



SCENE

The Newspaper of the Owen Owen Group ISSUE No.1 JUNE 1970

THE WAY AHEAD

"The colder the wind – the more you do to keep warm." An apt analogy from Mr. John Norman, the Chairman, commenting on economic winds which in the last two years have blown cold indeed on Merseyside; at times, Arctic in intensity.

The gale blew at its fiercest in 1968; a dock strike which hit hard at Liverpoolian wage packets; a three-month bus strike which cost T.J. Hughes stores alone £400,000 in sales; the credit squeeze; the wage freeze; the continuing burden of Selective Employment Tax and the steady stream of families moving out of the city centre as part of a massive re-location programme by Liverpool

Corporation to re-house 200,000 residents on the periphery of the City by 1974.

All factors which seriously hampered Owen Owen's search to find a multiple trading theme as a platform on which solid, continuing growth could be based.

Up to two years ago 50% of the UK Group's sales and profits were generated by the two main Liverpool stores – London Road and

Clayton Square. Then came the prevailing Merseyside malaise and a steep plunge in profits after years of unbroken success.

But, as Mr. John Norman said, "the colder the wind, the more you do." Owen Owen have not been idle and as a result of a far-reaching programme of re-organisation – a programme not yet completed – the downward trend has "bottomed-out."

As of now, Owen Owen is moving up. This is not to say that all the Group's troubles are in the past. The economic climate is still far from balmy and there remains the necessity to minimise the Group's reliance for sales and profit on two large, competing units in the centre of Liverpool by moving out to where people are.

The Group's confidence in the future and in a lean, thrusting profitable multiple group of department stores with its own built-in dynamic is based square on the facts of life – on realism, on achievements already under the corporate belt and not on ill-founded optimism. Consider: A new merchandising concept is being created which will, as the Chairman puts it, "get the whole Group right" by building profits on the basis of prepared product ranges, centrally bought.

Showpiece

New ventures take two years before they make a contribution to Group profit – the T.J. Hughes store in Bootle New Strand is now in its second year, and in October the G.W. Robinson showpiece store, with 100,000 sq.ft. on one floor in the Burlington Mall, Canada, will be two years old. It is already exceeding expectations. The Coventry-based Plumb Contracts Ltd. which two years ago was losing money, has achieved the break-through and is now producing healthy, and growing, profits.

The T.J. Hughes Leicester store, which two years ago failed to meet sales targets and produced substantial losses, was closed last May. An exercise in financial surgery. The Group management team has, in the last 12 months, been completely re-structured; a process

continued

it's your SCENE

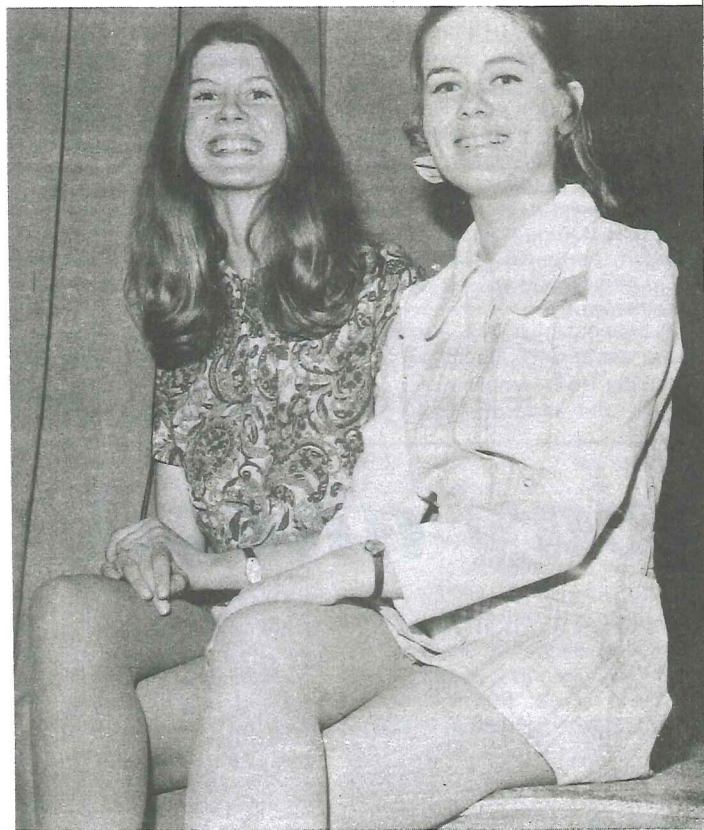
Scene is YOUR newspaper, designed to ensure that you are kept fully informed of the plans the Group has for its future and yours; the hopes, the successes of the Group as a whole and individual stores. Scene will also aim to entertain. We want to know all the amusing occurrences which make life behind a counter interesting and provide the anecdotes which have the family in stitches when you get home at night.

