The Fall and Rise of the Small Co-operative Store: "Save Our Shop" — Updated

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The great test of a business, as of so much else, is time. When the book *Save Our Shop* was written (Birchall, 1987), both the idea of the convenience store which it analysed, and the small shop experiments which it described, were new. Generalisations were made based on what could be said then, but with the proviso that only time would tell. Of course, time in itself tells us nothing unless we are prepared to go back and study the same ideas, the same business experiments, to see how they have worn. The Society for Co-operative Studies has wisely decided not to let the book become fossilised in time, but has enabled me to take up to June 1987 a further, albeit brief, look at the subject, in order to update and revise what I said then. The aim is to provide another snapshot in time, of value to all who are interested, and particularly to participants at our Annual Conference in September. I have selected some important themes from the book and on each summarised what I said a year ago, and then added my further report.

The Small Shop Problem

Chapter One began with some personal reminiscences about the old corner shop, about how universal a feature of community life it used to be before the supermarket and self-service revolution forced it out of the centre of local retailing and on to the margins. It was always finely balanced between success and failure but succeeded because it provided a service to all citizens including the less mobile and the poor. These reminiscences struck a chord with several readers including one journalist from the *Manchester Evening News* who went out searching for a traditional comer shop and eventually found one several miles away in Stockport! There is obviously a deep well of fond memories to be drawn from, and a book on the social history of the small shop (both independent and co-operative) would be very popular. It would also have a serious purpose as a kind of social audit of what we have lost and gained through the transition to ever larger and more centralised retailing.

The statistics of decline

The book continued with a mass of statistics illustrating the decline of the small shop in general, and of the small grocery shop in particular, not only in Britain but throughout the Western world. It is a pity that such statistics have not been gathered together in a rigorous and comprehensive way, showing just how and why shops closed in particular areas at particular times. If it were done, it would perhaps show more clearly what the underlying weaknesses of the shops really were, whether it was competition, high rates, slum clearance, or bad management which were the decisive factors at different times and places; this also is a work to be done as part of a social history of the small shop.

The stark fact is that there were 147,000 grocery outlets in Britain in 1961, and there are around 48,0000 now. The Council for Small Industries in Rural Areas (CoSIRA)[1] estimates that there are 1,000 communities without shopping facilities of any kind (*The Grocer*, 1986).[2] Yet commentators agree with my statement that the trend is slowing down. David Kirby reckons the rate of closure to be 1,000 a year (1987, p. 23), and an Institute of Grocery Distribution (IGD) report says that the fall in numbers was only 2.6% in 1984-5 (IGD, 1987). On the other hand, the same report goes on to say that 84% of major grocery shopping is in supermarkets,[3] and superstores have an average spend per customer of £31.40. Small shops are still, by and large, taking the crumbs from the superstores' table.

The Convenience Store Solution

The next task was to define the 'convenience store' concept; this new kind of small shop (a C-store) was beginning to be tried in Britain after successfully capturing a large slice of the market in America. In 1986, definitions were still rather vague, and ranged from the banal (a C-store is a small shop near houses, selling a wide range of goods with extended opening hours) to the cynical (a C-store is anything that works!). We can now be a little more precise and define it as a small shop of 1-3000 sq. ft, open at least 12 hours a day at least six days a week, which carries a very wide but shallow range of just about anything that the customer will require in food and non-foods, with the emphasis on convenience and high quality.

Another way to look at it is as the polar-opposite of the superstore, but with the same high quality of fixtures, fittings, layout and point of sale material, equally professional management, and almost as wide a stock range, but of course with less choice between brands. It is as if you take the same shop, look at it through binoculars, then turn the binoculars round so that the shop suddenly becomes tiny! And this is not surprising, since the reasoning behind the convenience store is that it is complementary to the superstore and not in direct competition with it.

Features of the Convenience Store

In Chapter Two I listed the key features of the C-store:

1. Small size (1-3,000 sq. ft)
2. Extended opening hours
3. Extended stock range
4. Reduced grocery range
5. High standard of presentation and
6. Community involvement.

