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COVER STORY

20 NATURAL BORN RETAILER

John Burke, Managing Director of Burke's Hardware and DIY ARRO works hard to make the customer experience at his Rathnew, Co. Wicklow premises as easy and convenient as possible.

FEATURES

18 HAI HARDWARE SHOW 2015

Already, 50% of the stand space has been booked.

23 BUILDING CONTROL **REGULATIONS**

The new regulations came into effect on March 1, 2014.

26 PAINTS MAKE SPLASH FOR SPRING

As the Irish paint market continues to expand, companies are placing an emphasis on innovation and product development.

33 MUTUAL SUPPORT DRIVES AMBA'S SUCCESS

Allied Merchants Buying Association (AMBA) was formed in 2011. The HAI Hardware Journal spoke to AMBA Chairman, Michael Ganly, about the group's achievements.

36 NEW YEAR RALLY IN SALES

Post-Christmas 2013 and early 2014 has seen a positive bounce for retail and hardware sales after a cautious Christmas period.

REGULARS

4 NEWS & PRODUCTS

Fleetwood establish sales academy Masterclass. Glennon Brothers joins Octabuild. Topline Rogers hosts Home Renovation Seminar.

16 HAI CLIPBOARD

Work progresses on standard for pesticide sale and display. Instore music: recent legal developments. HAI supports TED (Training, Education & Development).

24 VIEW FROM ABROAD

The 10 most common customer service mistakes and how to avoid them.

DEAR READER

While no one's getting carried away, there have been some positive consumer signals in early 2014. Our overview on page 36 gives a detailed breakdown on which sectors of the business have been winning and losing.

Another indication of the mood of cautious optimism that's growing in the wider industry is the number of exhibitors who have already signed up to take part in The HAI Hardware Show 2015. Of the total stand space, 50% has already been booked and those already committed to taking part include some of the biggest names in the business, including Amalgamated Hardware, Bostik Industries, Crown Paints, Donal Lynch Hardware, Dosco, D S Supplies, Dulux, Ecocem, Fleetwood, Kilsaran, Ronseal, Tegral and United Hardware. For more news on the show go to page 18.

The coming into effect of the Building Control Regulations is another significant step in the evolution of the industry and providing it is backed up by adequate levels of assessment, inspection and enforcement, it should lead to greater consumer confidence and a competitive market advantage for those who are committed to the highest standards. In this edition, we feature an introduction to the regulations (p. 23) and, in the next issue, we'll have a look at the specific implications for hardware

29 HUMAN RESOURCES UPDATE

HR health check - common issues and how to manage them.

31 GARDEN SECTOR NEWS

Joseph Blair of Hortitrends provides a roundup of the latest news.

38 TFCH TALK

Making the most of email.

41 ANOTHER SIDE OF...

Robert Massey, well known throughout our industry as the Managing Director of Bostik Ireland, is also successful as a writer for the theatre, an artistic arena that is no less tough or competitive than the hardware sector.

42 HAI GOLF NEWS

HAI announces 2014 overseas golf trip.



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COMPETITION IN DIY MARKET CONTINUES TO STRENGTHEN

The competition in the Russian DIY market continues to strengthen, especially in those cities and regions where the Leroy Merlin chain has opened its first hypermarkets. The largest Ukrainian DIY hypermarkets chain Epicenter K has also been planning on entering the Russian building materials market.

(Source: Infoline)

(Source: Nueva Ferretería)

STUDY REVEALS A GOOD YEAR FOR SPAIN

Spain has experienced growth in DIY and gardening during the past year, as recorded by the European Home Improvement Barometer and USP Marketing Consultancy. The most common jobs undertaken are painting, gardening and decoration. Improvements in the DIY market peaked in April and July 2013. The percentage of households that carry out home improvement is mainly influenced by seasonal activities and consumer confidence. Regarding the latter, the trend is positively changing and consumer confidence has been increasing over the past 12 months, according to the Barometer.



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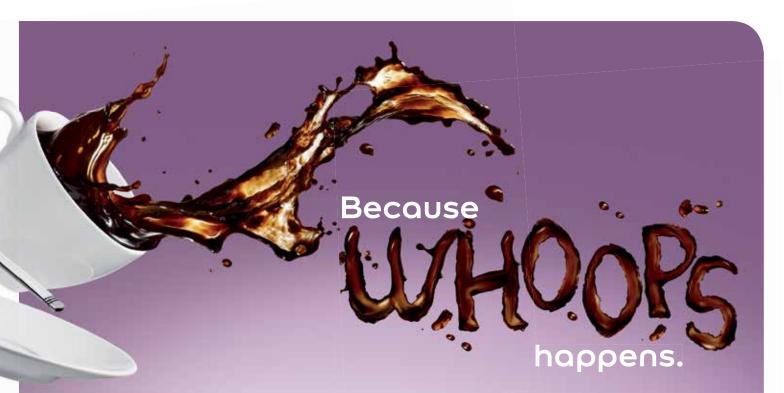
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IRISH WIRE STEP IT UP FOR SPRING

From light household ladders and mini-steps for the DIY market to scaffolding, combination and extension ladders for the professional, Irish Wire offers a range of Hailo products to hardware merchants nationwide. All their products are developed, manufactured and tested in Germany under the new European standard EN131. As a leading manufacturer of ladders, steps and waste bins. Hailo offer customers a wide range of innovative products. Hailo helps to make DIY work requiring ladders safer and easier and, according to Irish Wire, as a quality brand, they are a strong partner for the retail industry. Irish Wire also provides ladder accessories with its Easi-fix Ladder Accessory range including adjustable ladder stand offs, ladder platforms, clamps and universal roof hooks. This range is a very popular add-on especially for the painter and decorator customer base, Irish Wire reports.

Spring is a time when a lot of homeowners look at working on their attic spaces, and Irish Wire have recently launched an attic ladder addition to the Easi-Fix range. These attic ladders are European manufactured and available in two sizes 120/60 and 120/55 and with two different insulation levels giving the right choice for every customer. They come fully assembled with insulated hood, dovetail joints, non-slip steps and metal handrail. They are also tested for heavy loads (150kg). For more information on any of Irish Wire's products see www.irishwire.com



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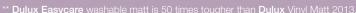














JMC VAN TRANS PARTNER WITH CALOR FOR ENERGY EFFICIENCY



Larry Smith, Area Sales Representative, Calor and Garrett Murphy, Joint Managing Director, JMC Van Trans, pictured at the announcement of Calor's partnership, as LPG supplier, with JMC Van Trans forklift operations.

Calor has announced a partnership with JMC Van Trans, one of the country's largest nationwide overnight groupage operations, that it says will advance energy efficiency and reduce overall fuel costs for its operations. The programme will see Calor supply LPG for JMC Van

Trans forklift truck operations at its distribution hub on the Naas Road. This partnership with Calor forms part of a long-term strategic investment programme by JMC Van Trans, which has seen it purchase an additional 10 LPG 2.5 tonne forklift trucks at a cost of €350,000, to bring the total

number supporting operations to 14. The investment in LPG-powered forklifts, with fuel supply by Calor, is intended to provide new levels of energy efficiency, a decrease in fuel costs and a reduction in operational costs for JMC Van Trans. Calor has designed and implemented a specific infrastructure offering, which involved the installation on site at the Naas Road HQ of a bulk tank and skid unit, from which cylinders can be refilled for fuel to power the JMC forklift truck fleet. Garrett Murphy, Joint Managing Director, JMC Van Trans, said: "For a business such as JMC Van Trans. which operates on a 24-hour basis with a commitment to our clients of next day delivery, continuity of supply is essential. Our main decision when choosing our fuel supplier was security of supply during peak times, we have this with Calor." He added: "Since switching all of our forklift fleet to LPG, we have seen a direct benefit to our bottom line, with fuel costs seeing a reduction of 20%."

GLENNON BROTHERS JOINS OCTABUILD

Timber processing firm, Glennon Brothers, has been selected to join the Octabuild group of Irish manufacturers.

Mike Glennon, Glennon Brothers stated:"We are delighted to have been invited to join Octabuild, which champions excellence across the builders merchant sector. The Octabuild Builders Merchant Awards recognise the quality, innovation, and customer service that builders merchants provide to their customers every day, contributing to the economic well being of their local communities." Pat Glennon, Glennon Brothers added: "Glennon Brothers are excited to join the Octabuild group especially as we begin our second century in business. Octabuild companies have more than 650 years' combined manufacturing experience in Ireland, working closely with Irish builders merchants to deliver a quality product to the customer."

Jim Loughran, Octabuild Chairman said that Octabuild were very pleased that Glennon Brothers had agreed to join Octabuild. He commented: "As a long established Irish manufacturer its experience and expertise in the timber sector will strengthen our ability to promote quality Irish-manufactured building materials. With manufacturing facilities in Longford and Fermoy, Glennon Brothers also add to the geographic spread of the Octabuild manufacturing presence throughout the country."

Octabuild promotes the benefit of highquality, Irish-manufactured goods to the Irish building and construction sector, and makes a significant contribution to the Irish economy, employing over 1,400 people throughout the country. Glennon Brothers says it is delighted to be associated with a group who, even though all members operate independently, share common attributes, namely:

- operate to the highest technical and management quality standards.
- are market leaders in their business sectors.
- a solid manufacturing base in Ireland;
- use builders' merchants as their primary sales route to the end-user.

A CENTURY OF GROWTH

the November 7, 2013. Guest Speaker on the day was An Taoiseach, Enda Kenny.
Over 500 people were in attendance
at the event, including Minister for
Forestry, Tom Hayes, TD, and British
Ambassador to Ireland, Dominick



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FLAIR INTRODUCES SLIMLINE CAPELLA RANGE

The Slimline Capella is the latest shower enclosure range from Flair. **According to Flair, the Slimline** Capella comes with a patented telescopic mechanism that allows a much greater size adjustment than other shower doors. It has a "unique twist and lock system" intended to ensure that the door can fit into the most awkward of spaces.

Managing Director of Flair, Martin Murphy, explains: "The original Telescopic Capella has been a firm favourite with installers for many years but this refreshed version adds a touch of elegance to the range". The new Slimline Capella's features

- modern minimalist chrome profiles with sleek door handles;
- 6mm clean-easy coated glass;
- new silent roller mechanism for a smooth running door; and,
- quick-release double rollers for easy cleaning.

With a full-time, on-call service team, spare parts service and a lifetime guarantee, Flair says that its customers can enjoy the ultimate peace of mind with its shower door. For more information on Slimline Capella or any of the Flair ranges, email sales@flairshowers.com.



Emma Barrett, Irish Cancer Society and Dermot Foster, Managing Director of Tradecraft Building Products Ltd which markets and distributes Fakro roof windows in Ireland.

FAKRO ROOF WINDOWS SUPPORT IRISH **CANCER SOCIETY**

Over the next three years, every Fakro roof window sold in Ireland will result in a contribution by Fakro to the Irish Cancer Society. In this way architects, roofing contractors, building contractors, builders merchants and end-users who choose Fakro Roof Windows will be playing their part in supporting Irish cancer services, Fakro states.

"The partnership between Fakro Roof Windows and the Irish Cancer Society is an exciting initiative and everyone at Fakro is proud to be involved," said Dermot Foster, Managing Director of Tradecraft Building Products Ltd, which markets and distributes Fakro Roof Windows in Ireland.

"This type of continuous commitment is essential to allow the Irish Cancer Society to plan our services to the best advantage of those we help. We are extremely grateful to Fakro and everyone who supports this campaign," said Emma Barrett, Irish Cancer Society.

This initiative coincides with Fakro making a significant investment in Ireland by opening a new showroom and technical training facility in Tougher Business Park in Naas. At this facility the latest in roof window design and technology is on view. Fakro roof windows are ideal for new build projects, attic conversions, kitchen extensions or replacing old roof windows already in place. Fakro is committed to a constant programme of R&D and new product innovation to keep their products at the forefront of the roof window sector in Ireland. More information about Fakro in Ireland can be found on

www.fakro.com

Anyone who is concerned about cancer can call the Irish Cancer Society's National Cancer Helpline on 1800 200 700 to speak to a specialist nurse or visit

www.cancer.ie.





