

## **FSB Keep Trade Local Campaign & Petition     Paul Goffe 19<sup>th</sup> June 2008**

2 months ago the FSB launched a campaign and national on-line petition to 'Keep Trade Local'. Hosted on the 10 Downing Street website, the petition calls the Prime Minister to secure the future of small shops and businesses across the UK and safeguard the choice and competition that people expect in the market place.

<http://petitions.pm.gov.uk/keeptradelocal/>

("We the undersigned petition the Prime Minister to secure the future of small shops across the UK and safeguard the choice and competition that people expect in the market place.")

The campaign also aims to raise awareness of the value that small, independent retailers provide to consumers, which includes local products, more personal service and speciality goods not available in supermarkets. We hope to halt the predicted closure of 50,000 businesses between now and 2015 and the resulting breakdown of local economies and communities, by protecting small businesses from unfair planning laws and draconian parking restrictions in town centres.

- **2000 local shops are closing every year**
- **2500 Post Offices are closing or face closure across the UK**
- **Over 50 local pubs close every month**
- **By 2010 many local communities will have no small shops or services**

Over half of business turnover from small retailers is returned to the local community. The same cannot be said of the supermarkets and the large retail multiples.

The average person now travels 893 miles a year to shop for food. Our message: "Shopping in local independent shops is good for the community, good for the environment and good for you."

(The Keep Trade Local campaign has just received the backing of scientist, social historian and broadcaster Adam Hart-Davis).

### **Issues:**

- The FSB is calling on local authorities to rethink town centre parking policies as the practice of using excessive parking charges to raise revenue is killing town centres. (Local authorities made £1.6 billion from parking charges and fines in 2005, up from £628 million in 1997).  
Parking policies should encourage shoppers into town centres rather than turning them away. Although parking restrictions can raise a lot of cash in the short term, they can be extremely damaging to local economies and ultimately counter-productive, as shops in town centres begin to close. Spiralling town centre parking costs and huge fines must be done away with permanently.
- Planning policies often discriminate in favour of large, out-of-town supermarkets. This trend must be reversed.
- The closure of post offices is intrinsically linked to the death of small local shops, which already have to contend with poor planning decisions and anti-competitive practices of supermarkets.  
In an FSB survey, 97% of small businesses think the post office has a role to play in the local community. FSB research also revealed that 82% of small businesses think the closure of their local post office would have a significant impact on their business, in some cases leading to business closure.

- The Competition Commission has failure to deal with unfair competition from the big supermarkets. *During the course of three investigations in seven years the Competition Commission has consistently failed to understand the value to consumers of small independent shops. The latest inquiry has again missed the point.* (Over 400 MEPs have signed a European Parliament declaration on curbing the abuse of power by supermarkets in the European Union).

### **The future?**

- Monopoly power. The Monopolies Commission are charged with short term consumer benefit. They do not look at the long term effect a restriction on competition will have.
- New small products have problems getting listed with the large stores. They do not have the production capacity in the early days to support the 'listing'. This is apart from the financing burden that the super markets place on their suppliers.
- Long term the whole structure of independent stores is at risk. If the small shops go, so do the wholesalers and that starts to impact on the hospitality industry as the wholesalers frequently supply them too. (That is why Bookers are backing our campaign).
- Before all the small shops have gone, the wholesalers will go as they need a certain level of business to survive. Once that infrastructure has gone, the supermarkets will have no competition and will be able to charge what they like.
- For rural areas not large enough to support a supermarket or even a 'Tesco extra', there will be no wholesaler for them to get supplies from. The impact on sustainability and on those without their own transport will be such that they will be forced to move back to a town – is that what people want?
- The New Economics Foundation has done some research on the circulation of money. Money spent with a chain rapidly leaves the community. Money spent in a local shop continues to circulate within the community. Money circulating promotes other economic activity.

An NEF Power Point presentation demonstrates why spending money locally is good for the economy <http://www.pluggingtheleaks.org/ptl%20ppt%20presentation.ppt>

### **Help needed:**

- ✓ Support and promotion of the Keep Trade Local Campaign and Petition.
- ✓ Reducing parking charges and restrictions to encourage shoppers into town centres and keeping them there longer, rather than turning customers and business away.
- ✓ Backing small business friendly planning policies and decisions.
- ✓ Workshops, training and education/skills for improving retail and business performance.

**How are Gloucestershire 1<sup>st</sup> / Small Business Focus Group / Chamber of Commerce / Parklife etc. going to help the local FSB with these?**