We ought to add to this:

7. Two-tier management structure; in most cases shop operators require professional help at regional or national level. Co-operatives and multiples have developed specialist teams to provide back-up to managers and franchisees, while symbol groups[4] (and increasingly wholesalers) do the same for independent shop-keepers.
8. National or regional level advertising set up by this second tier in order to give a positive corporate image even to independents.
9. New technology; the latest electronic point of sale systems give tight stock control (two-weekly stock-turns) and masses of up to the minute sales information, allowing every inch of display and storage space to be maximised.
10. Careful siting of stores; while operators vary in the stringency with which they select sites, the requirement seems to be that there is a large population, car parking, and through traffic. No one type of site gives automatic success though, and only those sites with populations who do not need to shop in the evening (high proportion of elderly and non-working individuals with children) are out of the question.

Lessons from Experience

The book then went on to describe the growth of C-stores among specialist operators, such as '7-Eleven' who had imported the idea from America, and among the symbol groups, such as Spar, who were beginning to adapt it to the needs of independent grocers. There was much boasting among the specialist C-store multiples about plans for rapid and large-scale expansion into the UK market, but the reality has been very different. Sperring grew rapidly to 70 company-owned stores and 12 franchises, but after two franchisees got into trouble and had to pull out, growth was slowed and the company went in for area licensing instead. Along with the much smaller Zip-in chain it has been bought up by Circle K which hopes to grow to 500 stores over the next five years [1987-1992] and claims to have 40 shops in the pipe-line. 7-Eleven also ran into trouble, closing six of its 52 branches and then being put up for sale by its owner, Guinness; it plans to open 12-14 shops during 1987 and 245 a year thereafter, but we might be wise to take even these more modest projections with 'a pinch of salt'.[5]

What went wrong?

What went wrong? Firstly, multiples attempting to break into the market rely on being able to get competitive supply terms from wholesalers who have a good distribution network. They must therefore grow quickly. Yet it has been difficult to find good sites, and in their desire to meet targets they have been pressurised into taking some secondary locations. Secondly, they were committed to a very high quality of shop conversion, in some cases costing far more than the business potential of the shops could justify. Some franchisees simply could not service a £150,000 development cost and, to avoid bad publicity, Sperring bought them out. Finally, 7-Eleven may have illustrated another problem, that multiples are not as flexible as independents in adapting stores to local needs.

Reading between the lines, one can guess that very few of these new C-stores were actually making a profit. Circle C, a local firm operating 21 stores in the South-East of England, seven of them franchised, shows what it takes to succeed: modest growth concentrating in one region only, through buying run-down grocery stores on neighbourhood and 'prime secondary' sites, with modest investment (around £60,000 for franchisees) matching a cautious sales forecast. The moral is — aim too high and you may just hit the ground, but apply sound business skills and a cautious attitude and you can create a successful C-store chain.

More success in symbol groups

Independents in symbol groups have fared much better. Out of a total of 2,700 shops, Spar now has over 1,300 'Eight till Late' stores, taking about half of the total estimated £1 billion turnover of C-stores in the UK. About 500 more will be converted if the owners can be persuaded, and in addition the older 'Eight till Late' stores are to be upgraded again with an average investment of about £10,000 per shop. Good management and professional support are the key, and Spar plans to spend £3m on training, advertising and upgrading of standards in 1987.[6]

Mace have been more cautious about the C-store model, with only a third (about 240) of their over-1000 sq. ft stores trading as 'top shops', and only some of these operating as 'convenience express' C-stores. Unlike Spar, Mace do not want to make a sharp distinction between the upgrading of small shops in general and the encouraging of C-stores, but they are more aggressively supporting C-store developments in petrol stations. VG has 250 'Late Stops', 21% of all their affiliated stores, but is encouraging owners to spend only about £3,000 in upgrading them.[7]

Londis has three categories of shop among its 1,700 members: village stores, town stores and 'express units'. At first they thought the potential for this last option was 180 shops, but it is interesting that they revised this recently to 'about 35%' which is around 600 shops. Believing that about 95% of their shops are already 'convenient', they refuse to be pushed into making a rigid distinction between traditional grocery and C-stores. [For latest information, see https://www.londis.co.uk/index.php/about-us; part of the Booker Group, a subsidiary of Tesco plc].

