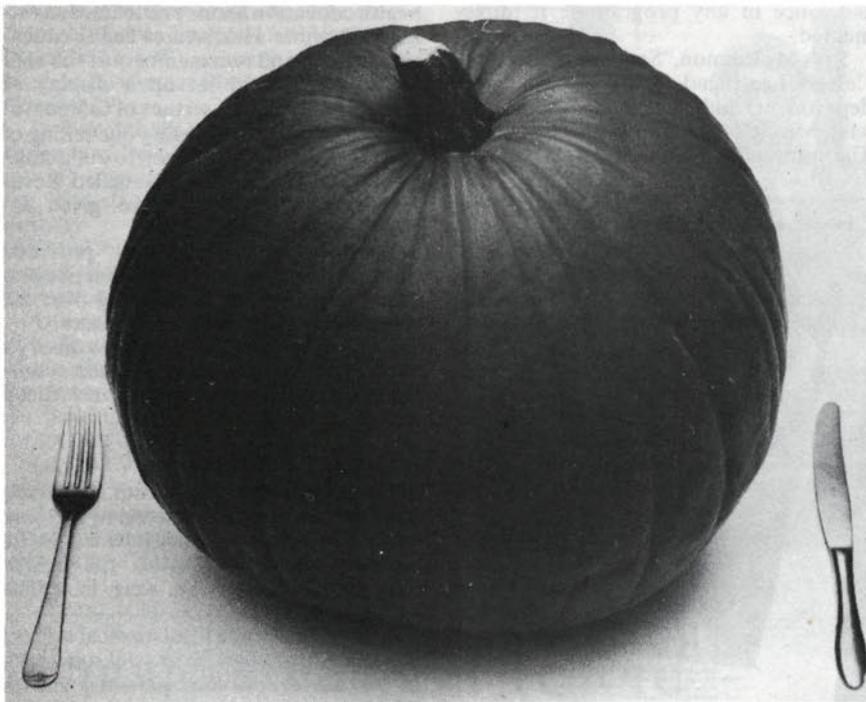
Arrangements at the branch end were made by BPO Mrs June Chamberlain who was pleased with the outcome. She says, 'I personally thought a lot of interest was shown, especially by the young people. This was the most encouraging aspect.'

At every branch there is a follow-up after six months when a specific medical problem is discussed. As Mr Lonnon says, 'The services are available free of charge, so why not take full advantage of them?'



Staff at Telford find out how easy it is to be healthy and wise.

# And now for something completely different . . .



PUMPKINS ARE the latest addition to the vegetable range in a dozen JS branches.

Their grower, a one-man enterprise in Hereford, one day dropped in on JS produce buyers at Stamford House with a bag of samples. 'He visited us out of the blue' says senior produce buyer John Love.

'We started selling pumpkins in September at the end of the marrow season, when vegetables were very short. They've caught on very well, and sales look encouraging.'

Although it's familiar from fairy stories, the pumpkin is not a well-known vegetable in this country. In America, however, pumpkin pie is the traditional dessert for Thanksgiving Day.

Thanksgiving is on November 25 this year, but it doesn't matter if you're a couple of days late, so here's the recipe for pumpkin pie, provided by home economist Veronica Miller.

For four to six servings you need:

- 6 oz shortcrust pastry
- 12 oz pumpkin (after the peel and seeds have been removed)
- 2 oz butter
- Grated rind and juice of one lemon
- $\frac{1}{2}$  teaspoon ground cinnamon
- $\frac{1}{2}$  teaspoon ground nutmeg
- 2 eggs
- 6 oz caster sugar

1 Line an eight-inch pie plate or flan ring with pastry.

2 Peel the pumpkin, remove the seeds and the soft centre, chop it into small pieces, and stew gently in a little water for 15-20 minutes until tender.

3 Drain off liquid, add butter, lemon rind and juice and spices. Beat well.

4 Beat eggs and sugar. Add to mixture and pour into pastry case.

5 Bake in a preheated oven Mark 6 or 400°F for 10 minutes, reduce temperature to Mark 4 or 350°F for further 45-50 minutes. Serve warm with cream.

## Butter-proof!

JS BRANDY BUTTER will be making mince pies even tastier this Christmas.

It's a new line that will be on sale for the first time in about 50 branches a fortnight before Christmas. Made from equal parts of butter and icing sugar and flavoured with brandy, it will be sold in a six-ounce carton at a price that has yet to be decided.

Dairy buyer Wilf Marsden says: 'You just put a blob on your mince pies and it's delicious.'



## Mmm . . . mightier-meatier

PREMIUM beefburgers and porkburgers are two new lines going into branches in the next few weeks.

Premium Beefburgers are already on sale in some stores and will be in all branches by the beginning of December, and Premium Porkburgers will be introduced after Christmas.

The 'Premium' tag means that there is no added cereal in the burgers. The new beefburgers are 94 per cent beef (ordinary beefburgers have to be at least 80 per cent beef) and the new porkburgers are 98 per cent pork.

Both kinds of premium burger are sold in packs containing two four-ounce burgers; the beefburgers sell at 42p per pack, and the porkburgers at 38p.

*No prizes for guessing, but how much does this monster pumpkin weigh? The knife and fork are a normal size. Answer in the next issue.*



# Maidstone is ahead of the competition



Above: Maidstone branch manager Dennis Taylor.

Below: The crowded shop on opening day.

ON NOVEMBER 2, Sainsbury's new supermarket and freezer centre became the first units to open for business at the Stoneborough Centre—a modern complex of shops covering about 7½ acres in the middle of Maidstone.

The new supermarket offers JS customers a larger and more comfortable store to shop in for, at 1480 square metres (15,930 square feet), it is two and a half times the size of the shop in Gabriel's Hill which it replaced.

It offers an increased choice of food, free-flow produce, a self-service delicatessen and a large off-licence section. There is also an increased range of non-foods, including health and beauty aids, ladies hosiery, hardware, crockery and glassware.

A fortnight after JS opened, Tesco was scheduled to open a supermarket—its largest in Kent—right opposite. So from the start tight competition is the name of the game.

Says AGM designate Eddie Ricketts, 'We've opened first, which obviously gives us a start over them. We know the potential of the area, and what targets to set ourselves. Another point in our favour is that we are within easy access to the 1250-space car park above the store.'

The manager of the supermarket is Dennis Taylor, who has been with JS for 10 years. Mr Taylor comes to his present

appointment after managing a JS shop in a similar shopping precinct in Dartford.

He says: 'It's a similar situation except that both the shop and centre at Maidstone are larger. The real difference is that when Dartford opened it was a new area for JS, whilst in Maidstone we are already established.'

'In the new store we aim to provide customers with an even better service, with a range of goods like hardware and wines and spirits, which they haven't had before.'

The freezer centre, which is on the floor below, will sell bulk packs of frozen food. The range includes meat, poultry, fish, vegetables, fruit and ice-cream. Also on sale will be chest and upright freezers.

## Good reaction

John Goodliffe, the manager of the freezer centre, has been with JS for 16 years. He was previously grocery manager at JS's Ashford branch.

'Handling larger packs of food is a new experience to me,' he says, speaking about his new job. 'Everything went well on the opening and customer reaction was very encouraging. We hope to keep that up.'

JS's old branch in Gabriel's Hill, which closed on October 30, continues to play its part. The front of the shop is being used as a billboard to advertise the new shop. ○



# Worcester takes off!



Chairman John Sainsbury flew out by helicopter to open the branch, landing in a field next to the store.



Manager David Butolph.

THE THIRD LARGEST STORE in the JS chain opened on the outskirts of Worcester on November 16 with a rush of customers that surprised even hardened opening-goers.

On a record-breaking opening day, one of JS's best ever, the store was packed with shoppers eager to see the spacious new shop.

The new shop's in-store bakery—JS's third—was where many of the customers headed the moment chairman John Sainsbury and branch manager David Butolph opened the doors.

'I thought we'd be busy' said bakery manager Brian McHale 'but I didn't think we'd be as busy as this. We've been baking non-stop at full capacity since twenty to six.'

The new shop is at Blackpole, two miles from the centre of Worcester, where the existing supermarket continues to trade in the shadow of the historic cathedral. With

a sales area of 2445 square metres (26,317 square feet) the new store is beaten in size only by Kempston and Telford.

A press photographer eyed the 380-space car park before the shop opened and said: 'That'll take some filling'. But soon police were having to direct traffic in the road outside the branch as cars hunted for places while others queued for the six-pump filling station.

Four-star petrol cost 70p a gallon, the best price in Worcester, and petrol manager Nicky Preece described trade as 'not bad. We sold 1000 gallons in two hours!'

One feature that attracted many admiring comments was the mural on the front of the shop that depicts the history of Worcester from pre-Roman times to Edward Elgar.

The mural was designed and sculptured by Joyce and Harry Collins, who have made murals for other JS branches including Gloucester and Colchester.