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RAMROD RULES IN DIY SECTOR

The RamRod, which was designed and developed in Ireland, is a patented multi-purpose manual tool which uses a unique spring system to help the user generate power. It has a choice of multiple heads such as scrapers and a variety of chisels which makes it perfect for construction, DIY or gardening jobs.

Galway-based product development company, Invention Services has signed a global manufacturing and distribution contract for RamRod. Invention Services was established by father and son team, Paul and Ollie Walsh,

€85M INVESTMENT IN ENERGY RETROFITS IN 2013

Last year saw the Better Energy programme surpass the landmark of 250,000 homes upgraded and the number of homes with a Building Energy Rating (BER) reach 420,000, meaning one in four homes in Ireland now has a BER. That is according to the Sustainable Energy Authority of Ireland (SEAI) who recently announced their programme achievements for 2013 which saw €85m invested in energy retrofit projects.

Making the announcement, Dr Brian Motherway, SEAI CEO said: "Last year we saw over 26,000 homes upgraded, which means that as of now one in seven of all Irish homes have been upgraded to reduce their energy bills."

HIGH EXPECTATIONS AT HYCRAFT



Hycraft, Irelands premier manufacturers of draught excluders, are based in Coolock, in north Dublin. Over the years, the company has invested in the latest machines to produce their own seals for their draught excluders. Their product range also include plastic angles, tile and bath trims, step nosings and floor trims. Hycraft supply their range into the maintenance sector, which together with the home improvements sector, is doing well in the new year to date, according to Larry Dolan, Managing Director. He comments: "Hycraft is the inventor of the hook bar. Our hook bar still remains number one with regard to weathering and is preferred by architects."

FLEETWOOD ESTABLISH SALES **ACADEMY MASTERCLASS**

Over recent months Fleetwood Paints have been working with wellknown retail trainer, Susan Madden, of Retail Training Consultancy Ltd, to create a new training programme which focuses on how to add value to the retailer when selling paint and paint applicators. The Fleetwood Academy Masterclass is a one-day course for retail sales staff designed to apply best selling methods and upselling techniques when selling paint and applicators to the Irish consumer. Retail Training Solutions Ltd, and its founder Susan Madden, have been in business for 21 years and in that time have amassed a great deal of knowledge as to how the Irish retailer can best maximise the value of the sales opportunity of every consumer coming through their door. "In putting together the Fleetwood Academy Masterclass we have sought to combine Susan's vast experience in selling techniques with Fleetwood's unrivalled technical knowledge in both paint and applicators, to create, what we believe, will be a very rewarding experience for the paint retailer," says Steven McQuillan, Marketing Manager, Fleetwood Paints.

Each day is limited to a maximum of 12 people and it is planned to hold one Fleetwood Masterclass per month between now and the end of 2014. If you feel your business would benefit from participation in the Fleetwood Academy Masterclass please contact your local Area Sales Manager





CHEMFIX LAUNCHES TWO PART PRE-MIX WOOD FILLER

Chemfix launched its Pre-Mix Wood Filler at this year's Totally DIY exhibition. According to Chemfix, this is the first two-part wood filler in a foil bag cartridge, mixing the resin and hardener in the perfect ratio during extrusion. The product, Chemfix says, combines the strength of a two-part mix, with the ease of a one-part filler. Aimed at the DIY market, the mix is extruded using a simple DIY silicone tool, and Chemfix lists its main benefits as follows:

- a perfect ratio mix of hardener to resin;
- no need to buy separate hardeners;
- a simple and clean mixing process; and,
- the ability to apply directly into a repair using the optional mixing nozzle.

For more information, visit www.chemfix.co.uk

LAYDEX UNLOCK FORTESSA'S POTENTIAL

Over the course of the last number of months, Laydex has been implementing the roll-out of its Fortessa range of door handles, stainless steel hinges and locks. Fortessa's Italian-design delivers what Laydex describes as "a contemporary, modern yet timeless look on interior doors".

The Fortessa in-store display units allow easy vision of the handles and real-time hands-on experience of the working mechanism to enable stockists demonstrate the product's features quickly and simply, according to Laydex.

Fortessa comes in presentation box sets and in single handle units and are displayed in swivel stand and free-standing box set display bins. These are supported with high-end catalogues, poster headers and door stickers all designed to enhance the Fortessa brand and the overall look of the merchant's store. Gerry Callan, Sales Director, Laydex says that merchants who have become Fortessa Stockists have reported tremendous sales and substantial return from the brand and Laydex are now in the process of completing the roll-out nationwide. When this has been done, it will be embarking on a marketing campaign to support its merchant customers. Details of this will be announced shortly.





Hugh O'Donnell, Chief Executive, Amalgamated Hardware plc and Vice President, HAI; Padraic Rogers, Managing Director, Rogers Topline; Dermot Bannon, RTE's Room To Improve; and Jim Copeland, Chief Executive, Hardware Association Ireland.

TOPLINE ROGERS HOSTS HOME RENOVATION SEMINAR

Topline Rogers, Ballymote in Sligo have just hosted a very successful Home Renovation Seminar in the Sligo Park Hotel. This free event, for consumers and trade customers alike, informed attendees on the opportunities afforded by the Home Renovation Tax Incentive Scheme and the requirements of the Building Control Regulations from March 2014.

With over 200 people attending and 25 companies from the sector adding their support on the night, Padraic Rogers, Managing Director, was delighted with his initiative. Padraic commented: "The feedback we got on the night, and since, in the shop is just unbelievable. I have had customers ringing up congratulating us on such a well-run event, and indicating that they will most definitely be calling in to give us an opportunity of supplying their future needs and requirements." Guest speaker on the evening was Dermot Bannon from RTE's Room to Improve, who spoke about good design and preparation. There were also speakers from Revenue, Sligo County Council and Homebond. Padraic concluded: "Obviously the main objective for Topline Rogers was to attract new customers and get them buying in our store. I think we will see that happen when the weather starts to settle down and people can start planning jobs."



A group of retail professionals from Grafton Merchanting have been awarded an internationally recognised retail qualification by City & Guilds. They were among the first students in Ireland to complete this City & Guilds qualification via supported eLearning and were presented with their qualifications by Minister for Training and Skills, Ciarán Cannon TD at a ceremony at Buswells Hotel in Dublin.

GRAFTON MERCHANTING PRIORITISE THEIR TOP TALENT

Keeping its top talent highly engaged is one of the major priorities in 2014 for Grafton Merchanting ROI (GMROI). In looking at the skills gap across the organisation, the company decided that the hardest roles to fill were Branch Managers as it's hard to get the skills/competencies balance just right. GMROI likes to develop, rather than train, staff. The company sees development as focusing on people, the future and maximising potential. In its view, development is transformational and tests courage.

The company had previously run a Management Development Programme during 2010/2011 which saw a number of candidates fast tracked to management level. GMROI wanted to build on the success of that programme. Consequently, it decided to redesign and relaunch its Management Development Programme again during 2014/2015. Working on the latest programme, the company was determined to provide a superior development initiative which offered a lasting legacy. Having selected the Institute of Leadership and Management (ILM) as its design partner, it was able to secure a level 3 City & Guilds Diploma in Leadership and Management which is recognised worldwide and is equivalent to a level 5 on the Irish National Framework Qualifications.

The development programme was designed to emphasise future competencies derived from GMROI's corporate level growth plans. The objective of the Management Development Programme is to provide a broader understanding of management and leadership, and in this way bring real business benefits to participants and the organisation as a whole. The target groups are those who display real leadership talent and those who wish to grow and develop their management abilities.

The selection process involves a number of stages. Firstly, the company advertised inviting applicants from across its branch network; this was followed by a competency-based interview with the senior management team and psychometric testing. The final stage involves an interview and presentation to the CEO. To offer participants the maximum learning experience, the programme has been divided over a period of 18 months. In between modules, participants will be required to complete practical assignments applicable to their own work environment. Courses include team building, finance, leadership, strategic management, coaching skills, performance management, stock/margin management and many more.

According to GMROI's Talent Management Officer, Fong Hayes, the Management Development Programme offers participants an opportunity to mature and enhance their management skills while allowing the company to grow its management talent pool.



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ELMER'S ESSENTIALS - RETAILING TIPS

on enhancing turnover and profit. Elmer is Sales & Marketing Director of PMM, Ireland's leading Elmer is currently leading The Beacon Initiative, a retailer development programme in Co. Cork.



WINDOWS TO THE WORLD

ALARM BELLS

We found eight fire alarms dumped in a clearance section in a hardware store reduced from €24.95 to €22.50 to €15 to clear, as they had sat on shelf pegs for almost a year and hadn't moved. We asked the store manager if he would put them in a wire dump bin close to the builder's counter with a header board

More helpful hints from Elmer in the next edition...



TOTALLY SHOWS GIVE UK MARKET A CONFIDENCE BOOST

A combination of key retail visitors, a bigger show with plenty of fresh content and positive messages from industry commentators about the future, combined to give this year's Totally Shows a real lift. Totally DIY and Totally Tools ran February 16 – 18 at the Ricoh Arena in Coventry, and enjoyed a busy three days, with overall visitor numbers up on 2013. Exhibition director Paul Grinsell said: "Our top priority is to encourage the right buyers to come along to the show, and ensure they have something worthwhile and interesting to visit. It's been great to see visitors not only from the biggest retailers and wholesalers such as B&Q, Screwfix, Homebase, Robert Dyas, Travis Perkins, Wickes, Trago Mills, Taskers, Decco, The Tools Shop Group, Stax and B&M Retail in the show, but also from CostCo, QVC, Ideal Home Shopping, The Range, TK Maxx, Wilkinsons, Aldi, Poundland, Tesco, Amazon and the specialists such as Isaac Lord, Howdens Joinery, Selco, TBS Building Supplies and Gibbs & Dandy - to name but a few."

He continued: "In addition, the Ricoh Arena is also proving to be a real asset. It's great to work in and simple to get to, so we're very pleased to be here again and will be back next year."

A 20 per cent increase in the number of exhibitors for the show also yielded a 20 per cent increase in floor space. The 2015 Totally DIY and Totally Tools Shows will run from Sunday, February 15 to Tuesday, February 17 at the Ricoh Arena in Coventry.

UK ECONOMIC INDICATORS

Year-on-year estimates of the quantity bought in the retail industry showed strong growth in December 2013, increasing by 5.3 per cent compared with December 2012. Comparing the 12 months of 2013 with the 12 months of 2012 the quantity bought in 2013 increased by 1.6 per cent compared with 2012.

According to the Bank of England, the number of loan approvals for house purchase increased in November and was higher than the previous six-month average. Compared to the previous year, the number of approvals for loans secured on dwellings was up by 19 per cent in November 2013. This rise indicates substantial growth in the housing sector, possibly fuelled by government initiatives aimed at first time buyers and those with a low income such as the help-to-buy scheme.

The Consumer Prices Index (CPI) annual inflation rate grew by 2.0 per cent in December 2013, down from 2.1 per cent in November. At a more detailed level, according to the Office for National Statistics, "The largest contributions to the fall in the rate came from prices for food and non-alcoholic beverages ... These were partly offset by an upward contribution from motor fuels."

(Source: British Home Enhancement Trade Association http://bheta.co.uk)



SECOND INTERVIEW

DERMOT KELLY

Dermot is Managing Director of P.J. Kelly's Homevalue Hardware in Westport, Co. Mayo. He is the third generation in a family business in which he joined his father Harry in 1999. A civil engineering graduate from University of Dundee, he qualified last year as a Passive House Consultant.