We will cover the social scene, too, with news of events at individual stores, and of members of the staff with unusual hobbies and interests. We will welcome news items and photographs from members of the staff.

And to get the ball rolling, we are offering a prize of £10 for the best story or picture sent in by a staff member, with a second prize of £5 and a third of £3. Contributions should be sent to "Scene", c/o Secretary's Office, Owen Owen Ltd., Stafford House, 105, London Road, Liverpool, 3.

Scene Line-up

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Smiling "queens"

Owen Owen, Chester, claims two of the town's "titled" lasses – but with fourteen stores in the group we're sure there are many more beauties who can grace our pages. Don't be shy to let us know where they are.

Pictured above are 21-year-old Lesley Hunt (right), current Miss

Chester, and 16-year-old Linda Evans, a close runner-up Queen of Commerce.

Lesley, a management trainee, aims to be a fashion buyer.

Linda, who won £50 and a holiday in Belgium and Holland, is a sales assistant.

A new concept in shopfitting — Wolverhampton

A piece of design wizardry that enables top-line merchandise to be displayed against an exciting and constantly changing shopfitting system — that is the verdict given to the recently opened Owen Owen store at the Mander Centre, Wolverhampton.

The new store incorporates shopfitting techniques probably ten years ahead of any existing systems in the U.K. It is the physical realisation of a brilliant concept evolved by Owen Owen's team of design consultants, Lucy Haiford and Associates Limited, in co-operation with the company's own staff after visits to Europe to study the latest developments in shopfitting and shop layout. Under the new system whole departments can be taken down and reassembled with the minimum of effort and inconvenience. Such flexibility allows Owen Owen the opportunity to create a limitless flow of original shop interiors which may be changed at regular intervals. Even the busiest departments can be given extra space without the usual mass re-organisation of the shop floor.

Linear tracks on the ceiling carry light fittings and ventilation and into the tracks can be slotted four-sided poles which act as carriers for spur walls, drawers, racks and shelves.

The Search

In their search for a system of shopfitting that combines mobility, simplicity, practicability, and flexibility, Owen Owen have not overlooked customer environment and facilities.

Says 26-year-old manager, John Hoesli: "Owen Owen have created here at Wolverhampton a store that makes shopping a new and pleasurable experience for every customer." It is certainly the sort of store that a shopper will go into again and again for the sheer pleasure of strolling round. And, of course, this encourages a shopper to buy.

Decor is bold and exciting, with the accent on vital colours. Imaginative use of lighting highlights special-interest items including the 1970 fashions in the swingers' Rare Set department.

Owen Owen's own-brand products are well displayed, which is perhaps inevitable when one considers their increasing popularity.

"I'm sure we lead the field with the revolutionary shopfitting system we have here," Mr. Hoesli adds.



FASHION ON PARADE

Clothes that ran the gamut from conservative street suits to swinging gypsy styles were featured in Owen Owen's spring fashion show at Chester in March.

Compere Mary Hignett aptly described them as "clothes that don't swear at anything." The parade showed that Owen Owen can dress women of all ages to look their absolute best in the street, on the beach, or simply lounging in front of the TV set.

Held in Quaintways Ballroom, six of the North's top models and a

model from London displayed the fashions before a matinee audience and another at night. The evening audience included special guests - Mrs. Duncan Norman, Chairman Mr. John Norman and his wife, trading director Mr. H.W. Plumb, assistant trading director Mr. H.E. Cotton, personnel director Mr. J. H. Barkway, and general manager of all stores.

Buying controller Miss Tania Getgood was at both showings.

Catering from teenage to the 42in. figure, the show made a happy

start with bride and maid - and musical bells for a touch of reality.

Prominent in the street-wear range were dresses with coats or jackets - the familiar skirt and jacket is losing favour - and colours were usually muted checks.

Swimwear featured new-style bikinis with top and bottom joined by chains or strips of material; trouser-suits were long-line and elegant (even on a 42in. figure); rain-wear looked good enough to appear at a garden party in.

The way ahead

continued from page 1

involving the re-positioning of people back into key areas where they were previously successful and including such radical changes as a general manager being moved into buying and a buyer into sales management.

Investment in the business has been re-aligned, out of non-profit-making departments and stores and into profit-making areas. Thus the heavy emphasis placed Group-wide on the young customer, and the Group's entry in a big way into lucrative leasing arrangements. The Group has trimmed total staff by more than the equivalent of 500 full-time staff, partly by the closing down of certain sections and partly by pursuing a policy of not replacing staff who left.

