

MAY ISSUE 1992

JS JOURNAL IS PUBLISHED FOR EMPLOYEES OF J SAINSBURY, SAVACENTRE AND HOMEBASE

**S&**

# Journal



INSIDE  
FINANCIAL RESULTS  
• SPECIAL •



## COVER STORY

THE COVER SHOWS AN ILLUSTRATION FROM A 15TH CENTURY PERSIAN MANUSCRIPT ENTITLED 'ALEXANDER AND THE TALKING TREE'. THE 'TREE OF LIFE' SYMBOL IS AT THE CENTRE OF SAINSBURY'S SUPPORT OF THIS JUNE'S EARTH SUMMIT. DETAILS ON PAGE 12.

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# FRONTLINE

Our cover this month celebrates life and growth, and the inside pages of the *Journal* are also bursting with vitality thanks to you.

Read about Sainsbury's part in the Rio de Janeiro Earth Summit on page 12 and find out how you can make your

own pledge to help the environment.

On the subject of growth, this is, of course, the Financial Results Special. The centre 12 pages explain the company's performance in 1991/92 and show how the efforts of everyone in Sainsbury's have led to another successful year.

## CHAIRMAN ANNOUNCES RETIREMENT



Lord Sainsbury and David Sainsbury in the Ladbroke Grove store during filming for the year end video.

Tom Vyner.

Lord Sainsbury announced on May 13th, the day JS released its financial results, that he will retire as Chairman and Chief Executive of the company on his 65th birthday on 2 November 1992. He will also be retiring from the board, but has accepted the honorary appointment of President of the company.

David Sainsbury, presently Deputy Chairman, will succeed Lord Sainsbury as Chairman and Chief Executive. Tom Vyner, while remaining Joint Managing Director, will become Deputy Chairman in succession to David Sainsbury.

## CHAIRMAN BECOMES A KNIGHT OF THE GARTER

The Chairman, Lord Sainsbury of Preston Candover, is to join Britain's highest order of chivalry. The Queen has appointed Lord Sainsbury to be a Knight Companion of the Most Noble Order of the Garter.

Appointments to the Garter, the origins of which stretch back to medieval times, are the personal gift of the Queen, and the installation will take place on June 15 at St George's Chapel, Windsor Castle.

The order is limited to 24 Knights Companion

and previous incumbents include former prime ministers Sir Anthony Eden and Sir Clement Attlee. This was the only honour accepted by Sir Winston Churchill who turned down a number of titles including a Dukedom.

Former prime ministers belonging to the order today are Lord Wilson, Lord Callaghan and Sir Edward Heath, who was honoured at the same time as the Chairman.

1980 - Sir John Sainsbury



Chris Hunt, Hampshire county council landscape clerk of works, and Jane Hall, JS landscape architect, help the children of Camberley First School to save some rare reeds.

1989 - Baron Sainsbury of Preston Candover



The Chairman was made a Life Peer in the New Year's Honours List of 1989. He is pictured being introduced to the Lords, supported by Lord Prior (left) and his father, Lord Sainsbury of Drury Lane.

- < The Chairman is pictured outside Buckingham Palace after receiving his knighthood from the Queen on 4 March 1980. With him is his wife Lady Sainsbury and sons Julian (left) and Mark.

## CONSERVATION AT CAMBERLEY

Sainsbury's has been helping a local school recover aquatic plants as part of major conservation moves surrounding the development of the new Camberley store which opens in June.

Twelve pupils from Camberley First School saved numerous plants from being concreted into a new road and transplanted them into a nature area adjoining the site of the new store. A rare local species of reed will now enhance the area, equivalent to seven football pitches in size, which will be used by the local community. Sainsbury's is providing funding and advice for the project, which will provide a habitat for wildlife.

## STUDENTS' VIEW ON SAVING ENERGY

Five students from Nonsuch High School for Girls in Cheam stand in front of a display of their project concerning methods of reducing energy consumption in Sainsbury stores. Their work was completed as part of the Engineering Education Scheme, sponsored by Sainsbury's, which aims to foster an interest in engineering, particularly among female students. Helping them were Bryan Wright, building services manager, and Gary Walkington, energy engineer, who are hoping to make practical use of the suggestions made.

Brian Wright, far left, and Gary Walkington, with the students.



David Gallagher of Brookdale School proudly points to his first prize winning entry in the 6-8 years category.

## A MAJOR VISIT TO HEDGE END

On Monday April 6 Hedge End found itself the venue of a media scrum as John Major dropped in during the election campaign. He arrived at 11.00am along with police in both motorbikes and cars, special branch men, plus coach loads of photographers, reporters and TV camera crews.

Due to the congestion, Mr Major and his wife Norma only made it as far as the produce department, where they surveyed the quality of JS tomatoes. Terry Brown, senior store manager, was on hand to answer any questions and to provide the customary soap box should it have been called for!

## PLAYING IT SAFE AT UPTON

Four children from Wirral schools near the joint JS and Homebase site in Upton have shown that they understand the dangers of playing near building sites.

Darren Kelly, David Gallagher, Michael New and Amy Stewart were the winners in a poster competition, themed 'Safe Play At All Times', organised jointly by Sainsbury's, the on-site security firm Anchor Security Services Ltd and the builders Tom Pettifer Construction Ltd.



Hedge End - busy for a Monday morning.



## 'OWN BRAND' SECRETARIES GRADUATE

Thirty four trainees have now graduated on Sainsbury's secretarial training scheme which, for three years, has provided secretaries with the skills and experience needed to fill major positions at Blackfriars. Trainees spend around a year gaining experience in various departments while completing a day release course.

The April graduates are pictured with senior personnel manager, Brian Doonar: back row is Suzanne Rolfe (left) and Lisa Adie; front row left to right: Tracey Seymour, Dawn Cox and Hayley Holsgrove. (Joanne Chipperfield was absent for the photograph).



A re-run for Ian McShane.

## JS LAUNCHES NEW TV COMMERCIAL

The fresh new face of the latest celebrity to be featured in the JS television commercials will be revealed on May 24, until which time their identity is being kept a closely-guarded secret. They will guide viewers through another mouth-watering recipe which will build on the enormous success of ads previously presented by famous faces like Ian McShane and Selina Scott.

Ian and Selina are currently to be seen in re-runs of the commercials which were named 'Campaign of the Year' by

*Campaign* magazine and have now won several accolades in the 1992 British Television Advertising Awards; it brought in a bronze and three diplomas in various categories.

The JS ads have also been congratulated by scores of deaf viewers who have written to several organisations to praise the subtitles which they can access through Oracle. Subtitled in October, it has been among only a dozen or so campaigns offering the facility. Juliette from Edinburgh writes: 'I appreciate any moves by Sainsbury's to sponsor subtitled adverts on television. After all, I am a consumer as well as a deaf person!'

## APPOINTMENTS



Ian Coull

### Departmental directors

BERNARD WILLIS, finance and systems director of Savacentre, has been appointed a departmental director.



Bernard Willis

ANDREW MITCHAM, the director in charge of food and marketing in Savacentre, will be appointed a departmental director and will move to Shaw's to take over as vice president of buying when ROSS McLAREN returns to England in January.



Andrew Mitcham

ALLAN WEBB, senior manager responsible for the fruit section of the produce department, will join Savacentre in September as departmental director. He will take over from ANDREW MITCHAM as the director in charge of food and marketing.



Joe Barnes



Dino Adriano

### Board moves

JOE BARNES will retire from the JS (USA) Inc. board on June 1, on which date IAN COULL, development director, and DINO ADRIANO, chairman of Homebase, will join the board.

DAVID QUARMBY, joint managing director, will leave the Shaw's board at the half year in November, to allow him more time for his JS responsibilities.



David Quarmbly



Allan Webb



Ross McLaren



# write LINES

## THANKS TO LIFE SAVERS

**Peter Purslow, veteran, Sutton Coldfield**

I would like to express my gratitude to several people who played a very active role in preserving my life at the Veterans' Reunion on March 30.

Thanks to Doreen Lamb, Paul Foulger and the hotel's nursing sister for their prompt action - also the medical team and staff of St Mary's Hospital.

May I also thank Mr Hagger, retired district manager, who drove to London from Sutton Coldfield to bring me home in great comfort.

To all the veterans and old colleagues still at work, who enquired at my home and the veterans office, thank you for your best wishes and kind thoughts.

To the company, my sincere thanks and appreciation for looking after my wife in London during my stay in hospital.

Finally, may I say I am making steady progress to a full recovery.

## TEA FOR FREE

**From the staff restaurant assistants at Crawley, West Green.**

Please lend an ear to the ladies at West Green, We work in the staff restaurant (formerly canteen), We love to make the lunches, coffees and the teas,

And a little perk for us was, that it was free.

Now personnel management tell us we have to pay, Although for years it had been the other way, We're not happy, but accept with good grace, But there's more bad news for us to face,

Take a longer lunch break, work a longer day, Or take a longer lunch break, take home less pay. We know it saves the company £3,800 a year, But the individual cost is also very dear. So spare us a thought next time you eat your meal, Your money saving policies aren't good for us, we feel. And next time the branch have to make a snip Try not to give the restaurant ladies the pip !!!

**Geoff Hall, employee relations manager, replies:**

*Your work is appreciated by all who eat*

*Your delicious wares, which others can't beat With breakfast, lunches, suppers and teas*

*Of such quality that can't fail to please*

*You keep the workforce well watered and fed*

*Home from home is what they've said*

*So the reason we brought about this change*

*Is to keep all terms and conditions the same*

*Consistency is best for all I'm sure you'll rally to the call*

*So come on ladies lets brew up*

*And all join in with another cup!*

## WITH EASTERN EYES

**William Yu, Islington**

I was a lecturer in China, but at present I am doing research at the University of London and working at JS as well.

Having worked there for five months, I have learned a lot. If the University of London is my first university in England, then JS can be called my second. At

JS I have aquired another kind of knowledge.

Frankly speaking, I knew nothing about the capitalist society. What I was taught was a terrible picture: The manager, with a cruel and long face, was always watching the workmen, and whipping them as he wished. The workmen lead a miserable life. Moreover, the relationships between people depend on money. They will not take care of one another.

When I came to England I knew that picture was 'old fashioned' and wrong. It may have happened one hundred years ago, but that awful picture is not seen today. After I started to work in JS I found that the ideas I had been taught about society were wrong. I have a very strong impression that people do take care of one another and they are skilled.

Of course, I still meet some problems due to the cultural differences and language difficulties, but I am sure that in time I will learn more.

## CUSTOMERS' LETTERS

To **Dulwich** from Jennifer Johnson, Herne Hill: 'Thank you for opening the store in East Dulwich. I must compliment you on the attitude of the staff, everyone from the car park attendant to the till operator was so friendly and professional.'

*A.S. . . .*

To **Oldham** from the children of the local Greenacres Junior School: 'Thank you for letting us come to have a look round. We really enjoyed tasting the star fruit and the biscuit and orange.'



To **Luton** from Anne Richardson: 'Over the past 12 months I have had a series of major operations which necessitated having my leg in plaster and using crutches ... The reason for my letter is to praise the help of your staff - particularly the man in the car park who sorts the trolleys. He really has put himself out to be more than helpful over the months.'

Congratulations on running a first class store with first class staff.'

To **Mosborough** from Michael-James Chafer, student at Stradbroke College: 'Just a note to say how grateful I was that you gave me some of your time and were so patient with me during my four weeks work placement at Sainsbury's. I thoroughly enjoyed the time I spent there and found the work very interesting.'

To **Bexhill** from Veteran Dora Catt, after her friend Dot Whitbread, another regular customer, received flowers and best wishes from staff at the store after a fall near her home which broke her leg. 'The staff at Bexhill are always helpful, friendly and polite.'

**LETTERS ARE WELCOMED AND SHOULD BE SENT THROUGH THE INTERNAL POST TO THE EDITOR, JS JOURNAL, 10TH FLOOR, DRURY HOUSE, OR BY ROYAL MAIL TO THE ADDRESS ON PAGE TWO.**

# HOME BASE OPENING

## SOUTHAMPTON

*The popularity of Homebase in Southampton has led to the ten year old Lordshill store being replaced by a much larger store in Millbrook. The new store has room to offer the complete range of 20,000 quality DIY, gardening and building products.*

**Opening date:** 19 March 1992

**Address:** Retail Park, Auckland Road, Millbrook, Southampton

**Opened by:** Homebase chairman, Dino Adriano

**Manager:** Brian Jones

**Staff:** 60 (20 new jobs)

**Sales area:** 33,100 sq ft

**Car park:** 289 spaces

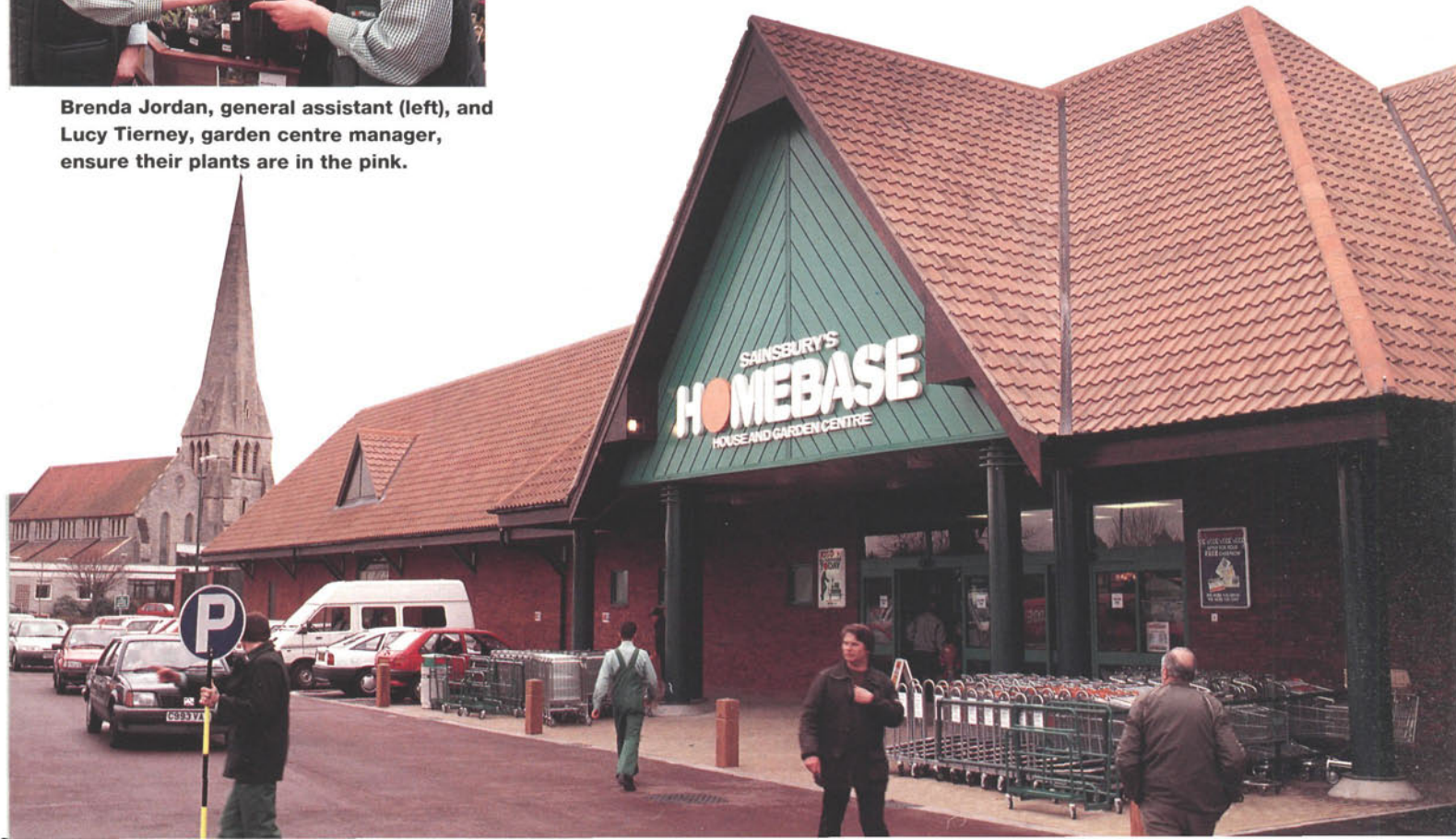


General assistant, Joe Boyce, offers service with a touch of old world charm.