*continued* >



The in-store bakery was the scene of much frantic diet-breaking.



Part of the mural that depicts the history of Worcester.

▷ *continued*

The branch reflects JS's continuing advances into non-foods, with textiles, health and beauty, hardware, household, home improvement, do-it-yourself, hardening, car care, books, toys, stationery and greetings cards on sale.

On the food side, apart from the bakery, the branch includes a service delicatessen counter and an integral freezer centre.

44-year old Mr Butolph was previously manager of the nearby Redditch branch. He's been with JS for 22 years, the last four in the Worcester area.

'Nobody seems to want to leave the car park without buying petrol' he says. 'The public like the new shop, and the local press have had a field day. It's all going extremely well.'

Meanwhile, at the central Worcester branch, manager William Reynolds said: 'We've had a drop in trade, but it didn't drop as much as we'd expected with a large new unit opening close by.'



They're supposed to be shopping for the children, but some adults have just as much fun from the toy range at the new branch.

## New right hand men at the top



NEWS of two new appointments—Martin Whitty becomes personal assistant to chairman John Sainsbury, and Bob Pearman becomes personal assistant to marketing director Joe Barnes.

Both Martin and Bob are 22 and started with the company as management trainees, Martin three years ago and Bob four.

Eight months ago Martin left Bitterne branch, where he was assistant manager, to become personal assistant to branch operations director Peter Snow.

Bob comes to head office from Stevenage branch, where he too was assistant manager.

Bob Pearman (far left) and Martin Whitty.

# How the West was won...

JS's FIRST SUPERMARKET IN DEVON opened on Tuesday, November 23 in the new £5 million red-bricked Guildhall shopping centre, Exeter.

The new shop, with a sales area of 1,475 square metres (15,876 square feet) and 16 checkouts and a kiosk, offers customers roomy shopping conditions. It also has direct access, via two passenger lifts, to the 400-space car park.

On sale is a wide range of goods, including cosmetics, glassware, toiletries and kitchenware. Discount prices are available on around 150 lines.

The manager is David Ware; he has been with JS for nine years, is married and has an eight-week-old daughter. Mr Ware came to his present appointment from

Camberley, where he was deputy manager. He says: 'My first impressions of the West Country people are that they are very open and friendly. In the weeks before we opened we created a lot of local interest. We even had letters from former JS shoppers now living in Devon inquiring about the opening date.'

'There is tremendous potential here, and with other big shops surrounding us we hope for a good customer turn-over. And because it's a new trading area for JS the first impressions we make are important.'

All the staff, including most of the management team, have been recruited locally. And for some of them there was a special treat when a Royal visitor popped

into the branch unexpectedly to say hello.

Deputy manager Ian Elkins explains: 'The Guildhall centre itself was opened by Princess Alexandra a fortnight before we opened. And when she walked by the shop and saw some of the staff standing by the doorway, she turned back and walked towards the shop. Customer services assistant Headley Palmer opened the door to her and she came in and spoke to Mr Palmer and me. The Princess also spoke to some of the girls, asking them what it was like working for Sainsbury's.'

The new JS branch hopes to attract shoppers from all over Devon. Already a coachload of shoppers from Torbay told the manager they hoped to make it a 'regular habit.'



They've got something to smile about—they met a real princess. From left to right: Pauline, Sue, Headley, Theresa, Julie and Christine.

## Two more opening gambits

A SECOND JS STORE opens at Crawley, Sussex on December 7. The new supermarket is at Broadfield, on the outskirts of Crawley. It has a sales area of 1945 square metres (nearly 21,000 square feet) and 17 twin bay checkouts.

The existing store, which opened in 1957 and was extended in 1965, is in the centre of Crawley.

More about the new store in the next issue.

THERE'LL BE A WELCOME on November 30 when JS opens its first super-

market in Wales. The store, which is at Cwmbran in South Wales, has a sales area of 1628 square metres (18,000 square feet) and 14 checkouts.

It is part of the town centre shopping precinct at Cwmbran and has its own multi-storey car park with space for 560 cars.

The emphasis is on food, but there is also a full range of health and beauty, kitchenware, stationery and car care products.

More news in the next issue. Or as they say in Wales: Ragor o nywyddion wn y raglen tro nefaf.



Exeter branch manager David Ware.

# JS gets the pick of the crop



At the Marden fruit show the agricultural experts examine the apples and pears.

THE VERY BEST apples and pears from English orchards were on sale at Lewisham and Forest Hill branches from Friday October 29.

Only the previous day the fruit had been scrutinised and admired by crowds at the largest fruit show in Europe, held annually in the small mid-Kent village of Marden.

The fruit was submitted by growers for the coveted prizes awarded by the Marden Fruit Show. Carefully selected, highly polished and meticulously displayed, the fruit was examined by the show's judges for size, colour, skin quality, freedom from damage and other qualities.

Some of the winning entries got marks as high as 99½ out of 100.

Normally all this top-notch produce is dispersed by being sold wholesale like any other fruit, but this year JS bought it all and sold it through the two branches that use the loose produce system, Lewisham and Forest Hill.

Customers were enthusiastic about the chance to buy the very best, and the produce sections of both branches were packed. Well before lunch on Friday, Lewisham manager Terry Brown said 'On the apples and pears we've already sold an amount equivalent to a whole Friday's trade.'

Eddie Ricketts, area general manager designate, added 'It's been marvellous. It's certainly caused a lot of pleasure among our customers.'

At both branches the supply of Marden apples lasted into Saturday, but at Forest Hill the pears sold out on Friday. Manager Colin Lythe said 'We displayed the fruit on the free-standing merton tables and on the gondola, and we got a lot of customer reaction. They all thought it was excellent.'

Lewisham's produce manager Tom Fryday said 'The customers were so busy buying the fruit they hardly spoke to me. But the ones that did just said "Why can't we have this every day?"'

Jim Gallacher, departmental director, described the Marden fruit as 'the pick of the top grades.' He added 'We only wish there were enough for customers at all our other stores.' ○



At Lewisham it's the shopping experts' turn.

# What's the score?



half time in the company's financial year, chairman John Sainsbury asks public relations manager Peter Ireson about the way he sees the facts behind the figures.

**Peter Ireson:** *Our latest profit figures are nearly double what they were this time last year, which sounds pretty good. Are you pleased with them?*

**John Sainsbury:** I think they are good but you have to relate them to two things. First, the fact that we invested around £50 million this year and last. If we weren't seeing a higher profit, the company would be in real trouble. This is a vast investment and represents about a quarter of the investment by food chain stores in the whole country—obviously far more than our share of total trade.

Second, our profit must be seen against the declining value of money. Although these profits are about 80 per cent up on a year ago, the first half of last year was very poor. Comparing with two years ago, however, profits are only 45 per cent up, and I don't have to remind readers of the *JS Journal* of the hideous inflation, or reduction in the value of money, that has occurred over that period. In fact, the inflation figure over two years is about 45 per cent, so our profit has gone up in two years at the same rate as the value of money has gone down. In the meantime we spent over £50 million on new investment.

So, our profits are good, but only good against that background.

**PI:** *What were the main factors in restoring profitability?*

**JDS:** The most pleasing feature of our situation is that we've been able to contain our costs, increase our competitiveness and raise our profitability at the same time. It brings home how essential it is to contain costs,

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**“There is nothing so helpful to trade as having something that people want and other shops haven't got.”**

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because if we can't do that we become less competitive. Because we are more competitive our trade has gone up, our market share has grown, which has helped us in turn to improve our efficiency.

**PI:** *Can we quantify some of these things. You've talked about trade and market share going up. How much did turnover go up and what proportion of that was due to volume growth rather than price rises?*

**JDS:** Turnover went up by 18 per cent. It is difficult to be precise about volume, but more than 4 per cent of that was a real increase in the quantity of goods sold.

**PI:** *That sounds remarkably good.*

**JDS:** Yes, but we've got a lot more sales space in which to achieve that volume growth. We've created more sales space than we have extra trade or extra customers, because new stores do not trade at the same intensity as the older stores—indeed, they are not designed to do so. A large part of our growth has come through the new stores, by which I mean not only the ones that have opened this year, but those that have opened

over the last 18 months.

**PI:** *Has our volume growth been better than our competitors'?*

**JDS:** Yes it has. Our market share has gone up over the period and that is linked straight back to the fact that we've become more competitive. Department of Industry figures show that we now have 7.3 per cent of the total trade through all grocery outlets, compared with 7.1 per cent a year ago.

**PI:** *What part did the new departments play in the increase in turnover?*

**JDS:** They were certainly important. We now have 60 shops with health and beauty aid departments compared with 39 a year ago. Hardware, which is probably the most important area, is now in 48 stores, whereas a year ago we only had 32 and the year before that only 17. Textiles are currently in 21 branches, and of course the other area of growth is freezer centres which have become very successful in the last year. They are really contributing most satisfactorily to our volume and profit growth.

