



15 September 2010

Your abbreviated Tatler comes to you courtesy of SPAR, whose hospitality we have been enjoying at their annual conference at Sun City, and who have distracted us somewhat from our journalistic duties. And a hearty welcome this week to Synovate Aztec, who join us as sponsor of our Manufacturers and Service Providers section. Enjoy the read.

RETAILERS AND WHOLESALERS

Pick n Pay

That's got to be worth a Bob or two...

Pick n Pay is having a word with Zimbabwe's TM Supermarkets about increasing their stake from 25% to 49% as that troubled southern African nation begins to emerge from its decade-long recession, which as well-documented was brought about by a lethal combination of drought and lunacy. TM, you will recall, is Zim's largest retailer, with 50 stores, and around 25% of the market under its belt. According to majority shareholder Meikles, revenue and sales for the group more than doubled to \$144million US in the six months to June, although net income was down 44%. The transaction with Pick n Pay, a debt-for-equity arrangement, might help TM raise \$21million sorely-needed US.

Comment: With Woolies reopening in Zim, things are hotting up, retail wise, in the little country that could.

[Bloomberg 10/09/10](#)

Clicks

Movers and shakers

Clicks has announced the appointment of one Vikesh Ramsunder as Managing Director of UPD, the Group's pharmaceutical wholesaler. Mr Ramsunder comes from within the Group, where he currently serves as head of logistics for Clicks, and replaces Linda van Niekerk, who has headed up the operation since 2005 and will be retained in a consulting capacity. Among Ramsunder's achievements are the implementation of the Blueprint programme which focused on enhancing operating efficiencies within Clicks stores, and general improvements in the performance of the Group's DCs.

Comment: A significant appointment at a time when competition in the pharmacy space is stiffening, on both the retail and the distribution fronts.

[Tatler Reporter 09/09/10](#)

Pharmacy

My chemical romance

In more Clicks news, they've just reached the happy milestone of 250 instore pharmacies, which makes them the biggest pharmacy retailer in the country, with pharmaceutical turnover at R1.5billion last year. Distribution arm UPD is also the largest of its kind on these shores, growing turnover 14.9% last year and increasing market share. No time to relax, though: Shoprite is in the unusual position of snapping at Clicks' heels, with 104 MEDI-Rite pharmacies in selected stores, dispensing 1.9million prescriptions in the year ended June 2010, and growing sales 60%. Pick n Pay with 18 stores and plans for 40, and SPAR who have just rolled out their pilot store at Shelly Beach, have also thrown their hats into the ring, although Woolworths has judiciously removed it with the closure of their three experimental outlets.

Comment: A hotly contested space, where the numbers are not huge but which certainly seems to bring the punters into the shop.

[I-Net Bridge 12/09/10](#)

MANUFACTURERS AND SERVICE PROVIDERS

Tiger Brands

ASA, the Advertising Experts

Is it just us, or is it getting tricky to turn a corner these days without some do-gooder, killjoy authority or other breathing down your neck? Competition Commissions. Consumer Protection Acts. And the frankly mad men of the Advertising Standards Authority (ASA), who have ruled that Purity, despite having persuaded babies to enjoy colourless mush for the better part of a century, are not the "Baby Experts" as claimed. This is because a trademark cannot be an expert, according to the hair-splitters at the ASA.

It's not the trademark, says parent company Tiger Brands. It's the people behind the trademark. They're the experts, and we can prove it. Lalalalalalalala we can't hear you, replies the Authority.

Comment: Water: it's wet. Now there's a great ad.

[News 24.com 10/09/10](#)

AVI

I'll put the kettle on

First, those results: Revenue from food down 0.2% to R6.04bilyons due in part to a poor performance from I&J which can't seem to find any fish these days, although buoyed by good results from Entyce Beverages, which sold a fair whack in the way of inexpensive coffee during the Great Decession. Pretax profit up 7.9% to R880.7millions. On the upside, the share price has risen 24% this twelvemonth past, or double that of competitors like, well, never mind. The interesting part is that AVI intends to carry on producing such traditional mainstays as biscuits, with a new 15 ton plant planned that will help it serve the insatiable demand of the lower end of the market for our crumbly teatime friends, while simultaneously continuing to purvey tasteful threads to the discerning punter – 24 more Kurt Geiger stores, for instance, will be rolled luxuriously out in the next couple of years.

Comment: Nice one, guvnor.

[Business Day 07/09/10](#)

IN BRIEF

SAB

The root of the problem

In what promises quite justifiably to be a world first, SABMiller are contracting Mozambique's cassava farmers to supply their hardy root crop for the production of an inexpensive beer. Cassava starch will replace such traditional beermaking staples as barley, sugar and maize.

[Business Day 10/09/10](#)

Shoprite

Africa: not even for part-time cissies

In Zambia, Shoprite has been summoned for an audience with the labour minister, who wishes to have a quiet word with them about casualisation. Shoprite employs 1000 casual staff in its 19 stores across the country, and is currently on a drive to bring its employment practices up to Zambian speed.

[Zambia Daily Mail 10/09/10](#)

SPAR

Mr Mister

SPAR has announced its Mr SPAR winners for the year. Mr SPAR Retailer is Wiebe Zoetmulder, who runs a group of stores which includes Gateway, the legendary Knowles and Richdens in Hillcrest, and which turns over R600bar per annum. Mr SPAR DC is Group Marketing Executive Mike Prentice, who joined the Group some 19 years ago. The award has been going since the late 60s, and weathered some pretty dodgy hairstyles in the two decades which followed.

[Tatler Reporter 16/09/10](#)

Training

We want more!

And back due to popular demand (insert drum roll) – MyCustomer 2.0! The programme has proved so popular that we've decided to add in another two dates this year, to get your team ready and motivated for your 2011 customer plans. The dates are as follows:

MyCustomer 3.0	7 October 2010	Pick n Pay Institute, JHB
MyCustomer 2.0	13 – 14 October 2010	Pick n Pay Institute, JHB
MyCustomer 2.0	17 – 18 October 2010	Pick n Pay Institute, JHB

[Tatler Reporter 08/09/10](#)

TRADE INTELLIGENCE

Training & Seminars

mycustomer™

My Customer is a series of training programmes and executive presentations designed to provide your business with the insights you need to trade effectively in the South African consumer goods environment. The programmes look at the FMCG Environment holistically, from the macroeconomic drivers that shape consumer behaviour to the retail responses to these, including their positioning, strategy and operational execution. My Customer explores the areas of opportunity for co-creating value with your customers, and inspires your team to maximise these opportunities in your business and with your trading partners.

mycustomer 2.0™

An introduction to the SA Trade

Trade Intelligence plays a fundamental role in attracting, educating and inspiring industry talent with this intensive 2-day workshop for marketing and customer marketing graduates, new entrants and non-customer facing staff, providing in-depth insight into Key Customers and the environment in which they operate.

My Customer 2.0 provides:

- An in-depth understanding of your customers, their trading operations, market positioning and strategic focus areas.
- A clear and concise 'situation-analysis' which is key to drawing up annual account plans – “where each retailer is at today and discussion regarding where it is going tomorrow”.

FOR MORE INFORMATION ABOUT THESE COURSES, contact Trade Intelligence on (031) 303 2803 or email info@tradeintelligence.co.za

THE WEEKLY GURU

“When will they realize that there are too many drugs? ... We simply don't have enough diseases to go around. At the moment the most helpful contribution is the new drug to counteract the untoward effect of other new drugs.”

Dr. Walter Modell

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