- 1. Are you an optimist? A cautious one.
- 2. Business leader you most admire? Richard Branson.
- 3. Biggest lesson learned in business? Importance of networking.
- 4. Best business book you've read? Shackleton's Way.
- 5. Advice to entrepreneurs starting out? Be fearless.
- 6. What single thing has helped you the most? My father.
- 7. What type of phone do you have? HTC One.
- 8. Tablet or laptop?
- 9. Favourite pastime? Family.
- 10. Favourite movie? Any Indiana Jones movie.
- 11. Favourite part of the world (other than Ireland)? Western Canada.
- 12. Greatest regret? Not learning piano.







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WORK PROGRESSES ON STANDARD FOR PESTICIDE SALE AND DISPLAY

Hardware Association Ireland is represented on a working group established in late 2013 to prepare proposals for a national standard to be established by the Minister for Agriculture, Food and the Marine, for premises used for sale and display of pesticides (i.e. herbicides, insecticides, fungicides, molluscicides, rooting compounds etc.). The standard will address the fitting out, management and operation of such premises, whether for professional use or amateur use products. The new standard forms part of the arrangements to give effect to a European Union Directive on sustainable use of pesticides. Taken together with the two elements already adopted for pesticide stores (www.pcs. agriculture.gov.ie/SUD.htm) these three documents will form the standard determined by the Minister for such premises.

The main elements addressed in the requirements being developed for

pesticide sales and display areas, are:

- requirements for the fitting-out of such premises;
- security and safety precautions;
- operating procedures;
- staff training and certification; and,
- records to be maintained.

The new standard is intended to ensure that the requirements introduced are both appropriate and reasonable in the context of the risks arising for workers, customers, bystanders and the environment. The requirements introduced will be differentiated to reflect scale of operation and the risks that arise in the

- · pesticides intended for professional use: and
- pesticides intended for amateur use. The group, which is chaired by Mark R. Lynch of Irish Agricultural Supply Industry Standards, has representatives from various stakeholders in the sector and within the supply chain, and has a remit to finish its work by March 2014.



TAKING CARE OF BUSINESS

Hardware Association Ireland are delighted to support a series of free 'Taking Care of Business' one-stopshop events for SMEs which will take place around the country in spring 2014; these half-day events are for those who currently own or manage a small business or are thinking of starting a new business.

A range of State agencies will give short presentations and answer questions about regulations and assistance available to your business. Areas covered will include:

- supports from enterprise agencies and local authorities;
- · access to finance programmes;

- tax, employment and health & safety obligations; and,
- legal requirements for setting up and running your business.

The events will take place in:

- Limerick on Tuesday, March 11, in the Strand Hotel;
- Galway on Tuesday, March 25, in the Radisson Blu Hotel; and,
- Cork on Tuesday, April 1, in the Silver Springs Moran Hotel.

A Government Minister will open each event and a mix of local and national figures from business will chair the presentation sessions. Information stands will be open throughout, allowing you to speak informally with

staff from each of the bodies attending. HAI, having taken part at the inaugural 'Taking Care of Business' event attended by over 500 people in October 2013 in Dublin Castle. recommend member attendance as feedback from attendees in Dublin was overwhelminaly positive with organisation of regional events a frequent suggestion. To find out more about these events and to register, please visit www.

takingcareofbusiness.ie.

Or contact Jim Copeland 00 353 1 2980969. Attendance is free but early booking is strongly advised as numbers are limited.

INSTORE MUSIC: RECENT LEGAL DEVELOPMENTS

On January 23, 2013, Judge Mary Collins sitting in Dublin Metropolitan District Court delivered a judgment in the matter of **Phonographic Performance Ireland** Limited ("PPI") v Patrick Burke Shoes Limited. She dismissed PPI's claim and ordered them to pay the defendant's costs for the action. The defendant, who was represented by Denis I. Finn Solicitors, is the owner of shoe shops in Talbot Street and **Donaghmede Shopping Centre.** In both stores, there was a radio playing in the background for the benefit of staff during quiet trading periods. As a result of this, the defendant was being sued by PPI, the company that collects royalties on behalf of record companies.

PPI was not only suing for the unpaid invoices, which amounted to €2,046.52 but were also seeking aggravated and punitive damages up to the jurisdiction of the District Court which, at the time, stood at €6348.00. In defending the matter, Michael Nuding and Jennifer Heffernan of Denis I. Finn Solicitors, made legal submissions based on judgments of the European Court of Justice, ECJ. Both judgments were handed down on March 15, 2012 and related to the issue of copyright on music broadcasts. According to the EU Directive on which the Irish Copyright and Related Rights Act 2000 is based, the copyright owner is entitled to seek remuneration from the broadcaster where there has been "a communication to the public." The two judgments considered what amounts to "a communication to the public".

The ECJ held that determining whether the hotel's (first judgment) or the dentist's broadcasts (second judgment) amounted to "a communication to the public" would require an individual, case-specific analysis focused on three overlapping factors:

- the role of the user;
- the concept of public, which refers to "an indeterminate number of potential listeners " and implies "a fairly large number"; and,
- whether the communication is of a profit-making nature.

The cases had different outcomes. While both entities were found to be a user, the ECJ held the situations differed in relation to the second and third criteria. The ECJ found the hotel's customers fitted the definition of 'public' because they were of 'indeterminate number' and were 'a fairly large number of persons'.



Jennifer Heffernan, Dennis I. Finn Solicitors

However it held the dentist's clients. were not a 'public' because they formed a consistent, determinate group, and because only a small number would be present in the practice listening to the broadcast at any one time.

Before Dublin Metropolitan District Court, Judge Collins accepted Michael Nuding's argument that the defendant was similar to the Italian dentist on the grounds that, firstly, unlike a hotel, there is no large indeterminate number of persons present when the songs are being played, secondly, again unlike a hotel, the defendant's customers come across the music by chance and not by choice and thirdly, again unlike a hotel, their decision to enter the shop and whether to buy shoes or the price of the shoes is not influenced by the radio being played in the background and accordingly no economic benefit

Hardware Association Ireland are informed by Denis I. Finn Solicitors, that they are happy to discuss on a case-by-case basis the merits of such cases in the future with members of HAI. Further information is available from Jim Copeland 00 353 1 298 0969.

HARDWARE ASSOCIATION IRELAND SUPPORTS TED (TRAINING, EDUCATION & DEVELOPMENT)

In 2013 HAI embarked on a schedule of Training, Education and Development (TED) for the betterment of the various stakeholders within the sector: owners, managers, and employees throughout the supply chain. The training included delivery of bespoke training courses within stores throughout the country in subjects such as Customer Service and **Selling Skills. These training courses** were delivered in the evenings, on the shop floors of stores which allowed for practical demonstrations by the trainer and gave trainees

the opportunity to practice new skills. The sessions were energising for all involved.

The education schedule was more intense with managers and employees undertaking internationally certified courses in Management Development with the Institute of Leadership & Management; learners attended classroom sessions as well as undertaking assignments and exams. In Retail Studies with City & Guilds, learners undertook studies via eLearning, as well as carrying out workplace activities and a final online

exam. Learners who achieved the City & Guilds qualification were presented with their qualification by Minister Ciaran Cannon. These courses ran from 12 weeks to 18 months.

The HAI programme of development will be progressed throughout 2014 in conjunction with our colleague, Susan Madden, Retail Training Consultancy Ltd & South East College of Further Education & Training (FET), supported and part-funded by MBE Skillnet. Members are encouraged to contact Jim Copeland 00 353 1 2980969 with their training and education requirements and queries.

50% OF STAND SPACE ALREADY BOOKED AT THE HARDWARE SHOW 2015

Hardware Association Ireland is delighted to report that, following the official launch of The Hardware Show in January, 50% of the stand space has already been booked.

HAI Chief Executive, Jim Copeland, puts this down to a number of factors, including a "definite pick up in our market, the great work that the show Steering Committee has already put into the event and the professionalism of our new event partners, Eventhaus". Demonstrating their support for the show and an eagerness to secure the best positions available on the exhibition floor, some of the major industry brands have already confirmed their spaces including: Amalgamated Hardware, Ames True Temper, Bostik Industries, Blackspur, CCEC, Crown Paints, Donal Lynch Hardware, Dosco, D S Supplies, Dulux, Ecocem, Fleetwood, Irish Wire Products, John Murphy Castlerea, JBKey, Kilsaran, Ronseal, Tegral, Tuck Fastners, Tucks O'Brien, United Hardware, Varian I S & Co Ltd, and many more.

The biennial Hardware Show is the sector's largest networking, learning and promotional platform. It is a showcase for innovation and new product launches and a perfect opportunity to meet new and existing customers. There will be four key streams to the show - home, garden, build and DIY. There will be no better place to find out about the latest products and services on the market for each of these sectors than at HAI's official show. Indeed, HAI's

부**HARDWARE** 는 SHOW 2015

HOME - GARDEN - BUILD - DIY

success in convincing the government to introduce a Home Renovation Tax Incentive Scheme has given an added boost to all participants in the sector and by extension, to the show. The Hardware Show 2015 is an event organised by the industry for the industry. Its organisation is being driven by an influential and informed trade show committee, which has already begun work on making The Hardware Show an unmissable event for both merchants and suppliers. Charlie Hamilton, Managing Director at Canadia Wood Flooring, said: "Canadia are proud to support Hardware Association Ireland's trade show 2015 in the Citywest Conference Centre. "We believe there are strong signs of recovery and the timing of this event is excellent. This show is the official Hardware Association Ireland event of 2015 and for this reason will be very well attended by all the key decision makers within our industry. We are looking forward to getting 2015 off to a positive start at HAI's official show. The show also coincides with Hardware Association Ireland's premier social event, the HAI President's Ball. This is a great opportunity to meet and greet old

friends and new in an informal. social setting, and it is always a very enjoyable occasion for everyone associated with the industry and their partners, both merchants and suppliers. HAI has joined forces with specialist event company, EventHaus, to organise the show this year. With a team that has over 25 years' experience in event management, EventHaus has a reputation for delivering innovative, professionally organised events with a focus on visitor value and exhibitor satisfaction. The company is highly skilled in managing events of every scale, domestically and internationally, in both the consumer and trade arenas.

www.haishow.ie

For further information: EventHaus Tel: +353 1 846 0020. Garret Buckley. garret@eventhaus.ie or Margaret Andreucetti, margaret@eventhaus.ie Or,

Hardware Association Ireland Jim Copeland, Chief Executive, Hardware Association Ireland Tel: +353 1 298 0969; Mobile +353 87 6671361 jim@hardwareassociation.ie

HARDWARE 片**SHOW** 2015

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BE PART OF THE ACTION DON'T MISS THE HAI HARDWARE SHOW 2015

15 - 16 FEBRUARY 2015 CITYWEST HOTEL, CONFERENCE & EVENT CENTRE

The Hardware Show 2015 is an event organised by the industry for the industry. Its organisation is being driven by an influential and informed trade show committee, which has already begun planning on making THE HARDWARE SHOW 2015 an unmissable event for both merchants and suppliers.

BOOK YOUR STAND

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VISIT: WWW.HAISHOW.IE





Attracting customers from all across Wicklow and the suburbs of South Dublin. Burke's Hardware and DIY ARRO is the focal point of a modern business complex on the outskirts of Rathnew. Managing Director John Burke has retailing in his DNA, as he tells The HAI Hardware Journal Editor, Bernard Potter

NATURAL BORN RETAILER - INNOVATION AT BURKE'S PRIORITISES CUSTOMERS

John Burke's hardware and DIY operation is located on a five-acre site on the outskirts of Rathnew. John remembers working in his father's lubricating oil business from an early age, alongside his two brothers, Sylvester Jnr and Tom, the youngest. The boys did odd jobs and helped out in various ways: "I don't think we were consciously 'learning'. It was a very natural process. We just picked things up as we went along, and, the result was that, in my case, I knew from my teen years that I wanted a career in business."

Today's 40,000 sq foot store, complete with 88 car parking spaces, had its origins in a hardware business that was originally an off-shoot of his father's Mobil and Texaco Oil franchises. "Customers buying lubricating oil would ask for a bag of cement or some other hardware product and, in response, the hardware aspect of the business was launched."

