

Our stores donate almost £8000 to St Andrews cancer charity

CUSTOMERS and staff at David Sands have raised almost £8000 for the Association for International Cancer Research (AICR), a St Andrews-based charity which has invested almost £140 million in cancer research to fund vital work in all areas of the disease.

David Sands has been supporting the charity for almost five years and last year donated almost £15,000 to AICR towards its global work in areas ranging from investigating the mechanisms which cause cancer, to improvements in its prevention, diagnosis and treatment.

All future funds raised by customers and staff at David Sands will go directly towards funding a UK prostate cancer project. AICR chief executive Norman Barrett, who received a cheque for £7769.80, said: "We are very grateful to the management of David Sands Ltd, not only for nominating us to receive this award, but also for their continuing support and generosity for our work.

"Local stores play an important role in the community and are extremely generous in their support of charities, schools and events in their neighbourhoods. David Sands is a magnificent example of that investment in the community. Thanks to campaigns like this and our other fundraising avenues, we should be able to fund around 25 new projects at the September meeting of our Scientific Advisory Committee."

David Sands has raised the funds for cancer research by charging customers 2p for a carrier bag and supporting the recently launched 'Making A Difference – Locally' campaign. This is a new charity that has been launched to help independently-run local stores add value in their communities through donations to local charities or good causes.

Local stores are at the heart of communities and ideally placed to provide their customers with a personal and friendly service during their shopping trip. The 'Making A Difference – Locally' charity will help them further cement their position in their communities. Over 2000 stores nationwide – all members of the Nisa-Today's and Costcutter retail groups – are participating in the new campaign.

Our chairman Lindsay Sands said: "Our staff have always got behind local fundraising efforts and are genuinely enthusiastic when it comes to supporting good causes. There are few of us whose lives are untouched by cancer so we are delighted to support this local charity in its global research.

"We are a long-time supporter of various charities and many other local causes, and our pledge is to raise £1 million for cancer research."

AICR, established in late 1979, has the slogan 'Cancer knows no boundaries: fortunately neither do we'.

AICR currently has 234 active projects, split into 105 UK and 129 overseas (including 14 prostate and 10 bowel cancer projects) at a cost of £40,571,635. The average cost of a project (including the fellowships) is £173,383. The overall spend on research to date, on 1762 projects throughout 32 different countries, is £137,957,566. As AICR has no geographical boundaries, it can fund the best cancer research proposals it receives, regardless of where in the world the projects are carried out.

**Find out more about AICR at:
www.aicr.org.uk**

Geraldine Long, the charity's development manager (left); AICR's chief executive Norman Barrett; Mrs Edith Sands; and our chairman, Lindsay Sands.



News in Brief

• THERE'S NOTHING LIKE KEEPING IT IN THE FAMILY AND the latest baby to join the David Sands "family" is Owain, gorgeous little son of Steph Keast, trainee manager at North Muirton, Perth and her partner Will Morris, store manager at Auchtermuchty. Martin Hunter, supervisor at Burntisland and his partner, Kelly have also recently had a baby boy – Ethan. Congratulations to you all.

• Well done to Isabel Pitblado, supervisor at Methilhill, who has been promoted to manager at Wellesley Road, Methil. Meanwhile, Tracy Richardson, supervisor at Cardenden, has been promoted to manager at our new Kinglassie store. Both appointments prove that there are fantastic opportunities within David Sands to further your career.

• We're gearing up for another Big Breakfast. This event is being held in Lochgelly West Primary on St Andrew's day and will have a Scottish theme – porridge for starters – and will see both parents and children come together to sample our food and hopefully pick up some healthy eating tips and advice.

• David Sands has been shortlisted for the Perthshire Business Star Awards 2010. These awards recognise innovation, creativity and customer service and are organised by Perthshire Chamber of Commerce. We are up for an award in the Business in the Community category and will find out if we have won at a dinner at Crieff Hydro on Friday, 26th November.

Trainee Manager Development Programme

FOLLOWING on from our inaugural Trainee Manager Development Programme, launched last year to ensure that the company has highly trained managers ready to move into new stores as and when we open them, we are delighted to report that three new trainees have now embarked on the 2010-11 programme.