Pamela Burgoine, cashier, and Sheila Tanner, customer services manager, ensure there is a smooth checkout operation for the busy opening morning.



Brenda Jordan, general assistant (left), and Lucy Tierney, garden centre manager, ensure their plants are in the pink.





# SUPERMARKET OPENING

## DULWICH

*Dulwich has the largest Sainsbury's in South East London with the opening of the new store at Dog Kennel Hill... but it has benefited from the development in other ways too.*

*A new public open space near the store was created in consultation with local residents and is incorporated into the extensive landscaping across the whole site. It includes a play area and footmaze for children, while 25 children of JS staff can be cared for at the nursery adjoining the store.*

*Dulwich Hamlet Football Club were also beneficiaries of the scheme - they now have a new stadium, pitch and car park beside the store.*



**Opening date:** 24 March 1992

**Address:** Dog Kennel Hill, East Dulwich, London SE22

**Opened by:** Joint managing director, David Quarmbly

**Manager:** Jim Hawkins

**Staff:** 462 (370 new jobs)

**Sales area:** 35,985 sq ft

**Car park:** 490 spaces



Joint managing director, David Quarmbly has a lighter moment during the serious business of opening a store.



Branch manager, Jim Hawkins, explains the layout to new customers.



Left to right, Albert Henderson, car park assistant; Paul Emmanuel, customer services section manager, and Sean Straker, on relief from Lee Green, stand with the store and the new football ground behind them.



Edward Kelly directs customers' cars on the blustery March day of the opening.



**SUPERMARKET**

O P E N I N G

# GODALMING

*The new Godalming store may be welcoming customers who have travelled not by road or foot but by barge. The supermarket stands on the banks of the River Wey at the National Trust mooring point - an area which was improved as part of the development.*

**Opening date:** 24 March 1992

**Address:** Catteshall Lane,  
Godalming, Surrey

**Opened by:** Chairman,  
Lord Sainsbury

**Manager:** John Hardeley

**Staff:** 316 (284 new jobs)

**Sales area:** 23,300 sq ft

**Car park:** 428 spaces

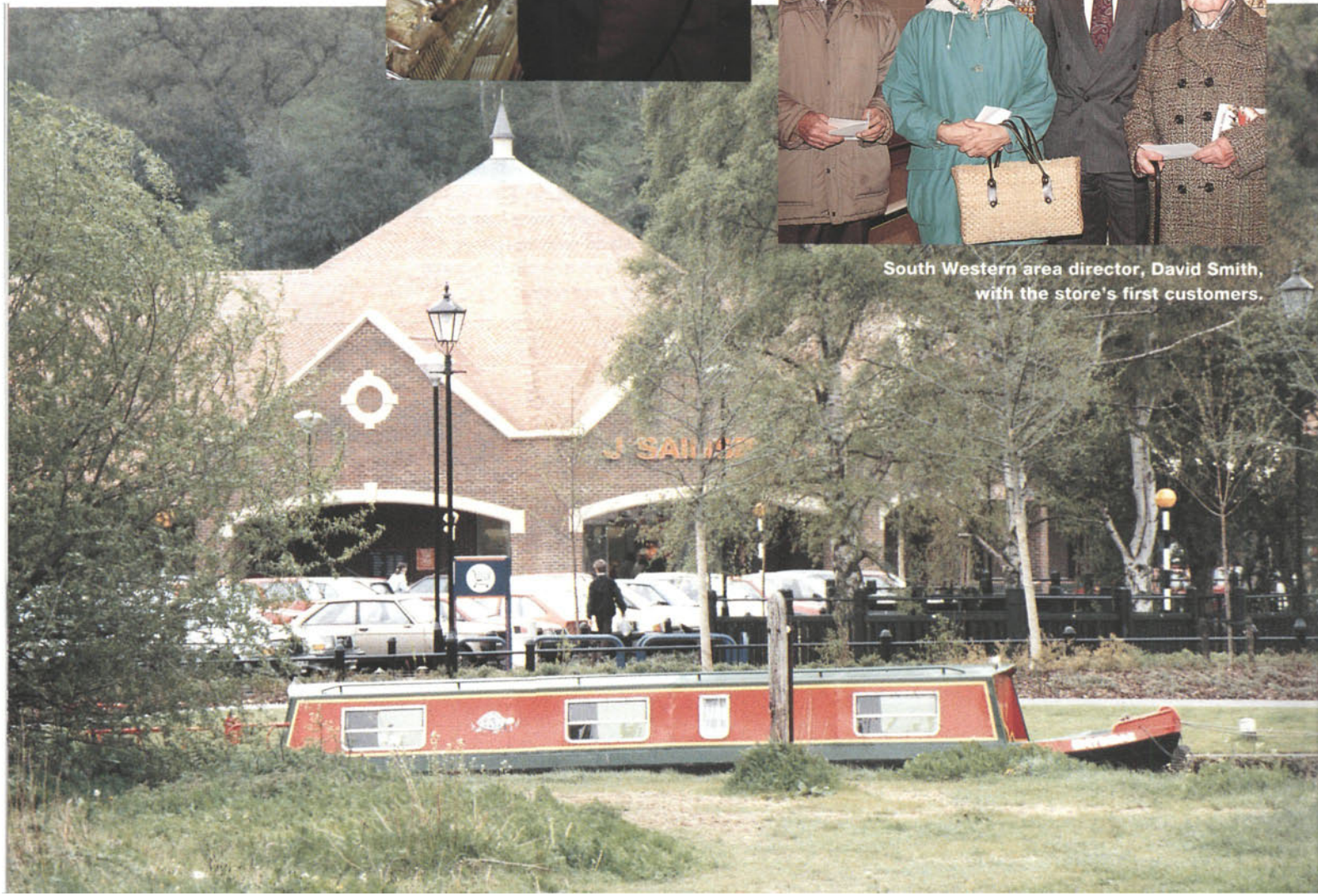
**Manager, John Hardeley  
with Trevor Lawn,  
supermarket assistant, in  
the produce department.**



**Checkout assistants are ready to take up their positions on opening morning.**



**South Western area director, David Smith,  
with the store's first customers.**



**SUPERMARKET**

OPENING

# STAINES

*Sainsbury's new store in Staines is constructed on the site of the former Lagonda car factory which produced many famous luxury cars in its heyday. The cars on the site these days will be customer vehicles occupying the 704-space car park that is, unusually, constructed on two levels. The staircases between the basement and ground levels are covered by roofs featuring attractive ironwork detailing that is echoed in the pillars around the store itself.*

Branch manager Paul Dyer shows three customers their new store.



**Opening date:** 7 April 1992

**Address:** The Causeway, Staines, Middlesex

**Opened by:** Chairman, Lord Sainsbury

**Manager:** Paul Dyer

**Staff:** 451 (403 new jobs)

**Sales area:** 37,688 sq ft

**Car park:** 704 spaces (two levels)



Supermarket assistants, Sinead O'Hanlon (left) and Amanda Cole are ready to welcome customers with a smile.



A few minutes until opening and these three don't let the nerves show. Left to right, Susie Cocksworth, trainee manager; Cheryl Upstone and Sue Sykes, both store instructors.





## JS HELPS THE 'TREE OF LIFE' TO GROW

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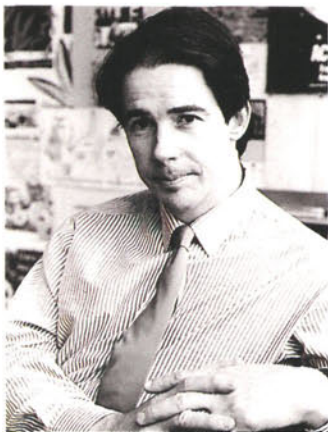
*The start of June will mark the beginning of the largest ever gathering of world leaders to solve the problems affecting the environment today and JS is playing its part. The 'Earth Summit' will run for two weeks in Rio de Janeiro, Brazil, offering, as one United Nations official put it, 'our best chance yet to save the earth'.*

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The gathering will include a centrepiece display - the 'Tree of Life', made up of millions of 'leaves', which will be personal pledges from people around the world. The idea is the brainchild of advisor Jonathon Porritt who explains: 'The Tree of Life is a universally understood symbol of the balance between human beings and the natural world. Each pledge-leaf added to the tree will be a visible token of someone's personal concern for the environment.' He feels that the presence of this symbol of people's hopes from around the world will encourage the leaders to agree some positive action.



Leaflets, available in all stores until the end of May, will include leaf-shaped cards on which customers can make their pledges. British Airways will then fly all the cards out to Rio to be attached to the 'Tree of Life'. Staff and customers may choose from a number of pledges including reducing their energy consumption and writing to their MP to raise awareness of environmental matters. Sainsbury's is joining in the drive with eight pledges to help the environment, ranging from cutting down on packaging on own brand products to donating money to the World Wide Fund for Nature.



Jonathon Porritt.

As an additional fundraising move, Sainsbury's has purchased 600 copies of Jonathon Porritt's 'Save the Earth' book which are being distributed to schools as part of the book donation scheme. All royalties from the sale of the book, which aims to help children understand the issues, will go to a number of environmental charities. The book is currently being televised by Channel 4, and the BBC is lending publicity this May with its series of 'One World' programmes, one of which features Fulham branch.

JS has continued the theme during National Environment Week (May 16 - 24) as donations from the Penny Back scheme reach £1 million. Penny Back will be one of two relaunches coinciding with the themed days of the Week, the other being the 'Environment Friendlier Shopping' list. The environment special of the 'Living Today' leaflet is also on display beside the Tree of Life leaflet.

# SAINSBURY'S

## Report of the Financial Year 1991-92



### THE SAINSBURY GROUP RESULTS

£ millions	1991	1992	
GROUP SALES Including Savacentre, Homebase and Shaw's	8,200.5	9,202.3	UP 12.2%
UK SALES	7,231.7	8,159.2	UP 12.8%
UK OPERATING PROFIT*	554.8	646.3	UP 16.5%
UK PROFIT SHARING	44.0	49.4	UP 12.3%
GROUP PROFIT Before property items and tax	505.7	632.2	UP 25.0%

\*Operating profit is profit before deducting interest and profit sharing and before adding in property items.

Joyce Brown of Streatham Common.

J SAINSBURY

Savacentre



HOMEBASE

shaws



I should like in this, my last year as Chairman, to start by expressing my thanks and appreciation to all staff. The past year has not been an easy one, with difficult trading conditions throughout the group. In the UK, there has been the added competitive feature of Sunday trading. Staff everywhere have responded magnificently to the challenges of the year, and 'given their all' in the intensely competitive climate we have. Our success in the past year is your success and a clear demonstration of your abilities and commitment to serving the customer as well as is possible.

I pay tribute to all those staff, both past and present, who have worked for the company during my Chairmanship. They have followed what, within the company, is often called the 'JS tradition' and shown a spirit and determination to excel and out-perform competition during all these years. I am deeply grateful to you all for making possible the success we have enjoyed during my term as Chairman.

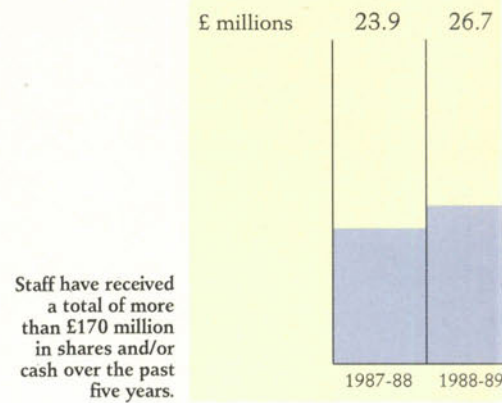
To conclude, I should like to express my great confidence in the top management to be led on my retirement by my cousin David Sainsbury. I know they will take the business from strength to strength. I wish them every success in the years ahead.

Sainsbury, Chairman

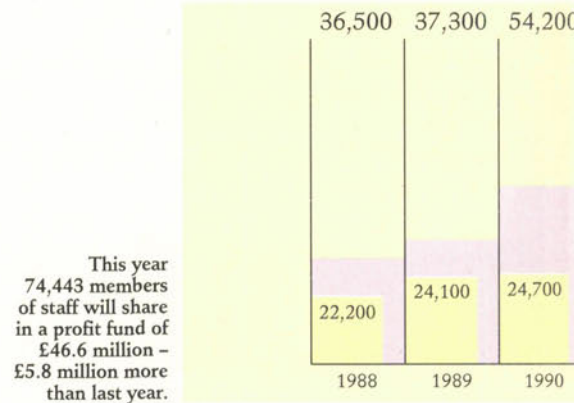
## What do the results mean?

The financial results of any large company are complex. What we have tried to do on these pages is to examine just what the results mean for staff directly, through profit sharing, and also for the company, through reinvestment in the business that is so essential if we are to continue to meet our customers' expectations.

### STAFF SHARE OF PROFIT



### STAFF IN PROFIT SHARING SCHEME



### SHARE MOVEMENT OVER THE PAST FIVE YEARS



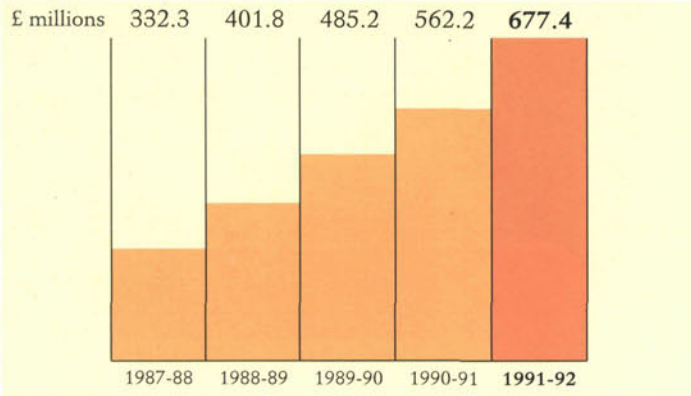
Our share price has increased by an average of 10% per annum over the past five years.

Figures are from 31st March 1987 to 31st March 1992.

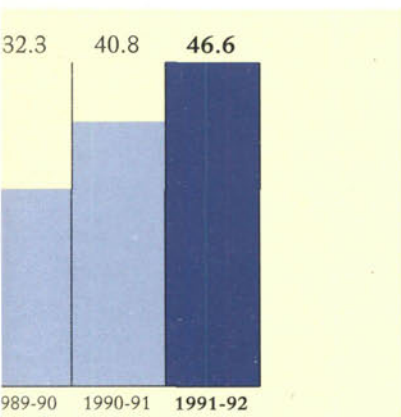
The figures are

# The Sainsbury Group Results

## GROUP PROFIT OVER THE PAST FIVE YEARS

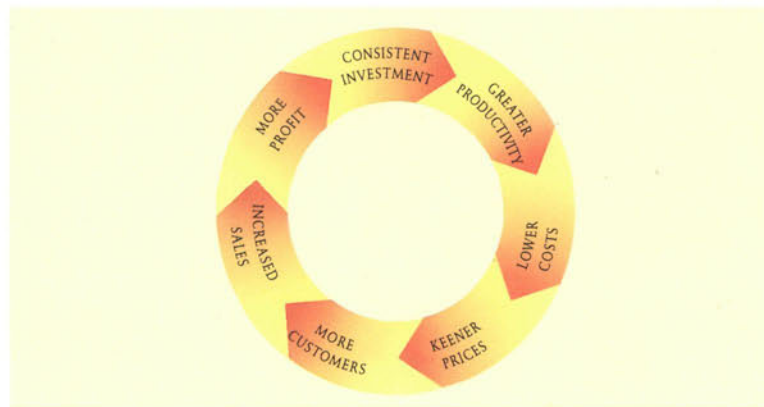


Group profit before profit sharing and tax.

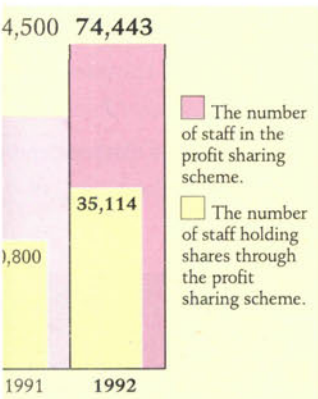


Figures shown here exclude employer's National Insurance.