THE APPRENTICE

At the age of 18, John went to work in Mulvey's of Dundrum. "It was

working there that I realised I loved retailing and the hardware business in particular."

John studied business in Portobello College in Dublin but even as a thirdlevel student he continued to work in retail and sales, gaining experience at everything from cinema management to repping on the road.

In the mid-nineties, it was evident to John that there was serious potential in the hardware side of the business and, when he took the helm at Rathnew, he looked to develop it as a major retail operation in its own right. The business grew steadily under

John, Alan Duffy and the rest of the team. He quickly developed his own vision of what might be achieved in terms of a state-of-theart development on the site and, by 2004/2005, he was ready to make it a reality. "The site had been initially built on reclaimed land, where there used to be a man-made pond for a cooling tower on an old brickworks facility. About 5,000 trees had been planted around it to provide shelter. It was in good shape in the sense that we had the framework but we had to build the centrepiece - a modern store with the flexibility to adapt and grow as required."

GRAND DESIGNS

John worked closely with his structural engineers and architect, to construct a premises that would be flexible in its response to changing consumer demand, upgradeable from a technology point of view and accessible for pick ups and deliveries. "The attention to detail that went into the planning and design of the structure has proved worthwhile in the long run. You could call it a builder's merchant's 'Grand Design'; the idea was to come up with a structure that would be flexible and fit for purpose and, while I certainly wouldn't claim to have foreseen what was coming down the line, that functional approach has helped us as we steered through the subsequent downturn."

The warehouse space incorporates a mix of John's own original ideas and concepts that he spotted on his travels. One of John's ideas was the introduction of shuttered openings in adjacent walls. Despite the spectacular surrounding tree spread, it is still a relatively open site and the carefullypositioned shutters allow loading work to move a short distance from one exit to another, depending on wind direction. It helps prevent dust blowing in and plays a major part in keeping a clean warehouse, which John feels is vital.

A lot of attention was focused on shelving in the warehouse and John worked in conjunction with Combilift and Sperrin Metal to ensure that effective, flexible handling solutions specific to the warehouse layout were put in place.



ARRO DELIGHTED TO WORK WITH BURKE'S

Burkes ARRO Hardware offered National Hardware and their JV company, United Hardware, the opportunity to redesign the interior/exterior lavout of John's store and embrace successful elements of the ARRO franchise. From the commercial side. this involved Burke's ARRO buying in to a range of over 500 unique and exclusive sku's from the United Hardware warehouse in Citywest, effective local promotional campaigns, buying support from the United Hardware Commercial Team, a modern efficient paperless invoice system and, most importantly, improved margin at store level when rehates are taken into account.

Several features such as the paint bar, departmental signage and category management will be refined throughout the ARRO network of nationwide stores based on the feedback from John Burke's model ARRO store. National Hardware/United Hardware wish John Burke and his staff every commercial success following the changeover to ARRO Home, Garden and Build branding throughout the store.

RECONNAISSANCE MAN

John is constantly on the lookout for new ideas and perspectives on hardware retailing and, in 2003, when he was developing ideas for the expanded premises, he travelled extensively in the US and Europe scouting for new ideas and the latest innovations.

"I enjoy studying what other outlets do. In the early days, I may have let my enthusiasm get the better of me. In one particular outlet, I was thrown out when they saw me taking pictures of their store! I managed to talk my way back in when I told them how impressed I was with their display skills. Since then, I learned my lesson and always have an initial chat with the store manager. I find that, particularly in the US, people are delighted to talk about what they do and share the benefits of their knowledge, especially with someone in business 3,000 miles away!"

His top three lessons from international hardware stores?

- Cleanliness and order: "US and European stores put a priority on having carefully planned and pristine shopping environments."
- Make it easy to do business: "It's really evident in American outlets that they go the extra mile to make doing business with them as convenient as possible. That's something I constantly look at in my own business to eliminate anything that's making the customer experience more complicated than it needs to be.
 - "An example of this would what I call our 'go-kart trolleys'. We often have families shopping in the store and parents often have problems ensuring that their kids don't get bored. We came up with a trolley with a fitted go-kart that allows kids to play while parents can shop, in relative peace at least. It's old hat now but proved invaluable over the last few years. Another example would be 'e-signature' and emailing all paperwork to customers, which was cautiously welcomed by customers in the beginning but most of them love it now."
- Put the customer first: "Our staff see the customer as their priority. We all work hard as a team to ensure that staff are fully informed on products and technologies so that they can provide help and advice as needed. It's all about having a good rapport with the customer."



Careful attention to layout and merchandising is a hallmark of the store: (top) the paint mixing centre; (middle) the garden centre; (bottom right) the doors and floors section of the store; and, (bottom left) the store stocks a comprehensive range of workwear.

NEED FOR SPEED

In what little downtime he gets, John has been an avid Grand Prix enthusiast and skier, although a family of three children has meant these hobbies have been on the back burner. "I used to be a regular at the Grand Prix races. One vivid memory is attending Silverstone in 1999, sitting with my brother dressed in Ferrari colours in the middle of a sea of McLaren supporters dressed in silver. In fact, the McLaren supporters turned out to be a sporting and friendly bunch. Lucky for us!"

Skiing is a family tradition: "For many years, since we were children, my father took the family for an annual week-long skiing holiday, during the week when we would be closed for Christmas. They were great family occasions and I hope to continue the tradition with my kids when they're old enough." John's father broke his back on the slopes, but was back skiing within 14 months: "It's typical of him, where someone else might give up, he got right back on the horse. I think that's the kind of resilience you need in business too and particularly the hardware business!"

At the moment though, John's main form of exercise is little less exotic, mountain biking: "I've only taken it up recently and it's a surprise to me more than anyone how much I'm enjoying it. I never thought I'd be interested in wheels that didn't come with an internal combustion engine but today's bikes are fairly sophisticated pieces of kit and cycling is a great way to keep fit, clear your head and think up new ideas. With its topography, Wicklow is well-placed to cater for a mountain biking enthusiast. The best courses in the country are only 15 to 20 minutes from the business. It's great to utilise an asset that is on your doorstep."









The retail store itself is carefully planned and methodically laid-out, a nod to the approach of some of the international outlets John admires (see panel on page 21). "Our business became a member of the ARRO/ National Hardware chain of stores in 2011 (previously with National for 13 years). One of the reasons I joined is their plan to standardise their stores in terms of branding, marketing and buying."

In 2013, John's store was the first to introduce the new ARRO merchandising service which includes store layout, point of sale and signage. The new layout enables customers to see each department, designated by colour, when they enter through the main door.

TEAM TALK

With effective systems, organisation and planning as a solid foundation for the business, in the end it's the human touch that makes the

difference, John says: "The most important part of my job is working with staff. They're the key link between the business and our customers. It's vital that they're professional, helpful and happy. Over the years, we have developed a strong team here that is committed to doing a top-class job under the guidance of my fellow director, Alan Duffy, who has a wealth of experience and to whom I've been known to turn for a word of advice myself." John's outlook for his own business and the hardware sector in general is cautiously optimistic: "We've seen some slight gains in the past 12 months - nothing spectacular - but we'll gladly take small improvements, particularly in the context of where we're coming from. Our focus is very much on providing the customer with value for money and I think that will have a steady impact in attracting more customers through the doors."



The Building Control (Amendment) Regulations 2013 under the Building Control Act 1990 were published by the Minister for the Environment on April 4, 2013. The new regulations have just come into into effect as of March 1, 2014

ILDING CONTROL REGULATIONS TAKE EFFECT

The new Building Control Regulations have a range of requirements, including:

- submission of compliance drawings and documentation to local building control authorities;
- set out and execution of an inspection place by the Assigned Certifier;
- signing of mandatory certificates of compliance by the designer prior to construction and by the Assigned Certifier and the Builder when a building in complete; and,
- inspection of building works at key stages during construction by Assigned Certifiers (registered architects, engineers or building surveyors).

The Assigned Certifier and the Builder must both certify that a finished building complies with the requirements of the building regulations. The signed certificates will be statements on statutory forms stating that each of the key parties to a project certifies that the works comply with the building regulations and that they accept legal responsibility for their work.

The Assigned Certifier will be contracted by the owner/developer, which will add to the overall cost of building projects. Each Building Control Authority, when it receives the final Certificate of Compliance on Completion, will retain all drawings and particulars relevant to the project's buildings/works and will include the final Certificate of Completion on its statutory register. The documentation will be accessible to anyone who subsequently acquires an interest in the building concerned. The Department of Environment is to follow the publication of the new building regulations with a

Code of Practice for Inspection and Certification.

Hardware Association Ireland are concerned about the level of assessment, inspection and enforcement carried out by building control authorities and have called for Building Control Authorities to be adequately resourced to ensure timely registration of Completion Certificates and to foster a more effective inspection and enforcement regime.

CIRI-REGISTER OF **CONSTRUCTION COMPANIES**

Following a request from the Government, the Construction Industry Federation (CIF) has set about establishing a new register of construction companies and sole traders. The new register will be called the Construction Industry Register Ireland (CIRI). It will include main contractors, builders, specialists, sub-contractors and sole traders of all sizes. CIRI will operate on a voluntary basis, initially, but the Government has said it will look to put it on a statutory footing in 2015. CIRI will provide a mechanism to the public to distinguish between the credentials of registered construction practitioners from those not on the register. CIRI is the only construction register that is being supported by the Government.

Provision will be made for including a member's CIRI registered number on statutory Commencement Notices for lodgment with Building Control Authorities on and after March 1 2014.

ELIGIBILITY FOR THE CONSTRUCTION REGISTER

Only those construction companies and sole traders who meet certain

standards will be able to join CIRI. This is to ensure that those on the register will follow best practice in the industry.

To join CIRI, a construction company or sole trader must:

- · adhere to an industry code of ethics and commitments:
- · demonstrate that they have construction competence and experience generally for a period of no less than three years;
- be tax compliant;
- commit to undertaking continuous professional development (CPD);
- comply with the health and safety regulations relating to the construction industry;
- have a knowledge and understanding of the latest building standards and regulations and commit to adhering to them; and,
- undertake an induction training course

Upon application completion, details will pass to the Construction Industry Registration Board (CIRB), who will assess the information provided and ensure the applicant is suitable for listing on CIRI. If the CIRB approves the application, the construction company or sole trader will be listed on CIRI for a period of up to one vear. All members of CIRI will be required to renew their membership on an annual basis. This is to ensure everyone on the register continues to meet the relevant standards and CPD requirements.

Members of the public and others interested in the construction industry can search for construction companies and sole traders through the CIRI website www.ciri.ie.

In the next edition, we will look at the practical implications of the regulations from the point of view of builder's merchants, builder's providers and hardware retailers in general.

Michael Bergdahl, author and business consultant, discusses the 10 most common customer service mistakes companies make and suggests some practical solutions

LOVE 'EM OR LOSE 'EM

HOW TO HANG ON TO YOUR MOST VITAL ASSET - YOUR CUSTOMERS

We all know too well that while it takes years to build a great customer relationship, it only takes moments to tear one apart. Here are the top 10 pitfalls to be aware of, plus some practical suggestions on how to remedy the situation in each case:

1. BROKEN PROMISES

Customers get upset when a company makes promises that aren't fulfilled. This has been referred to as 'over-promising and under-delivering'. Teach your customer service team, "A promise we make is a promise we intend to keep - each and every time." When someone on your team makes a commitment to one of your customers, your store must stand behind that commitment, even when it costs your

store money. When you treat your customers poorly, you are driving business to your competitors.

FIX IT: The key to preventing and fixing this problem is fostering open communication in your operation so, if an employee who doesn't have the authority promises a customer something he can't deliver, then he isn't afraid to tell management. If he thinks he will get reprimanded, the store may never deliver on that promise and lose a customer.