**PI:** *Were there any trading factors that helped the results?*

**JDS:** One of the features of the first half of this year is that there's been no evidence of the trading down that was going on a year ago.

**PI:** *And what about the long hot summer—what effect did that have?*

**JDS:** Very hot weather is usually a discouragement to trade, but when you get it over a long period, as we did this summer, other factors come in. People buy very much larger quantities of things like soft drinks and we were quicker on our feet than most of our competitors, we had supplies of many things that were short in the trade as a whole. We got a real advantage from that, thanks to good work by the buying offices securing supplies and on the part of the distribution division getting the vastly increased quantities delivered. There is nothing so helpful to trade as having something that people want and other shops haven't got.

**PI:** *Could we come back now to the question of costs, because you refer to that as being an important factor in the results. How did we achieve this better cost performance?*

**JDS:** Above all, it's an attitude of mind. I think the difficulties of the last two years have brought home to every one of us, from the boardroom right through the company, the seriousness of the escalation in our costs—and a realisation of how small our profit margin is. For retailing it is still only 3.2p every £1 of sales (3.3p including the contribution from associated companies). You only have to allow your costs to get out of line and your profits very quickly disappear. Secondly, there has been a great deal of work right through the company to reduce costs, mounted originally by the Directors Administration Committee. It isn't one big figure from one place, it's a whole host of improvements in efficiency, which add up to a tighter operation and less waste. And it doesn't

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**“We have given the maximum under the incomes policy at the earliest possible opportunity.”**

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**“The development of these hypermarkets is not in place of the development of JS supermarkets and superstores.”**

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**“It’s early days still but the beginning of the discount pricing operation has been extremely encouraging.”**

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**“I believe we’ve got to be extremely cautious in forecasting anything other than a very tough time in 1977.”**

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**“And in JS, unlike some other companies, expansion generally means more jobs.”**

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▷ *continued*

stop where we’ve got to now. We’re still gaining from the initiative that was started two years ago.

**PI:** *Most of us are aware of the way in which recruitment has been controlled in order to keep staff numbers down and provide more job security. Did existing staff have to make sacrifices of any sort in order to achieve this better cost control?*

**JDS:** I think the point to be made is that we have given the maximum under the incomes policy at the earliest possible opportunity, which is naturally relatively expensive because retailing companies are labour intensive. In important areas the fact that we have to keep to the strict guidelines of the pay policy has meant that we are inhibited from rewarding good performance in the way that we would like to, which makes the achievement of greater efficiency all the more commendable.

**PI:** *What has the £6 meant in terms of percentage pay increase on average across the company?*

**JDS:** Well, there are differences between the various departments. The flat rate increase was designed by the Government to help the lower paid. Overall the increase was just over 13 per cent. Earnings have been slightly higher than that, but 13 per cent is quite a significant sum for the company even with our good profit position.

Essentially, we have been trying to make the whole programme of improvement as painless as possible as far as employees are concerned. We haven’t done anything dramatic to reduce costs at the expense of employees—as some companies have. We believe, as we always have done, that we have obligations to provide employees with as good a standard of living as possible, together with security.

**PI:** *What contribution to the better profits came from increased gross margins—in other words, by raising prices?*

**JDS:** It has been possible to raise gross margins a little, but they’re still not back to the levels they were before price controls.

The contribution from increased gross margins was nothing like as important as the growth of turnover, growth of volume and growth of operating efficiency. Competition, apart from anything else, made sure that gross margins didn’t move too far and of course we were well below the permitted gross margin under the price code.

**PI:** *How do our prices compare now with our competitors’?*

**JDS:** On a fairly detailed shopping basket calculation that we make, our prices are 2-3½ per cent cheaper than our major High Street competitors, which is a significant improvement on a year ago. But of course they aren’t the only competitors. There are two new types of competitor which are getting ever more important. One is the cheap discounter with a small shop and very few lines—so few that he doesn’t even bother to price them; the cashiers are supposed to remember. These discounters have a very restricted range, very few perishables, very low costs and achieve a considerable price saving on the goods they sell—and they are all goods that we sell. It is very tough competition on that range.

The other completely new type of

competition outside the conventional High Street is the large superstore. Asda is the obvious name, a successful operator, someone who’s now getting sites in the south and will have a growing impact on us. We already meet in the Midlands and they’ve got a discount of something over 5 per cent on our prices.

Then, of course there are hypermarkets. We’re fighting hypermarkets at Telford and in the Southampton area particularly. Shortly we will be fighting in our first store in Wales against both a Carrefour hypermarket and an Asda superstore, both of which are very close to us.

One way we’re fighting this new competition long-term is by the development of hypermarkets jointly with BHS. We’ve already got two sites and we’ve got quite a few more in the offing, all of which depend on whether we can get planning permission. But in this context one wants to emphasize that the

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**“Our prices are 2-3½ per cent cheaper than our major High Street competitors.”**

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development of these hypermarkets is not in place of the development of JS supermarkets and superstores. Thank goodness we are in hypermarkets, because if we weren’t getting these sites, our competitors in hypermarkets would be and instead of some JS supermarkets which happen to be close to these sites losing trade to a jointly-owned company, they’d be losing them to Carrefour, Asda or someone else. So let’s not be under any illusion about that.

But we’re not only fighting discounting in the long-term through the development of our own hypermarkets; we’re also fighting it in the short-term through the development of our discount prices. Here, as you know, we’re passing on some of the economies of large-scale stores by having lower prices. We’re not hiding the fact from our customers that we have different price lists, like some of our competitors do, we would rather draw attention to it. It’s early days still but the beginning of the discount pricing operation has been extremely encouraging.

**PI:** *I wonder if we could talk again about the new departments. A lot of staff would be interested if you could spell out how you see these developing in the long-term now that we’ve got a fair amount of experience under our belts.*

**JDS:** I think we’ve got very little experience really. Let’s face it, we’ve been selling perishable goods for over a hundred years. We’ve been selling groceries in volume ever since the war and we’ve got 25 years’ experience of self-service trading. We’ve hardly had any experience at all in the major new areas of hardware, textiles, health and beauty and so on. We’re at the very beginning and I think that considering the difficulties and the newness of the trade, it’s quite astonishing what we’ve been able to achieve in a short time. Naturally we make mistakes and have teething troubles in these early days, but

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we're learning fast, we're getting better all the time and I'm confident that we've got tremendous scope for growth as we develop our expertise. Our policy, though, is the same that we have on our traditional range—to have the best quality in the High Street and at a price which is competitive.

**PI:** *Coming back to profits, what's the second half of the year going to be like?*

**JDS:** Well, sadly, it is going to bring higher food prices than we'd anticipated. At the moment we may be benefiting from the fact that people are aware of the fact that food prices are going to go up and are bringing some of their purchasing forward. This brings us a temporary boom and we get a more buoyant trade, as do other retailers. I think that we've got to be very careful because, given the economic situation, given the devaluation of the pound and so on and given the incomes policy, there is going to be a falling standard of living and we're going to see our customers' purchasing power going down. In these circumstances money is going to be tight, which means competition will get more intense. I believe we've got to be very cautious in forecasting anything other than a very tough time in 1977.

**PI:** *With these economic uncertainties ahead two questions in most people's minds will be how secure are their jobs, and what's the future of JS's investment programme?*

**JDS:** Well, we're going to stick to our policy, as we have done in the difficult last two years, of continuing to invest. And in JS, unlike some other companies, expansion in general means more jobs. In the long-term we have confidence in our ability to meet competition, however strong it gets, and therefore we will keep up our programme of opening new stores and modernising existing ones. This means two constraints. One, that we go on improving our efficiency more effectively than our competitors, which means that we go on gaining in volume of sales. Second, that we can get the planning permission that we need to build new stores and to build the sort that we want in the places we want them.

The first we have a control over, and considering the difficulties, we have done well over the last two years. Gradually we have improved our efficiency, and I have every confidence that we will go on doing so. I am more worried about persuading the authorities to give planning permission to build the stores.

**PI:** *How important are good profits to the continuing investment programme?*

**JDS:** If we're investing at the rate of £25 million a year, which is the average for the last two years, Heaven help us if we don't have profits at about the level we're getting now. The alternative is borrowing at interest rates of 16 per cent, and that doesn't make much sense.

**PI:** *Have you any final comment to make?*

**JDS:** Not on the results—but I do want to say how much I appreciate the efforts staff have made this year. We didn't achieve the improvement we have without a lot of hard work. Our first half results should give us real confidence to face the difficulties ahead. I know all the directors would want to join me in thanking staff for what they have done so far this year.

## Faces in the news...



**YVONNE DUKE** only entered the contest for Miss JS Southern for a laugh, and while the contest was on, she says 'I burst out laughing most of the time.'