## THE VIRTUOUS CIRCLE

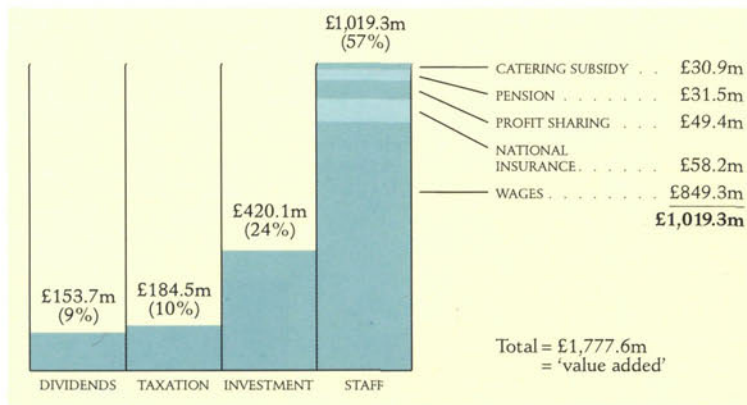


The continuing success of our business is driven by the efforts of our management and staff.

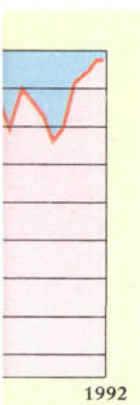


■ The number of staff in the profit sharing scheme.  
■ The number of staff holding shares through the profit sharing scheme.

## WHERE DOES THE MONEY GO?



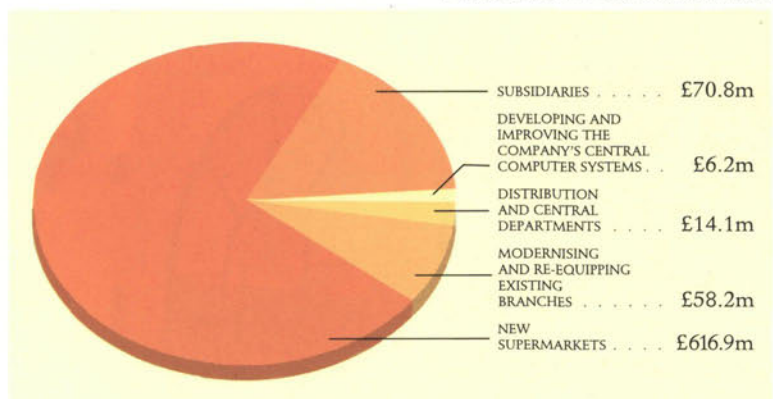
'Value added' is the difference between sales income and the cost of bought-in goods and services. This value is shared among our staff, shareholders and the taxman, with the remainder retained in the business for investment.



## HOW DOES OUR PROFIT SHARING COMPARE?

The JS UK profit share allocation of £49.4 million (including National Insurance) in 1991-92 represents 9.8% of salary. This compares with Tesco's £23.8 million (5% of salary) and M&S's £16.2 million (4.4% of salary).

## INVESTMENT FOR THE FUTURE



Putting money back into the business is vital for future growth. Last year a total of £766 million was invested: £420 million from retained profits and £346 million from other sources, including the 1991 Rights Issue, borrowings from banks and institutional investors.

# J SAINSBURY

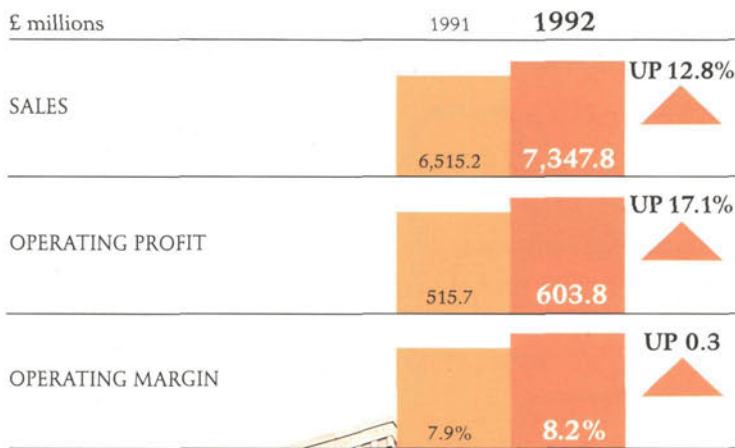
The J Sainsbury supermarkets, here referred to as JS, account for 80 per cent of the group's business.

JS had a most successful year as shown by the results below.

Twenty one supermarkets were opened and seven closed, giving the largest ever net increase in sales area of 681,000 square feet. JS opened its first supermarket in Scotland, at Darnley outside Glasgow, and its largest, near Southampton, in a joint development with Marks & Spencer.

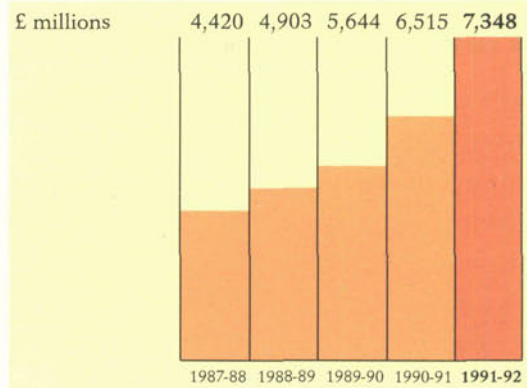
The following four pages look at other developments at JS as well as some Sainsbury's group activities in the last financial year.

## RESULTS - JS



Lincoln store, opened in October 1991.

## JS SALES GROWTH IN THE PAST FIVE YEARS



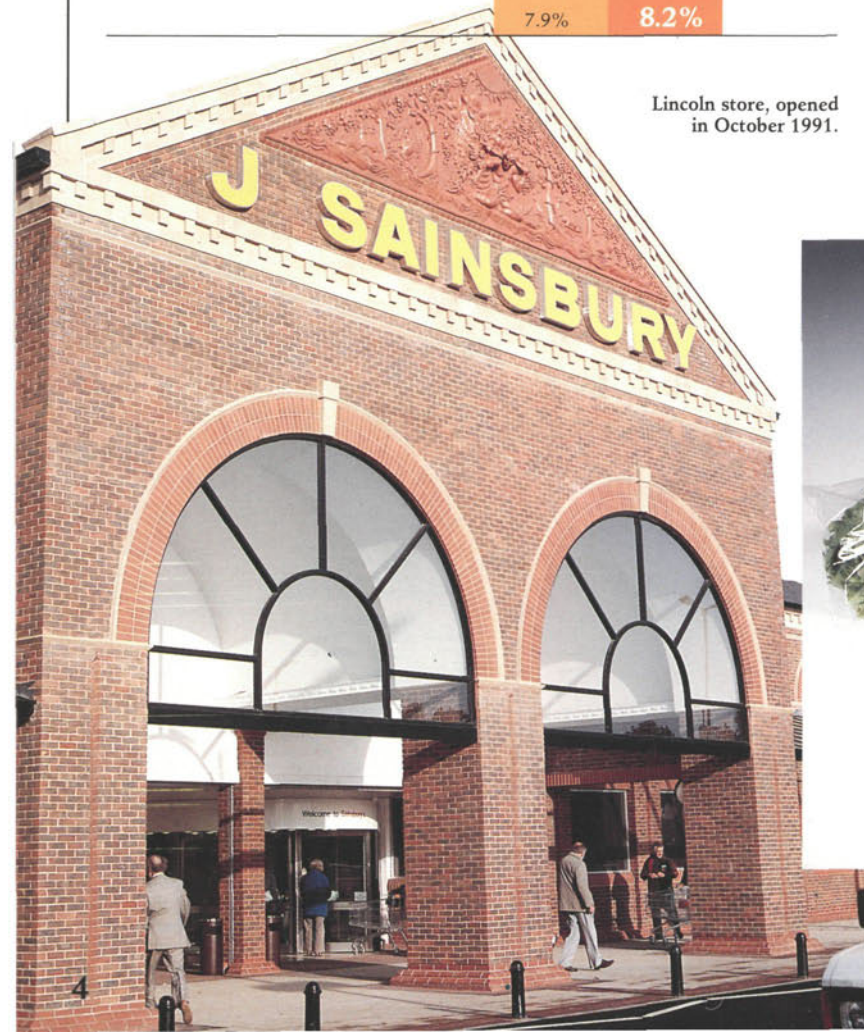
Sales have increased by an average of 13.3% per annum over the last 5 years

## Fresh ideas

Last year our supermarkets served more than seven million customers each week. The demand from those customers for quality, value and fresh ideas was answered with a wealth of new products, services and merchandising.

JS introduced 1,500 own brand products alone: Meals for One represent outstanding value; Nature's Compliments for Men add a new dimension to a very successful range; Duet Yogurts proved so popular the idea was taken further with Cottage Cheese Duets, and the bakery's new range of 'donuts', cookies, fudge brownies and blueberry muffins scored the biggest transatlantic hit since the Sainsbury's Diner range.

Also in bakeries, Celebrity Cakes were introduced and they are now available in more than 100 stores.

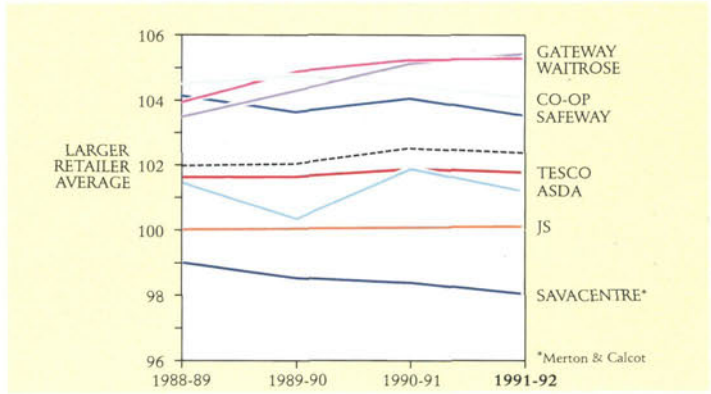


1,500 own brand products alone were launched last year.



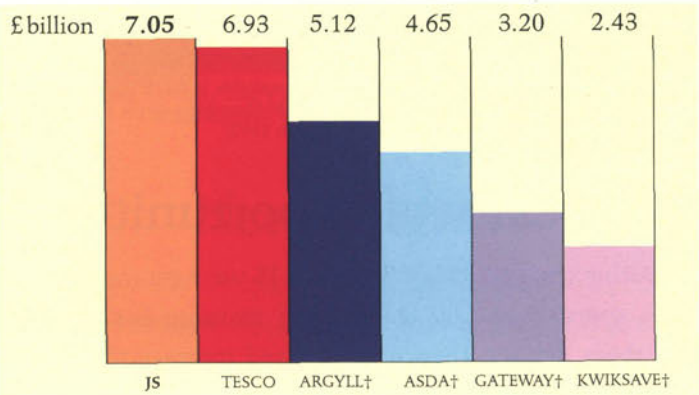


PRICE COMPETITIVENESS



Over the last year JS has maintained its price advantage of around 2% below major competitors.

SALES COMPARISONS



JS supermarket sales of £7.05 billion are £0.12 billion more than Tesco. These figures exclude petrol sales.

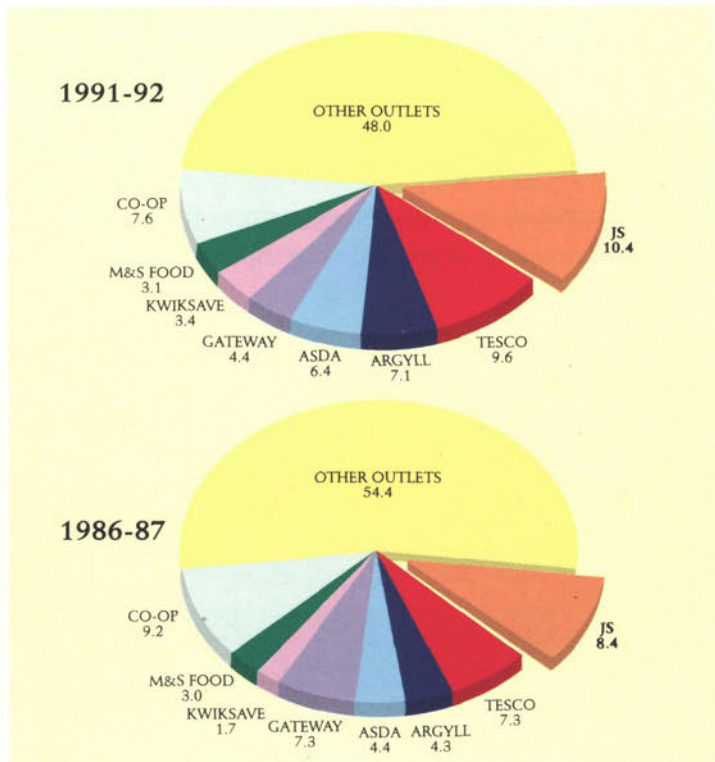
† Brokers estimates.

Fresh fish is now sold in almost all stores as we developed new packing methods allowing it to be distributed with other perishable foods.



A new merchandising idea in the cheese department was Pick and Mix: 17 varieties are offered in small packs to be selected in combinations of six for a set price.

% MARKET SHARE



JS and major competitors sell a range that includes off licence products, toiletries and pharmaceuticals, confectionery, newspapers and tobacco. Market share relates sales to the market which includes these items as well as food.

Note: JS and Savacentre are combined. Argyll includes Safeway.



Customers appreciate the increased choice available in our larger stores such as Dulwich. Joint managing director, David Quarmbly, meets a customer at the opening in March 1992.

## A wealth of opportunities

During the year 8,500 people at JS were promoted.

JS spent over £30 million on training for staff to help them develop their potential and increase their skills and knowledge.

The Retail Training Scheme for school leavers, now in its third year, was completed by a further 250 people; 150 young people who started out on the scheme have gone on to become section managers.

Over 100 trainee managers are now on the distance learning BA Honours Degree course in Retail Marketing sponsored by the company at Manchester Polytechnic.

The company became a founding member of Opportunity 2000, an initiative encouraging companies to increase the quality and quantity of women's participation at all levels.



Northern area bakery specialist, John Douggie is pictured (centre) with Brett Elliot from Arnold (left) and Lee Attenborrow from Broadmarsh, both award-winning students at Clarendon College where they completed three-year courses in bakery skills.



The new training package for staff handling perishable foods has been accredited by the Institute of Environmental Health Officers. It is the only programme by a retailer to be accredited by the Institute of Environmental Health Officers at Streatham Common receiving their certificate.

## Sainsbury's

Charitable giving by Sainsbury's last year amounted to £1.4 million, but commitment went beyond financial support: seconded managers made tremendous contributions to organisations like Re-Solv, the solvent abuse charity. In addition, approximately £750,000 was raised by staff themselves for many different causes.

Arts sponsorship had a busy year which saw the launch of the Sainsbury's Awards for Arts Education; 19 arts organisations and schools received a total of £250,000, creating opportunities for young people in all parts of the UK to work with professional dancers, musicians, actors and artists.

Last year £800,000 was made





...now been completed by nearly 40,000 Sainsbury's employees. Environmental Health Officers. Pictured are food safety officers and store instructors before presenting the package to their staff.

## 's at large

available through the Link school scheme for stores to help schools in their area with a wide variety of projects.

Sainsbury's continued to make strenuous efforts to help the environment. The Penny Back scheme was relaunched and customers have now donated £405,000 in returned pennies to local charities. The number of recycling facilities at stores has increased: there are now 190 for glass, 137 for cans, 58 for paper, as well as 15 for plastic bottles, three for aluminium foil and one for cartons. Many more stores have local authority facilities nearby.

David Lamphee, in-store cleaner at Hedge End, uses the baling machine which prepares waste packaging for recycling.



Joint managing director, Tom Vyner, watches Sue Commercial, admin manager at Springfield, using the new CARES system.

## New systems

Last year the company spent £11.6 million in updating systems to increase efficiency and ensure that our customers receive the best possible service.

Staff have been operating CARES – the Customer Complaint Analysis and Response System – which monitors customer complaints and allows us to act upon problem areas more rapidly.