2. SHUFFLING THE PROBLEM

We have all experienced the frustration of contacting a company by phone or in person regarding a complaint and then being transferred from one unhelpful person to another. 'Customer shuffling', as it is called, is a poor customer service practice the employees in some stores

use to avoid taking responsibility for dealing with a customer's problem.

FIX IT: Train your employees through internal programmes and set up a mentor programme to help employees learn from your best staff members. Employees who are empowered to solve customerrelated problems on the spot are not only engaged in the welfare of your business, but also tend to stay with the company longer.

3. POOR SERVICE ATTITUDE

We have all dealt with customer service associates who project the attitude that "it's not my problem." This approach really makes customers angry. With the intensely competitive retail environment we work in, there is no room for this kind of mistake. Remember your staff only gets one chance to make a first impression on your store's customers, so always make sure it a good one.

FIX IT: Have a procedure in place describing what your customer service team should do when a customer is unhappy or irate. Establish standards for service and write them down. Some companies even require their employees to sign that they have read and agree with the standards. You could even try role-playing different scenarios with your team, so they understand the proper way to address problems in the future.

4. HEIGHTENING POTENTIAL **PROBLEMS**

Some customer service associates don't know how to calm down and satisfy disgruntled customers. Do your store's employees know how to diffuse situations?

FIX IT: Show me a home improvement store where the service team knows how to take care of unhappy customers, and I'll guarantee you it's a store where management has trained the staff well. Incorporate some basic conflict resolution SOLUTION tactics into your customer service training. With ongoing training, your team will be ready to address any customer-related concerns as soon as they happen.

5. LACK OF FOLLOW-UP

You can't always solve every customerrelated problem in a matter of minutes. Let's face it; there are times when you do need to research the problem and get back to the customer at a later time. Failure to respond to a customer is like telling him his business is not important to you.

FIX IT: If you are going to be delayed in responding, let the customer know and provide updates as soon as you have them. Teach your store's team how important it is to always live up to their commitments to your customers and to one another, and practice team-building exercises so employees are more apt to go to each other for help when they may not personally know the answer to a customer's question.

6. ALIENATING CUSTOMERS

People in customer service-related jobs simply cannot afford to have a bad day. One hundred per cent of the time, your store team needs to project a positive, helpful attitude; there's no other choice. You must respect your customers' points of view and avoid the temptation to argue, because you can't win an argument without alienating a customer.

FIX IT: While it may sound clichéd, the old adage "the customer is always right," still applies. Create good outcomes for your customers so they always leave feeling good about their shopping experience. Remember, giving the customer a euro here or there to keep them as loyal customers does pay off in the end. A good way to deal with frustrating customers is to take a step away from the situation for a few minutes or to ask for the assistance of another team member who may be better equipped to deal with the situation

7. REACHING AN IMPASSE

No matter how hard they try, your employees aren't going to be able to satisfy every customer. When this happens, teach your staff to get a manager involved in a discussion with that customer immediately. Sometimes the process of simply

listening to the customer and letting him vent his concerns seems to extinguish the size of the original problem. Of course, in rare cases, even the manager's conversation with the customer may also end at an impasse!

FIX IT: Give your employees the ability to offer discounts or 'freebies' to help them negotiate, and encourage your team to do its best to end discussions on positive notes, even if that means acknowledging the fact that you "agree to disagree."

8. APATHY TOWARD **CUSTOMERS**

Don't forget your customers can choose to walk away from your business in favour of spending their money at your competitors' stores. Think about that for just a moment - in fact, you should think about that every day. What are you doing to make your customers want to continue doing business with you? Are you providing a compelling reason why your customers should continue doing business with you?

FIX IT: Create a service culture in your operation that is so strong and positive that it sets your store apart from all of your competitors. Remember that your customers are the lifeblood of your business, so find ways to differentiate your store, whether it's through assortment planning, promotions or customer service to provide a shopping experience customers can't get anywhere else.

9. NON-COMPETITIVE **PRACTICES**

Customers have more options for purchasing products and services than ever before. Nearly everyone has Internet access, and they use it to compare products and services.

FIX IT: You should make it a practice to study the competition. Compare their pricing structures for products and services to your own. Customers don't mind purchasing from a business for a fair price, but remember the market will dictate what you can reasonably expect to charge for your products and services.

10. MISHANDLED PRODUCT RETURNS

Does your store provide a 100-per cent money-back product quarantee with no questions asked? If it does, that means a customer can return a product for a good reason, bad reason or no reason at all. And if you don't, you should. Your customers will learn more about your store when they return a product than they did when they made their original purchase, if they have a positive return experience.

FIX IT: Make it a quick, easy, painless, and even pleasant experience. Having a 'nohassle' return policy is important because it gives your customers complete confidence when purchasing products from your store.



Michael Bergdahl (SPHR) is a professional international business speaker, author and business specialist. Bergdahl worked in Bentonville, Ark., for Walmart, as the Director of People for the headquarters office, where he worked directly with Walmart's founder Sam Walton. Bergdahl is the moderator of two LinkedIn discussion groups called, "Walmart's Best Practices - Super Group" and "Sam Walton's Best Practices" with more than 10,000 worldwide members including retailers, human resources professionals, product manufacturers/suppliers and supply chain professionals.

As the Irish paint market continues to expand, companies are placing an emphasis on innovation and product development. The HAI Hardware Journal looks at some of the leading companies focusing on developing their product ranges to stay ahead of the competition

PAINT INDUSTRY DIPS BRUSH INTO NEW TRENDS

Embracing the new digital age, some paint manufacturing companies are combining popular technological trends with creative input, to develop cutting-edge (free to download) paint app tools, custommade for smartphones, to meet customer demand. "It is key that innovation drives value and growth back in to a heavily discounted category. There should be significant marketing investment to support new launches that answer genuine consumer need," says Judith Byrne, Senior Brand Manager, Colour Emulsions Marketing, **Dulux Paints Ireland.**

Companies are also opting for the ecological route, producing natural-based ingredients for a healthier painting environment. In another significant development, consumers who would normally have employed a decorator are these days painting their houses themselves. "Consumers who turn to decorating for the first time can find themselves ovewhelmed by all the different paints, finishes, qualities and accessories on the market. They need

Dulux EASYCARE WASHABLE MATT cope cod

companies to give guidance and to quickly identify what exactly is required. Products must be consumer-friendly, clearly labelled, and have attractive packaging to appeal to the customer," says Steven McQuillan, Marketing Manager, Fleetwood. "At the end of the day, customers are looking for good quality paint at reasonable prices - not necessarily the cheapest paint; they are aware that quality will always win out in the long run."

One of the most significant changes, according to McQuillan, has been the change in phase II of the European Legislation on volatile organic compound (VOC) levels in paint. The VOC level for solvent-based wall paints has been reduced to 30g/L for low gloss and 100g/L for higher gloss. This, he notes, will effectively preclude the use of solventbased products for large interior surfaces.

According to Paul Nicholson, Sales Manager, Excellence Rustin's Ltd, there is a slow recovery in the hardware painting and decorating market in Ireland. Increased Government taxes are leaving consumers with less discretionary income, which means that companies in the sector will have to work harder to persuade consumers to spend.

He comments: "With the Government introducing grants for home renovating this year we would hope to see new growth arising from this initiative but it may not filter through to the paint sector for a while. January and early February this year have seen weather conditions worsen, slowing activity in the painting and decorating sector. "Last July and August saw a good increase in outdoor paint and varnish products as a result of the good weather, so companies will be hoping for a good spell of weather in 2014. The paint and decorating market is very competitive and keen pricing and good service is very important. Striving to be efficient and cost-effective, it is imperative we give our customers the best prices and service possible." The paint industry is setting a fast pace for innovation and new product development. Here we outline some of the latest developments in the 2014 portfolfios of some of Ireland's leading Irish paint companies.

STAIN REPELLENT MEETS CONSUMER NEEDS

Dulux has recently launched a new product for the washable matt segment - new Easycare with stain repellent technology.

Easycare, now with stain repellent technology causes spills to bead off walls and makes stains easier to wash away, according to Dulux, and the product formula also means that Easycare is now considered 50 times tougher than conventional vinyl matt paint.



ECO-FRIENDLY PAINTING

Auro manufactures a range of natural paints and care products for domestic and commercial buildings as well as gardens. Auro says that all its products are free from synthetic irritants and pollutants. According to Auro, wood and walls treated with its product do not release any artificial solvents and ideally support the natural moisture balance in a building.

The company provides a range of ecological paints, stains, enamels, oils and waxes, as well as cleaning, care and maintenance products made from natural raw materials.

The company's paints are derived from organic linseed oil resins, plant and mineral pigments for colour and chalks for fillers. Auro says its wood finishes are micro-porous and breathable. This ensures they do not flake, peel or blister and are easily maintained. McCann & Byrne are distributors of Auro natural paint products in Ireland.



PRIME SPECIALITY PAINT

Excellence Rustins' has two new additions to its range of speciality paints - Galvanised Metal Primer and One Coat Damp Seal.

Rustin's Galvanised Metal Primer is a water-based, quick-drying, low-odour metal primer that is suitable for interior and exterior use, the company states. According to a company spokesperson: "It contains anti-corrosion additives and is ideal for use on bare and galvanised

metal. Touch dry in 30 minutes, it can be re-coated in two hours.

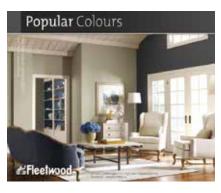
"Rustin's One Coat Damp Seal is a fastdrying, high-performance, interior paint, which permanently covers damp, water stains and most household stains. It dries with a long-lasting permanent seal over damp walls and ceilings. For interior use only, it can be applied to damp surfaces and re-coated in two hours." The paint is available in 250ml, 500ml and 1L.



SALES INCREASE IN SYNTHETIC BRUSHES

With the new paint season approaching, Varian is looking forward to promoting its growing product range. Supplying a comprehensive range of paint accessories and sundries, its portfolio caters for the professional tradesperson and DIY enthusiast alike. This season will see additional lines being added to the catalogue and will be complemented with a strong array of promotional activity aimed at maximising retailer sales during the season. Varian states.

It has seen consistent growth in sales of sets in recent years, be it brush multi-packs or roller and tray sets. Key to this growth has been retailer support in terms of store space allocation, display and location. Sales of sets are driven by impulse purchase and the allocation of promotional display space will pay dividends, Varian says. Alongside this has been the successful launch and growth of its professionalquality, premium synthetic paint brush range 'Pro Decor', which has developed into an important part of the sales mix for retailers. With its tapered nylon fill it provides an optimum and smooth application and can be used with both water and oil-based paints.



NEUTRALITY CROSSES THE COLOUR LINE

Popular Colours by Fleetwood aims to take the guesswork out of coordinating colours and give consumers the confidence and inspiration to show off their personal style. Colours within each of the five Popular Colours collections work together no matter how many or how few selected. Fleetwood suggest 'cues to pull the hues' into window treatments, textiles and to decorate accessories or to update the look of furniture. The interior acrylic paint, manufactured by Fleetwood, is available in any finish including matt soft sheen, satin and gloss finishes.

Fleetwood says it also carries 100% acrylic seal that marks the company's high-quality environmentally preferred coatings. The range includes Neutral Nuance, Traditional Twist, Personal Imprint, Livable Luxury and Coastal Fusion.



IMPORTANCE OF STAYING LOCAL

This year, Dosco celebrated 130 years in business after establishing its manufacturing plant in Cork in 1884. Dosco is currently Ireland's only brush manufacturer and Ireland's favourite decorating brand proudly displaying the Guaranteed Irish Logo.

The Dosco paint brush is a unique product made of 100% pure bristle to give maximum performance. Dosco manufactures brushes from

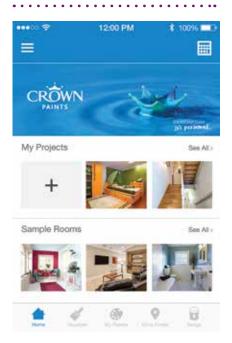
COLOUR-MATCH APP LAUNCHED

the economy V7 range to the market leading V21 range and right up to the hand-crafted Professional range, which has the environmentally-friendly FSCcertified wood handle.