Her gaiety must be infectious, because she won. Anyway, having admitted as a frequent disco-goer that her dancing was of the 'knickers-in-the-air' variety, who wouldn't laugh?

Yvonne's a cashier at Winchester branch, and since she says 'I want to be good at everything I do—it's the only way to be successful' you can expect that she'll serve you conscientiously as well as cheerfully.

An 18-year-old Scot, though without a trace of an accent, she's moved around a lot with her father's army postings.

Settling in Winchester has deprived her of one of her pleasures. 'I really like horse-riding' she says 'but I haven't been able to do it regularly for a couple of years now. There's nowhere to ride near here.'

It sounds to us as if she's waiting for a tall dark handsome horseman to lift her onto his white stallion and ride away into the sunset.



ONE WEEK Michelle Cheatle was being crowned Miss JS Eastern, the next she was under the surgeon's knife having her appendix removed.

Michelle, now 18, is a display assistant at Great Yarmouth, and she was entered by grocery manager Robert Risborough for the contest. Since he also entered Janine Stubbs, who was runner-up, it seems he's got a good eye for the girls.

She's now back to health again, which means that she can get back to the games of squash that keep her in such good shape. She always plays her boyfriend, and he always beats her, but she vows one day to turn the tables.

She likes squash because it's so energetic, and it's presumably the same energy that makes her want to travel—she names the Seychelles and the West Indies—and certainly Yarmouth ('Too full in summer, too dull in winter' she says) won't keep her.

And the same energy makes her a fan of action-packed films—particularly adventure and horror. 'But I sit and watch them through my fingers' she says.



CENTRAL LONDON'S 'Marketing student of the year' is the title won by Douglas Parkin, JS's assistant trading analyst.

He won the title, conferred by the Institute of Marketing, in their diploma examinations, which he passed with a distinction in marketing planning and credits in a case-history project and in international aspects of marketing.

The diploma course lasts three years, and Douglas had already obtained four credits in the first two stages of the course.

28-year-old Douglas, who has been with JS for ten years, took the course at the City of London Polytechnic.

# Food today: friend or foe?

Have you read the headlines in the papers recently? Headlines concerning heart disease and animal fats, polyunsaturates, cholesterol and eggs, monosodium glutamate and 'hot flushes', antibiotics in milk, hormones, additives and contaminants such as preservatives, colours, emulsifiers, antioxidants, mineral oil, lead, mercury, stabilisers, flavourings, fibre in the diet, fluorohydrocarbons, smoking, pollution, noise, fluoride etc. etc.

Should we eat all that food at Christmas, in fact—should we eat at all? Is there a danger to health from the environment, is it safe to eat, smoke, work—even to live?

**WHY ALL THIS** sudden publicity?—publicity that has only really developed over the last five to ten years. Have things changed so much in these few years to warrant all the emotive articles that appear? The answer is yes: things have changed very rapidly, but to really understand what is happening one needs to go back further than a decade.

This lump of material we call Earth has a history going back some 6,000,000,000 years according to fairly reliable sources. Although historical details are only sparsely 'documented' until the last few hundred years, one thing is quite clear: plant and animal life developed and lived on a basis of natural selection, or survival of the fittest. The weak did not survive, because they could not help themselves and there was no one to help them.

This was the way nature adapted life to the environment which it created. That is, until about 50,000 years ago. It was around this time that the process of natural selection started producing our ancestors. The original model was adapted, until about 8-10,000 years ago 'man' (I use this term in the scientific sense—woman is equally to blame) began to become civilised.

Now there have been many definitions of 'civilised' but I would like to define it as 'adapting the environment to man's own requirements'. This in fact is what man has tried to do. Nature is no longer in overall control. Man has domesticated ani-

**Colin McGinn is JS's chief chemist and very much involved in whether or not what we eat is good or bad for us. In the following article he tells us about some of the ways our rapidly changing environment has affected our diet and the ways we can eat wisely but well.**



mals to his own needs and in doing so has produced some animals that could not exist without man's help (the dairy cow is an example).

Man also developed crops for specific purposes, developed a group culture on a vastly wider scale than ever happened before in the animal kingdom. He has altered the face of the earth—by removing forests, producing artificial lakes, building

houses and cities etc. and in so doing has created pollution and deserts, and has changed the flora and fauna to meet his own needs.

He has been trying and is still trying to alter nature as he wishes, although nature still revolts occasionally and sometimes catastrophically—but without allowing himself time to adapt to the changes.

Ten thousand years ago these changes must have taken place very slowly compared with today—although still rapidly by nature's time clock. But in the last 25-30 years the changes (called advances by the people who make them) have become really rapid.

No-one is able to assess the effect the stress of modern day living is having. But this is not the only effect these advances have had. The process of natural selection has been virtually eliminated for man—nowadays a vastly higher proportion of children survive to become adults than 100 years ago. Man lives to a greater age than previously.

These changes, together with the so-called better conditions that have been created which make it easier to 'live' (how many of you have had to fight for your food lately?), mean a higher population overall. (It has been estimated there are more people living today than the total for the previous 10,000 years of man's existence.) And this population requires feeding.

Since it is not possible under the present systems for each and everyone to grow their own food, food has to be

prepared for them, transported and stored, then made available when and where it is required.

Intensive methods of production for plants and animals are required, new methods of processing, new foods. Nor is it possible for man to make or prepare for himself all the other articles and items which he expects to be able to enjoy in this modern society. Is it any wonder therefore, that man is suddenly discovering that he does not control his own body as much as he had thought—or hoped.

Don't misunderstand me—I am not a Conservationist, Naturist, Friend of the Earth or whatever. All I am trying to point out is that man himself has caused most of the problems which surround him at the moment. Man has not had the time to adapt to all these sudden changes that have occurred and are occurring, whatever consumer associations may think.

So many changes have occurred over the past few years that nobody can evaluate the combined effects of all the various combinations and permutations, on society or individuals.

One thing is certain though: the food we eat, the life we lead and the kind of pressures we live under can all affect our health. Can there be a blueprint for survival which ensures that whatever changes science, technology and business expediency put on us, the world and his wife can still lead well balanced, happy, healthy lives?

Well, so far as food is concerned, provided you are a normal healthy human being, eat a varied diet—don't concentrate on any one food. A varied diet makes sure that all the necessary nutrients are available to the body and perhaps not too many of the so-called poisons are consumed at any one time. Again, only eat as much as you require, in other words don't overeat too often (Christmas won't hurt you if this is the exception). Try and make sure of some physical exercise at regular intervals—but don't



*'... enjoy your Christmas, enjoy your excess in moderation of course.'*

*'... how many of you have had to fight for your food lately?'*



suddenly try to run a four minute mile if the only exercise you normally take is the run from your desk to the boss's.

If your diet is normally very fatty, try to cut down on this, and in addition consider using vegetable oil for some of the time. And lastly, look at your family, your parents, brothers, sisters, aunts and uncles. No-one has managed to alter heredity to any great extent so far (although we are trying very hard) so if you parents or grandparents have lived it up to a ripe old age there is a good chance that you will be able to do so as well. If you have any doubts, however, or if you are on a special diet, consult your doctor; he probably knows best anyway.

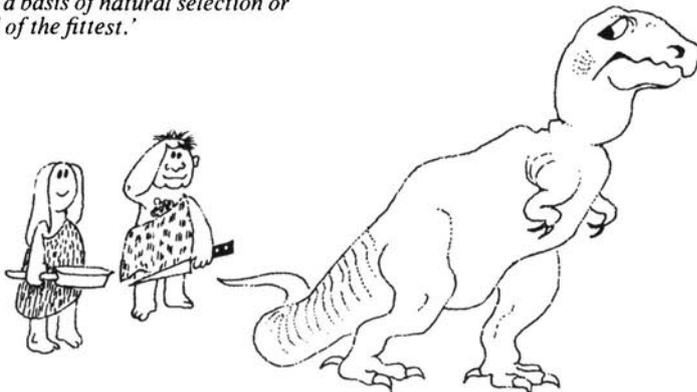
There is a line from an old music hall song (I hope) which says 'A little of what you fancy does you good.' While I cannot guarantee the truth of the song, nevertheless, I believe that 'if you fancy something, a little may not do you any good—but it probably

won't do you any harm.' Opinions change—very rapidly sometimes, on what one should or should not do. What is good for you today may well be harmful for you tomorrow—according to the experts—and even experts disagree. A few years ago we were being exhorted to go to work on an egg! Now we are being told that eggs could be harmful and not to eat more than two or three a week.