Of the future, Mr. Norman has this

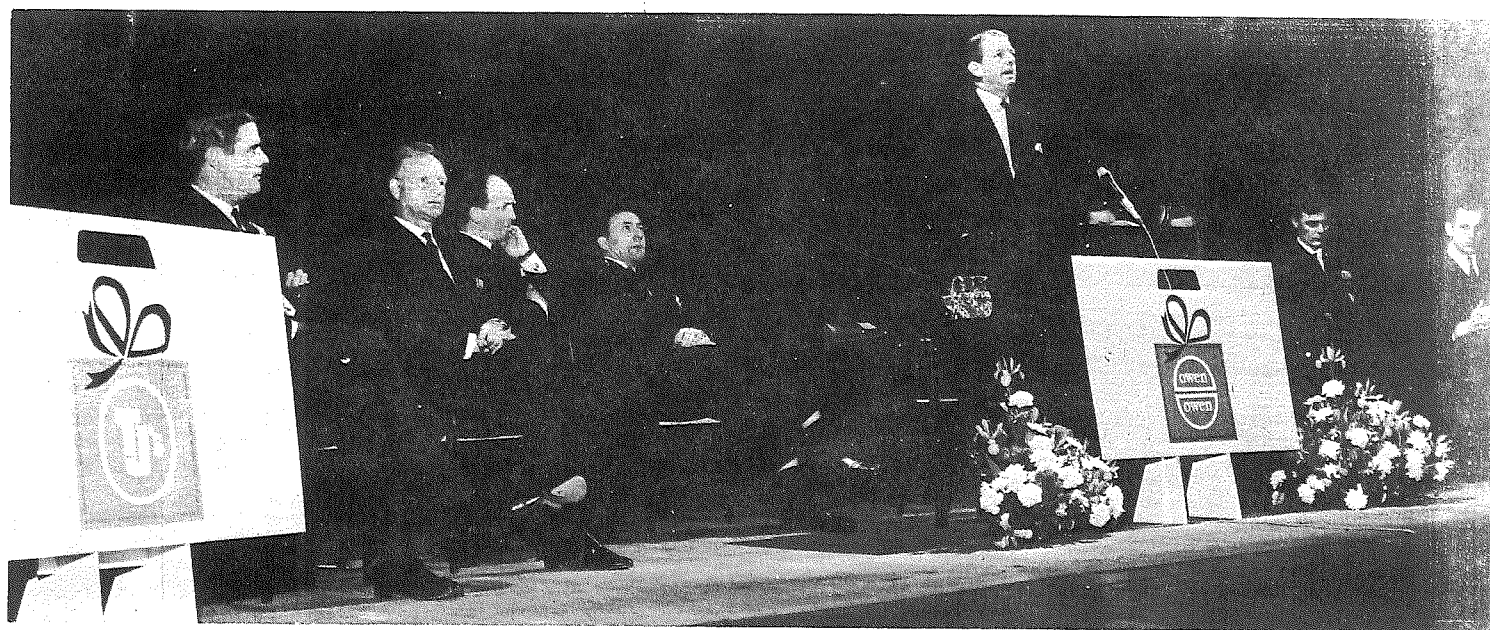
to say: "As a result of the re-positioning which has taken place in management we are now, for the first time, in a position to go out and recruit. For the first time we are free to bring in experienced people from outside without others already in the organisation asking 'why am I not being promoted?'"

"People are now really going into the firing line for the Group. "And it is in the firing line - particularly for the buyers, who are in essence the profit centres of the business, the elite - that a hard but vital lesson is being learnt, that it is the profit on sales that matters and the responsibility for producing that profit is a collective responsibility, involving everybody rather than only top management."

He went on: "The future is certainly challenging, although since we are now beyond the half-way mark in getting on to this multiple basis it ought to be easier from now on than it has been in the past. It is now the turn of T.J. Hughes to become a part of this group centralising process and from 1st May the buying control came under the control of a single Trading Director.

"The 'sound', the feel, of the Group is good. I can be optimistic about the future because I know what is being put into the business.

"The emphasis has changed, attitudes have changed and are still changing - very much for the better. Indeed, the enormously exciting challenge that faces us all may even be bigger now than it was two years ago."



Just three per cent - a vital statistic

Three per cent may sound a modest enough figure but the difference between a three per cent increase and a three per cent decrease in sales has an enormous effect on profitability when dealing in millions of pounds.