There is a full spectrum then among symbol groups (just as there is among co-operative societies) of people who see C-stores as a radically new and exciting form, others who see it as just one end of a continuum, and yet others who want to wait and see while generally trying to improve small shop standards.

The co-operative experience

Co-operative societies have continued to expand on the successes of the CWS [now Co-operative Group] 'Late Late Supershop' (described in Chapter Two of the book) and Leicestershire[8] and United Society's C-store experiments[9] (described in Chapter Five). The Supershop franchise operation has not expanded very quickly, reaching just 12 stores grouped in the South-East, Manchester, and now Scotland. United, after an initial 'holding operation', have decided that it is worth investing in the small shops in a big way, and have upgraded 70 shops to full C-store status. Leicestershire Society have reached their target of 30 stores, while South Midlands have joined in with 26 stores so far.[10]

Probably the most spectacular success has been North Eastern's; starting with four pilot stores at the end of last year, the new 'Eight till Eight' chain expanded to 12 and was aiming at 60 store conversions, spurred on by turnover increases of up to 100% which were reached by some stores within three days of opening; the lowest increase was later reported to be 43% and the average 68%. By May 1987, the plan had been expanded to add 76 more shops to those already converted, making 127 stores, all to be converted within 10 months. The C-stores are expected to add £20m on to the food group's £152m turnover.

Norwest Pioneers are taking a more selective approach, putting together a special C-store team (led by Gordon Walker, the founder of the CWS Supershop), but planning to convert only 25-27 of their stock of 63 small stores; at the last count they had opened 11. Before they decide to convert a store they have the business potential thoroughly researched by CWS consultants and then spend around £35,000 per shop. The reasoning is that a blanket conversion done with a minimum of investment may produce a short-lived improvement in trade but leave the Society with a bigger problem later as trade slides down again. This is a timely warning to societies whose directors or managers see the C-store idea as a universal panacea, a way of keeping open all the small shops regardless of their suitability for conversion.[11]

Conditions of success

The danger is that if the job of conversion is done badly or superficially and some shops do have to be closed, the whole idea of the C-store could become discredited. Given retail societies' difficulty in raising development capital it would be foolish to spend what amounts to quite large sums in total on the small shops if there is not going to be a long-term gain. On the other hand, it is gratifying to see societies spending on small shops, because they have neglected them unduly in the past.

And the opposition are getting worried. Geoff Parsons, Managing-Director of the VG groups, [was reported as saying] that Co-op C-stores are a bigger threat to the independents than the specialist C-store multiples and that regional societies are 'the ones to watch'.

Franchises in the Co-operative Sector?

Probably the most controversial of the small shop developments within the co-operative sector has been the franchising of stores to independent franchisees by the Late Late Supershop, a wholly-owned subsidiary of the CWS. Despite being a tremendously strong business model, the Supershop has not grown fast enough; 12 shops have been opened by a small team working from head office in Manchester, who visit all the stores regularly and rely on the local regional distribution centres (RDC) for distribution, but 40 stores are needed if they are to cover development and management costs. Of course, other purposes of the company were to generate income elsewhere, to try out new ideas and to influence the retail societies in their C-store developments, and in these aims it has succeeded admirably. Yet, incredible as it might seem at first sight, the CWS South-East Retail division is itself now producing a C-store chain with yet another logo — 'Late Shop' — with its own bright red fascia! About 10 shops have been converted so far, with a total of 100 planned. The main reason for the slow growth of the Late Late Supershop franchises is that the Supershop team have a heavy responsibility to the franchisees and have to be highly selective in their choice of sites.

