

IS YOUR BUSINESS READY FOR BREXIT?



A GUIDE FOR ALL MARKET TRADERS

Helping the market industry be business-ready for Brexit



For more information visit our website at www.nmtf.co.uk/business-readyforbrexit

PRODUCT, PRICE, PEOPLE AND PREPARATION

Allocating time to undertake a focused preparation review of your stall and business will ensure that all traders are business-ready for Brexit.

Reading through this guide, answering the questions, implementing the suggestions and following up on the actions and guidance set out below will help you to manage the effects on your business and

help you to trade well during and after the Brexit period.

Even if you think that you have made your preparations, it will be worth using the guide to help you check again.

This guide will help all market traders to be Business Ready for Brexit, by looking at a few essential areas of market trading; **‘Product, Price, People and Preparation’**



PRODUCT — *if you haven't got it then you can't sell it*

– Will you still be able to buy products and or raw materials from your usual sources? It isn't good enough just to expect the products to be available

– Have you checked that your suppliers will continue to stock the lines that you buy from them? Are they sourcing alternatives? If so what is the quality, is it suitable for you and your customers?

– If you buy from UK wholesalers have you asked them what their post-Brexit plans are, or have you thought about changing to different suppliers?

– If you buy from importers or international suppliers then there will be a variety of aspects to check with them — will product still be sold to the UK? What will happen to prices? And what will happen to delivery times?

The Government Brexit website has useful advice in regard to importing and customs — use the following links to review the advice, and do sign up for further notifications:

<http://gov.uk/guidance/get-a-uk-eori-number-to-trade-within-the-eu>

<https://www.gov.uk/guidance/customs-procedures-if-the-uk-leaves-the-eu-without-a-deal>





— Delivery and delivery times are an important aspect to consider. You may well be able to maintain your supply sources for products, but are they going to take longer to get to the wholesaler and to you? Have you increased your stock levels to allow for any extended delivery times, do you need to arrange more storage, how will the additional stock holding and storage be funded, can you team up with fellow traders to reduce costs?

— Does your product category have specific guidelines or regulations? Will these change post-Brexit — and are the guidelines EU or UK-based?

See Government website for advice on any specific product category regulations
<https://www.gov.uk/guidance/the-retail-sector-and-preparing-for-eu-exit>

— Positive actions to consider include:

- Investigate alternative suppliers
- See if you can source from within the UK
- Look to stock alternative product ranges
- Use this as an opportunity to drop slow sellers and find new better sellers



PRICE — *is the price right — for you and for the customer?*

- The consensus amongst many retailers is that Brexit will have some impact on prices, and this is something that all traders need to be aware of, and be on top of.
- Whilst ensuring that you can still source the products you need, you will have to confirm future price points and any likelihood of changes.
- International products will be affected by currency exchange rates.
- Your product category may be affected by tariffs which may increase prices.
- Simple supply and demand rules for high demand products will increase cost price.

See Government Brexit website for information on tariffs, duties, VAT and sign up for notifications:

<https://www.gov.uk/guidance/check-temporary-rates-of-customs-duty-on-imports-after-eu-exit>

- Positive actions to consider include:
 - If your selling prices remain the same then make sure you promote it at the stall
 - Be proud of your selling prices, confident displays and confident traders increase sales
 - Make sure you are competitively priced — do your homework
 - Keep an eye on the margin, make sure products are profitable



PEOPLE — *without employees and customers you don't have a business*

- As traders you may only employ a few people, and you probably think that you know them very well. But have you checked that they will still be able to stay and work in the UK post-Brexit? Do they have any wider family issues that are likely to impact on their ability to keep working for you and your business?
- Can you help them in any way? They may not feel it right to approach you, so can you start the conversation?



- Do you need to think about employing more people, how will you find the right people, when do you need them by?
- Your customers may also be confused and assume the worst for your stall, their favourite trader. Think of how you can ensure they remain loyal customers:
 - Promote that you have same suppliers (or even new suppliers)
 - Promote your prices and great value
 - Make a feature of price consistency
 - Promote locally sourced, UK sourced, UK produced etc
 - Deliver the same or better service
 - Don't moan, complain or be negative
- Keep up to date on consumer rights and data protection legislation

For both employment support and customer rights information look at the following Government websites, always sign up for update notifications:

<http://gov.uk/Government/publications/eu-settlement-scheme-employer-toolkit>

<https://www.gov.uk/guidance/employing-eu-eea-and-swiss-citizens-and-their-family-members-after-brexit>

<https://www.gov.uk/guidance/consumer-rights-and-business-changes-after-brexit>



PREPARATION —further actions for all traders — *failing to prepare is preparing to fail*

There are a number of other aspects of running a successful stall and market business that you should assess in your preparations:

- What will the effect be on my cashflow, buying more stock and taking longer to generate sales?
- Do I need to allow more time for all my admin and thinking about my business, accounts, insurances, tax, VAT, payroll, to name but a few?
- How can I be more flexible and adaptable, so as to react more quickly?

We don't expect that all of the above will be applicable to all traders all of the time, but some of it will be. Please use the checklist on the back page to see how business-ready your stall is and what actions you need to focus on.