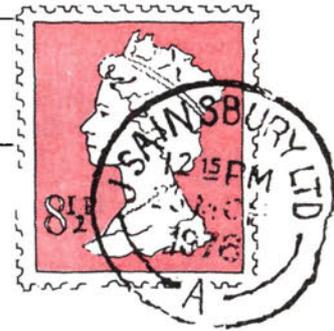
There is another old saying: 'Variety is the spice of life'. Make sure you get your variety—at any rate so far as food is concerned—and probably you'll come to the least harm. (Consultations on variety in areas other than food can probably be arranged.) Add to that 'Moderation in all things' and with any luck we will all be home and dry.

So if you are the normal, sane, happy, healthy man (or woman) (and who in JS isn't?)—enjoy your Christmas, enjoy your excess—in moderation of course! Hopefully that other old saying 'eat, drink and be merry for tomorrow we die' may not be true after all. It would be a pity to lose the last 10,000 years of experience. Maybe man (and woman) is much more adaptable than we think. ○

*'... plant and animal life developed and lived on a basis of natural selection or survival of the fittest.'*



# Your letters



Letters are welcome and should be addressed to the editor. Don't forget you can dictate one by using the Journal's phone-in service on 01-921 6221

## Time is money?

**From: B R Lucas, deputy manager, Nuneaton branch**

Every branch in the company, four or five times a week for a duration of an average of three minutes a day at the peak period, either adjusts or places their produce order.

The cost to the company over one year must be astronomical. To reduce such an expense it would seem more logical to use the Plessey machines for such an operation. Inevitably there are reasons why it cannot be done but, having invested probably millions of pounds installing and developing data capture and transmission equipment, is the company content to use it for what would appear to be half its capacity? After all, produce adjustments

are only one example of predictable communication with central departments.

**Peter Smith, data processing manager, Blackfriars, replies:**

Plans are well advanced to introduce a new computer system next year to cater for the majority of commodities, including produce, which are not yet fully computerised. One of the facilities available will be the amending or placing of orders via Plessey.

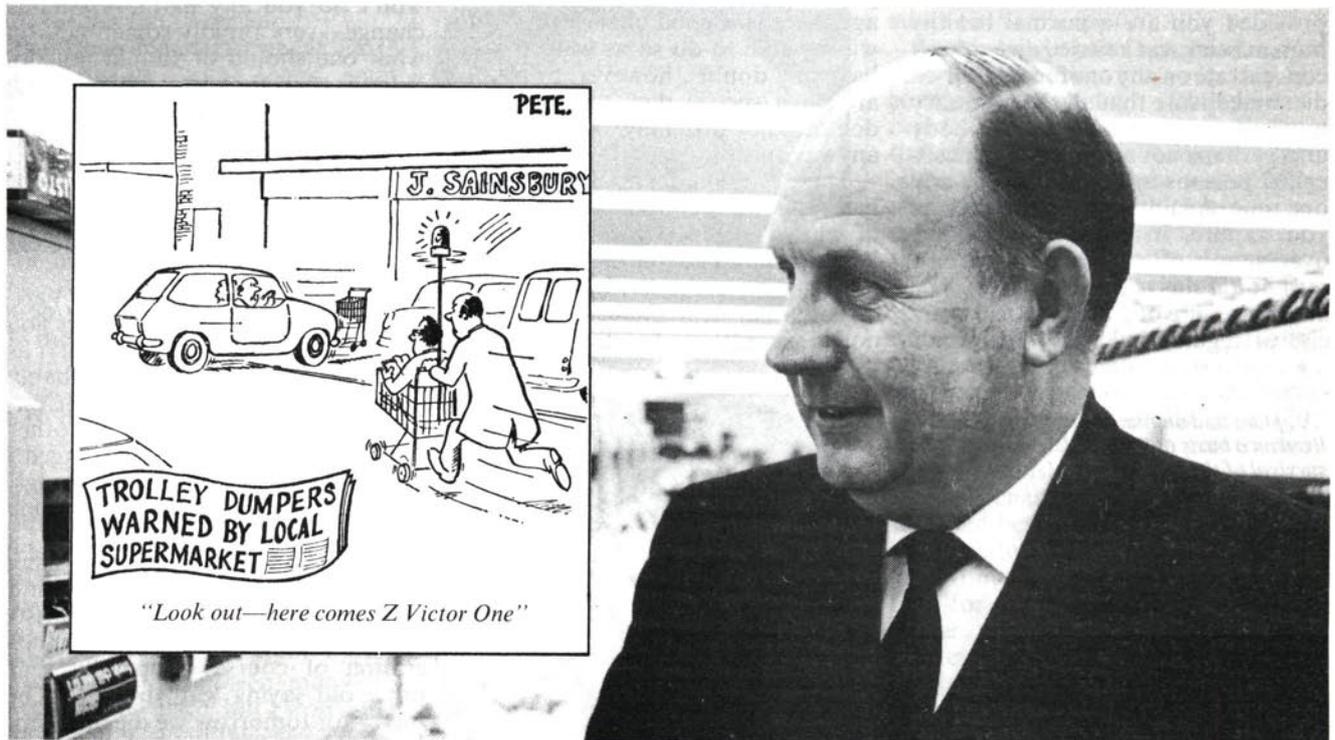
Plessey terminals were introduced into all branches by 1973 (starting 1971) for the capture of branch orders. Since then branch takings, perishable commodity stocks, Christmas stocks and recently amendments to predicted sales have been added. This has been achieved despite the fact that the Plessey equipment was designed as a cheap, single application device, cost justified for branch ordering alone and consequently, far from costing millions, it in fact cost less

than half a million to implement.

Nevertheless, I am sure some more jobs will be added, but it must be borne in mind that before any additional data can be captured a considerable amount of system and programming work has to be carried out for the main frame computers. As with the rest of the company, the data processing department has to watch its budget very carefully and can therefore only afford to devote a certain percentage of its resources to any one project without high priority work suffering (such as keeping the operational systems in line with the changing requirements of the company).

Finally I am sure it is of interest to readers in these cost conscious days that although the investment in Plessey equipment development was high (approx £2,200 per branch) it very quickly paid for itself by huge savings in telephone, computer and labour costs.

## "I've seen that face somewhere before!"



**From: Ted Spriggs, manager, Welwyn Garden City branch**

This cartoon recently appeared in our local newspaper. I think that the driver of

Z Victor One is supposed to be yours truly. But little does the cartoonist know that I haven't passed my test for this class of vehicle.

We see what you mean Mr Spriggs—there is certainly something about the profile and the hairline that makes you look twice. Any idea who it is in the trolley? **Editor.**

## Goodbye and hallo

This ode to a newly promoted branch manager was sent to the *JS Journal* recently by that most prolific of writers—Anon, but by some devilishly clever deduction we worked out that Anon probably works at JS's Lewisham store.

*We've heard the news and so we grieve  
To hear our Manager's going to leave  
They come and go, the short and tall,  
The quick and slow, we've seen them all.  
Top management are forever changing  
While we below keep rearranging.*

*Each new man has different ways  
So once again we change displays  
To suit his ideas of tergiversation  
And though our latest amalgamation  
Has only been of short duration,  
We have achieved an affiliation  
Born of respect and appreciation  
That we are all together in the struggle  
To create order out of muddle.  
And very often we just despair  
And wonder why the hell we care!  
So though his going makes us sadder  
We're glad he is stepping up the ladder  
While we who remain will still do our best  
For the next new man, and of course, JS.*

## Thumbs up

**From: L Bradford, Clapham**

I was rather surprised to see Mr Layzell (page 9, *JS Journal* November 1976) holding a piece of Stilton cheese with his thumbs in contact with the cut face of the cheese. Have JS training methods changed since 1937, or maybe a few more microbes won't hurt?

*Our photograph was deceiving, Mr Bradford. The cheese was (and is) hygienically shrink-wrapped with Saran cling film.—Editor.*

## Firstaiders praised for administering after car park pile up

**From: Mrs P Smith, customer, Guildford**  
On Wednesday evening of last week my sister, Mrs Grace Clancy, and I were involved in a car accident in the multi-storey car-park at the rear of your supermarket in Guildford High Street. My sister sustained a fractured leg and was very shocked, and I sustained an eye injury from the shattered windscreen which mercifully has not damaged my sight.

We were both attended to by two firstaiders from your store, and on behalf of my sister and myself I would like to pay tribute to their care and gentleness which enabled us to keep calm while waiting for the ambulance.

We would be grateful if you would convey our deep appreciation to them both, not only for their care of us but also for their subsequent enquiries.

My sister was able to return home to Normandy last Saturday and I am thankful to say that my eye injury is healing satisfactorily, due not only to the hospital care, but to the initial first aid, for which I am so grateful.



**BPO Carol Reed (left) and Ken Lemon once again demonstrate their skills as firstaiders.**

*THE TWO JS firstaiders who went to the rescue were branch personnel officer Mrs Carol Reed and senior tradesman Ken Lemon.*

*Says Mrs Reed: 'I was going to my car in the car park at the rear of the store when I*

*heard a bang. I ran over to the scene of the accident and when I saw the extent of the ladies' injuries I sent for Ken.*

*'We both attended to them until an ambulance arrived to take them to hospital. I later visited them in hospital.'*

## JS gets into training for the second time running

ONCE AGAIN JS HAS gained the Distributive Training Award—presented by the Distributive Industry Training Board. The award is made for three years, and JS previously won it in 1973.