Criteria for selection

To pass the test, each shop has to have a population of 6-8,000 within half a mile, and though the intensity of competition is not as important as one might expect, the shop has to be able to take 16-20% of total grocery spent in that area; for safety's sake, 60% of the turnover must be assumed to be grocery. It is better if the car ownership is not too high, and if there are high proportions of middle-class people in the area, but the only factor which would really condemn the shop would be a very aged population who do not need the long opening hours. Finally, the potential turnover must be able to support the cost of refitting the shop, and if it is too dilapidated it will be rejected.

Shops which they do reject may prove operable at a lower turnover level and with less investment, and these ought to be given a chance. They cannot be operated as Late Late Supershops under ordinary CWS retailing management, because this would dilute the concept and lower the Supershop image. Even so, the Supershop team have not been offered anywhere near the number of sites they need. Worse still, some societies have offered their shops, found out which the Supershop would like to operate, and have then run them as C-stores themselves! Competition among co-operators is, sadly, all too apparent.

Need for further investigation

There is of course strong antipathy to the idea of franchising, of creating a layer of private business at ground level, despite this having already occurred in co-operative milk sales, fashion wear, cigarette kiosks, opticians, undertakers, and so on. In fact, the whole issue ought to be investigated more closely to see just how much licensing and franchising is going on, whether it can offer that vital ingredient of individual initiative which could keep the co-operative as sharp as its competitors, or whether it infringes too much on co-operative principles.

Firstly, given the incentive of running their own business, it is not surprising that the franchisees do a better job, maintaining a much higher turnover than in the managed stores; when one managed shop was franchised recently, turnover increased, six less staff were employed and leakage and shop-lifting became controlled. Leakage is something the co-operative has had to live with for so long that it is not considered an issue, even though the evidence is that it is a major problem. Secondly, it is interesting to note that the franchisees do see themselves as part of the co-operative movement; they want to operate member benefit schemes and dividend stamps, and do care what the customers think about the service they give.

Innovations and issues

In other areas also, the Supershop has continued to be innovative. New products include in-store bakeries and the sale of paint, fast food, and ethnic foods, and as usual the knowledge gained from these will be offered to the retail societies. One problem which has led to concern within the Union of Shop, Distributive and Allied Workers (USDAW) has been the risk to employees from the late opening hours. In the Supershops, measures have been taken to minimise the risk: banking by 5pm, use of cameras, videos and panic buttons, always employing a man at night, and above all, employing people to stock up in the evening rather than during the day, so that there are always plenty of staff around. These are measures which the retail societies might also consider.

Another issue is the relative power of franchisor and franchisees; the latter are now meeting quarterly on their own and have appointed a representative to take their point of view to the franchisor. Another issue which has surfaced is the relative instability of partnerships among the franchisees when compared with family businesses. Both the partnerships have split up, though in one case the man who was bought out started up another Supershop. In contrast, when a family man fell ill and went into hospital, his wife and son coped admirably with the business and received a lot of support and sympathy from the customers. Finally, the most persistent problem has been distribution to the London shops; larger lorries cannot gain access to the back of some of the shops, but smaller lorries cost the RDC more to run. Even so, these problems are much less than those faced by the competitors such as Sperring and Circle C, who have to rely on wholesalers who are more expensive and whose distribution networks are restricted to certain areas.[12]

Other Ways of Saving the Shop

As well as investigating the potential of the new convenience store concept, in Chapters Three and Four the book analysed three recent experiments designed to save particular co-operative shops from closure, along with two worker co-operatives formed from ex-Fine Fare stores.[13] As they had only just opened, it was interesting to update these studies to find out if the generalisations made then still hold up.

Bedfont Community Store

The Bedfont Community Store is a worker co-operative which has been trading since December 1985. Turnover had been predicted to grow to £4,000 a week by the end of the third month, but after nine months it was taking only £2,500. I had suggested that competition — a Budgen supermarket of about 4,500 sq. ft only a few hundred yards away, and a small ‘open all hours’ Londis store opposite — was greater than they thought. I also suggested extended opening hours, the advantages of joining a symbol group, the need to upgrade the fixtures and fittings and to provide a unified point of sale image, and the need for sound business advice. They reaffirmed their belief in the rightness of their approach, and suggested that I was being unfair in judging them so soon, since the shop had been closed a year before they reopened it and needed time to build up custom. Well, they have had a year and a half, and turnover has fallen to around £2,300 a week, way below the break-even point of £3,500; the preceding co-operative shop had been closed after taking only £3,750, and the new co-operative has survived by paying interest only on its loan from London Co-op Enterprise Board (LCEB).