In 2014, Dosco will introduce a new Shed & Fence range. These products will allow for the application of wood treatments for timber sheds, timber fences and decks. Applications by both brush and roller are catered for with these new lines.

Mindful of the promotional market, Dosco carries a large range of paint roller sets. The 11-piece roller set has been a huge success as a starter pack for any paint job, according to a Dosco spokesperson. It includes rollers, frame, masking tape, brush, scraper, paint tin opener, paint stirrer and disposable gloves.

The Dosco 9" Roller Set with short handle extension pole "is a favourite for painting ceilings and high internal walls"



At home or on the go, the new Crown Paints MyRoomPainter app caters for all customers, according to Crown. This new app, available on iPhone

and Android, is the ultimate tool for both DIY and professional decorating. Users can browse extensive paint ranges incorporating Crown, Sandtex and Sadolin; create a custom colour scheme, and send a colour palette to a local stockist for collection. With the MyRoomPainter app, users can paint sample rooms or even photograph their own room or home exterior and experiment with colours onscreen. The colour match function allows people to photograph their surroundings, and the app will generate the ideal colour match from the Crown Paints family. Other key features include a live newsfeed to keep up to date with the latest trends, a library of how-to videos to aid and inspire, a paint calculator and a store locator to help bring the project to completion. The Paints MyRoomPainter offers a full project solution, Crown explains, and can be downloaded free from the App Store

or Google Play from March 10, 2014.



Throughout 2013, Tom Smyth's HR firm has assisted and advised hundreds of Irish retailers on the human resources, employment law and industrial relations issues that arose in their workplace. For the benefit of readers of *The HAI Hardware Journal*, Tom has selected the most common issues from last year and set them out here to help employers avoid similar problems in 2014

HR HEALTH CHECK -

COMMON ISSUES AND HOW TO MANAGE THEM

CONTRACT OF EMPLOYMENT

Each employee should be presented with written terms and conditions of employment within eight weeks of commencing employment. Failure to do this is a breach of employment law and even if you subsequently give the employee their terms and conditions, at any stage in the future they could issue a legal action under the Terms of Employment (Information) Act, 1994 and be awarded up to four week's pay (per employee). Written terms and conditions (a contract of employment) must include at a minimum:

- full registered and trading names of the business;
- address of employer registered office if the employer is a company;
- full name of the employee;
- job title or nature of work;
- date of commencement of employment;
- the place(s) of work;
- if the contract is of a temporary or fixed term* the details of same (purpose, length);
- · details of rest periods and breaks;
- rate, frequency and method of pay;
- hours of work, including any provision for overtime;
- · details of paid leave (i.e. holidays);
- arrangements for sick pay, if any;
- periods of notice to be given by employer and employee;
- details of any collective agreements that affect the terms of employment; and,
- senior employees should have more detailed clauses e.g. confidentiality.

*Fixed term contracts of employment are not to replace the probation clause in a permanent contract. There are very specific circumstances within which a fixed term contract of employment should be offered – it should not be offered to 'see how the employee gets on'.

If your legally required HR documents are deficient, remedy them immediately.

CLARITY REGARDING EMPLOYEE PURCHASES

Over time, policies and procedures can often become redundant, if they are not being implemented or policed as originally intended. One such policy that often causes controversy in the workplace, particularly in retail, is 'staff discount' or 'staff purchases' policy. Failure to ensure these are implemented and followed through may lead to numerous problems in terms of theft, dishonesty, undercharging, unauthorised discounting, 'sweethearting', late payment of goods, no receipts kept for goods or goods purchased during working time.

The primary concern in letting these policies slide is that a new custom and practice may evolve in the business without owners or managers becoming aware. This makes it very hard to prove intent and consequently affects the disciplinary action that can be taken when an issue suddenly emerges. Please ensure that all managers are aware of the staff purchases system and that it is transparent to employees and that spot checks are performed on a regular basis.

SOCIAL NETWORKING POLICY

As the world becomes more IT-driven with the likes of smart phones, tablets and wifi virtually everywhere, the relationship employees have with

social media such as Twitter and Facebook is something employers must be prepared for.

While we realise and respect that many employees will have personal social networking sites, employers have every right to ensure their business is protected. If an employee has a thought regarding their work, a customer, a colleague or a manager, there is now the danger that this could be vented online so we recommend employers prepare for such a scenario. A social networking policy should outline the need for common sense and reasonable behaviour to prevail at all times. The policy should clarify that the business retains the right to review (not monitor) anything posted online as it is considered public information. Furthermore, a policy may outline that you will take reasonable steps to ensure that any workplace issues are not inappropriately discussed or visible on social networking sites.

Once an employer has outlined their stance on such matters, it puts them in a far stronger position to uphold any disciplinary sanction following appropriate investigation.

MANAGEMENT OF PROBATION PERIODS

There is a common misconception that an employee can be dismissed without consequence, provided they have less than one years' service. This is not the case. The 'one year rule' applies to the Unfair Dismissals Acts in that an employee cannot take a case for having been unfairly dismissed unless the employee has 52 weeks' service. An employee can, however, take a claim against an employer claiming they were wrongfully

terminated under the Industrial Relations Act.

A properly managed probation period is critical to defend such claims. Firstly, there must be a probation period provided for in the contract of employment. We would suggest a minimum probation period of six months with the right to extend up to 11 months, if needs be.

Once there is a probation period established, the 'three strike rule' is generally a good one to follow. If you have to speak to an employee once regarding their performance you can put them on alert that you are assessing how they are fitting into their role and highlight any areas of concern. Once you have offered a reasonable amount of time to improve and there is no improvement, you can meet with the employee again. In this meeting, explain the areas of concern and put the employee on alert that s/ he is at risk of failing their probation period if there is no improvement. If you have to speak with an employee a third time, and are satisfied that they have been afforded a reasonable amount of time to improve in the area of concern, you can terminate employment by means of 'failure of

probation'. At all times maintain a paper trail documenting meetings and ensure you send the employee a copy of these records.

Please keep in mind that every case should be considered on its merits, so if you have any queries please contact Jim Copeland at Hardware Association Ireland, 00353 1 298 0969 or our office to discuss in confidence.

MANAGING ABSENCES

Absenteeism can have a huge effect on the operations of any business. Therefore, in order to manage absenteeism and enforce any disciplinary action in order to minimise any abuse of the absenteeism policy, there must be a policy outlined.

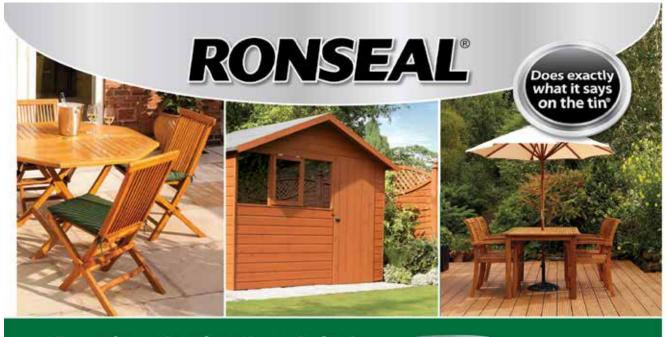
We would suggest that all employers have an absence policy and that it would include, at a minimum:

- when and how an employee should advise of absence:
- who an employee should advise of absence;
- expectation with regards medical certification and the use of a company doctor; and,
- sick pay (not statutorily required). While each absence should be

considered on its own merits, we would advise that an employer be cognisant of treating all staff fairly, and that any such policy is enforced for all employees evenly.



Tom Smyth is Managing Director of Tom Smyth & Associates, a HR consultancy, established in 1991, that gives Irish employer's practical advice on HR, industrial relations and employment law issues.



Complete Garden Care Solutions

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Joseph Blair of Hortitrends provides a round-up of the latest news from the garden sector

JOHNSTOWN GARDEN CENTRE COMPLETES €1M INVESTMENT



If you're serious about your garden business, then you will invest time in building successful supplier relationships with Ireland's leading plant growers.

The Johnstown Garden Centre has recently completed a major investment that includes an extensive new restaurant and an increase in shop floor space to 40,000 square feet. A total of 15 new jobs have been created and footfall is up. Online sales are continuing to grow for the business, which was one of the early adopters of garden retail ecommerce.

Owner Jim Clark informs me, based on his own in-store market research, that 1 in 2 customers are now researching their purchases online before visiting the store of their choice. It is interesting to note that the previously geographically-spread, larger lifestyle centres such as The Orchard, Arboretum and Johnstown are now actively investing in and competing with each other on the online marketplace. When potential customers are of a mind to get out into the garden but the weather does not allow, they are diverting some of

that pent-up desire to garden, into researching, planning and buying online for when the weather improves.

FUTURE TRENDS

I recently attended the Garden Press Event which took place in London. Attended by hundreds of gardening journalists, the event is an opportunity for businesses in the garden retail space to showcase new products and related merchandising for the coming season. The stand-out ideas are always the simple ones and, for me, that product was Hozlelock's new range of miniature watering reels. It was in part, a theme that ran through the show which was 'Mobility Gardening', i.e., making gardening more accessible with easier to use and handle products.

Fiskars had a range of lightweight easy to use cutting tools while Spear & Jackson were also promoting their kids' range of lightweight smaller traditional gardening tools, as

something that could be used by the older gardener. Also looking to simplify things were Westland with the new Gro-Sure Planting Magic range.

ALL ABOUT PLANTS

If you are a hardware/garden centre and serious about your garden business, then you will be investing time in building successful supplier relationships with Ireland's leading plant growers. Tully Nurseries were one of the 29 nurseries who exhibited at the IHNSA Trolley Fair in Punchestown Race Course, Co.Kildare recently. They were promoting their 'Winning Plants' and the new 'Bella Bloom' range. Also exhibiting were specialist suppliers such as O'Dowd Roses. The fair is a great chance to meet your existing suppliers and benchmark them on quality, service and price. The next fair takes place at Punchestown racecourse on April 1 and if you are serious about plants, then given the day it falls on you might be a fool to miss it. If you are interested in meeting the growers please get in touch with me.

FOOD FOR THOUGHT

Recently, I visited a Horkans garden centre on a cold windy Sunday and was surprised to see many people browsing plants outside, braving the weather as they hugged a warm and welcome cup of coffee. The following week I attended the HTA Garden Catering Conference in the UK and you could be forgiven for forgetting that the 250 in attendance were in the main, plant retailers. For some garden centres, food is now 45 per cent of turnover and an insurance against bad weather affecting plant sales. One major Irish garden centre presented on the day and revealed that they had sold close to 140,000 cups of tea and coffee and that food alone constituted a turnover of €1.7m in 2013. What was clear at the event is that even with the simple offering of a decent coffee, it's easier to hang on to customers a little longer.

GIY NEEDS WEATHER TO PICK UP

In a recent Hortweek interview, Homebase garden trading director Matthew Compton has predicted that online plant sales will take off in 2014 – when it stops raining. Compton said the grow it yourself (GIY) season will be first to be hit if it does not stop raining soon.

He added that 'planting' and 'enjoyment' seasons follow, but Homebase sees gardening as year-round. Multichannel retailing is massive for 2014, said Compton. "We've taken a big step forward this year and put more than 1,000 transactional items on the website for the first time, including 500 plants." There are also 50 videos featured online. Click-and-collect is "an increasing part of the business" at Home Retail Group. On pricing, Compton said: "Our ambition is to be one third lower than the independents."