They are:

Hazel Sharp, Linburn Road, Dunfermline
mentor: Marjorie Watts

Kirsty Thomson, Markinch
mentor: Keith Fernie

Debbie Harold, Auchtermuchty
mentor: Stephen Brown

The course commenced in June and consists of six modules plus the trainee's

own personal project. Each trainee will work on their own project with their mentor. Explained training manager Isabel Barclay: "Each project must be beneficial to the company and, if successful, will be implemented into the business. Hazel, Kirsty and Debbie will present their project to the board at the end of the course in March 2011.

"Our first Trainee Manager Development Programme was hugely successful so it's great to be able to follow this up with a new batch of trainees. As we continue to open new stores, it's really important that we have suitably qualified individuals who want to develop their career with David Sands ready to take charge of them."

I HOPE you all like the new look Shelflife magazine? Albert Einstein once wrote, "Insanity is doing the same thing over and over again and expecting a different result".



David Sands: "I am very aware that our business needs to keep changing in order to keep one step ahead of our competitors."

I am very aware that our business needs to keep changing in order to keep one step ahead of our competitors. For that reason I am especially delighted to welcome members of our new team at Linburn Road, Dunfermline. This store was a completely new build and only the second store we have built entirely. The site is on a busy road and already car parking spaces are at an absolute premium, especially at the weekend.

The store opened at the end of July and has been very successful selling Stephens products and Food to Go – it is already our busiest such store. We think this is a model for what our future stores may look like.

We have almost completed the negotiations on our 30th store in Woodside Road, Glenrothes. Once again, this will be a new-build store and will also have a hot food take-away unit next door. We hope that this store will be ready in the summer of 2011.

Many of you will have noticed that we announced our financial results in the press recently. These

results were to the end of December 2009 and showed total sales up 13.9% to £39.4m and pre-tax profits up just over 5% to £1.4m. But before you all think that the Sands family will be spending their time sunning themselves it is worth pointing out that we invested almost £1.7m on new stores and store refurbishments.

We have already invested a similar amount this year. Sales targets have been tougher to achieve this year, with current like-for-like sales growth around +1-2 % and that's why we have to be particularly careful about costs and stick firmly to our targets. I know that many of our stores have found wage cost control challenging – we all understand this and do appreciate the effort that is going into achieving these targets. Our management accounts for the first 36 weeks of this year indicate that our profits are up about 4%.

Meanwhile, our Central Kitchen in Kinross has had a remarkable first year and I would like to record our thanks to Stephen, Teresa and the team for what they have achieved. We now produce over 50 different products from the kitchen each day. Sales of our ready meals have been tremendous and this is something that we really did not do very well with when we bought in product. Our customers tell us how much they love our macaroni and lasagne! Just wait till they try our new recipe stovies!

I spent most of 24th September visiting stores and seeing for myself the effort many of you make in raising money for Macmillan Cancer Support. We raised nearly £17,000, around £5000 more than last year. This is tremendous and I want to thank the many staff who helped raise money. I know many gave up days off and this was truly appreciated, especially by the team at Macmillan.

A word from the Chief Executive

Safe Retailer Award for David Sands

DAVID Sands was among the local businesses to receive awards for effective management and good practice in the sales of age-restricted products in a new Perth and Kinross initiative.

Our five Perth stores, plus the Kinross and Bridge of Earn stores, all won Perth and Kinross Safer Retailer Awards, along with major retailers Marks & Spencer and WH Smith.

Perth and Kinross is one of four areas in Scotland piloting the awards before they go national in 2011. They are targeted at retailers who sell age-restricted products including alcohol, cigarettes, fireworks, knives, DVDs and lottery tickets. Nine licensed premises have been assessed under the awards criteria in this pilot year, and were presented with certificates by Provost John Hulbert at the ceremony in the Civic Lounge.