Challenge from the supermarket

The Budgen Supermarket had been refurbished to a very high standard, with a comprehensive range which included delicatessen, fresh butchery, fruit and vegetables, off licence, and such deliberately ‘convenience’ lines as take away hot snacks, postage stamps, fresh-baked bread and cakes, books and magazines, and so on. It is open from 8am to 7.30pm six days a week. The worker co-operators have responded by reorganising the front of the shop, but the image is not good; one window displays a red fascia from a cigarette firm, the other an orange ‘Happy Shopper’ logo. They have begun to open from 8am to 8pm, but this has lost them more money; two new part-time staff are costing them £250 a week and their takings have only increased by about the same amount. Cash flow is a problem; the cigarette display is virtually empty and tinned goods are kept at the front of the shelves to disguise the lack of stock. A folding metal table covered with crepe paper is laid out at the front with stationery, purses, mugs, and other hardware simply piled on it, giving the whole shop an old-fashioned and slightly desperate air. They have kept the older people who used to shop at the co-operative, but the ‘Co-optimists’, a support group of loyal customers, have failed to meet once, and the ‘basket spend’ is very low. They have failed to attract and keep the new customers they need for survival.

The LCEB and the local Co-op Development Agency (CDA) have commissioned research and given advice, but the staff seem very dogmatic and stuck in their ways, determined to deal in subsistence grocery while being unable to match Budgen for price, quality or choice. Racist attitudes have not helped their relationship with the CDA staff, and the LCEB are now asking for their loan to be repaid. The manager would like to persuade Co-operative Retail Services to deliver to them so as to be able to charge lower prices; but this would also take them right back to where the old co-operative shop finished up, leaving them with exactly the same problems!

Holcombe Brook Store

It is not the worker co-operative model which is at fault, but the location of the shop and its basic business strategy; the Holcombe Brook ex-Fine Fare shop also analysed in the book is thriving. It is situated on a good site, was doing good business before conversion to a worker co-operative, and has simply consolidated a firm place in the market. Turnover has increased from £6,800 to over £8,000 a week, an in-store bakery and a false ceiling and new light fittings have been installed, and a healthy snacks section added. Despite the set-back of having to change wholesalers, lose the 'VG' logo and use 'cash and carry' sources more often, the manager has had carrier bags and point of sale material printed with a unifying Fourways' logo, expressing confidence in the shop's identity. The Co-operative shop [part of the then United Co-op] at the other end of the village has just been turned into a convenience store, but is not expected to be a threat.

The business strategy of Holcombe Brook is to present a high quality supermarket rather than a C-store, partly because of difficulties in obtaining an off licence, and partly because they are succeeding in providing the main shopping trip for many customers. The staff are to give themselves a good bonus this year!

Gwynfi Community Co-operative

Unfortunately, the two community owned co-operative shops which I looked at are also doing badly. Gwynfi is a new consumer co-operative registered under Co-operative Union rules and supplied by Co-operative Retail Services (CRS), but it is really the old Gwynfi Society resurrected, in the same large shop building which was built in the hey-day of Co-op business, and which had been closed by CRS, the successor to the old Gwynfi Co-op. At the time of my first visit, the shop was in a chaotic state, being run by a temporary manager; after major discrepancies had been found in the accounts, the original manager had left. The co-operative then appointed a new manager, and in the book I was able to report some improvement; a £7,000 overdraft which no-one had known existed had been partly paid off, and turnover had grown from £3,700 to £4,100. [At the time of writing] the overdraft has been cleared, and the turnover, after dipping to £3,000 increased to £3,800. However, this included turnover from a bread van which has now been stopped, and turnover has gone back to £3,500; under CRS management it had closed because it was only taking £3,800!