Joseph Blair of HortiTrends publishes Horticulture Connected, HortiTrends.ie, Horticulture.ie and JobsInHorticulture.ie for the garden retail sector in Ireland and the UK. Focusing on Irish market data and crossover trends from the UK, they offer practical business support services aimed at maximising garden retail sales. Working on the basis that 'all business is local' but alive to the latest global sectoral trends, they can assist you to get a better return out of the customer who is already walking through your door. They also offer practical solutions that target and bring in new customers. joseph@horticulture.ie





HIT THE DECK WITH RONSEAL

The new Ultimate Decking Oil from Ronseal is specifically developed to withstand footfall, aging and brutal weather. With increased protection against foot traffic, advanced weather resistant technology and superior wood nourishment, it lasts twice as long as other decking oils, meaning half the maintenance, according to Ronseal. The premium decking oil has been formulated to bring out the beauty of the wood grain and enhance its appearance, the company says.

New for 2013, Ultimate Protection Decking Stain from Ronseal, comes in a range of contemporary colours including Charcoal, Slate, White Wash and Stone Grey. Ultimate Decking Stain lasts twice as long as standard decking stains. Ronseal says, and the advanced weather resistant technology will protect decks from even the wettest Irish summers. Ronseal says it will resist peeling and fading and the specially developed formula offers greater hardness that will provide unrivalled protection from foot traffic.



CUPRINOL SHADES IT

Colour for garden wood has seen double-digit growth in the last twelve months, according to Dulux. It is clear, the paint manufacturer states, that the trend for turning your garden into a 'fifth room' to enjoy in and out of season is firmly planted on the Irish DIYers' wish lists. With 73 colours in the Cuprinol Garden Shades range and heavyweight support in terms of providing inspiration direct to the target market, the Cuprinol brand aims to help retailers piggy back this trend. Chalky neutrals, and pastels with 'pops' of brightness are being favoured in spring/summer trends. Cuprinol Garden Shades has 60 new colour mixing colours and a handy 1L pack size which is perfect for up-cycling existing furniture and fences into a garden to be proud of all year round.

Allied Merchants Buying Association (AMBA) was formed in 2011. The HAI Hardware Journal spoke to AMBA Chairman. Michael Ganly, about what's been achieved since

MUTUAL SUPPORT DRIVES AMBA'S SUCCESS

Allied Merchants was formed in 2011 with a view to growing the market share of participating suppliers while improving member profitability. According to Chairman Michael Ganly (Ganly's Hardware), its primary purpose has been to provide a platform by leveraging collective negotiation power with suppliers, on behalf of members, for products sold by members. The group now has seven companies in membership, with 25 stores nationwide that have over 500 employees.

Michael states: "Members have seen improved trading terms with their suppliers, across a broad range of products including building supplies, timber, plumbing, hardware, agriculture, fuel, garden and homeware supplies. We have strengthened the buying power of our members and our trading terms - including cost prices, maximising credit terms, rebates and settlement discounts - are improving year on year with suppliers. This has helped us to drive sales on behalf of our suppliers, increasing their market share but also allowing our members to drive margin."

HAVING YOUR SAY

Michael says: "We have developed a culture of support and co-operation between members. A huge positive is the communication and information sharing that takes place on a number of topics including product selection, store layout and promotions and all of this has helped improve product offering in our stores. Member contribution is excellent as members have total control over the decisions

of the group. We have a board meeting once a month, where everyone has their say and we vote on any decisions the group has to take. Every member has an equal say and an equal vote."

Michael continued: "There have been huge changes in retailing and the supply of goods and services and these changes required a group that is agile and responsive to the critical needs of retailers and suppliers. "The fundamental aim of Allied Merchants Buying Association is a low-cost, highly professional group with strategically placed members that work with partnered suppliers. In 2013, AMBA partnered 'levy free' with over 80 suppliers, making purchases in excess of €35m with those suppliers. We have achieved an overall increase in turnover of 18 per cent with partnered suppliers, compared to turnover with the same suppliers in 2012."

Michael explains: "Through the right relationships with our supplier partnerships, we have worked and will continue to work to provide members with access to brand suppliers at the best prices and terms with minimum cost to their business."

OBJECTIVES

AMBA has two main objectives, Michael states:

- to make members more profitable; and.
- to increase market share of suppliers.

"Members keep control of their business with the support of a member-focused group, created to improve member profitability through structured purchasing

from supplier partners. Members maintain their entrepreneurial spirit of independence as they still deal directly with suppliers and receive the same service from suppliers." Allied Merchants works to enhance members' business through coordinated negotiations of prices and terms, in conjunction with supplier partners, but it restricts its role to that of a buying group; it does not involve itself in invoicing and other related activities. He concludes: "It's all about improving members' profitability at the lowest possible cost. In Allied Merchants, each member is an equal shareholder and has an equal say and equal vote in all decisions of the buying group and all cost savings and rebates are distributed to members in their entirety. In 2013, we increased our turnover with 75 out of our 80 approved suppliers. That's significant in the context that we look to partner with suppliers that share a mutual interest in growing the business."

BOARD OF DIRECTORS

AMBA's Board of Directors consists of elected shareholder members who set its goals and priorities and are responsible for approving all membership and supplier matters. The group CEO works closely with the board, members and supplier partners to accomplish its goals.

For 2013/2014 the Board comprises:

- · Michael Ganly, Chairman;
- Heather Graham, Secretary;
- John Murphy, CEO;
- Martin O'Mahony;
- Dennis O'Connor;
- Jim Jovce:
- David Rvan: and.
- Pat Stakelum

AMBA MEMBERS READY FOR CHALLENGES AHEAD



Ganlys Hardware is a leading builder's providers in the midlands, with a modern renovated premises situated in Athlone, a second store located in Longford Town and a third store opened in Mountbellew in 2011. Ganlys positions itself at the forefront of the Irish building and hardware store sector and are holders of several prestigious and nationally-recognised awards, including three-time winners of Octabuild. Managing Director Michael Ganly (left)appreciates the extent to which AMBA members communicate with each other: "The strong networking and communication aspect of being a member allows you to understand how other companies deal with issues like marketing, HR, insurances and finance. You align yourself to companies that are experiencing similar issues and the pooling of ideas and shared experiences is an invaluable tool."



Morris Builder's Providers

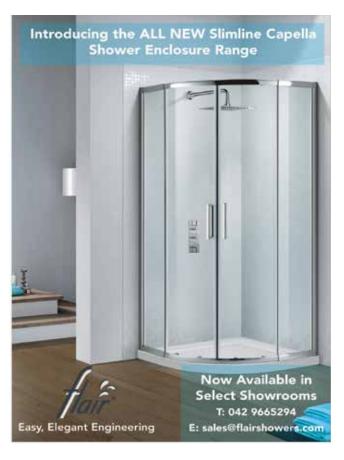
opened for business in January 1983 and developed and expanded the business to its present position as a market leader and the largest independent builder's merchant and DIY in the south east of Ireland. David Ryan (above) of Morris's says: "We joined AMBA to improve our purchasing power and keep control of our purchasing by being part of a buying group that allows you get involved in the negotiations with suppliers. We benefit greatly from the sharing of all information within a group of like-minded retailers."



Home Project Centre (HPC) is an independentlyowned builder's providers and DIY group based across eight locations on the east coast of Ireland. HPC employs in excess of 170 staff, and its aim is to provide the best in class customer service. Director Dennis O'Connor (above) says: "We felt there was a need for a buying group that was established by the members for the members, and also a group that respected volume and progression. We are not focused on sweeping up as many members as possible. We focus on strategic locations and partners. One of Allied's key objectives is to develop and progress and to do so without stifling existing members"



Maurice Graham Ltd is located close to the border with Northern Ireland making for tough trading conditions, with currency exchange and V.A.T. differences adding to the challenges that the whole sector faces, but Director Heather Fitzpatrick (above) believes AMBA membership positions the business well for the challenges ahead. "I like the idea of being in a group from the point of networking and the assistance members give each other. This is especially true of all the existing members of AMBA. In these difficult trading conditions, supporting each other is paramount. Transparency is also very much evident in AMBA which is a key feature of the group."



NEW YEAR RALLY FOLLOWS CAUTIOUS CONSUMER SPENDING AT CHRISTMAS

Post-Christmas 2013 and early 2014 has seen a positive bounce for retail and hardware sales after a cautious Christmas period. Margaret Donnelly reports on recent retail research and firsthand hardware retailer experience to provide an overview of trends in the last two months

Christmas trade was down on Christmas 2012, as positive consumer sentiment did not turn into increased spending, according to the latest figures from Retail Excellence Ireland. Adverse weather conditions in the run up to Christmas Day negatively impacted on footfall and spend particularly in high street locations, it reports.

Considering that the rescheduling of the Budget and the gradual turnaround in the economy all pointed to likely retail sales growth this Christmas, the figures were disappointing, retailers said.

Sales in the latter part of November and the early part of December were undermined by the Revenue's early announcement of the Residential Property Tax 2014.

According to David Fitzsimons, Chief Executive, Retail Excellence Ireland the hardware industry has been the worst impacted sector over the past five years – not just from a demand erosion perspective but also from a bad debit perspective, as many of the independent operators had significant credit extended to builders, which was lost. Subsequently, however, he says that winter 2013/'14 has seen a

positive bounce for hardware sales. "The good news is that many DIY, hardware, flooring, furniture and kitchen members are reporting in recent weeks that they see a funnel of activity coming. It is primarily home renovation rather than new build. It is still very welcome and some credit must go to Government following the introduction of the Home Renovation Scheme."

PRE-CHRISTMAS FOOTFALL

In the run up to Christmas, there was an unprecedented level of pre-Christmas discounting activity with some national retail operators discounting by up to 40 per cent, according to the report.

The clement period of weather in the earlier part of December helped to build footfall, but the AIB and Bank of Ireland ATM technical faults undermined spending later in December, it said.

As a result, it is likely that the 'sales' period will be one of the best on record. Many retailers have not sold through on significant lines of stock and this will be priced to sell

as retailers look to convert stock to cash. In the hardware and DIY sectors, customers were expected to make best opportunity of the sales period to buy 'big ticket' items such as flooring, furniture, kitchen, bathroom and paint at significantly discounted prices. In the run up to Christmas, the electrical sector experienced strong demand. However, it wasn't enough to supercede the December 2012 demand for TVs as Irish television went from analogue to digital.

RETAILER VIEW

Talking to individual hardware retailers, their experiences broadly reflect the overall research trends, although they tend to differ in specifics.

Dermot Kavanagh, Smyths (a member of the ARRO group) in Enniscorthy, commented: "As regard sales volumes, overall, they were the same as the previous year."

While electrical and flooring sales were static, he said there were strong sales in homewares and tools, while keys and paint were also good. Smyths he said, has seen sales since Christmas improve strongly. "We were lucky, with January and February being quite good. This year is starting much more positively than last year

The bad weather in February, he said, helped drive strong sales for the hardware store. "The storms did have a silver lining for us, as we were lucky to have continued power in the store. There was a huge demand for heating. Oil and gas heaters were particularly strong in February because of the storms and the damage done to power lines."

According to Tim Lodge, Lodge Hardware (a member of the ARRO group), Athboy, Co. Meath, sales in the first two weeks of January were



good, as people who had been waiting for sales returned to spending. "Sales in electrical goods were especially strong, as were sales in white goods and general small electrical goods." The other areas of strong demand in January and February, he said, were kitchen and houseware.

Pre-Christmas went well for Sean Burton Hardware (a member of the Topline group) in Kanturk, Co. Cork, Nigel Burton reported. He commented: "We experienced a strong lift in demand for luxury goods, like televisions, as well as giftware in general in the run up to Christmas. As regards January, it wasn't too bad with sales staying at the previous year's levels. Of course, the weather hit the locality pretty badly around here and we had to close for a day. After the storm, as you'd expect, we experienced strong demand for items like slates and tiles, and various products from our camping gear section, such as gas heating appliances."