Basingstoke depot is pioneering the new Transport Operations Planning System – TOPS – which schedules deliveries by computer. As a result we have fewer vehicles on the road and the fleet has reduced the miles it covers.

New systems, now being installed, collect information from the checkouts to help predict demand for products more accurately.



The first Sainsbury's supermarket in Scotland is at Darnley, outside Glasgow.



DAVID SAINSBURY  
Chairman

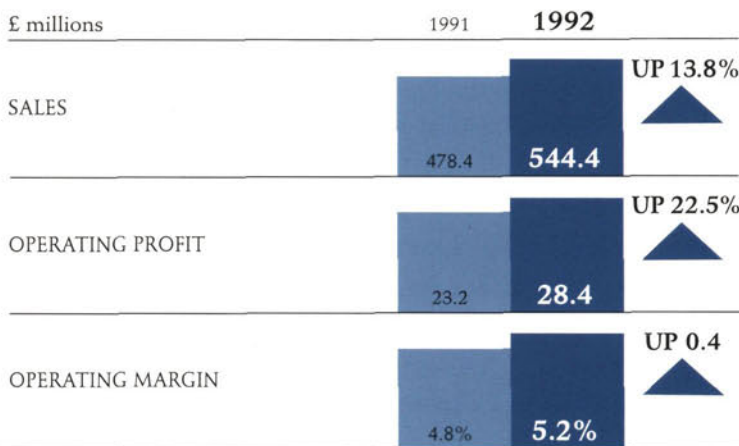


Savacentre has performed extremely well over the past financial year despite tough trading conditions. We have refurbished Merton, Edinburgh and Hempstead, strengthening our position in those three areas. This year and next we will be investing heavily in up-grading Basildon and Washington.

May I sincerely thank all members of staff for their efforts and achievements in the current economic circumstances.

D J Sainsbury, Chairman

### RESULTS - SAVACENTRE



The new Sainsbury's brand menswear at Savacentre.



One of the two petrol stations opened at Savacentre in Sheffield, serving the whole of the Meadowhall complex.



## New look stores

Following customer demand at Merton the non-food space was rationalised to allow the perishable food area to almost double in size.

New additions at Edinburgh included a pizza bar on the delicatessen counter, a florist, and nine new checkouts to make a total of 45. Wider aisles made shopping more comfortable and Scottish customers reacted positively to give the store a very successful year.

At Hempstead, where the opening of a new Marks & Spencer in the centre presented added competition, the store acquired a new florist, card shop and news shop, and 11 new checkouts to give a total of 48. The opening of a Post Office provided a popular and useful service.

## Pricing policy

Savacentre continues to offer outstanding value for money to customers through extremely competitive pricing. Customers are promised 300 lines at lower prices than JS. This, together with the success of Star Buys, with its strikingly deep price cuts, has played a vital role in sharpening still further Savacentre's competitive edge.



Barbara Lampshire, general assistant at Merton, in the store's card shop.



Savacentre's pricing policy is evident in store.

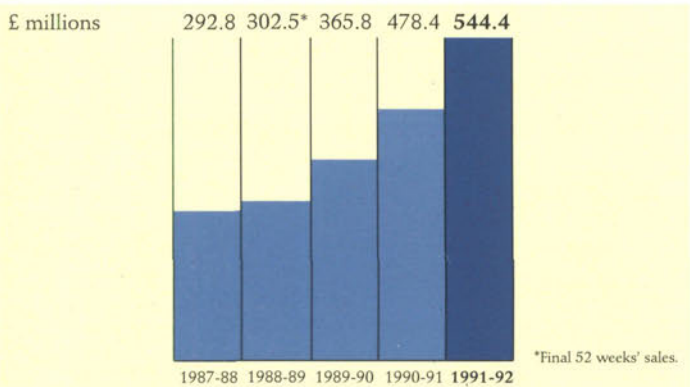
## New product ranges

Own brand clothing developed further as menswear and ladies' shoes were added to the Sainsbury's label range. Sainsbury's men's underwear and socks were sold for the first time and own label schoolwear will follow in the next few months.

Card shops were opened in five stores offering a high quality range featuring extensive seasonal lines for Valentine's Day, Mothering Sunday and Christmas.



SALES GROWTH IN THE PAST FIVE YEARS



## New services

Sheffield Savacentre opened two petrol filling stations at the end of the financial year, each with long trading hours. One station features a car wash.

At Merton a new London Electricity Board Service Centre opened in the store and customers can now pay their electricity bills when they shop.

## Personnel

Last year saw significant changes in store operations and structures.

Stores in England began trading on Sunday during the run up to Christmas and by the end of the year, seven stores, including Edinburgh, were trading on Sunday.

Results have been good, particularly in non-foods, as experience in Edinburgh had led us to expect. Staff commitment and co-operation has made a huge contribution to meeting this new challenge.

A new management structure and a revised grading scheme were introduced in all stores to improve and simplify communications and to offer greater career opportunities. A job evaluation exercise for non-management staff will soon follow.

Savacentre prides itself on satisfying customer needs quickly and efficiently and the new position of customer care manager was created in each store to enhance this side of in-store operations. The specially trained, experienced staff have been responsible for more efficient handling of customer queries, complaints, exchanges and refunds.



All staff handling perishable foods completed a new food hygiene course. Grethel Williams, centre, from the delicatessen counter at Sheffield, was the 2,000th to pass the course and is pictured receiving her certificate from store director, Mike Ellis, and food safety officer, Mandy Nicholson.



Edinburgh Savacentre, which was modernised last year.



DINO ADRIANO  
Chairman and  
managing director

# HOMEBASE

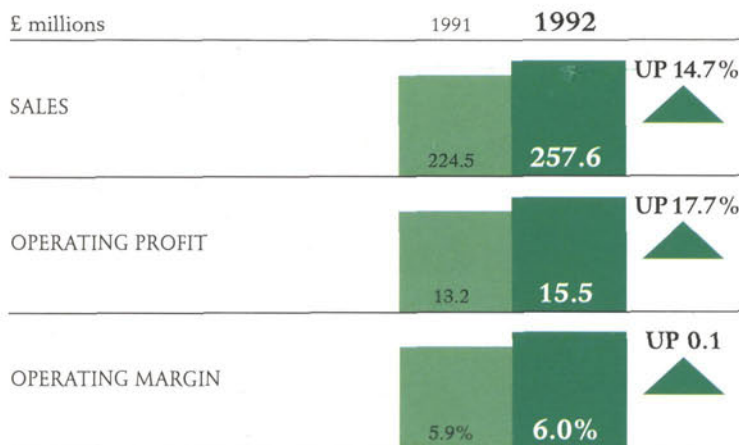
Last year was the third consecutive year of recession in the home improvement industry. It also saw the advent of major price discounting by our competitors.

Despite this, we increased our market share with the help of a strong product offer, the quality of our store operation and the success of our Spend & Save card. This, together with tight control of costs, and the continuing commitment from management and staff, has enabled us further to improve our profitability.

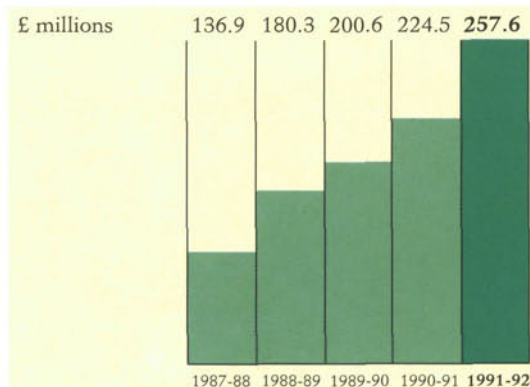
Thank you all for your very real contribution to our continuing success.

D B Adriano, Chairman

## RESULTS - HOMEBASE

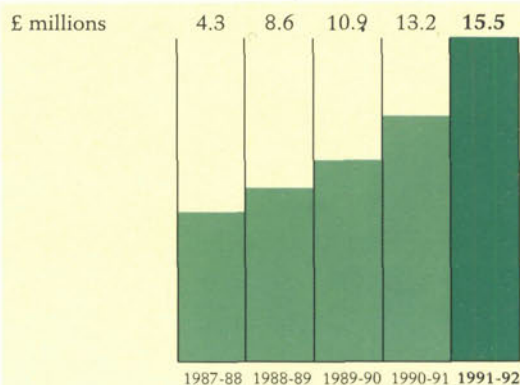


## SALES GROWTH IN THE PAST FIVE YEARS



Tunbridge Wells opened opposite the existing Sainsbury's supermarket.

## OPERATING PROFIT



## Spend & Save

The start of the financial year saw the launch of the Spend & Save Customer Loyalty Card and there are now more than half a million card holders. The card is the first of its kind in the UK and has provided a real stimulus to sales. It will continue to feature strongly in Homebase's marketing strategy and the aim is to achieve one million card holders by the end of this year.

## Scanning

At the end of the financial year scanning went on trial at Chichester. Early results are encouraging and all new stores from Portsmouth onwards will open with scanning. All existing stores should be converted by January 1995.





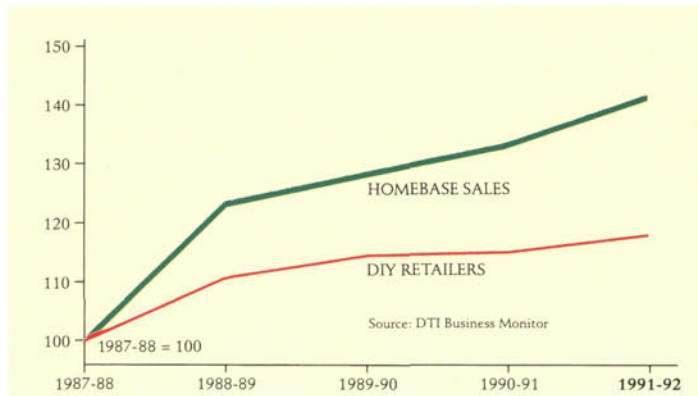
## New lines

During the year nearly 2,000 products were introduced across all ranges. Fifty new catalogue pages were produced for

Homebase's new Composted Bark, an environmentally friendlier alternative to peat, is produced from the bark of conifer trees commercially grown for the timber industry.



## REAL SALES PERFORMANCE COMPARED WITH ALL DIY STORES



the Extra Choice offer and 460 own label products were added, which means that own label now accounts for 25 per cent of turnover. Another 500 own label lines will be added this year.

## Garden buildings

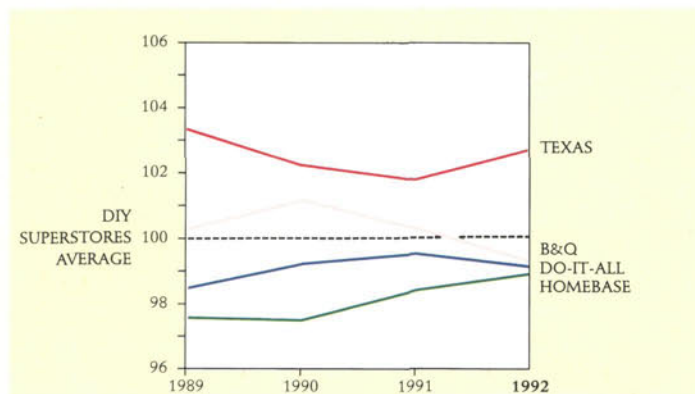
Waltham Cross was the busy shopping location chosen for a new initiative to develop our garden buildings trade. A 10,000 sq ft landscaped external area features more than 50 display buildings including conservatories, sun lounges, garages, sheds and greenhouses.

The offer is advertised through nine satellite stores in North London and the prices represent excellent value.

## Brackmills depot

Work is now well advanced for the move from the existing distribution depot at Westgate, Northampton, to the new depot at nearby Brackmills, and will commence deliveries in October. The depot will offer excellent facilities for storage and vehicle access and will enable Homebase to increase the number of commodities in central distribution. By June 1993 we expect the depot to have 11,000 commodities representing 60 per cent of sales.

## PRICE COMPETITIVENESS



The Homebase shopping survey confirms that Homebase remains competitive when compared with all major competitors.



DAVID JENKINS  
Chairman



Like a bear rising from hibernation after a long, cold winter of recession, Shaw's is lean and hungry for business. Unemployment in New England has fallen from 9.1% to 7.8% and in March this year regional sales were ahead

of last year for the first time in over 12 months, both welcome signs of a warming economy.

Last year we succeeded in retaining market share and controlling costs to improve our budget performance. JS people, Mike Broomfield, senior vice president, retail, and Ross McLaren, vice president,

procurement, played major roles in these efforts. Contributions of skill and knowledge by other Sainsbury secondments – Nick Allen, Karen Whitehouse and Stewart Goldsmith – were most appreciated.

Strengthened site research, new store design inside and out, and improved methods of financing, were also products of this difficult year. These programmes will allow Shaw's to achieve an 8% average sales area



David Jenkins in the West Brockton store with seafood manager, Michael Mendoza.

RESULTS - SHAW'S

\$ millions	1991	1992	
SALES	1,770.4	1,812.9	UP 2.4%
OPERATING PROFIT	55.4	37.2	DOWN 33.0%
OPERATING MARGIN	3.1%	2.1%	DOWN 1.0



growth, on target despite a stagnant development market. Construction will begin on six stores and two major expansions this year and at least that number in 1993-94, doubling our presence in Rhode Island and continuing to fill the gap between our traditional bases of South Eastern Massachusetts and central Maine.

Shaw's has adopted the JS 'Good Food Costs Less' marketing position. One major component is the improvement in our perishables. This increased emphasis on freshness is evident across all departments, for example:

- Hamburg (minced beef) is ground fresh several times daily with four levels of fat content.
- Delivery of government inspected seafood is made daily to all stores.
- Improved quality specifications and increased inspections are provided for all produce items.
- Deli-made pizzas and an improved crusty bread programme are becoming focal department items.

Over the past fiscal year, Shaw's own brand was expanded to over 800 items – more than double the previous year – representing all major product categories, with 1,000 items expected by the end of the year. As in JS, the cornerstone of the Shaw's brand is the combination of quality and value and it is increasingly chosen over national brands.

Many difficult steps were required in 1991-92 to control costs but, like the hungry bear, we are ready to forage for more sales and attack the competition aggressively.

D B Jenkins, Chairman

Milford, New Hampshire.



## New deals on insurance for staff

The cost of personal insurance has risen sharply in the last year. The company secretary's department has reviewed existing arrangements for staff and has arranged a new facility with Jardine Insurance Brokers. The schemes are open to all group employees, pensioners and their spouses or partners. As a broker, Jardines deal with a number of underwriters and can select the best value-for-money cover.

### Household insurance

HomeSure and HomeCover are special Jardine policies underwritten by a number of different, reputable insurers. Premium discounts of up to 15 per cent are allowed for JS participants, and all the policies are extremely competitive as regards both cover and price.

The HomeCover policy, in particular, is excellent value for money. Its premium is calculated on the number of bedrooms in the home and provides unlimited buildings cover, contents insurance up to £35,000 and 'all risks' cover on valuables up to £7,500.

Most leading banks and building societies will accept the Jardine buildings policy on mortgaged properties, although it is advisable to check with the lender.

Premiums can be paid by monthly direct debit.

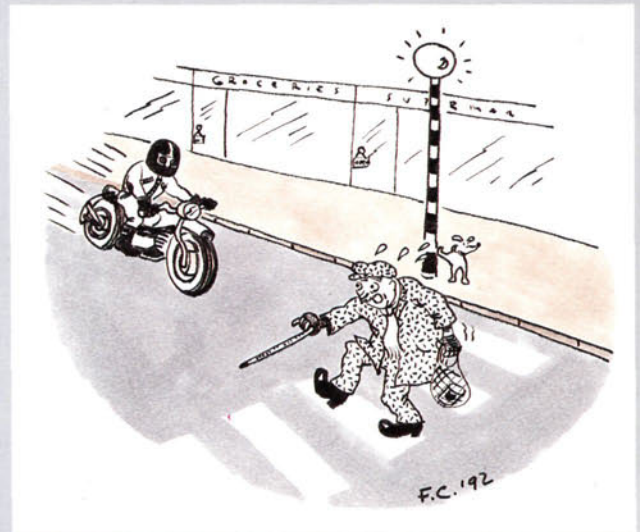
### Motor insurance

No single insurer can be competitive for all types of insurance risks. Geographic areas, vehicle types and age groups all have a bearing on the price of motor insurance. Jardine consults a panel of 24 respected insurance underwriters and will offer the most suitable policy to each JS participant. The quotations offered by Jardine will be competitive in most instances and may benefit from discounts of up to 25 per cent.