Like Bedfont it is a subsistence grocery operation, relying on loyal pensioners to do their weekly shopping, but (despite offering CRS prices and then cutting them aggressively) unable to compete with the supermarkets; the combination of an improved bus service and a new purpose-built supermarket in the nearest large town, Maesteg, has hit the shop badly, and even the pensioners' loyalty cannot be guaranteed.

Improvements — and the prospects?

The shop is much improved now, with an office at the front from where the manager can watch for shop-lifting, a more rational arrangement of stock, helpful signs hanging from the ceiling, new electronic scales and a meat slicer on the delicatessen. Staff and customers have been stopped from smoking and bringing dogs into the shop. The building is still quite dilapidated, though and, as most of it is unused, overheads are high. For £2,000, they can have the central heating put right; until then, they have to use portable Calor gas heaters.

The problem is that the shop is actually too big, and in order to fill the shelves the manager has to keep more stock than the turnover justifies. A weekly sales chart hangs on the wall outside the manager's office, with a survival line of £3,200 and a target of £4,000; the sales line wavers uncertainly around the survival line. Deliveries are now available, and about 40 are made up each week. Thursday and Friday have late opening now, because the manager stays on until 7pm without any extra pay. Raffles are held, and special offers advertised by leaflet drops, and the range of merchandise is gradually being extended and suppliers rationalised. The problem is that there is absolutely no passing trade; if the village does not support the shop no-one will.

What community support?

What support is there then in the village? Of the ten directors, about half can be relied on to take an active interest, but, because it takes a long time to call a meeting, the manager works with one active director most of the time. At a recent public meeting about 80 people turned out. But are they proud of what they have achieved or do they take it for granted? The co-operative has been badly let down; the bread van was stopped because the young man running it proved unreliable, and a serious leakage problem only ceased after another member of staff left. The only way in which the future can be secured is for the manager, through tight management, slowly to improve the situation in the shop, and for local CDA staff to work out a way of using more of the building so as to spread the overhead costs.

Harefield Village Co-operative

Harefield Village Co-operative is a community-owned ex-CRS shop which was reopened, after a long delay, in April 1986. As reported in the book, after four months of trading it had settled down to a turnover of £4,500, far short of the £6,000 that had been projected. After a year it is still stuck on £4,400, having also experienced competition from a newly-opened superstore (Sainsbury at Uxbridge) and an improved bus service. Like the other two shops it is essentially a subsistence grocery operation; the delicatessen was recently taken out because it was losing money, and although the shop has an off licence it has not been taken up. Out of deference to the greengrocer next door, there is no greengrocery and the new manager is even thinking of cutting down on sweets.

What has happened is that the shop has been driven into a corner, not willing or able to compete with the other shops on the high street in the fresh food and quality goods which increase gross profits, but in the basic grocery area unable to match the Uxbridge superstores for price and choice; not surprisingly, gross profit has not reached the 22.5% projected in the business plan, and is around 15-16%. Again there is too much reliance on the loyal elderly customers the shop had before, but even these are no longer proving totally loyal; with their free bus passes they can go to Sainsbury or Tesco at Uxbridge every day if they like.

Problems of management

As at Gwynfi, management has been a problem; the first manager was not thought to have the personality required in a community-owned store, the second went part-time when her husband got a job, the third was working too many hours and was under pressure at home, and the fourth has recently been appointed. Fortunately, as at Gwynfi, the last appointment looks set to bring some order and stability to the shop; the manager is hoping to rationalise slow-moving lines, to use 'cash and carry' sources more and the symbol group's wholesaler less, and like the Bedfont staff would dearly love to be supplied by CRS; price is again seen as the key to trading success. Like the Gwynfi manager, she needs the backing of the directors, but without day to day interference in the running of the shop. She is also inhibited by cash flow problems.

What support from the village?