By nature of its business JS is affiliated to the DITB, which lays down standards for the training of employees. The DITB ensures these standards are met at JS by conferring with the directors of the three divisions—central departments, retail and distribution—and also the respective training managers. JS pays the DITB a levy based on the payroll, and in return receives a grant, based on the range, quality and organisation of training.

Head office training manager Andrew Link, one of those interviewed, says: 'Officials from the Training Board used to come to JS and do an audit of our training facilities—study training methods, talk to staff etc.

'Now they interview the directors and training managers concerned instead as a first stage, and follow up if necessary. We also send them details and statistics of all training courses we hold or sponsor.'

Based on the information gathered, the DITB awards points, including bonus points if the training programmes are in excess of the standards laid down. These are the criteria on which JS has gained the award again.

So for another year, JS can continue to display the Distributive Training Award motif on its promotional literature.

**Right: The distinctive Distributive Training Award motif.**





# People pages

## Appointments

**T Brown**, formerly manager of Sutton, has been appointed manager of Lewisham.

**R K Palser**, formerly manager of Stockwell, has been appointed manager of Sutton.

**B Thake**, formerly manager of Leamington, has been appointed manager of Cannon Park (Coventry) opening in 1977.

**P Mullins**, formerly manager of Northfield, has been appointed manager of Kings Heath.

**P Smith**, formerly deputy manager of Leicester, has been appointed manager of Sheffield.

**G Bastone**, formerly deputy manager of West Wickham, has been appointed manager of Stockwell.

**Timothy Day**, formerly company packaging engineer, has been appointed manager, packaging and safety engineering, Clapham.

**Derek Hollyoake**, formerly section leader in supply control, has been appointed buyer in the produce department, Blackfriars.

**Ian Baldwin**, formerly assistant buyer, has been appointed assistant manager/buyer in poultry buying, Blackfriars.

**Raymond Morton**, formerly assistant quality control manager at Hoddesdon depot, has been appointed quality control manager.

**Philip Whale**, formerly security supervisor at blackfriars, has been appointed security manager.

## Long Service

**Len Barton**, meat manager at Harold Hill, celebrated 40 years' service with the company in October.

He started his career as a butcher's learner at Cranbrook Road, Ilford, and after six months he was transferred to 50 Goodmayes, where he returned after his war service. In 1948 he was transferred to Gants Hill, and became senior leading butcher. Two years later he became head butcher at 560 Leytonstone. Mr Barton moved to Colliers Row and was promoted to meat manager on its opening in 1956. He spent six months as a reserve meat manager at Romford and was appointed meat manager at Harold Hill in 1975.

**Doug Bramham**, manager of St Stephens, Norwich, celebrated 40 years' service with the company in October.

Mr Bramham started at Brondesbury as a junior salesman. After six years' war service he returned to JS at Wealdstone, also working in the Harrow and Watford

areas. Mr Bramham went into self-service at Oxhey, was promoted to assistant manager in 1954, and was transferred to Harlow for the opening in 1957, becoming manager of the store in 1964. He moved to St Stephens six years ago.

**'Benny' Hill**, relief manager at Ashford, celebrated 40 years' service with JS in October.

Holloway branch was Mr. Hill's first appointment and he worked at Byfleet, Woking and Weybridge, before returning to Byfleet after his war service. He moved to Surbiton, Esher and Kingston before his promotion to assistant manager at Weybridge in 1951. He then worked at Ealing, Drury Lane and Richmond, becoming a manager in 1959 and being transferred to Maidstone in 1968, where he remained until the old supermarket closed last month.

**Bill Jaynes**, provisions manager at Hitchin, celebrated 25 years' service in October.

Mr Jaynes started at Stockwell but after a short period moved to north-west London, working at Temple Fortune, Cricklewood and other branches in the area.

**Doris Lodge**, display assistant at Romford, celebrated 25 years' service with JS in October.

Miss Lodge started in the Romford manual store, then moved to Colliers Row in 1951. After its closure in 1975 she moved back to the new Romford branch.

## Retirements

**Norman Barrance**, manager of Romford, retired on November 20, after 44 years' service with the company.

Mr Barrance joined JS as a learner at 259 Ilford. He progressed to salesman at Leytonstone and was then called up for national service. He returned to Leytonstone in 1946 and in the same year became leading salesman. He was transferred to 560 Leytonstone in 1947 and two years later was appointed assistant manager of Lea Bridge Road. He was promoted to manager of Forest Gate in 1950 and subsequently became manager of Manor Park and Watney Street. After completing his self-service training he managed Debden, Hoe St, 40/44 Walthamstow and Basildon. Mr Barrance has managed Romford since 1973.

**Len Collin**, reserve manager at Wandsworth, retired on November 6. He had been with JS for 44 years.

Mr Collin started with the company at Victoria branch and was appointed salesman in 1937. He was transferred to Chelsea two years later and was then called up for national service.

He returned to Victoria in 1946 and was

promoted to leading salesman in the same year. Mr Collin returned to Chelsea in 1947 and became assistant manager in 1951. He did various managerial reliefs and in 1954 he was appointed spare manager of Chelsea. Later in the year he became manager of Balham, and subsequently managed West Kensington, Victoria, Fulham, 189 Kensington, and East Sheen until its closure in 1970.

Mr Collin went to Putney as reserve manager, taking over the management in 1972. He took up his present post in 1974 owing to ill health.

**Alfred Millard**, meat manager at St Albans, retired on November 6 after 44 years' service with the company.

Mr Millard started at Marble Arch and returned there after his war service. He worked in many of the branches in central and north-west London, and became a meat manager in 1952. Mr Millard has also worked at South Harrow, Kingsbury, Ruislip, Cricklewood and Temple Fortune.

**Charles Lundy**, reserve manager at High Barnet, retired early after 41 years' service with the company on November 15.

Mr Lundy's first two years were spent at 50 Goodmayes, and he moved to Forest Gate prior to his war service. He returned as a salesman at 114 Ilford and subsequently worked at all the Ilford branches (124, 259, 75 and 34) and in 1948 was appointed leading salesman at '259' and assistant manager three years later at '34'. From 1952 to 1957 he covered a number of managerial reliefs, and in 1957 he was appointed manager of Goodmayes until the branch closed. He took over as manager of Leytonstone in 1958 and during his time there he was attacked after leaving the branch, by men trying to get the keys.

Owing to Mr Lundy's ill health, he was transferred to lighter work as a reserve manager at Holloway in 1969 and Romford in 1970 until its closure a year later. He was then transferred to Barkingside and in 1975 he moved to High Barnet.

**Leonora 'Swab' Sweby**, chief clerk at St Albans, retired on November 6. Mrs Sweby's 36 years with the company were all spent at St Albans.

**Iris Fairburn**, spare chief clerk at Stamford Hill, retired after 31 years' service with the company on September 17.

Mrs Fairburn started as a supply assistant at 42/44 Walthamstow and after nine years she was promoted to clerk. After the closure of the branch she moved to 12 St James Street, and she has also worked at 154 Hoe Street, Lea Bridge, Leytonstone, Stamford Hill manual, Wood Green and Stamford Hill self-service.

**Dennis McGinn**, manager of Swindon, who took an early retirement on Novem-

*continued* ▷

▷ *continued*

ber 6, had been with JS for 29 years.

Mr McGinn started at Burnt Oak and was then transferred to Western Road, Brighton. He also worked at East Grinstead, 218 Sutton, Beckenham and Bexleyheath.

**Kit Coulson**, chief clerk at 40/44 Walthamstow, retired on November 6 after being with JS for 23 years.

Miss Coulson started at Lea Bridge Road as a sales assistant in 1960 and she later transferred into the office. She moved to Barking until its closure in 1975, when she moved to 40/44 Walthamstow.

**Paul Cawley**, chief warehouseman at Colchester, retired on August 21. He had been with the company for 22 years.

Mr Cawley joined JS as a porter then a year later he started training as a butcher, eventually progressing to senior leading butcher. He became chief warehouseman on the opening of Colchester in 1969.

**Anne Favell**, display assistant at Boreham Wood, retired on October 1. She had been with JS for 18 years.

Mrs Favell worked at Apex Corner until its closure in 1966, when she transferred to Boreham Wood.

**Jane Cook**, leading sales assistant at St Albans, retired on November 6. She had been with JS for 17 years.

**Jenny Littleworth**, sales assistant at St Albans, retired on November 6 after working at the branch for 16 years.

**'Rev' Revel**, part-time housekeeper at Hemel Hempstead, retired on September 28. She had been with JS for 16 years.

**William 'Mac' McFarland**, leading tradesman at St Albans, retired on November 6. He had been with the company for 15 years.