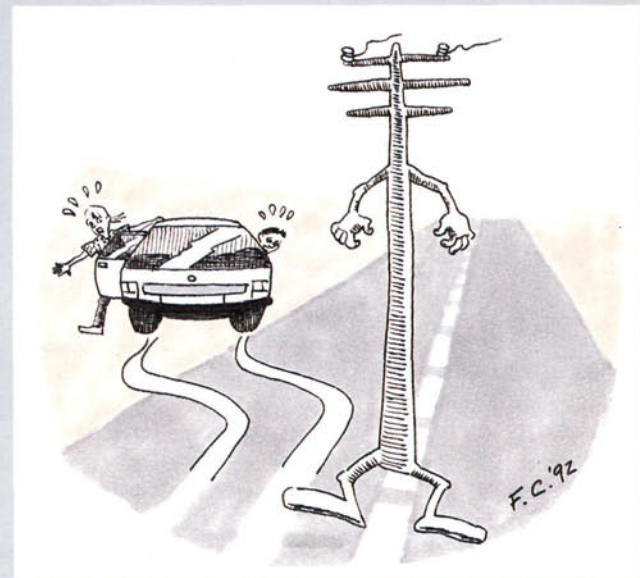
### Other benefits

Jardine can offer a wide range of other insurance and related services. Caravan, water craft and travel insurances, for example, are available at extremely favourable rates.

For immediate cover or for a free personal quotation without obligation, telephone free of charge, 0800 445444 or write to Jardine Insurance Brokers Limited (JS scheme), FREEPOST, Southampton, SO9 1BE.



*'I was sure the old fellow would never make it to the other side when I struck him.'*



*'A telegraph pole was approaching. I was attempting to swerve out of the way when it struck the front end.'*



*'I saw a slow moving sad faced old gentleman as he bounced off the roof of my car.'*

## a taste of things to come...

What was it last July that consistently managed to quadruple the sales of Boboli pizzas at certain stores?

*Beryl McIndoe shows Marian the pizza demonstration she has set up in Godalming's foyer, with Tom Allen, deli counter assistant, helping her.*



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**It was the in-store demonstration of the Boboli pizzas which brought about this uplift in sales compared to stores without demos. And they manage to regularly double sales of most of the foods they feature.**

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Since they started, originally as one-off promotions, the success of in-store demonstrations has blossomed and now 120 modern stores across the country benefit from the 'food advisors' who offer the customers a taste of the featured product. Not surprisingly, store managers welcome their presence due to the benefit to sales and doubly so because the cost of samples does not come from the branch budget.

Generally, demonstrations are used to boost sales of particular products. It may be an attempt to improve sales of a current line or to help the launch of a new one. Demonstrations usually cover themes, such as desserts or healthy eating and are chosen according to the availability of new products and in conjunction with the wishes of the buyers. They then run around a week per store per product group and are arranged to attract as many customers as possible. This is why they are always right by the store entrance and run during the busiest trading times from Wednesday to Saturday.

A slightly different tactic has been successfully employed at the new Darnley store. Scottish shoppers, often unfamiliar with the Sainsbury name, are being introduced to the high quality of JS own brand and services, such as made-to-order pizzas, with an intensive seven week round of demonstrations covering a wide range of products.

The advisors are the key to a demo's success and all are fully qualified freelance home economists. A good demonstrator needs



*Jenifer Davies introduces the customers of St Clares to the new Danish pastries.*



*Each of the new boxes, like a Tardis, manages to accommodate all the demonstration equipment.*

a wide variety of talents - plenty of stamina is one requirement, but so is the right personality.

As Marian Archer, manager of in-store demonstrations explains: 'The advisors are usually the first point of contact for the customers as they enter the store. If they are greeted by a friendly, cheerful face then it all adds to the shopping experience and the customers are more likely to come back again.'

Often the advisor will become a familiar face in a store. Beryl McIndoe, an advisor regularly found in Burpham's foyer, says: 'Customers will just stop and chat and I have got to know many of them quite well over the last few years.'

There is little doubt that the customers enjoy the demonstrations, particularly when desserts are on display. They needed little encouragement to sample the American-style cheesecake that was on offer when the *Journal* visited at the end of April, but sometimes the advisors need to use their powers of persuasion or, on the other hand, fend off the young paws of over enthusiastic children.

Demonstrations give an opportunity for shoppers to try a particular product and also to learn a little more about it. This is where the advisors' training is essential - they draw on their experience and product notes provided by Marian to answer questions or will even write back to the enquirer if necessary.

It is Marian's job to organise all the demonstrations, visit the advisors whenever she can and solve any problems they may have. Often it is simply a matter of organising the stand, though disasters, such as broken cookers, are also her territory. She concedes that she needs to be well organised and keep a cool head but assures us that none of it would be possible without the eight area supervisors, who maintain day-to-day contact with advisors.



Now, new display stands, equipment and storage boxes have also improved the efficiency and appeal of the whole operation. The new graphics and stands modernise the whole appearance of the display while easy-clean stainless steel tops to the display area, and new wash hand units, further improve hygiene.

Two big red reinforced transit boxes, looking more like one of Paul Daniel's props, have been specially designed so that all the equipment, including the combination oven, stand and other equipment magically fit inside. Previously, the whole lot would be transported from a depot, which in itself proved costly, but more so due to the damage to the equipment that was occasionally caused on the journey.

The demonstrations bring cost benefits to many aspects of trading; buyers receive valuable feedback on new products, branches increase sales of the featured products and the shopping experience is enhanced for the customer. As the in-store demonstrations go from strength to strength, with plans to increase the number of advisors and stores covered, Marian will maintain the consistently high standard which she considers to be well above that of the competition - 'At Sainsbury's we organise professional standard tastings while at other stores all that customers can do is graze!'

# BEHIND THE LINES

## DREAM TICKETS

Lady luck has been busy at **Dunstable** store, where two members of staff have won dream holidays.

**Beryl Dudley**, frozen foods assistant, won a two week holiday to America on Des O'Connor's new TV show, *Take Your Pick*.

Beryl had to answer a number of questions and was then asked to choose a key and open a box containing a mystery prize.

On discovering she had won a holiday to the USA, including a visit to Elvis Presley's Graceland home, Beryl was so pleased she planted a whopping kiss on Des.

She will be jetting off with her husband at the end of September. Unfortunately Des could not make it.



Beryl is bound for Gracelands.



Nigel and Sarah Clemmit - competition addicts - enjoying Thailand for 24p.



Diana Sharp hitting the right note.

## SAINSBURY'S STUDENT GOES SOLO

**Diana Sharp**, checkout/replenishment assistant at Salisbury, beat off stiff competition from all regions to win herself the solo part of Despina in the Mozart opera *Così fan tutte*.

Diana, who has worked part time at JS for more than two years, has been working with a singing teacher in London to help her achieve her goal of becoming a famous opera singer.

**Andrew Smith**, manager, and **Coral Courtnell**, BPM, have both been very helpful according to Diana. They have changed her work schedule on many occasions to enable her to go on auditions all over the country.

The production will take place at the Memorial Hall in London's Marlborough College in July.

Another lucky winner was **Nigel Clemmit**, fresh foods manager. Nigel and his wife Sarah, enter competitions regularly that offer cars, holidays or cash as prizes. When Nigel spotted the competition to win a holiday to Thailand in the *TV Times* he entered as a matter of course.

Two months later he received a letter announcing he had won the £7,500 holiday for two.

Nigel and Sarah flew off for their holiday of a lifetime in February, and had a fantastic time. Nigel told the *Journal*: 'They say you only get what you pay for and that was definitely the best 24p (for the first class stamp) that we have ever spent.'



Pam Bryant, MBE, chairman of the hospital's League of Friends; hospital physiotherapist, and David Mellows-Facer, manager.

## PENNIES HELP LOCAL HOSPITAL

The penny back scheme at St Clares raised a new total of £1,723, which was presented to Teddington Memorial Hospital.

This brings the total amount raised and donated by the store to the hospital to £2,223. The money will go towards buying a new bed in the physiotherapy department.

Staff from the Northamptonshire Science Centre with staff and pupils from Kingsley Special school and Kettering store manager, Diane Carter (centre).

## ROCKS BOX RAISED BY KETTERING

Pennies raised by Kettering's Penny Back Scheme were used for an unusual and worthwhile cause - a 'rocks box'.

The box, which contains rocks, fossils and a sample of North Sea Oil, comes with a book called 'Exploring Earth Science'. This provides valuable resources for children to learn about earth science.

The box was presented to Kingsley Special School, the first school in the country to receive one, and the store is also sponsoring a box for their Link school, Henry Gotch Junior.



## VIVA ESPAÑA

Halifax staff were served lunch with a difference on April 2, as they sat down to Asadillo.

The branch, which last year held a French day, organised a Spanish day for staff. The menu was truly Spanish, but the entertainment was not quite so authentic.

Joseph Thurley, senior deputy manager, entertained the troops with his jokes and a beach mat, while Teresa Goaley, BPM and Karen Taylor, store instructor, delighted the staff with their Spanish dancing.

Pictured from left to right (back row): Julie Tiplady, staff restaurant assistant; Teresa Goaley; Ann Cox, staff restaurant assistant; Sue Meakins, staff restaurant assistant, and in the front are Karen Taylor and Joseph Thurley.

## BPM CHECKS IT OUT

Anne Birchall, BPM at Dunstable made a dream come true for a schoolgirl when she arranged for Joanne Johnson to spend a day of her half term holiday working on the checkouts.

Joanne, whose mum Pat Johnson is the wages clerk at Dunstable, wrote to Anne with her Jim'll Fix It type request.

On the big day Joanne was given a uniform and badge and put through the basic training by Kathleen Clayton, cashier instructor.

Anne awarded her a Fix It medal and afterwards Joanne wrote a letter of thanks to staff saying how much she enjoyed the day.



BPM Anne Birchall and Joanne with her 'Fix it' medal.



Diane shows off her winning smile.

## WHISTLE WHILE YOU WORK

Diane Carrick, chief display assistant, Sunderland, knows how to put a smile on the face of customers; she was a finalist in the *Sunderland Echo's* competition to find the North's happiest face.

Nominated by readers, Diane was said to make shopping a pleasure instead of a chore, with her cheerful whistling and singing.

The final was held in Cleveland and Diane was presented with a prize of £100.

# BEHIND THE LINES



Pictured from left to right: Ken Kenney, Helen Gorman and Ian Downes.

## < TRADING PLACES

A once in a lifetime swap took place at **Wolverhampton** on March 24. Lisa Stansfield didn't make it to the store, but staff traded places nevertheless.

**Ken Kenney**, manager, and **Ian Downes**, BPM, were set a challenge by **Helen Gorman**, senior systems clerk, and **Jackie Clark**, deputy manager fresh foods, to swap their management suits for aprons.

Ken and Ian spent the day working in the staff restaurant doing the washing up and Ian made the speciality of the house 'St Georges Trifle', the recipe of which is a closely guarded secret.

The branch raised £205 for the charity.

## SSA BOWLS THEM OVER AT SPRINGFIELD >

The new **Springfield** store recently held their first SSA outing, a fun filled evening of Ten Pin Bowling.

The evening was a great success and the staff are looking forward to taking on other stores at their district bowling evening.



Michele Grehan, section manager, systems, with that look that says 'it has to be a strike'.

Celia never loses her cool and always keeps a warm smile.

## A FUND DAY FOR KIDS

On Sunday May 31, twelve branches from the Eastern area are holding a 'fun day' to raise funds for Great Ormond Street Children's Hospital.

The event at Fairlands Valley Park, Stevenage from 12.30-5.00, is open to anyone. Included in the fun will be a comedy trampolining act, clowns, a children's fancy dress competition and side stalls selling cakes, crafts and other goodies.

Anyone interested in joining in the fun, or hiring a stall, should call Sarah Spencer or June Telling at Hitchin branch (0462 455077).



## A CHECKOUT STAR

**Celia Harton**, checkout assistant, **Kingsway Derby**, has always felt like a star when scanning customers' shopping through the checkouts but recently she found genuine fame.

Her local paper, *The Derby Evening Telegraph*, reported on Celia's excellent manner and her ability to deal with even the most difficult customers.

Celia said: 'If they behave badly I just carry on working, smile and hope my mood is catching.'



# All aboard for Alton Towers Family Fun Day



## Alton Towers

Where Wonders Never Cease

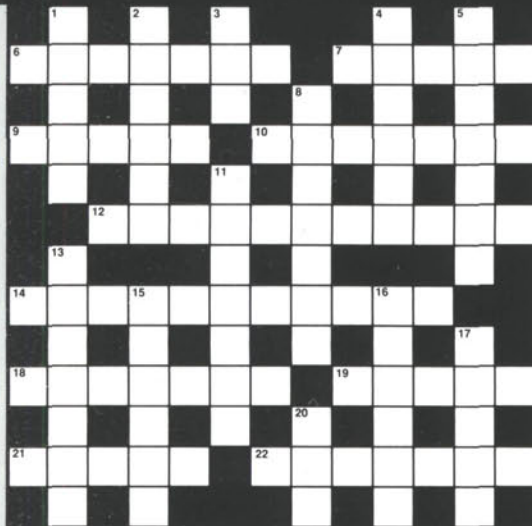
Sainsbury's has got together with Britain's number one theme park to offer you and your family an outstanding opportunity to visit Alton Towers. On July 26 all JS, Savacentre and Homebase staff may visit the park for only £7.50 - that's a saving of £4 on the normal entrance price of £11.50. The entrance fee for children will be £7.00 (£8.99 normally).

Set in the beautiful Staffordshire countryside, Alton Towers has something to offer everyone. Ten million pounds have been invested in three new major attractions: the Haunted House - advertised as the world's scariest dark ride; the Runaway Mine Train in the colonially themed Katanga Canyon, and the New Beast in Thunder Valley. All the old favourites, such as the Corkscrew, Log Flume and Thunder Looper are still there to make it a day full of thrills.

This offer is not available on the day, so book your tickets now by filling in the form below.



## CROSSWORD



Send your completed crossword to the Journal, 10th Floor, Drury House, or by Royal Mail to the address on Page 2. The first correct entry pulled from the hat will win £25 worth of JS gift vouchers.

- ACROSS**
- Prolonged rainless spell (7)
  - See 3 Down
  - See 3 Down
  - 'Master.....', a Nicholas Monsarrat novel (7)
  - First elected leader of the Conservative Party (6,5)
  - Architect of Desert Storm (11)
  - Group of five performers (7)
  - Yellowish-brown colour (5)
  - Top university sportsmen (5)
  - See 3 Down

- DOWN**
- A wood-nymph (5)
  - Top someone's financial offer (6)
  - And 22 Across, 7 Across, 9 Across. Thomas Harris' second novel about Hannibal Lecter (3,6,2,3,5)
  - A position with duties attached to it (6)
  - Frightening suggestions (7)
  - He starred in the film 'Mary Poppins' (3,4)
  - Smith who shoes horses (7)
  - Moral doubt (7)
  - She starred in 'An Officer and a Gentleman' (6)
  - Knob at the end of a sword-hilt (6)
  - Fruit with a downy, yellowish skin (5)
  - Sudden seizure (3)

NAME: .....  
 LOCATION: .....  
 TELEPHONE: .....

### BOOKING FORM

J SAINSBURY FAMILY FUN DAY : 26 JULY 1992

I wish to book: \_\_\_\_\_ adult tickets at £7.50 each  
 \_\_\_\_\_ child (4-13 years) at £7.00 each  
 (Children under four admitted free)  
 £ Total

I enclose my cheque/postal order made payable to Alton Towers and understand that tickets are not returnable. Allow 14 days for delivery of tickets.

NAME: .....  
 ADDRESS: .....  
 .....  
 .....  
 POSTCODE: .....  
 TELEPHONE: .....

Please send your completed coupon to:  
 J Sainsbury Family Fun Day, Alton Towers, Alton,  
 Staffordshire, ST10 4DB





Nick Weight with a selection of his favourite sticks.