What support is there then in the village? There are 120 members who have each paid 25p for a share. Because the Greater London Enterprise Board (GLEB) staff decided not to register it as a proper consumer co-operative, this is really only a paper membership, and the real driving force consists of the chair and secretary. The first Annual Meeting was held in May 1987, and surprisingly this was both the first time the committee had reported back to the village since the original ‘village committee’ had been elected at a public meeting three years before, and also the first meeting of the committee since July 1986; the other committee members were always unable to make the dates suggested, and so a proper routine of monthly meetings never began.

The two officers have had to take all the decisions, and were thought by one manager to be the owners of the shop! The GLEB official involved had such a negative relationship with the co-operative that he was replaced, and the business advisor appointed by the GLEB was also taken off the job. Luckily the co-operative’s accountant lives locally and has taken an interest in the venture; he feels that the co-operative has been very badly served by GLEB, and is prepared to take on a general advisory role. The annual meeting was disappointing; only 15 people turned up, five less than a quorum, and so no business could be transacted. Of the committee, only the two hardworking members attended, along with the accountant. It was, perhaps, fortunate that the GLEB representative also failed to turn up, because the lack of support from the village would have confirmed the Board’s initial reluctance to lend to this type of Co-op, and their criticisms of the committee for not holding proper meetings.

Will the co-operative survive? In the first nine months of trading it lost £8,500, and a turnover of £5,000 a week is needed if it is to break even. Loans are coming due for repayment to both villagers and GLEB, but if the latter will agree to a rescheduling of their loan, the co-operative will survive.[14]

Conclusion

We can now see, even more clearly than in the book, that there are two contrary processes going on, with completely different implications for the future of the small co-operative shop. Firstly, the development of convenience trading has revitalised many stores and has completely revised our thinking about small shops, but it cannot be applied indiscriminately, and should not be seen as a universal panacea. It will only work in some locations, and only then if the management is professional and (strange as it might seem when talking about local shops) centralised. Already some stores which have been given a superficial C-store conversion are having to be closed, but this points not to a weakness in the concept but to its over-use. Secondly the attempt by worker and community-owned co-operatives to save village and neighbourhood shops seems simply to have reproduced the failings of the old retail Society stores, with the added problem of, in some cases, higher prices, and in others acute management problems.

Importance of the business strategy

There is a basic question-mark about whether villagers are willing to shoulder the burden of ownership in the long-term, but in any case all the goodwill and voluntary effort a village can muster is as nothing when the business strategy is basically flawed; to aim for subsistence grocery and then find that one cannot compete with the multiples on their terms is to have aimed at the wrong target in the first place. These village shops cannot all do as I advised, and change to convenience-style trading; at Gwynfi there is simply not a large enough population, and at Bedfont there is already stiff competition along C-store lines. Harefield could benefit from the change, but at the risk of offending other businesses on the high street. There is one thing, though, that the established co-operative movement can do to help; CRS could agree to supply Harefield and Bedfont with co-operative goods.

Staffing by voluntary effort?

There is one option left; that of running small shops by voluntary effort, without paid staff. The rural community co-operative which I analysed in Chapter Six at Letcombe Bassett has taken up some of my comments and improved its operation, and a new and highly successful shop has opened at East Hanney, also in Oxfordshire.[15] Further analysis of this option must wait for another time, but it is interesting to note that the Hanney shop serves a population about as large as that at Gwynfi, with only a fraction of the overheads. Yet for many co-operators, this is a counsel of despair, the final admission that small shops have shifted from being viable community businesses to becoming, like the Village Hall or the Oxfam shop, just another good cause.

The main hope

The main hope must still lie with the retail societies and their new C-store chains, and the path-breaking Late Late Supershop. It follows then, that (as Professor John Dawson suggested in his review in *Journal* 59) if there is a sequel to the Save Our Shop book, it ought to be a detailed operations manual on how to run a convenience store.