FURTHER GUIDANCE FOR FOOD AND GROCERY TRADERS

As fresh produce, food and grocery traders you will be familiar with the fact that you have many more regulations and controls to work within and to trade responsibly.

In addition to the four Ps of Product, Prices, People and Preparation you also have a fifth — Provenance.

In today's marketplace, and on today's markets, customers are increasingly wanting assurance about the quality and origin of products they are buying from you.

All the points raised in the previous section for all market traders are valid for food and grocery traders, with an additional emphasis on the continued supply and sourcing of quality produce. There are a number of specific areas to focus your preparations on, including:

Food and drink labelling — there is generic advice and particular advice and guidance in relation to marketing standards and food labelling.

It is expected that certain food categories will be subject to changes:

- Fruit and vegetables
- Hops and hop products
- Wine
- Beef and veal
- Eggs, hatching eggs and chicks, poultry meat

— There will be changes to EU health and identification marks, organic labelling, country of origin for mixed foods and geographical indication logos

— There are specific instructions for traders on actions to take in regard to food labelling

— The Government has announced a 21 month transition period for labelling changes after exit day, don't leave it to the last minute



The Government Brexit website and the Food Standards Agency website offers clear advice and instruction for food and grocery traders. Please review the advice, sign up for updates and also pass on the links to your suppliers and producers.

<https://www.gov.uk/guidance/food-labelling-changes-after-brexite>

<https://www.food.gov.uk/business-guidance/prepare-your-business-for-the-uk-leaving-the-eu#get-ready-for-brexite>

— As with the general advice section, take every opportunity to make sure that you are promoting your positive actions and messages to your customers. Removing doubt and concern from their mind will result in more sales for you.

FURTHER GUIDANCE FOR CATERING AND HOT FOOD TRADERS

We all know how popular catering and hot food traders are on markets, and how many of the successful market traders have gone on to be food destinations across our town centres.

The hot food traders have all of the Brexit readiness factors to consider set out in the two previous guides. They need to apply the same preparation as all market traders, they need to be as fully compliant with food provenance as the food and grocery traders and they have a few other aspects to consider in regard to preparing their food and the storage and hygiene of their storage and selling facilities.

Not only does the Government Brexit website provide detailed advice, so does the Food Standards Agency and also the Chartered Institute of Environmental Health.

The relevant links are contained in this section of the guide.

The Food Standards Agency make the following statement on their website:

“If your business deals in food, or animal feed, your responsibility to make sure it is safe will remain a requirement of law from day one of the UK leaving the EU. For most businesses, the current requirements of food and feed law will continue to apply with no or limited changes.”



The FSA web site also lists links to a variety of FSA and Defra guidance covering a wide variety of food sourcing and preparation advice. This includes 4 guides from FSA and 11 Defra links:

<https://www.food.gov.uk/business-guidance/prepare-your-business-for-the-uk-leaving-the-eu>

<https://www.food.gov.uk/business-guidance/prepare-your-business-for-the-uk-leaving-the-eu#get-ready-for-brexit>

The Chartered Institute of Environmental Health states that “There are over 50 separate EU Directives and Regulations alone that govern food standards in the UK, whilst more than 40 per cent of all legislation coming out of EU is food related.”

The institute adds that “following Brexit, the UK will still need a strong regulatory framework to protect our economy, our exports and the health and well-being of consumers, workers and communities.” With this in mind the regulatory control is unlikely to change.

The Government’s Brexit statements go beyond environmental health aspects when they discuss the environment but the intention is clear — use this link as a guide:

<https://www.gov.uk/guidance/upholding-environmental-standards-if-theres-a-no-deal-brexit>

Clear actions for catering and hot food traders include:

- Check all suppliers and sources of ingredients are fully prepared to continue to supply after Brexit
- Check that you and your suppliers will be fully standards compliant
- Secure your staff compliment
- Be proactive in promoting to your customers, where things remain constant then say so, menus, ingredients, prices, quality etc.
- Where you have made changes, then let the customer know and use it as a positive.

CHECKLIST AND SIGN OFF

Please use the checklist below to remind you of the actions to complete in making sure your stall/business is Business Ready for Brexit.

BUSINESS READINESS CHECKLIST	Y/N	NEXT STEPS/ ACTIONS
Contacted all key suppliers/wholesalers, confirmed product availability, checked on their Brexit plans		
Secured forward stocks on key lines, allocated cash flow		
Identified new product ranges and suppliers		
Reviewed delivery timescales and adjusted orders accordingly		
Checked all product packaging and labelling, and display signage		
Informed customers of any changes		
Identified positive promotional opportunities and messages		
Assessed impact of price rises, duty, tariff or exchange related		
Changed selling prices and price checked to competition		
Spoken to all employees to confirm long term employment situation		
Planned for increased admin workload		
Planned next business readiness review		
Please add your own specific actions to the table:		

Being business-ready for Brexit will not be a 'one-off' action.

Please keep the guide and use it repeatedly over the next year as the ongoing impact of Brexit unfolds across the retail and market industry.



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