Out of every £100 taken over the counter £69 is swallowed up in the cost of goods, in reductions and in stock shortages. Out of the remaining gross profit of £31, most (£27 approximately) goes in wages, salaries, and other costs such as rates, heating, lighting, cleaning, advertising, promotion, despatch and so on leaving a meagre £4 "slice" of the cake as profit to provide business capital for essential improvements and expansion. Running costs, wages, rates, lighting, heat and so on are fixed and

are spent when the store opens its doors for the day's business no matter how great or small the volume of business done that day may be.

To return to our £100 sales. An increase of 3 per cent would realise a gross profit of nearly £32 or an increase of £1. Expenses would remain at £27 and profit would go up to nearly £5 instead of the £4 realised on £100.

That's an increase of nearly 25 per cent and it needs no mathematical genius to realise what this figure means when it is achieved on the Group's overall sales.

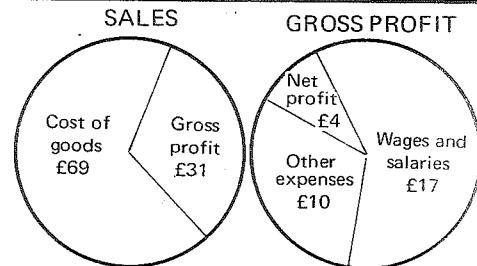
On the other side of the coin, of course, is the disastrous effect a drop of three per cent in sales can have on Group profit.

Sales are the productivity indicat-

The Liverpool Staff Meeting

The Chairman, Mr. J. A. H. Norman, speaking at the first of this year's Staff Meetings in Liverpool. From left to right :- Mr. J. A. Rossbotham (Merchandise Director of T. J. Hughes), Mr. R. E. Reid (Director of T. J. Hughes), Mr. H. W. Plumb (Trading Director), Mr. W. Shuttleworth (Financial Director), Mr. J. A. H. Norman (Chairman), Mr. V. W. Baylis (General Manager, Clayton Square), Mr. H. E. Cotton (Assistant Trading Director).

or of a department store. If they go up by three per cent the chances of further improvements in wages and salaries are greatly increased as are the possibilities of improved working conditions and opportunities for expansion and development. But increases of more than three per cent are needed to keep pace with the spiralling cost of our expenses and restore Group profit-



ability to its proper level. Increased sales are the only way in which the future of the Group and the future of its employees can be secured and assured.

Display can be the key to successful selling

Stores throughout the Owen Owen Group put on their brightest "faces" for the Tricel/Kosset window display competition in March. Sales promotion manager Mr D. Rennison remarked; "The competitive spirit certainly showed... there was a tremendously high standard of display all round and judging was not easy."

Two stores in each section tied for first place in the two-week competition. Winners of the Tricel knitwear competition were Chester and Southampton while Wolverhampton and Doncaster shared the prize for the Kosset carpet competition.

"But I would highly commend the Kosset displays at both Liverpool and Southampton, and the knitwear one at Doncaster," Mr. Rennison added.

Each winning store will receive £12. 10s. 0d. - first prize in each competition was £25 - and these amounts will be distributed among display staffs.

Judging - carried out during a

whistle-stop tour of the stores by Mr. Rennison and Mr. Howell Thomas, Tricel marketing manager of Courtaulds Ltd. - was on five points: originality, use of colour and lighting, pricing and name promotion, overall selling strength, and general layout and "house-keeping".



SUCCESS STORY FROM CANADA

Contract furnishing scores

Making a splendid recovery after "major surgery" Plumb Contracts Limited, the Owen Owen Coventry-based interior design and contract furnishing company, is rapidly becoming established as one of the leaders in this fast-developing business.

In the field of high-quality interior contracts the Company is well known to architects and designers in private practice — for example, Sir Basil Spence Bonnington and Collins, James Cubitt & Partners, Yorke Rosenberg and Mardall and Conran Interior Design.

The wide scope of the work undertaken by the Company is best illustrated by two recent contracts. At Oxford, Plumb Contracts carried out the conversion of the 800-year-old Mitre Hotel into restaurants and bars on the basement, ground and first-floor levels and undergraduate living accommodation on the upper floors.

This £100,000 contract provided great excitement among Oxford antiquarians.

At the other end of the scale Plumb Contracts carried out some "way out" work for the new terminal building at Heathrow Airport which was commissioned and designed by the Conran Design Group. But in 1967 the future looked black for Plumb Contracts. At that time the firm operated a factory at Liverpool, but adverse economic conditions resulted in its closure and "drastic surgery" at Coventry.