## What's on the end of the stick, Nick?

handle; assorted chunks of wood; a block half-carved into a fox's head, and a multiplicity of other materials to finish off either end of a stick. And hanging in the half-light between the two ends are various horns and antlers supplied by gamekeeper cousins or picked up by friends out on walking trips.

Nick finds much of his inspiration from the materials themselves. He will shape a block in order to bring the

best out of a grain, carve animal heads that take his fancy and use natural distortions such as the spiral effect made by honeysuckle around a branch or the impression made by barbed wire grown into a piece of wood.

A local tree surgeon supplies some of Nick's more choice raw materials though he picks up many from walks in the country. 'The trick', he explains, 'is to look at the plant upside down because the thick end will become the handle and that is the part closest to the trunk of the tree.'

Though Nick does sell some of his creations at country fairs, he says 'stick making is a very personal art, it's not commercial. I really make them because I enjoy it so much. It's not as if I need them all.' He is able to exchange ideas with like-minded folk at these fairs. He can also share his art with fellow members of the British Stick Makers Guild, which has affiliated members as far afield as Switzerland and Australia who have made sticks for Sir Matt Buzby and Prince Charles among others. The organisation arranges competitions and has a quarterly newsletter to keep them all in touch.

If there are any other JS employees interested in the activity, especially in getting together a JS stick makers' club, then write to Nick at 23 Marlborough Close, Bishops Stortford, Herts., CM23 3NT.



**W**hen Nick Weight, data operations clerk at Buntingford depot, wrote to the *Journal* about his interest in walking sticks, we imagined a portly old gentleman who hobbled, back stooped, with the aid of a trusty old cane.

Arriving at his home in Bishops Stortford, we were greeted by a very different person - fit, energetic and with boundless enthusiasm for his hobby.

Examples of Nick's handiwork are in a stand by the stairs. They include all manner of sticks with a bewildering array of handles; a sinister skull made of clay, elegant badger chiselled from mahogany and a gleaming deer antler.

He admits that he has virtually every book on the subject, of which there is a surprisingly large number, which have helped him to make some of the hundreds of sticks he has fashioned in the last fifteen years. He is happy to admit that he is probably now 'stick mad'.

It all started when a friend suggested that a sturdy stick would be useful while out on hunting trips in the country, so he decided to make his own. He enjoyed it enough to make a few more. Some friends remarked that they fancied one too and it all snow-balled from there. 'I don't make half as many sticks as I used to. In the early days I only ended up having to sell them to get rid of them. Now I am more choosy about what I make', explains Nick. And he certainly does have a choice.

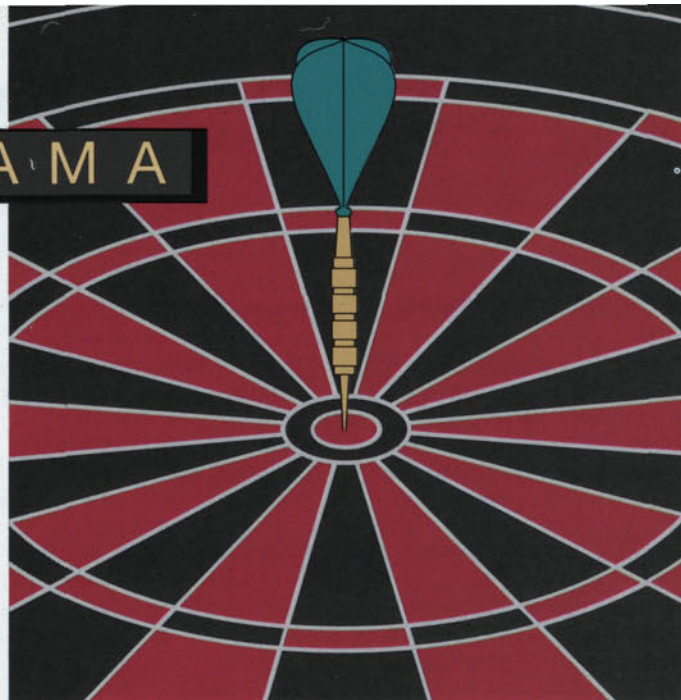
His garage-cum-workshop houses some 250 sticks at one end, 'curing' in the darkness. They must stand for between one and four years before they can be carved or fitted with handles so all are carefully labelled as to place and date of origin. By the little window at the other end there is a bone-hard dried deer's foot ready to become a



# DACORUM DRAMA

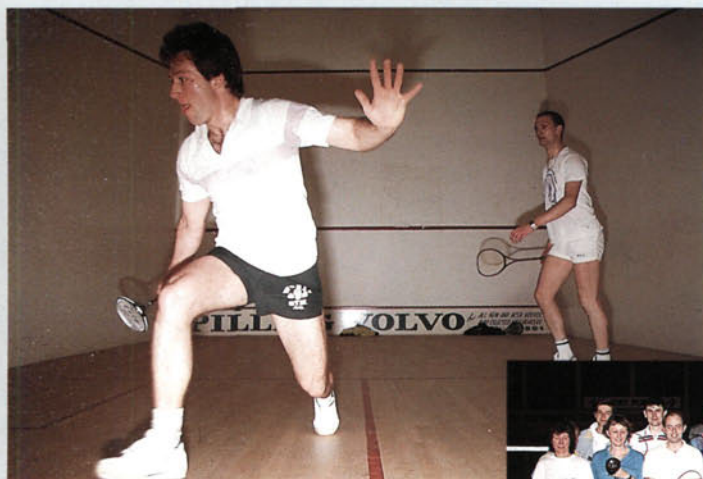
Sunday April 26 was a miserable rainy day outside, but inside the Dacorum Sports Centre in Hemel Hempstead spirits were high as the annual SSA badminton, darts and squash sports bonanza got under way.

John Bagley of Thanet throws straight as an arrow... earlier in the day anyway!



The atmosphere was charged in the darts hall as a feat of organisation whittled down almost 200 entrants to the fever-pitch finals. The empty glasses and full ash trays on the tables bore witness to the attempts to steady frazzled nerves, though **Woodhall Farm** were guaranteed a victor from the men's singles final since both competitors heralded from that store.

On the squash courts the players were a little calmer, though every bit as competitive as the darts. **Damien Ive** and **Sandra Smith** must have experienced a feeling of déjà vu as they repeated their respective runner-up and winner positions of last year's singles. The SSA would particularly like to thank **Richard Booth** for stepping in at the last minute to organise that event.



Damien Ive (right) gives Andy Whitfield of Nine Elms the runaround on his way to the final.



The badminton finalists.

Meanwhile, on the badminton courts, a drama was unfolding as **Jenny Burnham** dislocated her shoulder in the quarter finals of the mixed doubles. She was taken off to have it fixed by the first-aiders and returned ten minutes later to win her match and, ultimately, the ladies' final.

EVENT	WINNER	RUNNER-UP	EVENT	WINNER	RUNNER-UP
<b>BADMINTON</b>			<b>DARTS</b>		
LADIES' SINGLES	Jenny Burnham, <i>Alperton</i>	Christina Stanbridge, <i>Chase Lane</i>	LADIES' SINGLES	Angela Dawson, <i>Muswell Hill</i>	Karen Rowbottom, <i>Burpham</i>
MEN'S SINGLES	Phil Shaw, <i>Charlton depot</i>	Alan Rand, <i>Lords Hill</i>	MEN'S SINGLES	Richard Jones, <i>Woodhall Farm</i>	Paul Lovell, <i>Woodhall Farm</i>
MEN'S PLATE	Steve Keen, <i>Chiswick</i>	Peter Graham, <i>H.O. branch services</i>	LADIES' PAIRS	Trudy Starr and Doreen Wain, <i>Potters Bar</i>	Sue Morgan and Gill Whiter, <i>Woodhall Farm</i>
LADIES' PLATE	Avanda Hopwood, <i>H.O. distribution division</i>	Julie Harris, <i>Sutton Coldfield</i>	TEAMS	Woodhall Farm	Muswell Hill
LADIES' DOUBLES	Christina Stanbridge and Pauline Culling, <i>Chase Lane</i>	Julie Harris and Margaret Leithead, <i>Sutton Coldfield</i>	<b>SQUASH</b>		
MEN'S DOUBLES	James Mailley, <i>Dulwich</i> and Andy Mayall, <i>Eltham</i>	Steve Keen, <i>Chiswick</i> and Peter Graham, <i>H.O. branch services</i>	LADIES'	Sandra Smith, <i>Luton</i>	Janet Morris, <i>Eastern Area Office</i>
MIXED DOUBLES	Avanda Hopwood, <i>H.O. distribution</i> and Phil Shaw, <i>Charlton depot</i>	Wendy and Alan Rand, <i>Lordshill</i>	MEN'S	Jonathon Hymas, <i>Stafford</i>	Damien Ive, <i>Derby Homebase</i>
			PLATE	Crispin On, <i>Dulwich</i>	Sandra Smith, <i>Luton</i>

# PEOPLE

## APPOINTMENTS

**KEVIN JENNER**, from store manager, Romford, to store manager, West Green. **PHILLIP CHAPMAN**, from store manager, New Barnet, to store manager, Romford. **CHRISTOPHER BAGGALEY**, from store manager, Ashford, to store manager, The Warren Ashford, for the opening. **PETER ISAAC**, from store manager, Sittingbourne, to store manager, Thanet. **MARTIN RAYE**, from store manager, Dartford, to store manager, Sittingbourne. **GEORGE SMART**, from store manager, Peckham, to store manager, Dartford.

## LONG SERVICE

*Employees who have completed 25 years' of service are:*

**JEFFREY ANNETTS**, meat manager, Solihull. **CORINNE BAILEY**, meat preparation assistant, Bexhill. **TRYPHENA BIRKBECK**, deputy manager, customer services, Kempston. **DEREK BLOOMFIELD**, senior deputy manager dry goods, Bury St Edmunds. **ROBERT BRADLEY**, driver, Basingstoke depot. **EDITH BROADHURST**, restaurant assistant, Basingstoke depot. **CHARLES BURNAND**, depot supervisor, Basingstoke depot. **KATIA CASWELL**, cash office clerk, Farnham. **PETER CHALLONER**, driver, Charlton depot. **COLIN CHIPPERFIELD**, driver, Buntingford depot. **NICOLE COLELLA**, returns warehouse, Basingstoke depot. **BETTY DAVIS**, checkout/replenishment, Barkingside. **NORA DICKSON**, director's secretary, Blackfriars. **KEITH DOLTON**, clerk, Basingstoke depot. **DEREK EELS**, warehouse manager, Buntingford depot. **ROBERT ERSKINE**, section manager, dry goods, Kings Lynn. **DOREEN FENWICK**, checkout/replenishment, North Cheam. **FREDERICK FISH**, driver, Buntingford depot. **MICHAEL FLAHERTY**, despatch and returns, Charlton depot. **DAVID FOSKETT**, depot foreman, Basingstoke depot. **ANNIE GAUDER**, checkout/replenishment, Solihull. **BRIAN HALL**, assistant contract manager, Buntingford depot. **JOSEPH LANGRON**, perishable warehouse assistant, Basingstoke depot.

**DAVID PAGE**, returns operative, Buntingford depot. **JUNE PAUL**, checkout/replenishment, Bishops Stortford. **ARTHUR SAVAGE**, depot shift warehouse supervisor, Hoddesdon depot. **PAM SLAUGHTER**, checkout/replenishment, Eastbourne. **ALAN STEVENS**, driver, Basingstoke depot. **ROBERT WARNE**, depot shift warehouse supervisor, Hoddesdon depot. **JAMES WELLER**, warehouse management, Buntingford depot.

## RETIREMENTS

**ALAN CARROLL**, reception manager, Poole (39 years). **KEN HAYWOOD**, manager, Boscombe (38 years). **BRIAN MANN**, district engineering manager, Eastern area (38 years). **RON MILER**, reception manager, Tonbridge (38 years). **TOM McLAUGHLIN**, meat manager, Sidney Street, Cambridge (35 years). **ALAN DEACKES**, store warehouseman, Maidstone (29 years). **ALAN MEHEN**, food safety officer, Kettering (28 years). **ALFRED BROWN**, trolley retrieval, Coventry (26 years). **BRENDA FISHER**, checkout/replenishment, Queens Road (23 years). **JOYCE HART**, cash office clerk, Bedford (22 years). **DOREEN MORLEY**, kiosk assistant, Dorking (21 years). **DOREEN ARAM**, evening display assistant, Arnold (20 years). **MARY LEAHY**, grocery replenishment assistant, Wood Green (19 years). **GORDON PIMM**, store warehouseman, Taunton (18 years). **PAT SISSONS**, checkout/replenishment, Boscombe (18 years). **NETTIE CHRISTIAN**, cook, Bedford (17 years). **JOAN FRANCIS**, grocery assistant, Chippenham (17 years). **CISSIE HALLOWELL**, cleaner, Chatham (17 years). **IRIS WHITMORE**, cleaner/packer, Coventry (17 years). **MONICA SHELBOURN**, BPM, Wood Green (16 years). **VERA WOODWARD**, cashier, Chatham (14 years). **HEATHER DAPLING**, meat preparation assistant, West Wickham (12 years). **JOYCE FARQUHAR**, bakery counter assistant, Uxbridge (9 years). **KATH O'DELL**, bakery assistant, Kettering (9 years). **JUNE DERY**, grocery replenishment assistant, Uxbridge (8 years).



**Ernest Rabbitt (right) with Ron Miller who retired from Tonbridge at the same time.**

**ERNEST RABBITT**, warehouseman, Tonbridge, has retired after 45 years' service with the company. Ernest, better known to most as 'Bun', started his career with JS in September 1947 at West Croydon as a counter hand. Some of his first jobs were to cut cheese, bone bacon, skin rabbits and truss game.

Bun moved around and worked in many different stores, including Harrow, Tonbridge, Tunbridge Wells and Crawley, as well as doing two years National Service in the RAF.

When the store manager was away, Bun often stood in as relief manager.



**Bob gets a rousing send-off from his colleagues.**

**BOB MITCHELL**, produce manager, has retired from Hemel Hempstead after 45 years' service with the company.

Bob joined JS in 1947 at Thornton Heath, then the following year transferred to Golders Green, North London. He worked in a selection of stores before settling down as produce manager at Borehamwood. He stayed there until 1989, when the store closed, and then moved on to Hemel Hempstead. The staff at Hemel Hempstead held a party for Bob, where he was presented with a gold watch.

In his retirement Bob hopes to be able to travel around Britain, continue with his hobbies of swimming, reading, walking and, last but not least, shopping at JS!

## OBITUARY

**PAUL ANDREWS**, BWS supervisor, Northfield, died as a result of an accident on October 23 1991, aged 21 (6 years).

(This was included belatedly at the special request of the store.)

**NEW**  
5 000134 005150

**LINES**



**CHICKEN WITH EASTERN PROMISE**

To cater for those with more adventurous tastes JS has launched two exciting new varieties of chicken.

Indonesian Style Chicken Breasts are marinated in yogurt, green chilli and lemongrass. Thai Style Chicken Breasts come in a ginger and lime marinade.

As additions to an existing range of marinated chicken breast, these products retail at £2.69 and are in selected stores only.

**SPECIAL SPUDS**

Snack Jacket Potatoes have now been added to the already extensive range of JS microwaveable meals. The potatoes are ready filled and part cooked, to make them a convenient snack which can be ready in minutes.

Available in three varieties: Chicken and Broccoli, Chilli Con Carne and Cheddar Cheese, they retail at 99p and are available in most stores.



**BITES AND FINGERS FOR KIDS**

JS has launched two new snacks especially for children.

Savoury Fingers with Marmite, and Burger Bites come in fun shapes and are presented in bright packaging with eye-catching designs.

Available in most stores, Savoury Fingers retail at 20p for 30g and Burger Bites at 33p for 50g.

**VINTAGE VINEGAR**

Exclusive to JS is new Balsamic Vinegar, which has been produced in Modena, Northern Italy from grape juice since the 16th century.

Aged in wooden casks, this dark amber vinegar is the perfect accompaniment to salads, meat, seafood and vegetables. It is also delicious as a marinade.

The vinegar is available in selected stores at an introductory offer price of £1.69.



