

New Value Centre Opens in Cavan

The new Value Centre Cash and Carry in Cavan town showcases the group's dynamic new image and is at the vanguard of its aggressive national strategy for the wholesale sector.

The brand new Value Centre in Cavan showcases the latest developments introduced by BWG Foods' Wholesale Division to their cash and carry offering, which have been designed to improve footfall and encourage retailers to purchase product in person, rather than through delivery.

"The development of the Cavan facility is just one of a number of Value Centre sites being improved or developed around the country, including developments in Dublin, Clonmel and Kilkenny," Richard Hayes, Manager of the Cavan branch, tells *RETAIL NEWS*. "It is part of an overall strategy by Value Centre to aggressively compete for trade in the wholesale sector. We have expanded our range and



Richard Hayes, Manager, Value Centre Cavan, pictured outside the new 20,000 square feet facility.



improved the layout and specifications of the interior to encourage retailers to actually come in to the branch."

The development in Cavan involved the sale of the old site, which is located less than a mile away. Having served the group faithfully for over 30 years, the old structure was in need of too much work to make renovation worthwhile. The site was subsequently sold and work began on the new site at the edge of Cavan on the Dublin Road in October of last year.

New Branding

As the group progressed their strategy to build new branches and redevelop existing premises, it became apparent that stronger, more contemporary branding was required. With this in mind, a new logo was commissioned and launched in the new Cavan branch when it commenced trading in April of this year. It is the combination of this new branding and the spaciousness and brightness of the building that strikes you as you enter this 20,000 square feet facility.

In advance of opening the new branch, a complete range and layout review was undertaken by the Value Centre team when considering product stocking and product loca-



tion. And as you walk the floor, you can see how emerging categories are given priority, whilst traditional categories are still prominent.

Catering sales, for example, have been identified as an area for growth and the stock selection within the cash and carry has been greatly expanded accordingly. "There is a lot of demand in the area for it and it is an area that has not been exploited in the past," notes Richard. "With a purpose-built facility here, we will be able to develop that catering trade over the coming months and years. Everyone knows the market is a very competitive one, and even traditionally strong areas such as alcohol sales have become more challenging to turn a profit. You have to be able to spot the growth areas and target them, particularly now the economy is moving into more difficult times and we see catering, for example, as an opportunity to deliver strong margin and sales for the branch."

The Cross Border Issue

Cavan Value Centre faces a particular challenge due to its location, close to the border. Its proximity to Northern Ireland, in conjunction with the sustained weakness of Sterling against the euro in recent times, means the region is being targeted by opportunistic wholesalers.

"The cross border issue is a very serious one," Richard admits. "We have to be as competitive as possible and work even closer with our trading team and suppliers to counter the discounted product entering the region. We place particular emphasis on promotions throughout the branch, which you can see merchandised prominently on our many end displays. We also compete on the basis of being local, on the strength of our business relationships with our customers and that connection we have with the area. Every cent that goes over the border disappears out of our economy and it's a problem in all the border areas."



The new Value Centre strategy will see the wholesale group compete for the trade of every retailer in their region, but it also ties in with a significant push in the development of XL Stop & Shop, the group's retail symbol group. The new improved warehouse facilities have upgraded the logistics supporting retailers working within the group and they are also benefiting from an extended product range and promotions.

"We have also placed a stronger focus on staff training and customer service," adds Richard. "We want to make the facility more user friendly, in every aspect of the retailers' visit. All staff have branded uniforms, so they are easy to spot and we have begun a training programme that will see them emulate the highest levels of customer service. This is all designed to transform the experience of retailers who come into Value Centre facilities."

Connecting with the Community

The Cavan Value Centre also engages in advertising on local radio to encourage local retailers to shop local, rather than take the trip up North, and the branch sponsors local activities to reinforce that local connection. At every turn, they are strengthening the connection with the community and local businesses.

"We have already managed to generate an increase in footfall" enthuses Richard. "Already, we have noticed that everyone who comes through the door wants a price-list straight away. Value for money is high on the minds of all of our customers and it is critical that we provide good value offers on KVI products to keep customers coming back. In challenging times, we are going to have to distinguish ourselves as a great place to source stock in terms of value and service. That is why Value Centre has chosen to invest so heavily in its facilities and staff to make the group as competitive as we can be."

The Cavan project is only one element of an aggressive national strategy being implemented by Value Centre. The significant effort and investment shows great confidence in the future of the group, challenging times or not.

FACT FILE

-  **Owner:** Richard Hayes
-  **Location:** Dublin Rd, Cavan, Co Cavan
-  **Size:** 20,000 square feet
-  **Number of**
-  **Staff:** 11 full time & 4 part time
-  **Opening hours:** 09:00-18:00, Monday-Friday (20:00 Tues); 09:00-17:00, Saturday.