In fact the Coventry operation was completely reorganised under Mr. T. Doyle, who joined the Company as General Manager in 1966 and is now Managing Director. The reorganisation also provided positive proof that there is sentiment in business.

For many years the Owen Owen Organisation has used the Bovis Group for all building requirements. This has resulted in a relationship which has become much more than a mere business one. When the Plumb Contracts' reorganisation began, Bovis provided invaluable advice and help in carrying out what has proved a highly successful surgical operation. But Bovis provided more than advice. The Chairman of Bovis, Mr. Cosford, has taken a personal interest in the reorganisation of Plumb Contracts and Mr. Sharland of Bovis acted as Consultant for some weeks and many of his suggestions on administration have been put into operation and have proved useful.

Mr. Doyle also received valuable help from Formica Limited in establishing Plumb Contracts as a national leader in their field.

Today, after five years of mixed fortunes since Owen Owen took over the original Plumb Company and merged the Owen Owen Contracts Division, which had specialised in supplying furnishings on a contract basis, Plumb Contracts Limited is going from strength to strength.



Mr. F. W. Dakin, President of Robinson's, pointing out to the Chairman and Canadian executive management the features of the new store front for the Hamilton store. From left to right: Mr. J. Rich, Mr. G. Escott, Miss D. Bechler, Mr. F. W. Dakin, Mr. A. H. Davidson, Mr. E. A. Tribe, Mr. J. A. H. Norman, Mr. R. A. Forrester.

Mr. F.W. Dakin, President of Robinson's, writes:-

We at Robinson's salute the opening issue of "SCENE" and extend best wishes to the newspaper for a most successful future. We are confident that this internal organ will help greatly in bringing the entire organization more closely together, relative to the activities and issues surrounding our working and business lives. Better communication between us at all levels is so vital to a vigorous and successful operation, and we welcome the opportunity of being a part of the "SCENE".

In Canada, Robinson's is taking significant steps to keep fully abreast of the changing retail patterns which are constantly evolving. In October, 1968, we opened our new 100,000 sq.ft. store in the Burlington Mall. This store, and indeed the concept of the entire centre, is one of the most futuristic in Canada. Moreover we

are happy to report that our aspirations have been borne out, as evidenced by the sales and profits achieved in its first full year of operation.

During 1970, we have commenced a complete renovation of our entire Downtown store, both from a building and fixturing standpoint. As well as having a new fascia, the entire building will be re-built structurally outside, and inside new escalators, elevators, perimeter treatment, lighting, air-conditioning, fixturing and a distinctive new shop treatment will be incorporated throughout.

These improvements will make Robinson's Hamilton's most modern department store, and bring our Downtown store up to the same high standard of excellence as our new Burlington unit. In addition, we will, at a future date, be adding up to 32,000 sq.ft. of space to our Downtown store, and

connecting it by both underpass and overpass to the parking and giant office and retail complex which is to be built immediately adjacent to our site, as part of the planned Civic Square development.

Robinson's is also looking beyond Downtown Hamilton and Burlington, and preliminary discussions have been under way to develop a centre similar to Burlington in the area of the Hamilton Mountain some time in 1973.

As the Canadian operation continues to expand, we hope, through the medium of subsequent issues of "SCENE", to keep all members of the organization fully abreast of our activities. Robinson's long-term goals are to augment and complement the progress of the group as a whole, and we feel that we are poised and ready to fulfil our role and responsibilities in the decade which lies ahead.

T. J. HUGHES 'BABY' GROWS UP

A big switch-round has just been completed at the newest T. J. Hughes store in Bootle New Strand. **OUT** went the basement food **IN** came a new-look basement,



devoted entirely to household goods, including hardware, china, drapery, soft furnishings, electrical appliances, cutlery, gifts, a do-it-yourself section and heel repair bar.

Explained Mr. R.E. Reid, Director of T.J. Hughes: "We decided to close down the food section because it was not doing particularly well. In any event, the New Strand precinct has become overprovided with food shops.

"We shall now sell no food. We decided it would be better to extend some of the already successful departments, such as household goods and clothing."

The "baby" of the T.J. Hughes stores was opened 18 months ago. It occupies 20,000 sq.ft. of floor space, with 14,000 sq.ft. of selling space on three floors, carrying merchandise in 47 departments. General manager Mr. D. Melling, 29, said: "We are now extending the ladies' wear side, since this is a highly-successful department, together with accessories. Our aim will be to bring in the latest fashions as soon as they are available." Says Mr. Reid: "Our claim at T.J. Hughes has always been that we are the Number One store for value on Merseyside. Our branches are in line with that claim."