He added: "I'd be reasonably optimistic for the year ahead, although I believe it'll be vital to keep a close eye on margin. I'm particularly hoping for a good summer, which should help set the pace for the full year." Liam Phelan at Grange Builders Providers (a member of the Home Value group) in Baldoyle, Dublin is expecting a strong performance for the first six months of 2014, based on a consistent trading run over the last few months. He said: "Of course, there's no doubt that the bad weather of January and February has had an impact but overall, trading's been good both before and after Christmas, and into January. All the main product

categories have performed well. I'd be optimistic that we'll see a strong first six months in 2014."

ELECTRICAL

According to the report, most electrical categories performed well with tablets being the star performer. While Christmas 2012 was believed to be the Christmas for tablets. demand for tablets remained strong in 2013 and consumers are buying into more mid and high priced tablet brands. Laptops also traded well as children add technology to their Santa list rather than conventional games and toys. In terms of brands, Apple remains the 'must have' brand with the iPad a key item, the report found. White goods sold well and particularly in the Dublin market, while brown goods sold at more moderate rates. A notable trend, the report found, in electronics is the growth of small kitchen and cooking appliances with coffee makers selling strongly, especially the Tassimo brand. There has been a noticeable increase in the demand for craft and Irishmade products. Christmas Markets have become a mainstay of the Irish Christmas shopping experience. Retail units in the outskirts of towns have benefited too, the report says, from free parking. Some towns introduced free car parking during certain periods of the day, and retailers reported increased footfall during these periods.

GARDEN

Most garden centres reported that sales gains enjoyed in the early- and



mid-December period were lost as the weather affected footfall. Growth experienced in some centres has been as a result of extra facilities such as café/restaurants and improved and more diverse offerings, the report found.

However, there was a slump in real Christmas tree sales, which many attributed to an increase in blackmarket trading. The sale of artificial trees was strong, with both premium and budget lines selling well.

HOMEWARE & DIY

The homeware/giftware and DIY sectors were also affected by the bad weather before Christmas. While good discounts drove volume, they impacted heavily on margin and, overall, the sector disappointingly won't meet 2012 figures. Homeware sales generally peaked in late November and early December with shoppers being very selective and buying products which were on offer. Christmas decorations were also back in the shopping basket, having not been a priority for the past couple of years. Fuel, however, took a hit with the unseasonably milder weather, pre-Christmas.

ONLINE

The last delivery date for online purchases was December 18 and retailers reported online sales did not take off again until December 24 when online sales started. However, most reported that they expected most sales activities to be in store, rather than online. For retailers with an online presence, there is trending to show that customers are researching online before they come in to store. Having an online presence is creating a 'multichannel' effect of online driving in-store footfall. SME retailers are reporting reluctance from their customer cohort to shop online, especially among the older demographic who prefer to purchase in-store even if the offer/product came to their attention online. 'Click and collect' (research or buy online and pickup in store) functionality has been popular this year especially for established high street brands.



Email marketing may not be as fashionable as Facebook, Twitter and other social media options but research indicates it is more effective than its more celebrated counterparts. *Kathryn* Mason, Principal, Kathryn Mason PR explains what's involved in effective emailing

TO EMAIL OR NOT TO EMAI

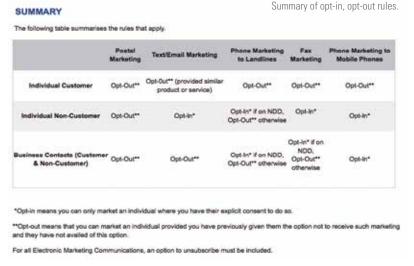
It's really easy today to just focus on Facebook and Twitter. However, a recent survey by management specialists McKinsey & Company, has found that email marketing is a far more effective way to acquire new customers than all the 'liking' and tweeting - nearly 40 times more effective

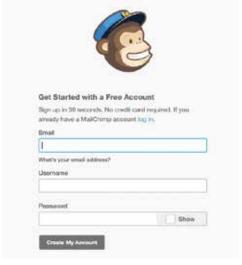
As much as Facebook etc. are very important and high profile, email newsletters remain consistently read. So why then are so many offline

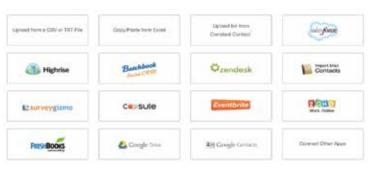
retailers not getting on board? Email marketing requires effort, planning and attention but get it right and your customers will be walking more often to your shop. How on earth do I start getting a list of my customer emails I hear you ask. Here are some ideas to get you started.

A lot of retailers have loyalty schemes, if you have one then hopefully on sign up for it you will have asked for an email address. This should be on your database (see below regarding data protection however). If you are starting from zero why not do a few simple things:

- create a sign up form/book at the cash registers or create a stand;
- offer a prize to entice sign ups;
- On your website create a link to or a form to add names to your email list;
- on your Facebook install an app to collect email addresses; and,
- incentivise your employees to collect email addresses on your POS software at time of purchase.









OFFENCES AND PENALTIES

Failure to comply with the rules can attract heavy penalties. In the case of breach of the rules on electronic marketing, the onus is on you to prove that you had a subscriber's consent to send a marketing message. You should retain such consents for a period of 2 years after the sending of the most recent marketing message to the recipient.



Moving forward together, proud to be independent

See why we're different



Equality

Each member is an equal shareholder and has an equal say and equal vote in all decisions of the group.



Transparency

In our group there is total transparency between members. We have also developed unrivalled communication and Information sharing.



Protection

We protect our members. We want members who are strategically located throughout the country who do not stifle the progression of other members of AMBA. We provide for this in our membership agreement so our members are protected.



Cost Saving

All cost savings and rebates are distributed to members in their entirety. We offer levy free trading, no head office overheads, reduced administration costs and a minimum monthly membership fee.



Our centralised negotiating with Suppliers improves profitability and we also have an internal structure that respects and rewards achievement of volume.



Deal Direct with Suppliers

As members deal direct with suppliers, we have re-established our relationships with suppliers that were previously lost.

Our members, who are distributed throughout the country, are united in our commitment to Allied Merchants Buying Association as we benefit from a collective negotiating power delivering increased profitability and cost saving to our businesses.

DATA PROTECTION

So you've got email addresses, what next? The first thing to get acquainted with is Data Protection issues. The Data Protection Commissioner website is an extremely useful resource and also has a LoCall phone number to answer any questions. Check out www.dataprotection.ie To get started see the chart summary of opt-in and opt-out rules. What do these rules mean? If you are creating a sign-up form/book placed in-store for people you don't already have emails for, you must state on the form that they are opting in for email communications. Also worth noting is the last line in our chart summary - 'for all Electronic Marketing Communications, an option to unsubscribe must be included'. Most email newsletter services offer this but if you are creating the emails yourself and sending to customers there must be a way to unsubscribe. It's also worth nothing that it's really important to keep notes of the

subscribers sign-up. Consent needs to be kept for two years (see the panel on offences and penalties in this regard).

HOW TO USE YOUR EMAIL LIST

We're acquainted with all the legalities. We have our email list. So how do we use it?

One of the most easy to use and cost effective services out there is MailChimp (see right). There are different levels of plans but the basic free plan will get you started. To sign up for an account it's very simple. If you have someone with a little tech knowledge it is no harm to ask for their help so it's all done correctly from the start.

Once you get this set up you will have various details you need to fill in. When all this is completed you will get to the Dashboard (see left). Next thing to do is upload your email contacts.

Click on 'Lists' on the left, then create 'List' on the top right, then fill in all the details about this list. When this is done, you will need to click on 'Save', then 'Import Subscribers'. Chose the method of uploading and

After this it's a question of setting up templates, that helpful friend would be a good idea now but don't panic they really are easy to get set up with a little time, patience and playing about.



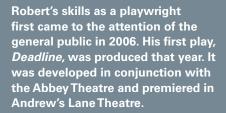
Kathyrn Mason, principal of Kathryn Mason PR & Marketing is highly experienced in digital and social media. She has worked across many industry sectors, including hardware retailing, and can be contacted at km@kathrynmason.ie



ANOTHER SIDE OF... Robert Masse

STAGE STUCK -

BOSTIK BOSS SHOWS BOX OFFICE APPEAL



Deadline was met with widespread

produced by Lane Productions – the and travelled the country in 2007 playing the Cork Opera House and the Civic Theatre among nine other high profile

RUNAWAY HIT

Dublin Theatre Festival playing a sold starred the great Irish actor Bryan Murray and was a runaway hit. It transferred to London for an extended sold-out run and then, in 2009, was performed in the Irish Rep in New York and Solus Nua in Washington. It was revived in 2013 by the Odyssey Theatre in Los Angeles was a great success there during its

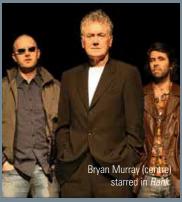
Peacock Stage.

And you can still catch Robert's most has gone on the road touring five and March. Finishing its tour at the Draiocht, Blanchardstown, Dublin on March 11 and 12, this play stars Mary both a critical and audience favourite when it premiered late last year, "supercharged comedic experience not to be missed."

PAGE TO STAGE

stage plays and get great fulfillment seeing them brought from page to stage by the various directors and actors I when planning the various marketing campaigns which Bostik and Evo-Stik are known for in Ireland." He's grateful too for the encouragement he's received from the trade to go out and achieve his creative ambitions: "I have always had great support in the hardware and builder's merchant trade for my dramatic pursuits. Customers are genuinely interested in finding out how the plays are doing and, I'm glad to say, me by putting their bums on the seats!"











HAI **ANNOUNCES** 2014 **OVERSEAS GOLF TRIP**

The 2014 Hardware **Association Ireland** overseas golf trip will be to the heart of the lovely Catalonia region of Spain staying at the 4-star TRYP Costa Dorada Port Cambrils Hotel

From October 1 to 8, 2014, three days golf will be available or you can just relax and enjoy everything this part of Spain has to offer. A recipient of the Trip Advisor 2013 Certificate of Excellence, the TRYP **Costa Dorada Port Cambrils hotel** is conveniently located to allow guests to discover the hidden treasures of coastal Spain. The stay is on a bed and breakfast basis and early booking is advisable. Organised again by our colleagues at Sean Skehan World of Golf, join your colleagues and friends to escape into miles of sun-drenched Mediterranean beaches just steps from the hotel. Stroll along the seaside promenade and view the 17th-century watch tower and museum, Torre del Port or pay a visit

to Tarragona, a World Heritage Site.



Interior of 4-star TRYP Costa Dorada Port Cambrils Hotel.

FLIGHT SCHEDULE & ITINERARY

Wednesday October 1, returning on Wednesday, October 8.

Choice of flights with Aer Lingus:

Flight 1

Departs Dublin at 06.40 arriving Barcelona at 10.10. Departs Barcelona at 10.50 arriving Dublin at 12.30. or,

Flight 2

Departs Dublin at 18.30 arriving Barcelona 21.55. Departs Barcelona at 22.35 arriving Dublin at 00.10.

The flight time is approximately two hours and thirty minutes. There is a choice of flights and every effort will be made to make sure that everyone gets the flight they prefer. However, it is important that bookings are made as early as possible to ensure your preferred choice.

PROPOSED GOLF ITINERARY

Thursday October 2, at Lumine Lakes Golf Club from 10.30.

Course designed by Greg Norman.

Saturday, October 4 at Bonmont Golf Club from 10.30.

Course designed by Robert Trent Jones Senior.

Monday, October 6 at Lumine Hills Golf Club from 10.30.

Course designed by Greg Norman.

RATES & BOOKING CONDITIONS

Cost - Golfer: €895. Non-Golfer: €645. Price includes:

- · return flights with Aer Lingus;
- hotel accommodation for seven nights;
- breakfast:
- three rounds of golf;
- all transfers (airport and golf);
- one piece of checked luggage (15kgs);
- gala dinner;
- all taxes; and,
- 2014 logoed shirt.

Price does not include: single room charges; travel insurance; extra golf/buggies.

Contact: Paul Curran, Killester Travel

00 353 1 833 6935. Email paul@killestertravel.com

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