

Setting sights on expansion

Growing your business successfully was the order of the day at the Harpers Top Merchants event held at the Royal Military Academy Sandhurst earlier this month.

Helen Arnold reports from the frontline

From opening new stores, hiring winemaker advisers, running cafes and competing online, to even acting as party venues, there was plenty to take away from the latest Harpers Wine & Spirit Top Merchants event.

Held in the imposing and impressive Royal Military Academy Sandhurst, merchants from as far afield as Ireland, Cornwall, Cornwall, came together to share ideas, networks and have an impressive line-up of talks from leading independent wine retailers.

Putting the day in context was Tim Wilson of the Wilson Drinks Report, who highlighted current key reconfigurations and the initial feedback from Harpers' Top Merchants research, mostly looking into the IPOS data from independent merchants (see box).

Gail Lambert of Saville Property Services took the time for those looking to develop their business, by taking on new owners or adapting the way they work to be able to offer financial even a debt option as a way of expanding.

Representing the supplier side of the industry were the partners and spouses of the day, Wiley Burton of World Wine Agency, Carlos Latorre of Spanish producer Patrimonia and Mark Motley from Peninsular's UK agent Etrusco, who took part in a panel discussion on how producers and distributors can work more closely with independents.

Our supplier and producer partners for the day also joined the merchants for an overall panel session. Burton said that although an increasing number of agencies were looking to supply the independent sector, there were not many which actually understood what wine merchants needed. "Our wine business is focused on retail supplying the independent trade, so we totally understood their needs," she stressed.

One area, for example, where a dedicated independent agency like itself can help, is in being flexible over trading terms and even offering extended credit where appropriate. "There is nothing more nerve-racking for a supplier than when a customer opens a retail shop and stops paying the bills," she added.

Other ways in which her agency could help businesses expand include buying parcels of exclusive wine direct from producers or even creating an own-label brand. "Don't be essential own-label," she said. "You can create a label exclusive to yourself, it's not as difficult as you might think."

Motley said it made perfect business sense to work more closely with customers whose businesses are expanding. "When they choose to expand, customers become more all-inclusive to us - the more shops they have, the more we can sell to them. It's no-brainer. We all know the power of the supermarkets, with the huge machinery behind them, but we have tried to focus more and more on the independent trade."

Etrusco is now offering products exclusively to the independent trade. Sheley said it is an effort to give it a point of difference from the supermarkets.

It has 10% of the merchants supply good delivery and second availability of supply and the problems that occur when "leakage" sees the same wine being sold in other channels, particularly major online players. Motley agreed it was a difficult balancing act, but said there should not be any confusion with online retailers as Etrusco did not consider them to be independents. "The only thing you can do is maintain communication," said Burton.

Latorre emphasized how important independents are to Peninsular. It has switched its focus in the UK to the independent and restaurant sectors for some time, and he said he was keen to hear what more it could do to help independents in the UK was a key important part of its export business.

By said relationships in the independent sector rely on loyalty and a commitment to offer the best service at all times.

But it was the personal insights, tips and experiences



From left: Mickey Burrows, Jamie Hutchinson, Mark Motley, Ted Sandbanks, Neil Wilson and Rodrigo O'Neil
Left: Carlos Latorre