The aim of the awards is to give applicants the opportunity to show they meet and surpass the criteria required. Under the scheme, the focus is on reducing anti-social behaviour and violence and improving the health and wellbeing of younger people by preventing under-age purchases of age-restricted items. The awards also seek increased standards of management of age-restricted goods in the retail sector.

The scheme is a partnership between Perth and Kinross Council Trading Standards, Perth Safer Cities initiative and the Scottish Business Crime Centre.

Chairman of Perth and Kinross Community Safety Partnership, Councillor William Robertson, said: "This is a perfect example of how local retailers and agencies are working together to keep our cities and towns and young people safe. It shows our area to the forefront in the battle against anti-social behaviour and under age drinking and smoking. I congratulate all winners of awards and hope more applicants will become involved next year."

Our security manager, Matt Hamilton, attended the awards ceremony in Perth at the beginning of November.



Matt Hamilton attends the recent Perth and Kinross Safer Retailer Awards in Perth

Growth for our Central Kitchen

IT'S all happening in the kitchen! Our Central Kitchen, located above our Kinross store, is fast becoming a key hub for our business, producing a truly fantastic range of sandwiches, salad bowls, fruit pots and ready meals.

New lines introduced this year include baked potatoes, roast potatoes and our hearty homemade soup. So thanks to team leader Teresa Keiro and her staff for their contribution in growing this important area of the David Sands business. The team comprises: Sam Fernie; Lynn Fernie; Sai Ireland; Moira Westwood; Margaret Wright; Rachael Leighton; Jed Brady; Daniel Brown; Chloe Gad; Calum Anderson; Dean Muir; Deborah Dickson; Jonathan Mackenzie; Mark Keiro; Oliver Bond; and last but not least, Alex Jeffrey.

Development and distribution director Stephen Brown commented:

"We're delighted with the success of the Central Kitchen operation. Increasingly, our customers are moving towards lifestyles where they want more freshly prepared, quality foods and by meeting this demand, our stores then stand out from the general competition.

"As we move forward, we will be further developing our Food to Go offer and, over the coming months, we have plans in place to start rolling out a more focused approach to our Food to Go counters."



Team leader Teresa Keiro cooks up a storm in the Central Kitchen

OUR new convenience store in Dunfermline – our third in the town – opened at the end of July. The new-build store on Linburn Road represents a significant investment for David Sands and is our 29th outlet.

The 2600sq ft store, managed by Mandy Laird and employing 22 full and part-time staff, boasts a prime location in Dunfermline and is located within a fast-growing residential area close to St Columba's RC High School which has over 2000 pupils. We are delighted to report that the store is currently trading at levels far exceeding initial targets and expectations.

A key feature of the new outlet is its Food to Go offer which includes our own 'Deliciously David Sands' brand of freshly made sandwiches, salad bowls, fruit pots and ready meals. The offer also focuses heavily on bakery, further strengthening our long-term relationship with Dunfermline-based Stephens Bakers, a major supplier to David Sands.

Fresh and chilled produce, off-sales, and news and magazines also feature prominently in the new store along with all the usual products and services associated with the innovative David Sands trading format including confectionery, crisps and snacks, grocery, frozen foods, Lottery and an external ATM.

As you are aware, last year we established a new Central Kitchen facility in Kinross. This has enabled us to develop our highly successful Food to Go offer and

introduce new products, most recently a range of quality ready meals.

In addition, the store incorporates a seating area for customers who have the option of sitting down to enjoy the items purchased from the Food to Go counter. Hot tea and coffee is priced at just £1 and is proving a key customer draw.

Ewen Chisholm, our chief operating officer, said: "We're absolutely delighted with this newest addition to the David Sands stable. Building the store from scratch has given us the opportunity to be more flexible and create a store that is centred around Food to Go. We have extremely high expectations for Linburn Road – more so than any other store in the group, in fact – and we're extremely excited about it.

"After just a few weeks' trading and despite a very low-key opening with no publicity, we were hitting figures we didn't expect to reach until Christmas. I have to give credit to Mandy Laird, one of our most experienced managers, for rallying her new and inexperienced team and pulling out all the stops to hit the ground running."