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Notes

1. CoSIRA was set up in 1968. In 1988, the Development Commission (est. 1909) merged with CoSIRA to become the Rural Development Commission, which later became the Commission for Rural Communities. The Commission was abolished in 2013. Rural affairs in the UK falls within the remit of the Department of Environment, Food & Rural Affairs (DEFRA — https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs).
2. This article was published in *The Grocer* on September 27, 1986 — there is no further information on this and no archive information. Records for reports etc. produced by Rural Development Commission and predecessors (1920-1992) can be found via the National Archives Hub - https://archiveshub.jisc.ac.uk/data/gb7-srrdc
3. Published in the same year (1987), Retail Intelligence showed the percentage share of packaged groceries by outlet type with multiple grocers at 74.4% in 1984, rising to 77.6% in 1986; co-operatives at 14.9%, reducing to 14.2%; and independents at 10.7%, reducing to 8.2% (Ogbonna, 1989).
4. A symbol group is an independent retailer that is a member of a larger organisation i.e. they are affiliated to a symbol, fascia, or franchise group, such as SPAR (IDG, 2012 — Symbol groups: market overview — https://www.igd.com).
5. Sperrings was a convenience chain concentrated mainly in the South-east of England and Scotland, and later became Alldays which itself was rescued from receivership in 2002 by the Co-operative Group for £131million (Cope, 2002). US Circle K has been one of the largest chain of convenience stores since the 1980s and spread internationally when it was acquired by (Canadian company) Alimentation Couche-Tard in 2003 (www.circlek.com). It is number 2 in the 2021 US Top 100 convenience stores ranking, with 7-eleven keeping the number 1 spot (*Convenience Store News* — https://www.csnews.com/top-100-convenience-store-chains-2021).
6. Spar convenience stores — some of which are open 24/7 — has over 13,000 stores in 48 countries, and in the UK there are 2,600 stores, with a turnover of £3bn+ (Spar, 2022 — https://www.spar.co.uk/about-spar).
7. Mace has over 760 stores in England, Scotland, and Wales and are part of the Costcutter Trading Group, Costcutter, Mace, kwiksave, and Supershop. Since 2018, the Co-operative Group has been the wholesale supplier to Costcutter; this arrangement has been extended to 2026 (Hegarty, 2020). VG is now defunct.
8. Leicestershire Co-operative Society is now merged into Central England Co-operative Society (since 1995) with 47 convenience stores in Leicestershire alone; see https://www.centralengland.coop

9. United Co-op operated in the North-west, Yorkshire and North Midlands becoming part of the Co-operative Group in 2007. They developed a chain of superstores — Normid — trading from the mid-1980s until late1990s, when it returned to a focus on local small (food) stores. In 2016, the Co-operative Group divested itself of 298 food stores in order to reinvest in opening 100 new convenience stores (Sullivan, 2016).
10. South Midlands is now merged into the Co-operative Group.
11. Norwest Pioneers became part of United Norwest then United Co-op, and then merged with Co-operative Group.
12. The co-operatives societies have continued to develop convenience stores. In 2014, the Co-operative Group announced its 'Generation 2' convenience store format (Vizard, 2014) and to increase the numbers of stores (Felsted, 2014). Co-operative convenience stores also started to supply groceries online in 2021 — see https://shop.coop.co.uk/). In 2019, the Group also announced its franchising ambitions to license its brand to independent retailers; to qualify retailers need to operate a store turning over £20,000 per week within a sales area of over 2,000sq ft, and a back of house (warehouse) of over 800sq ft. (Mannering, 2019a; 2019b). See also — https://www.coop.co.uk/franchise. Same-day online delivery service to online franchise stores in Manchester and London was also made available with plans to extend (Mannering, 2020).
13. FineFare started out as convenience stores and moved into supermarket provision. It was acquired and traded under the Gateway banner, later (1990s) Somerfield. The Co-operative Group acquired Somerfield in 2008, selling former Somerfield stores to Food Retailer Group Booker-owned Budgens in 2016 (Robertson, 2016).
14. The Harefield Village Co-operative did survive until 1999, when it deregistered from the Co-operatives and Mutuals Societies register. In 2014, the Gwynfi Community Co-operative celebrated 30 years of trading (@GwynfiCoop), and is still a registered society. Unfortunately, no records for Bedfont or Holcombe Brook community/worker co-operatives can be found.
15. The Hanney Community Shop in East Hanney continues to be run by volunteers and incorporates the village post office.

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