**LA CREME FRAICHE D'ISIGNY EST ARRIVE**

Normandy provides the latest addition to the JS dairy department. Crème Fraîche D'Isigny is a thick French soured cream with a pleasantly sharp taste.

Crème Fraîche has the advantage of not curdling when heated, and can be added to many sweet and savoury dishes. It can be used to create smoother, creamier sauces, added to baked potatoes or simply as a topping to fruit desserts, pies and puddings.

Available in all stores at 75p for 200ml.



T

his month the archives look back at the history of the uncelebrated shopping trolley, a convenience most of us take for granted.

In 1936, Oklahoma businessman Sylvan Goldman observed that customers in his stores tended to stop shopping when the baskets provided were too heavy or were full. Inspired by a pair of folding chairs, he experimented with a folding basket-carrier on wheels, which might encourage shoppers to purchase more. Early designs failed since the contraptions had the disturbing habit of capsizing or folding up on themselves at the slightest provocation.

After refinements had been made, the trolley made its first appearance in American stores in 1937 as a wheeled cart with two wire baskets mounted on it, one above the other. The initial response was less than enthusiastic; housewives, weary of pushing babies in prams, were unwilling to use them. However, by planting men and women using the folding carriers in his stores, Goldman was soon able to convince customers of their benefits.

During their visit to the United States in 1949, Alan Sainsbury and Fred Salisbury observed these trolleys in American supermarkets. Mr Salisbury reported for the *Journal*: 'The routine of self-service is probably well-known over here by now, and the customer passing through the turnstile helps herself to what might be termed a pram and, proceeding along the aisles, helps herself to the goods on show. Even if she does spend half to three quarters of an hour in this way, she has no more food shopping to worry about for probably a week or longer. It is not unusual to see one or more 'bundle boys' carrying or even trucking a customer's purchases out to her car.'

In 1950 the trolley made its debut in Sainsbury's new self service store at Croydon. An opening brochure for this exciting 'Q-less' branch explains to the uninitiated customer 'As you go in, you are supplied with a special wire basket or "pram" - to collect your purchases as you go round'.

One reason for the simple framework shape of the early trolleys was the need for them to

'nest' in order to save space and to make collection easier. The photo of the new Harlow store in 1957 shows one early design.

In 1956 Mr J D Sainsbury observed a new style of shopping trolley in use in Canadian self-service stores that incorporated specially designed seats for children. This now familiar design was in use in JS Portsmouth branch by 1960.

Another innovation came in 1973, as supermarkets grew in size and following a spate of baby-snatching cases, with the introduction of baby cradles that could be attached to trolleys so that there was no need to leave babies outside the shops.

## ARCHIVES



During the 70s abandoned trolleys became a growing problem as one passer by obviously noticed.

## THE SHOPPING TROLLEY



Trolleys at Harlow in 1957.



The new baby cradle trolley introduced in 1973.

In 1975 the Kempston 'super-trolley' appeared. This was larger and quieter than previous versions with a special locking device to prevent trolleys running away. Abandoned trolleys became a growing problem in the 70s, with the *Journal* reporting an annual loss of 5,000 in 1976. One solution was the introduction of trolley deposit schemes in town centre stores. This, together with the more recent innovation of trolleys with special wheels designed to 'grip' the ramps at store perimeters, have gone a long way to improving the safety record of the ubiquitous trolley.



# The Sainsbury Group Results



## What do the results mean?

The financial results of any large company are complex. What we have tried to do on these pages is to examine just what the results mean for staff directly, through profit sharing, and also for the company, through reinvestment in the business that is so essential if we are to continue to meet our customers' expectations.

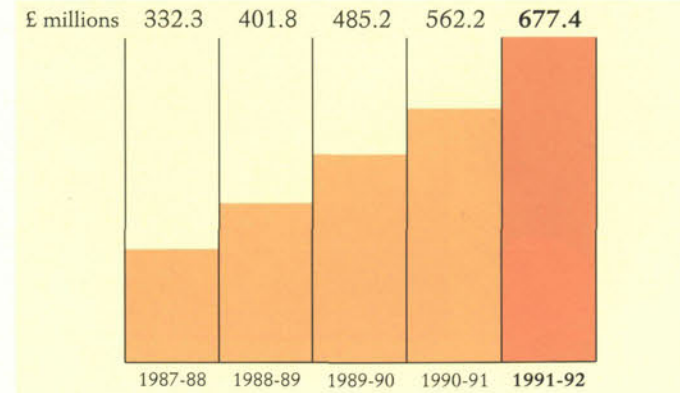
I should like in this, my last year as Chairman, to start by expressing my thanks and appreciation to all staff. The past year has not been an easy one, with difficult trading conditions throughout the group. In the UK, there has been the added competitive feature of Sunday trading. Staff everywhere have responded magnificently to the challenges of the year, and 'given their all' in the intensely competitive climate we have. Our success in the past year is your success and a clear demonstration of your abilities and commitment to serving the customer as well as is possible.

I pay tribute to all those staff, both past and present, who have worked for the company during my Chairmanship. They have followed what, within the company, is often called the 'JS tradition' and shown a spirit and determination to excel and out-perform competition during all these years. I am deeply grateful to you all for making possible the success we have enjoyed during my term as Chairman.

To conclude, I should like to express my great confidence in the top management to be led on my retirement by my cousin David Sainsbury. I know they will take the business from strength to strength. I wish them every success in the years ahead.

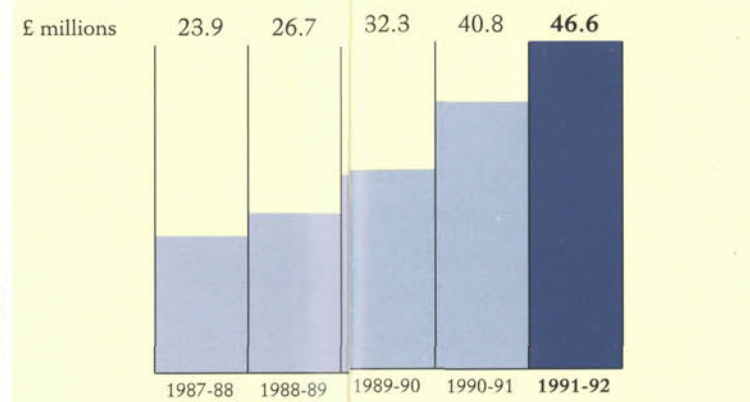
Sainsbury,

### GROUP PROFIT OVER THE PAST FIVE YEARS



Group profit before profit sharing and tax.

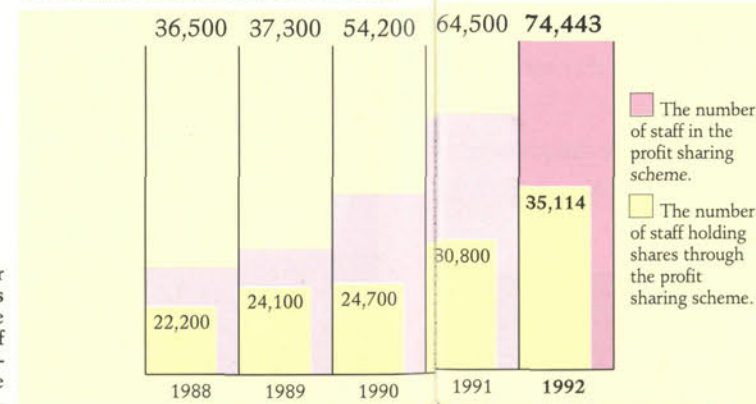
### STAFF SHARE OF PROFIT



Staff have received a total of more than £170 million in shares and/or cash over the past five years.

Figures shown here exclude employer's National Insurance.

### STAFF IN PROFIT SHARING SCHEME



This year 74,443 members of staff will share in a profit fund of £46.6 million - £5.8 million more than last year.

### SHARE MOVEMENT OVER THE PAST FIVE YEARS



Our share price has increased by an average of 10% per annum over the past five years.

Figures are from 31st March 1987 to 31st March 1992.

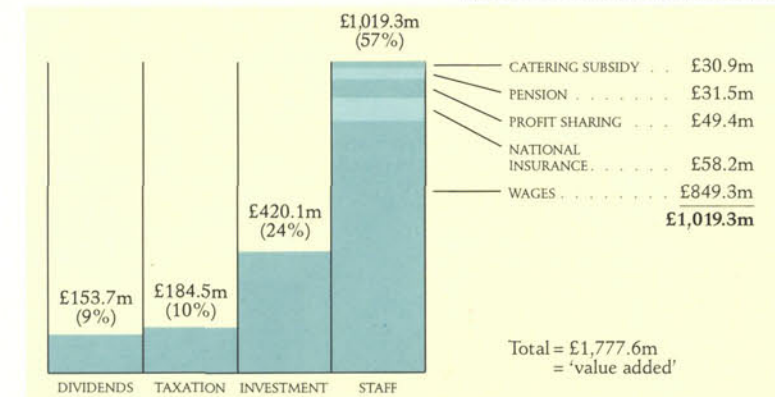
The figures are adjusted for the Rights Issue.

### THE VIRTUOUS CIRCLE



The continuing success of our business is driven by the efforts of our management and staff.

### WHERE DOES THE MONEY GO?

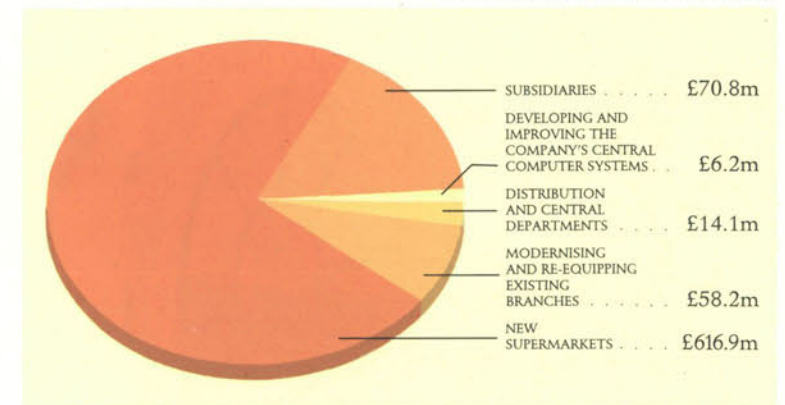


'Value added' is the difference between sales income and the cost of bought-in goods and services. This value is shared among our staff, shareholders and the taxman, with the remainder retained in the business for investment.

### HOW DOES OUR PROFIT SHARING COMPARE?

The JS UK profit share allocation of £49.4 million (including National Insurance) in 1991-92 represents 9.8% of salary. This compares with Tesco's £23.8 million (5% of salary) and M&S's £16.2 million (4.4% of salary).

### INVESTMENT FOR THE FUTURE



Putting money back into the business is vital for future growth. Last year a total of £766 million was invested: £420 million from retained profits and £346 million from other sources, including the 1991 Rights Issue, borrowings from banks and institutional investors.

# J SAINSBURY

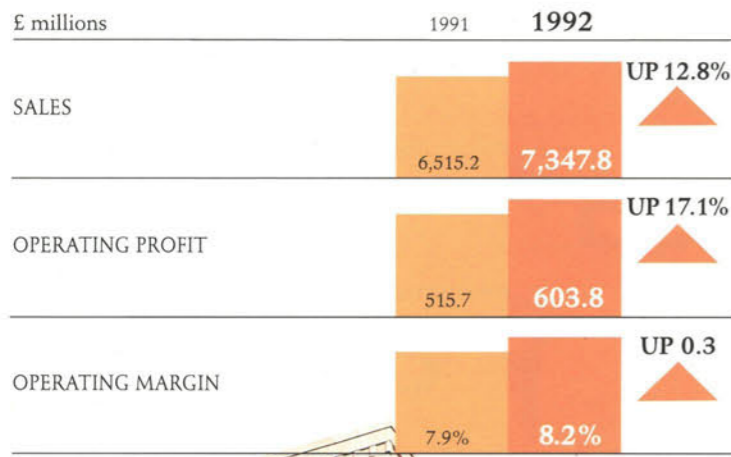
The J Sainsbury supermarkets, here referred to as JS, account for 80 per cent of the group's business.

JS had a most successful year as shown by the results below.

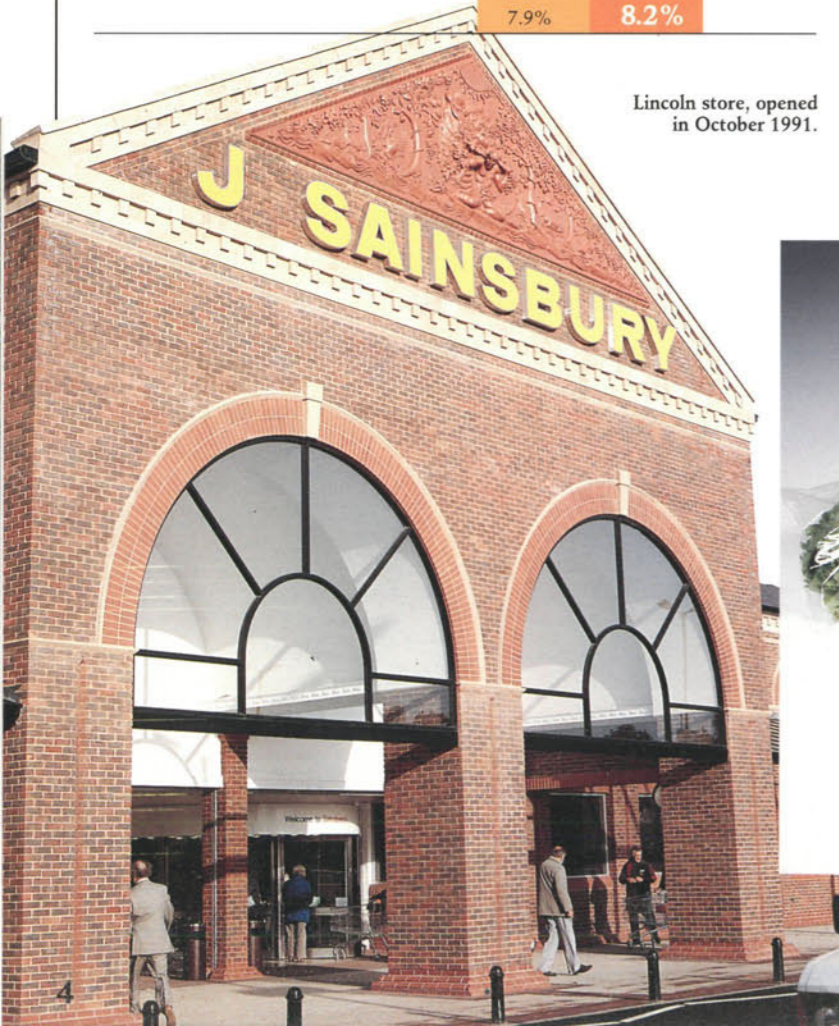
Twenty one supermarkets were opened and seven closed, giving the largest ever net increase in sales area of 681,000 square feet. JS opened its first supermarket in Scotland, at Darnley outside Glasgow, and its largest, near Southampton, in a joint development with Marks & Spencer.

The following four pages look at other developments at JS as well as some Sainsbury's group activities in the last financial year.

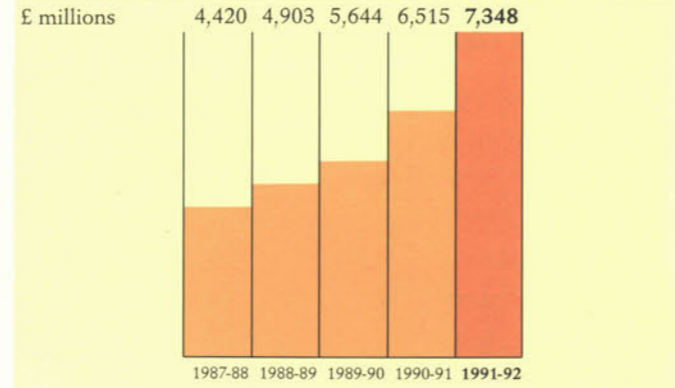
## RESULTS - JS



Lincoln store, opened in October 1991.



## JS SALES GROWTH IN THE PAST FIVE YEARS



Sales have increased by an average of 13.3% per annum over the last 5 years.