Phase two of the Linburn Road development will include an extension of the customer car park to cater for the sheer volume of customers using the store. Land adjacent to the car park, meanwhile, will be the subject of ongoing commercial development.

New-build Dunfermline store makes an impact

Ewen Chisholm: "This is a significant investment for David Sands which reaffirms our commitment to growing the business and providing the best possible stores for local people who can get everything they need in a modern, spacious shopping environment. With new houses currently being built in the vicinity we anticipate continued growth for this store as it forges its position at the very heart of a vibrant community."



Think local – customers want to be able to buy local butchery products



Soft drinks go down well with meal deals



As a new-build store, Linburn Road has been tailored to our specific requirements



Customers can choose from a great range of chilled wines



Fresh produce features strongly in the new store



Customers can sit down to enjoy their purchases from the Food to Go counters



Bakery is strong with local firm Stephens' products extremely popular



Making the most of the Food to Go opportunity

Working with local suppliers

AS a business operating very much in the heart of local communities and employing local people, David Sands continues to work with local suppliers and is proud to be stocking a wider range of quality, Scottish produce than ever before. In fact, these local and Scottish lines now account for 22% of our turnover.

In the last couple of years we have met regularly with local suppliers and actively encourage these companies to get in touch with us to learn more about David Sands and how they might be able to work with us. It is a strategy that has proved extremely successful and, going forward, our aspiration is for these suppliers to account for one-third of all our sales.

David Sands said: "We're not just talking about food suppliers, however. It is very much a company strategy to support local suppliers of other services. Our new Dunfermline store, for example, was built by a Lochgelly-based builder, Richard Street Ltd, and completed both on time and on budget. These are the type of relationships that we, as an independent family business, want to nurture."

In September, we invited some of our existing Scottish suppliers to visit Head Office and meet senior management. This was a fact-finding mission for these suppliers and gave them the opportunity to ask questions, raise any problems, make suggestions and visit some of stores. We also showed them round our Central Kitchen operation.

Meanwhile, we have recently confirmed an agreement that will see Graham's Dairies supply

the bulk of the group's fresh milk requirements from early December.

David commented: "We are very excited about Nisa's plans to start distributing fresh product to Scottish members from their new distribution warehouse in Livingston and as part of this new supply arrangement we will be taking some supplies of Heritage milk into our business.

"However, we also need to supplement this with daily deliveries from a local supplier and we are delighted that we are working with Graham's. I would also like to thank our previous supplier, Robert Wiseman Dairies, who have provided excellent service over many years."

Graham's is a long-established family business based at Bridge of Allan, near Stirling. The Grahams have farmed in the Stirling area for five generations with the current dairy business being founded in 1939.

"Like our own business, Graham's is a family business that continues to grow and invest," David added.

Robert Graham, managing director of Graham's, said he is delighted that his firm is supplying our stores. "David Sands is a family firm like us and we are impressed at how progressive and professional the business is," he said.

"We also admire Sands' commitment to local sourcing and its support of local and Scottish suppliers and look forward to a long and mutually beneficial relationship with this unique retailer."

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*Robert Graham,
managing director of Graham's*



Products from Graham's The Family Dairy are a welcome addition to our stores

**Do you know of a local supplier
whose products you think
might be a good fit with our stores?
Contact Lindsay Sands
if you have any inspired suggestions!**



Message from Ewen Chisholm

IN our business we can never afford to look backwards too far or indeed for too long as we are always busy working on plans for today and the future. I am unsure of what will happen in 2011 but I suspect that our sales will continue growing very slowly and that the VAT increase will flatter us a little to begin with.

