



# the independent bulletin

Latest news from the Association of Cycle Traders  
December 2008

## Halfords launches its own Republic



On 31st October Halfords opened its new Cycle Republic store in the centre of York, with another store opening in Norwich. Whether this new concept and brand positioning is to replace or complement existing Bike Hut stores is not yet clear, however it does pose a number of questions about Halfords' vision for its cycle business and what this will mean for the independent sector.

Read our full analysis and join the discussion at [www.actsmart.biz/cycles/republic](http://www.actsmart.biz/cycles/republic)

Clearly the new Cycle Republic stores are yet another attempt to capture market share from specialist cycle retailers, creating

a brand which is even further removed from Halfords mass market roots. Those who have visited Cycle Republic tell us there is very little different from existing Bike Hut stores in terms of brands and services, although staff appear to know their stuff.

Alongside the stores a new website is aiming to capture the trend for social networking via blogs and discussion forums, and in this context the "Republic" branding certainly fits well with developing an online cycling community. We also understand the website will offer e-commerce facilities for online sales.

Read our full analysis and join the discussion at [www.actsmart.biz/cycles/republic](http://www.actsmart.biz/cycles/republic)

### Cycling begins to feel the crunch

Independent cycle retailers are beginning to be impacted by the economic conditions, however some continue to report very strong sales growth which reflects the benefits of getting the retail formula right in the current marketplace.

#### Sales Fact File October 2008

- > 36% of retailers reported a sales increase vs. last year
- > Total sales increase in these retailers was 25.8% vs. October 2007
- > 64% of retailers reported a sales reduction vs. last year
- > Total sales reduction in these retailers was 20.7%
- > Overall sales up 5.5% in October 08 vs. 07

The most striking element within our research is the wide variety in retailer performance. Whilst some retailers and distributors are reporting continued and significant sales growth, one third of businesses saw sales fall in excess of 20% in October.

To get an early insight into November performance visit and participate in our monthly turnover poll at [www.actsmart.biz/cycles](http://www.actsmart.biz/cycles)

Our research figures are derived from a group of over 250 businesses of all sizes and exclude fluctuations caused by the likes of Cycle to Work schemes and retail finance etc.

### Free tax investigation protection for members



Free tax investigation protection insurance is a standard benefit for all members, available as part of the annual membership subscription.\*

In the event of either a full tax investigation into your business or simply an enquiry into a particular aspect of your tax return, all accountancy and other legal costs are covered. This policy also provides cover in the event of PAYE or VAT disputes.

A standalone tax protection package from your accountant can cost up to £200, so our free cover not only gives you peace-of-mind it also saves you money.

Contact us for further details or visit [www.actsmart.biz/cycles/tax](http://www.actsmart.biz/cycles/tax)

\*Covers businesses with payroll up to £500,000.

### Looking for staff?

We offer free job advertising on our trade and consumer websites, giving you a new option to find the best people at no cost. Every month hundreds of prospective candidates are viewing listings on our jobs boards. Next time you are looking for new staff why not take advantage of this fantastic free resource.

### Take control of your finances

Do you know what your gross profit and overheads are each month or do you have to wait for annual accountant reports, often months after the year-end? Monthly financial management has been proven to increase business profits significantly.

If you are unhappy with your accountants and are based in the North West we are looking for a business to work with a new service provider, which has a proven track record working with a variety of retail trades. This is not an EPOS solution.

Contact us for further details.

### Award winning telecoms from Chess



ACT / ActSmart members can benefit from fantastic savings on their telecoms bills through our partnership with Chess Telecom. As one of the UK's leading business telecoms providers – and winners of numerous awards for service – Chess offers a complete range of products and services, which last year saved its customers over £3m.

Cycle retailers and suppliers of all sizes are switching to Chess for great deals on line rental, call costs, broadband and mobile.

To find out more call Chess on 0800 019 8900 or [actsmart@chesstelecom.com](mailto:actsmart@chesstelecom.com)

### Your voice in Westminster



Small business is an increasingly hot topic with Government, and the credit crunch has at least helped to focus all parties on the importance of independent retailers to the future of the economy.

We continue to meet with MPs and shadow cabinet ministers at Westminster on a regular basis, discussing a range of subjects that influence your finances and future success.

The role of the banks in supporting independent retailers is a particularly hot subject and we want to hear of any difficulties experienced with your banks recently, changes to overdrafts or borrowing facilities, fees or any action that might be limiting or even threatening your business.

We also welcome your feedback on crime, planning, employment or anything else which is impacting negatively upon your business and needs action.

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