## Fresh ideas

Last year our supermarkets served more than seven million customers each week. The demand from those customers for quality, value and fresh ideas was answered with a wealth of new products, services and merchandising.

JS introduced 1,500 own brand products alone: Meals for One represent outstanding value; Nature's Compliments for Men add a new dimension to a very successful range; Duet Yogurts proved so popular the idea was taken further with Cottage Cheese Duets, and the bakery's new range of 'donuts', cookies, fudge brownies and blueberry muffins scored the biggest transatlantic hit since the Sainsbury's Diner range.

Also in bakeries, Celebrity Cakes were introduced and they are now available in more than 100 stores.



1,500 own brand products alone were launched last year.

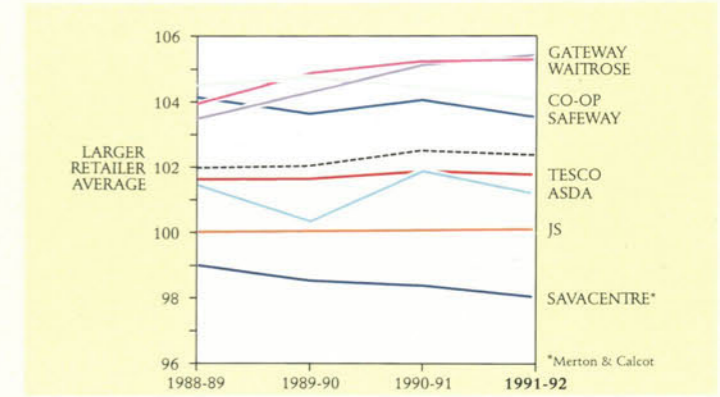


Fresh fish is now sold in almost all stores as we developed new packing methods allowing it to be distributed with other perishable foods.



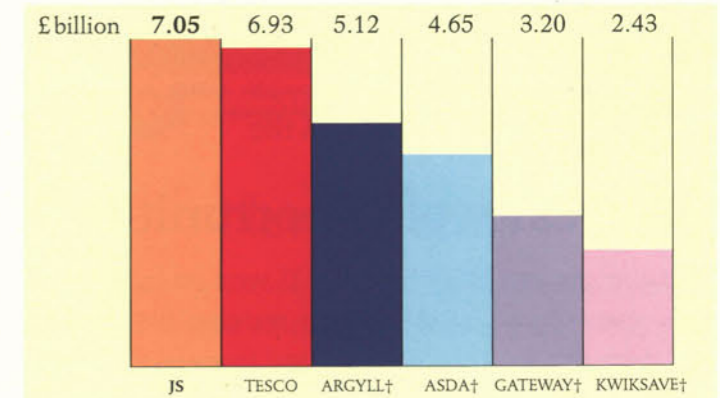
A new merchandising idea in the cheese department was Pick and Mix: 17 varieties are offered in small packs to be selected in combinations of six for a set price.

## PRICE COMPETITIVENESS



Over the last year JS has maintained its price advantage of around 2% below major competitors.

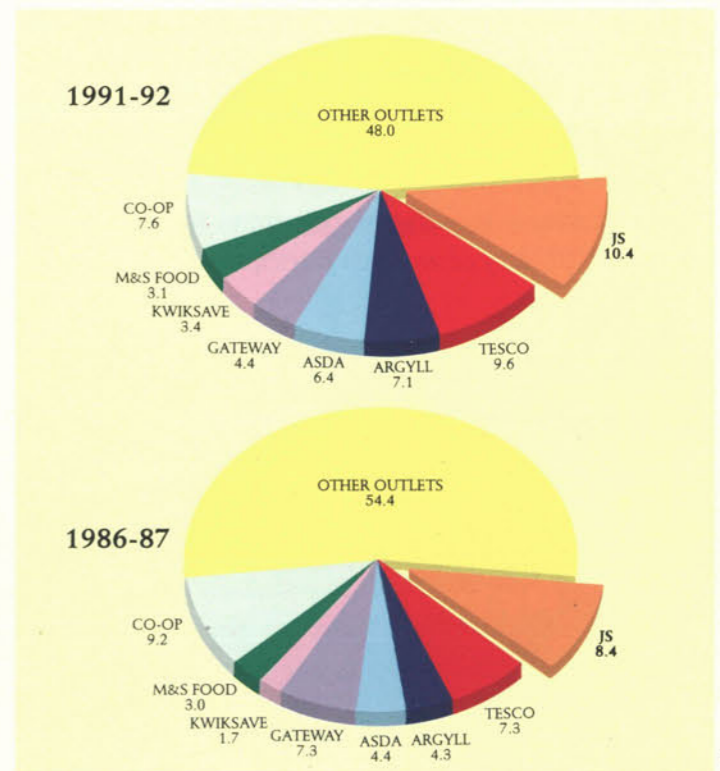
## SALES COMPARISONS



JS supermarket sales of £7.05 billion are £0.12 billion more than Tesco. These figures exclude petrol sales.

† Brokers estimates.

## % MARKET SHARE



JS and major competitors sell a range that includes off licence products, toiletries and pharmaceuticals, confectionery, newspapers and tobacco. Market share relates sales to the market which includes these items as well as food.

Note: JS and Savacentre are combined. Argyll includes Safeway.



Customers appreciate the increased choice available in our larger stores such as Dulwich. Joint managing director, David Quarumby, meets a customer at the opening in March 1992.

## A wealth of opportunities

During the year 8,500 people at JS were promoted.

JS spent over £30 million on training for staff to help them develop their potential and increase their skills and knowledge.

The Retail Training Scheme for school leavers, now in its third year, was completed by a further 250 people; 150 young people who started out on the scheme have gone on to become section managers.

Over 100 trainee managers are now on the distance learning BA Honours Degree course in Retail Marketing sponsored by the company at Manchester Polytechnic.

The company became a founding member of Opportunity 2000, an initiative encouraging companies to increase the quality and quantity of women's participation at all levels.



Northern area bakery specialist, John Douggie is pictured (centre) with Brett Elliot from Arnold (left) and Lee Attenborough from Broadmarsh, both award-winning students at Clarendon College where they completed three-year courses in bakery skills.



The new training package for staff handling perishable foods has now been completed by nearly 40,000 Sainsbury's employees. It is the only programme by a retailer to be accredited by the Institute of Environmental Health Officers. Pictured are food safety officers and store instructors at Streatham Common receiving their certificates before presenting the package to their staff.

## Sainsbury's at large

Charitable giving by Sainsbury's last year amounted to £1.4 million, but commitment went beyond financial support:

seconded managers made tremendous contributions to organisations like Re-Solv, the solvent abuse charity. In addition, approximately £750,000 was raised by staff themselves for many different causes.

Arts sponsorship had a busy year which saw the launch of the Sainsbury's Awards for Arts Education; 19 arts organisations and schools received a total of £250,000, creating opportunities for young people in all parts of the UK to work with professional dancers, musicians, actors and artists.

Last year £800,000 was made

available through the Link school scheme for stores to help schools in their area with a wide variety of projects.



Sainsbury's continued to make strenuous efforts to help the environment. The Penny Back scheme was relaunched and customers have now donated £405,000 in returned pennies to local charities. The number of recycling facilities at stores has increased: there are now 190 for glass, 137 for cans, 58 for paper, as well as 15 for plastic bottles, three for aluminium foil and one for cartons. Many more stores have local authority facilities nearby.

David Lamphee, in-store cleaner at Hedge End, uses the baling machine which prepares waste packaging for recycling.



Joint managing director, Tom Vyner, watches Sue Commercial, admin manager at Springfield, using the new CARES system.

## New systems

Last year the company spent £11.6 million in updating systems to increase efficiency and ensure that our customers receive the best possible service.

Staff have been operating CARES – the Customer Complaint Analysis and Response System – which monitors customer complaints and allows us to act upon problem areas more rapidly.

Basingstoke depot is pioneering the new Transport Operations Planning System – TOPS – which schedules deliveries by computer. As a result we have fewer vehicles on the road and the fleet has reduced the miles it covers.

New systems, now being installed, collect information from the checkouts to help predict demand for products more accurately.



The first Sainsbury's supermarket in Scotland is at Darnley, outside Glasgow.



DINO ADRIANO  
Chairman and  
managing director

# HOMIEBASE

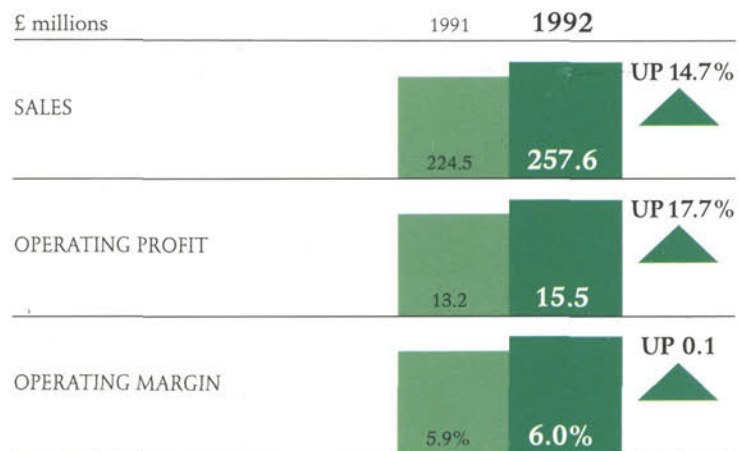
Last year was the third consecutive year of recession in the home improvement industry. It also saw the advent of major price discounting by our competitors.

Despite this, we increased our market share with the help of a strong product offer, the quality of our store operation and the success of our Spend & Save card. This, together with tight control of costs, and the continuing commitment from management and staff, has enabled us further to improve our profitability.

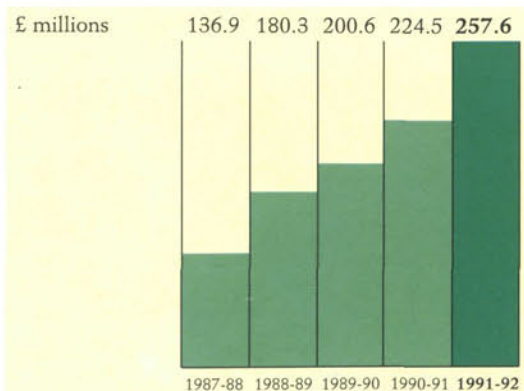
Thank you all for your very real contribution to our continuing success.

D B Adriano, Chairman

### RESULTS - HOMIEBASE



### SALES GROWTH IN THE PAST FIVE YEARS



Tunbridge Wells opened opposite the existing Sainsbury's supermarket.



## Spend & Save

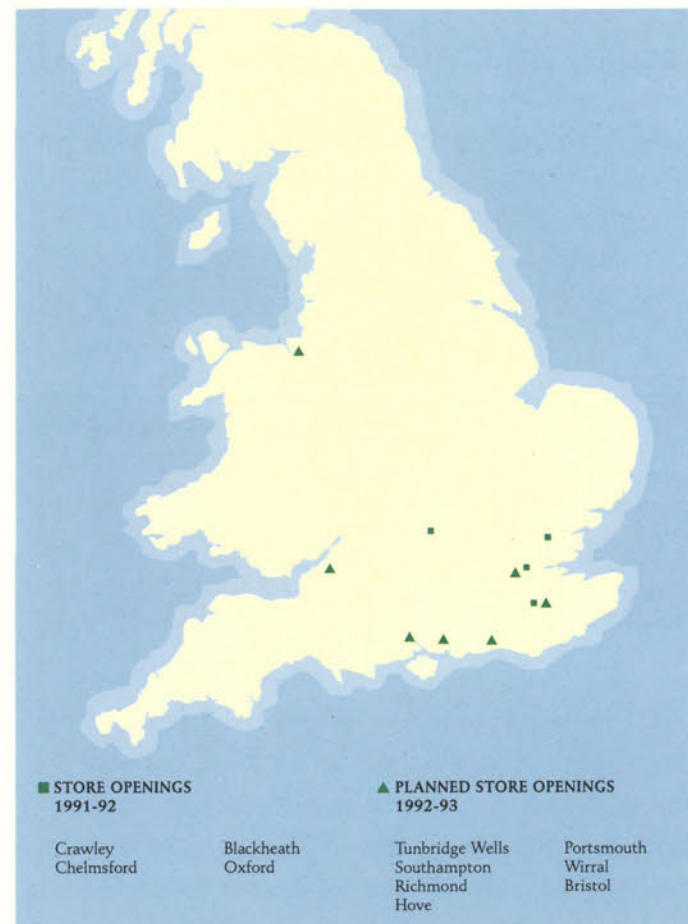
The start of the financial year saw the launch of the Spend & Save Customer Loyalty Card and there are now more than half a million card holders. The card is the first of its kind in the UK and has provided a real stimulus to sales. It will continue to feature strongly in Homebase's marketing strategy and the aim is to achieve one million card holders by the end of this year.

## Scanning

At the end of the financial year scanning went on trial at Chichester. Early results are encouraging and all new stores from Portsmouth onwards will open with scanning. All existing stores should be converted by January 1995.



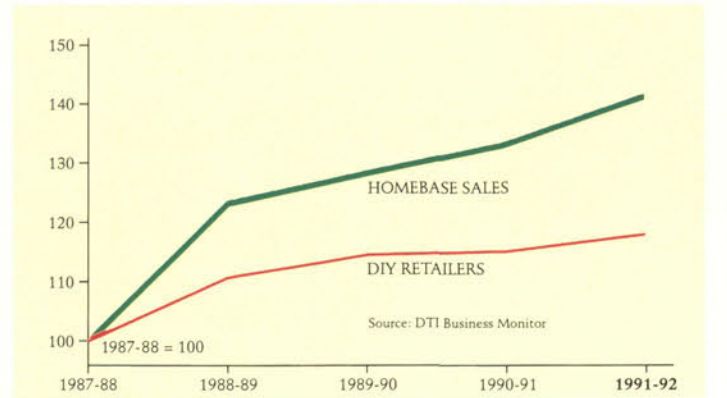
Homebase's new Composted Bark, an environmentally friendlier alternative to peat, is produced from the bark of conifer trees commercially grown for the timber industry.



## New lines

During the year nearly 2,000 products were introduced across all ranges. Fifty new catalogue pages were produced for

### REAL SALES PERFORMANCE COMPARED WITH ALL DIY STORES



the Extra Choice offer and 460 own label products were added, which means that own label now accounts for 25 per cent of turnover. Another 500 own label lines will be added this year.

## Garden buildings

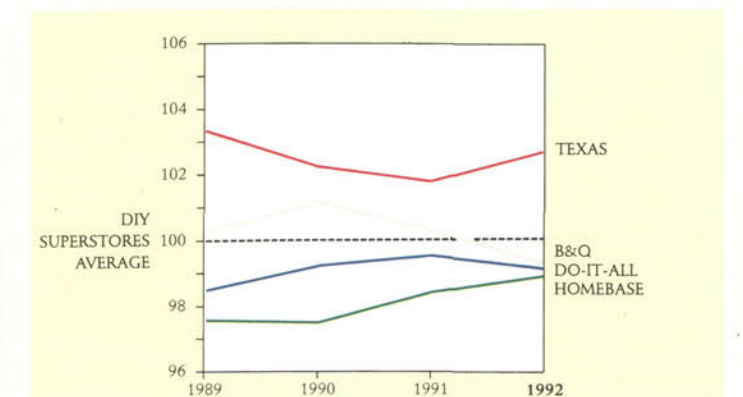
Waltham Cross was the busy shopping location chosen for a new initiative to develop our garden buildings trade. A 10,000 sq ft landscaped external area features more than 50 display buildings including conservatories, sun lounges, garages, sheds and greenhouses.

The offer is advertised through nine satellite stores in North London and the prices represent excellent value.

## Brackmills depot

Work is now well advanced for the move from the existing distribution depot at Westgate, Northampton, to the new depot at nearby Brackmills, and will commence deliveries in October. The depot will offer excellent facilities for storage and vehicle access and will enable Homebase to increase the number of commodities in central distribution. By June 1993 we expect the depot to have 11,000 commodities representing 60 per cent of sales.

### PRICE COMPETITIVENESS



The Homebase shopping survey confirms that Homebase remains competitive when compared with all major competitors.