



HFMA UPDATE

by Graham Keen,
Executive Director

Getting back to 'normal'?

To say that the last two to three years have presented the most extraordinary upheaval in all of our lives would be the understatement of the year of course. Our perception of what is 'normal', in terms of the work we all do, is now possibly forever altered. But slowly and surely things do seem to be returning to something closer to whatever normality is now.

And one such example for me has been my return this week to the Palace of Westminster, a regular haunt over the years, but somewhere I had not entered for a couple of years or so. To be back walking through the majestic Westminster Hall, so soon after the late Queen's lying-in state there, was quite special – and clearly that was also the case for others doing the same thing. Central Lobby was, as always, simply stunning, although eerily quieter than it has previously been. But, after all of the ridiculous political shenanigans of the last year or so, my overall sense was one of overwhelming disenchantment with the 'system'.

So, why was I there? Well, I wanted to see for myself the activities of a relatively new All-Party Parliamentary Group, the APPG for CBD Products, which was meeting to discuss 'Could effective regulation of a legal cannabis sector extinguish the

illicit market'. In 2018, the Institute of Economic Affairs estimated that the UK's cannabis black market was worth £2.6bn per year. However, in countries where cannabis has been legalised, it's been shown that clear, robust regulation can see such illicit markets stall, with existing consumers redirected to legal businesses with a trusted, regulated, and competitively priced supply. So, could such a process be adopted in the UK?

The meeting was chaired by Crispin Blunt MP and attended by around 40-45 people, predominantly from industry. Parliamentarians were very thin on the ground, partly explained by the fact that key voting was taking place on the Finance Bill. But one of the MPs present was Craig Mackinlay, MP for South Thanet and HFMA member company, Brains' constituency MP. He spoke briefly, was very supportive of the CBD sector and referred to his constituency company.

The main speaker was the Police and Crime Commissioner for Surrey, who gave an interesting presentation calling for her 42 colleagues (29 of whom are Conservatives) to follow her pragmatic approach to cannabis in the enforcement community. The Food Standards Agency, which has played such a key role in relation

to the ability for CBD products to remain lawfully on the market here in the UK, had representatives present at the meeting, and, in fact, I understand that the FSA's Deputy Director of Regulatory Services will be speaking at the next meeting of this APPG in January, which I hope to attend.

On other matters, I'm pleased to say that in 2022, the HFMA welcomed its 147th company into membership, a reflection of the value that HFMA membership brings. Indeed, in our recent Member Survey, which had a record level of responses, it was great to see that 93.5 per cent of responders were 'very' and quite' satisfied that their membership of the HFMA represents a good investment, with an all-time high of 62 per cent being 'very' satisfied.

Throughout the survey, the ratings are typically very high for the services we provide to members, in particular, for providing the latest regulatory updates, credible expert support and technical and scientific advice. And, as you might expect, our excellent Primary Authority-accredited CLEAR CHECK service was rated particularly highly.

Another key number from the survey was 9.14, that being the rating out of 10 in response to the question: 'How likely are you to recommend HFMA membership to a non-member company'. It is truly gratifying to see this, and to know that one of the key reasons that we have been able to maintain and grow our membership levels is that our existing members advocate so strongly on our behalf.

Members still face challenges in relation to the movement of goods in and out of the EU, and on a daily basis, we continue to provide invaluable assistance and advice. As we now deal with yet another period of national uncertainty surrounding inflation and the rising costs of

goods, more than ever, we are here to help them in any way we can. Our team of expert advisers continues to work tirelessly to help our member companies through the challenges they face. If you want learn more about HFMA membership, and how you can derive the real value it brings, take a look at the HFMA website and get in touch!

I have always said that what makes this industry so special is the wonderful people working within it, and the special relationships and friendships that have resulted. We celebrated one such individual at our recent Technical & Regulatory Working Group meeting, where we wished a very fond farewell and



happy retirement to Cheryl Reid, from HFMA member company, IVC Brunel Healthcare. Throughout my time in this role with the HFMA, Cheryl has been a constant, and we will all miss Cheryl's dedication, enthusiasm and input to our meetings and events. She has been an active and valued member of the HFMA family over the years, and I and the rest of the HFMA team all wish her a happy and fulfilling retirement.

To help us in our efforts to protect this industry and benefit from the gold-standard advice we provide, join the HFMA at the earliest opportunity. To learn more about our activities, please contact me at graham@hfma.co.uk



HFMA membership is vital to ensure that your company keeps abreast of the fast-changing regulatory environment. The HFMA is the UK's best source of information and most effective defender of our industry's interests. To help the HFMA defend your business at this most critical time, contact hfma@hfma.co.uk or call 020 8481 7100.

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THE VOICE OF UK NATURAL HEALTH



HEALTH STORES UK UPDATE

by Len Glenville



Let's make 2023 the year of working together

Together we're stronger'. We hear the phrase so frequently that it risks becoming a cliché. But it's true, and never more so than when applied to a sector like the specialist health food sector. For while we have achieved many important 'firsts' over the decades, and we undoubtedly punch above our weight in the national debate on health and sustainability, we are a small industry compared to the ones we compete with.