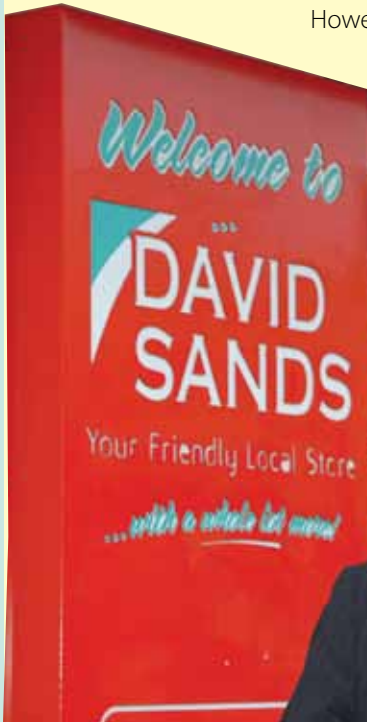
However, we will all need to remain really focused on our key areas in order to make sure we maximise each and every opportunity. This means that we must go that extra mile in areas such as:

- Providing first-class, genuine customer service
- Making our Central Kitchen offer stand out to customers
- Thinking local
- Grasping every seasonal and display opportunity

One of our big challenges is to remain positive and remember that we are doing a lot better than others because we are trying harder. What's more, we do not believe that the current financial climate is a reason or an excuse to give up!

Finally, I would like to thank what is the best team in the UK and add that it is because you care so much about the company that we continue to outperform on all fronts. Well done, everyone!

Ewen Chisholm urges all of us to remain positive and concentrate on doing what we do best – providing great service!



Store of the Year: still all to play for!

WITH our annual Store of the Year competition hotting up, there is still all to play for! Seven stores are currently performing exceptionally well but what we don't want to see is those stores becoming complacent and those which aren't doing so well giving up.

So come on managers and supervisors! The scores up to Hallowe'en have been recorded but there's still time to rally your staff and make a difference to the final tally. After all, it could be you who is enjoying a great night out at our Awards presentation in February!

Chief operating officer Ewen Chisholm comments: "We've seen some great work in stores and some real improvement in many so congratulations are the call of the day to all those who have contributed to their store's performance. Even if you don't think you're in with a chance of winning, the key point of the competition is to keep trying and use the opportunity to up your game.

"We take into account a wide range of key criteria when judging Store of the Year and, of course, you never know when a mystery shopper is going to visit. My advice to you is to treat every day as

one which might see that mystery shopper come through the door – be prepared, be vigilant and keep smiling!"

Stores have been judged on a number of key trading areas, including promotions, Lotto and Stephens.

The following stores – in no particular order – are currently heading up the pack but the deal is by no means done and dusted:

**Abbeyview • Kennoway
Crossford • Kelty
Auchtermuchty • Markinch
Cardenden**

Disappointed not to see your store in this list? Says Ewen: "Sit down with your team and discuss where you think there may be weaknesses. Listen to what everyone has to say and take on board any suitable suggestions from team members – because even the small things that you don't think matter do! A very minor change can lead to major improvement in more areas than you would think.

"I want to wish everyone the very best of luck in our Store of the Year which in February 2011 will be celebrated in true David Sands style at Pettycur Bay, Burntisland."

Staff pull out all the stops for Macmillan

ONCE again, our fantastic staff went that extra mile for Macmillan Cancer Support and the World's Biggest Coffee Morning. We've supported this event for several years now and the great news is that this year staff and customers raised a staggering £17,000 – that's £5000 more than in 2009. What's more, Macmillan has rewarded us by presenting the company with its special prize for the business to raise the most money from the event in the Perth & Kinross area.

Staff really got into the spirit of the event and had a great opportunity to chat to customers and generally have a bit of fun while raising all-important funds for a charity that is very close to the hearts of a lot of us here at David Sands.

Lindsay, David, Ewen, Stephen and Marjorie all joined in by visiting stores to support staff and even make the odd cuppa or two!

A snapshot of the day with staff at Kinglassie, Kennoway and Methil all doing their bit for Macmillan Cancer Support



**WE ARE
MACMILLAN.
CANCER SUPPORT**



On yer bike!

GORDON Ferguson, Darnhall Drive manager and chief operating officer Ewen Chisholm successfully completed the Pedal for Scotland cycle ride from Glasgow to Edinburgh in September. Accompanied by Karen Peattie, our PR consultant, they cycled 51 miles. We'll spare you the sight of Gordon and Ewen in Lycra on this occasion!