**Ben Jackson**, leading store serviceman at Richmond, retired on November 20. Mr Jackson had worked for the company for 14 years.

**Gilly McGill**, display assistant at Slough, retired from JS on November 13, after 12 years, all at the branch.

The following employees have also retired. Length of service is shown in brackets.

**F Antczak** (9 years)  
**Maud Sears** (9 years)  
**Lilian Oldham** (8 years)  
**Agnes Dewhurst** (7 years)  
**Mrs B Glenten** (7 years)  
**J E Nicholson** (7 years)  
**J Woods** (7 years)  
**Edith Watt** (6 years)  
**L Bint** (5 years)  
**A Farthing** (5 years)  
**Jean Lyons** (5 years)  
**N Payne** (5 years)  
**Mary Spencer** (5 years)  
**Mrs G Field** (2 years)  
**J Jeffries** (2 years)

## Retiring watchdog stays alert

AN 'INDUSTRIAL SPY'—that was one of the accusations levelled at Alec Hadden, manager of JS's retail competition department, as he 'looked over' the shop of a competitor.

Mr Hadden, who created the department in 1973, joined JS in 1932 as a clerk in branch retail sales. On October 29, after 44 years' service, he retired.

'I've visited hundreds of shops in the past three years observing the selling methods and prices of our competitors, but it was only in one shop that I was accused of being an industrial spy', says Mr Hadden.

He explains: 'I was standing outside the shop reading into a dictaphone the special offers displayed on the window. Some shoppers had spotted me and reported it to the manager who asked me to leave when I entered his shop.'

He visited competitors' shops about four times a week, occasionally making purchases but mostly observing. (Another insight into the way prices are going is obtained by scanning the daily newspapers where the main advertising is done.)

'The department was created because JS felt it needed to keep in close touch with the rapid growth in competition' says Mr Hadden. 'It draws up diagrams about competitors' display methods, checks the lines they stock and advises on their selling methods.'

'A weekly report is sent to the chairman informing him whether JS is being matched or beaten on prices. The department also provides a monitoring service on pricing trends for departments needing such information.'

Helping to keep a check on prices are a number of retired JS branch managers. He says, 'Managers are used mainly in areas outside London, so easing the amount of travelling that would otherwise have to be done by the small team that operates from the centre.'

Mr Hadden, whose early career with JS was in the stock office and, later, in costing and recipe control at the Blackfriars factory, was also closely involved in JS's entry into the frozen food market.

He says: 'It was in 1947 and frozen food



**Alec Hadden**

was just entering the market. Working under Mr James Sainsbury, I was asked to find out about this new trend with a view to starting it up at JS.

'I went about making contacts with people at Unilever, the firm involved, and soon frozen food started off at JS as a sideline. The first branches to sell frozen food lines were Ruislip and Stockwell.

'One of the lines we imported from the continent was morello cherries, which turned out to be an unsuccessful line. So we sent them off to the factory where they were used to make fruit pies. That was the first time JS introduced fruit pies at its shops.'

In 1960, having guided JS's frozen food side from its early beginnings onto a firm footing, Mr Hadden went back to the

factory, taking up a post on the trading side. Eventually, in 1969, he became factory manager, a post he held until its closure in 1972.

He says: 'During that time we had the first ever strike at the factory, related to the closure and redundancy payments. It lasted for ten days.'

In retirement he hopes to continue living at Sidcup, Kent, doing 'all the jobs I've kept to tackle in the next six months.'

He says, 'I will miss the mental challenge of being involved in new things, especially as I have been fortunate to be in at the beginning of so many new JS ventures.'

'In that kind of involvement I have needed to be mentally alert. And retirement too, calls for just that.' ○

# Finger-clicking good! part two

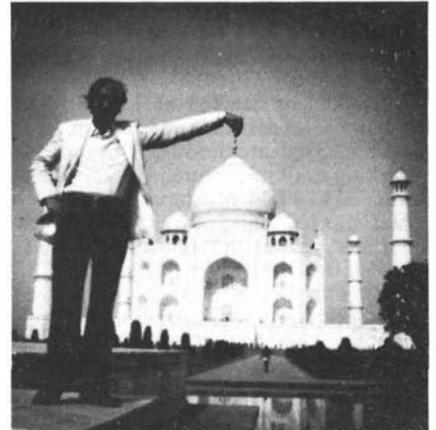
**JUST A FEW DAYS LEFT!** If you want to enter the *JS Journal* photographic competition you'll have to get your skates on, because the closing date for entries is December 1.

You can send as many pictures as you like, but they must be black and white. Just remember to put your name and address on the back of each photograph.

Meanwhile, we've been flooded with entries. On this page we've printed some of the ones that caught our fancy. But remember, judging for the big prize—the trip to Denmark for two—won't begin until all the entries are in.



By Mrs E See, veteran, Wisbech.



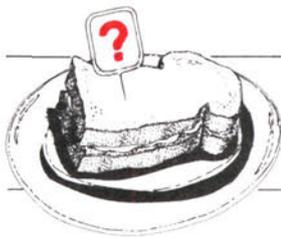
By Mukesh Patel, Streatham office.



By Mrs Barbara Munns, Purley



By Terence Wright, Waltham Forest.



# What's in it for you?

**OUTLANDISH**—but edible—sandwich fillings are what we asked for in the last issue, with a 50p JS gift voucher for every one we printed before Christmas. Here are three that tickled our palates; plus the comments of some expert 'tasters' and some tips to get the taste-buds and the imagination going before our final 'round' in the Christmas issue.

**From: Miss V Hunt, Bethnal Green**

Make an ordinary sandwich with two slices of bread and butter and grilled or fried bacon, then fry two more slices of bread, put the sandwich between these and enjoy.

For a sweet sandwich:  
Bananas with strawberry jam.

**From: Mrs A de Graaf, ex JS housekeeper**

I have just married a Dutchman, and we travelled to Holland by boat and overland by train, to meet my newly acquired

Dutch 'family'. While the main meal was cooking I was given an 'Uitsmijter' which is a sandwich as follows:

Two slices of bread or toast filled with a lightly fried egg (break the yolk), any cooked meat of your choice—ham, bacon, thinly sliced beef or pork—three or four tiny silverskin onions and a couple of sprigs of watercress. I say it's a really good 'nosh' with a cup of good Dutch coffee.

The English-Dutch dictionary definition of 'Uitsmijter' is sandwich—'chucker-out' but I think 'chucker in' would be more apt.

**From: S A Fryer, Bitterne**

I thought I would write and tell you about my favourite sandwich. It is known as a 'Fryer's Special'. You get two slices of bread, spread Marmite on one and salad cream on the other. Add French mustard to taste, slap the two slices together and you have a delicious sandwich.

**JS HOME ECONOMIST** Veronica Miller passed on these tips for would-be sandwich makers. (And 50p gift token winners.)

If you have to make sandwiches, don't just take two slices of bread and butter and stick in a slice of cheese or ham for a British Rail sandwich—use your imagination and make them interesting to eat instead of just a means of stoking up the boiler to stave off hunger pangs.

Add one or a combination of the following to add interest to the main ingredient in a sandwich.

Freshly chopped raw onion, (even more interesting if mixed with salad cream and chopped parsley), chopped gherkins, pickles, freshly chopped eating apple, chopped walnuts, tomatoes, watercress, lettuce, grated carrot, raw cabbage, and, if you feel extravagant, anchovies.



Janet gets her teeth into an Uitsmijter . . .

TO MAKE the sandwiches, to taste them and to give us their comments we went to the experts—the home economics department. Our guinea pigs were Janis Freshwater, preparation assistant, and Janet Reeve, assistant home economist.

**Fried fried bacon sandwich sandwich**

Experts' comments—'Too much bread. Not much good if you're on a diet. Definitely not for fatties.'

**Sandwich dutch style**

Experts' comments—'Looks quite good. Tastes quite nice. Certainly different, but they must have big mouths in Holland. Don't like the onion.'

**Fryer's special**

Experts' comments—'Ugh. A bit dry. Could do with a bit of butter. The salad cream flavour tended to overwhelm the others.'

**Banana sandwich**

Experts' comments—'Difficult to keep hold of, because the bread keeps sliding on the filling. A bit too sweet. It'd be better without the jam.'



. . . while Janis tries a banana butty.

## We also heard . . . a robotic relationship

'MECHANICAL MATE male/female', ran a job advert in a recent current vacancies list.

Sounds to us like not so much a job title, more a piece of gossip.

**A ROYAL VISITOR FOR HORSHAM** on November 23. After officially opening the new Swan Walk shopping development at Horsham, the Duchess of Norfolk will visit a number of shops in the centre—JS's new supermarket among them.

Her Grace is expected at the store, which opened in May, around noon.