Independent health food retailers in all their shapes and forms (health stores, wholefood stores, natural food stores) have been the backbone of our industry since its earliest origins. Independent health stores are where many pioneering natural products brands started life and were supported and nurtured in their early days. Independent health stores continue to offer a depth of range of specialist natural health products, organic and free from foods, natural beauty and eco products that simply isn't available anywhere else. And they are where today's generation of innovative brands often get their first break.

Our industry works at its best when this symbiotic relationship between specialist brands and retailers flourishes. When the whole industry – distributors and wholesalers included – works as a partnership, we are able to produce something altogether bigger and better.

There is a huge opportunity to grow our sector and make an even bigger difference. And we can do it sustainably, while preserving our values and points of difference. In fact, showing how we are different is an opportunity in itself. Not only do independent health stores offer a unique range of natural, organic and ethical products, they contribute more to local economies (for every £1 spent in local shops, 63p stays in the local economy, compared with 40p with large multiples) and communities. That's something that we should all be shouting about more.

In 2023, we will be actively playing our part in encouraging more collaboration between all parts of the specialist health food trade. And we will be renewing our campaign asking specialist natural and organic brands to signpost independent health food stores in their advertising and social media activity, to encourage more people to shop more frequently in our stores.

At Health Stores UK, we ended the year with a seasonal splash. Over at our HealthyDoesIt site, we launched our first consumer-facing promotional campaign under the heading, Healthy Does Festive. Aimed at showing consumers why independent health stores should be their go-to destination for festive food with an organic, free from or Fairtrade twist, thoughtful gifting ideas and indulgent natural beauty and body products – and, of course, the widest range of natural health products on the high street – the campaign also featured a special giveaway, offering Winter Wellness Goody Bags as prizes, along with links to topical health and nutrition articles elsewhere on the site.

The campaign received fantastic coverage in the trade press, and it was also widely shared by our members and partners. We hope it helped to nudge a few more shoppers into your stores over the festive period. So, a big thank you to everyone who got behind our first HealthyDoesIt campaign. Let's make 2023 the year of working together!

And don't forget to book your free place on our next online Shop Talk retailer session. It's on theme of Energy and Recovery after the festive season and takes place on January 11, 2023, at 6pm. Head over to healthstores.uk/shoptalk/ to register now.

We also remind of the developments with the NHT Summit. The 2023 event will be taking place in Bristol on October 2. Visit www.nhtsummit.co.uk for more information.



The Health Stores UK committee are committed to ensuring that independent health food stores are given the full recognition they deserve and have access to all of the tools they require to make a success of their businesses, but we do need the support of retailers to achieve this. Join us for as little as £21 per month by monthly direct debit or annually via the 'Join Us' button on our website, healthstores.uk, and together we can drive our industry forward.

Health Stores UK, your association, your voice. Contact office@healthstores.uk or call 01875 341408 for further details.



BIRA UPDATE

by Andrew Goodacre



A look ahead to independent retailing in 2023

In a regular column for *Health Food Business*, the CEO of the British Independent Retailers Association (Bira), **Andrew Goodacre**, discusses what he believes 2023 will hold for independent retailers across the UK.

It is always hard to predict the future with any great certainty, and yet as we look forward to 2023, indie retailers will be turning their thoughts to the challenges and opportunities that next year (and beyond) will present.

Firstly, let's be honest and accept that 2023 will be challenging for all businesses, especially retail as it is one of the first sectors to feel the impact of reduced consumer spending. The UK economy is likely to enter into recession (if it is not already there), and so retailers will need to ensure that costs and cash flow are managed incredibly well, especially in the first quarter. This may well mean reducing opening hours to save energy, seeking better value in the supply chain, etc.

At the same time as focusing on good financial controls, there needs to be a focus on sales and ways of offering fantastic value to the shoppers, remembering that value is a combination of price, quality and service.

Taking a slightly longer-term view, retailers must also consider the trends that we may see in 2023, and when we try to forecast trends in retail, we have to do it through the eyes of the consumer. What will the consumer want in 2023? In many ways, it will be not dissimilar to recent years. I believe the key consumer behaviours will be:

- Local shopping is still strong. Employees are being given more flexibility and hybrid working is here to stay. This means more people spending more time where they live. Whilst this is an opportunity, the local retailer cannot take it for granted and has to work very hard and smart to make sure that the local people know what is available to them. As one successful small retailer told me recently – “the local shop has to own the 15 miles around the shop”. This means engage, communicate and engage again with local people through social media, events, etc. Now is not the time to be the best kept secret.

- Hybrid working may be here to stay, but undoubtedly, hybrid shopping is definitely here to stay. The power of the internet should be embraced to complement the experience in the shop. BOPIS (buy online, pick up in store) will continue to grow and should be part of every retailer's consumer offer.

- Consumers still care about the environment, and the environmental issues will continue to influence shopping behaviour. This may well result in shops offering more services such as repairs and products for hire. The demand for more affordable sustainable products will continue. Importantly, the way retailers work will be keenly observed and appreciated by the consumer. I believe there is still a competitive advantage to be gained from adopting and shouting about environmentally friendly ways of working – recycling of packaging, greener products, low energy usage, provenance etc.

As we said at the start, 2023 will be challenging and it will require every ounce of the independent retailer's renowned resilience, creativity and determination. I genuinely feel that the smaller retailer is better able to adapt and adjust to local market needs than the large chains and I am confident that independent retailers will continue to be an important part of the local communities throughout the UK.