**DECEMBER 7** will be a red letter shopping day for hundreds of disabled JS customers. This is the date when at least three JS stores will be keeping their doors open late so that disabled customers can

do their Christmas shopping in comfort.

Staff at the stores, which are Stevenage, Hemel Hempstead and Farnborough, give up their own time to keep the store open after normal trading hours and be on hand to help with wheelchairs and at the checkouts.

**IN THE PAST FEW WEEKS** Folkestone shops have seen an influx of day trippers coming over from France and Belgium to do their Christmas shopping. And, with the sinking pound, the trips turn out to be lucrative, too.

Says JS's Folkestone branch manager Michael Evans, 'We have had a lot of continental shoppers recently but the trend is quite normal for this time of the year.'

'They come as organised shopping parties or individually, and buy items like

Normandy butter, English lamb and tinned foods. Inevitably, Christmas lines are very popular with them at the moment.'

There are no language barriers when coping with these overseas visitors because one member of the branch staff speaks French and one speaks German. And to help ensure that everything runs smoothly, the branch also accepts foreign currency.

**A TOTAL** of 275 employees elected to join the JS savings-related share option scheme.

They are saving for 157,675 shares at a price of 102p a share, making a total weekly contribution of £543.75.

This is the third year of the scheme, which will operate for ten years altogether, and share options will be offered to staff every year.

# An up-dated look at what's in store at JS

## Opening Programme for next 12 months

<b>Broadfield (Crawley)</b>	Supermarket with integral freezer centre and in-store bakery in new district centre. Opens December 7 1976.
<b>Cwmbran</b>	JS development of supermarket with integral freezer centre and in-store bakery, four small shop units and multi-story car park for 558 cars, forming part of extension to new town centre. Opens November 30 1976.
<b>Poole</b>	Re-location of sales area to first floor linking with multi-storey car park. To include an integral freezer centre. First stage open. Completion November 30 1976.
<b>Cannon Park (Coventry) and Wellingborough</b>	Supermarkets with integral freezer centres, scheduled to open spring 1977.
<b>Uxbridge</b>	Supermarket scheduled to open autumn 1977.
<b>Cowley (Oxford)</b>	First stage of enlarged supermarket with integral freezer centre, scheduled to open 1977. Second stage scheduled to open late 1977.
<b>Lords Hill (Southampton)</b>	District centre development by JS scheduled to open summer 1977. JS unit to include integral freezer centre.
<b>Kettering</b>	Supermarket with integral freezer centre, scheduled to open summer 1977.
<b>Haverhill</b>	Supermarket with integral freezer centre scheduled to open autumn 1977.

## Planning Applications

<b>Colchester</b>	Awaiting appeal result.
<b>Egham</b>	Second application refused. Appeal lodged.
<b>West Ealing</b>	Application refused. Second application being discussed.
<b>Chichester</b>	Appeal heard, awaiting result of inquiry.
<b>Leicester (Gynsils)</b>	Awaiting appeal result.
<b>Newcastle-under-Lyme</b>	Approval for supermarket. Work on site scheduled to start early 1977.
<b>Worle (Weston-super-Mare)</b>	Approval for district centre on seven and a half acre site. Building commences spring 1977.
<b>Wilmslow (Cheshire)</b>	Approval for supermarket with surface car parking. Building commences spring 1977.
<b>Dunstable</b>	Outline planning approval for the redevelopment of the South West quadrant of new town centre. Building work is anticipated to start about the middle of 1977.
<b>Maidenhead</b>	Approval for supermarket with rooftop car parking. Building commences early 1978.

## Major Extensions

<b>Stevenage</b>	Takeover of adjoining premises, spring 1977.
<b>Boscombe</b>	Approval for extension. Work commences spring 1977.
<b>Guildford</b>	Approval for additional passenger lift at rear of store. Building commences early 1977.

## Energy-plus SSA weekend at Brea

NOT EVEN inclement weather could prevent 2,500 SSA members and friends having a weekend to remember at Pontin's holiday camp in Brea.

Says SSA organiser Len Starling, 'The campers generated their own warmth to make up for the non-appearance of the sun for most of the weekend.'

There was plenty to do for the energetic, with various sporting events by day and dances and a disco by night. And with the clocks being put back on Saturday it meant everybody got an extra hour at the camp for their money.

The main attraction was the Sunday night dance at which seven lovely hopefuls vied for the title of Miss JS Southern. The winner was Yvonne Duke of Winchester, with Sandra Robertson of Woking area office emerging as runner-up.



Youngsters settle in the saddle at the start of the donkey Derby—one of the galloping successes of the SSA weekend at Brea.

# What's the score?

At half time in the company's financial year, chairman John Sainsbury talks to public relations manager Peter Ireson about the way he sees the facts behind the figures.



**Peter Ireson:** Our latest profit figures are nearly double what they were this time last year, which sounds pretty good. Are you pleased with them?

**John Sainsbury:** I think they are good but you have to relate them to two things. First, the fact that we invested around £50 million this year and last. If we weren't seeing a higher profit, the company would be in real trouble. This is a vast investment and represents about a quarter of the investment by food chain stores in the whole country—obviously far more than our share of total trade.

Second, our profit must be seen against the declining value of money. Although these profits are about 80 per cent up on a year ago, the first half of last year was very poor. Comparing with two years ago, however, profits are only 45 per cent up, and I don't have to remind readers of the *JS Journal* of the hideous inflation, or reduction in the value of money, that has occurred over that period. In fact, the inflation figure over two years is about 45 per cent, so our profit has gone up in two years at the same rate as the value of money has gone down. In the meantime we spent over £50 million on new investment.

So, our profits are good, but only good against that background.

**PI:** What were the main factors in restoring profitability?

**JDS:** The most pleasing feature of our situation is that we've been able to contain our costs, increase our competitiveness and raise our profitability at the same time. It brings home how essential it is to contain costs,

**“There is nothing so helpful to trade as having something that people want and other shops haven't got.”**

because if we can't do that we become less competitive. Because we are more competitive our trade has gone up, our market share has grown, which has helped us in turn to improve our efficiency.

**PI:** Can we quantify some of these things. You've talked about trade and market share going up. How much did turnover go up and what proportion of that was due to volume growth rather than price rises?

**JDS:** Turnover went up by 18 per cent. It is difficult to be precise about volume, but more than 4 per cent of that was a real increase in the quantity of goods sold.

**PI:** That sounds remarkably good.

**JDS:** Yes, but we've got a lot more sales space in which to achieve that volume growth. We've created more sales space than we have extra trade or extra customers, because new stores do not trade at the same intensity as the older stores—indeed, they are not designed to do so. A large part of our growth has come through the new stores, by which I mean not only the ones that have opened this year, but those that have opened

over the last 18 months.

**PI:** Has our volume growth been better than our competitors'?

**JDS:** Yes it has. Our market share has gone up over the period and that is linked straight back to the fact that we've become more competitive. Department of Industry figures show that we now have 7.3 per cent of the total trade through all grocery outlets, compared with 7.1 per cent a year ago.

**PI:** What part did the new departments play in the increase in turnover?

**JDS:** They were certainly important. We now have 60 shops with health and beauty aid departments compared with 39 a year ago. Hardware, which is probably the most important area, is now in 48 stores, whereas a year ago we only had 32 and the year before that only 17. Textiles are currently in 21 branches, and of course the other area of growth is freezer centres which have become very successful in the last year. They are really contributing most satisfactorily to our volume and profit growth.

**PI:** Were there any trading factors that helped the results?

**JDS:** One of the features of the first half of this year is that there's been no evidence of the trading down that was going on a year ago.

**PI:** And what about the long hot summer—what effect did that have?

**JDS:** Very hot weather is usually a discouragement to trade, but when you get it over a long period, as we did this summer, other factors come in. People buy very much larger quantities of things like soft drinks and we were quicker on our feet than most of our competitors, we had supplies of many things that were short in the trade as a whole. We got a real advantage from that, thanks to good work by the buying offices securing supplies and on the part of the distribution division getting the vastly increased quantities delivered. There is nothing so helpful to trade as having something that people want and other shops haven't got.

**PI:** Could we come back now to the question of costs, because you refer to that as being an important factor in the results. How did we achieve this better cost performance?

**JDS:** Above all, it's an attitude of mind. I think the difficulties of the last two years have brought home to every one of us, from the boardroom right through the company, the seriousness of the escalation in our costs—and a realisation of how small our profit margin is. For retailing it is still only 3.2p every £1 of sales (3.3p including the contribution from associated companies). You only have to allow your costs to get out of line and your profits very quickly disappear. Secondly, there has been a great deal of work right through the company to reduce costs, mounted originally by the Directors Administration Committee. It isn't one big figure from one place, it's a whole host of improvements in efficiency, which add up to a tighter operation and less waste. And it doesn't

continued ▷