



21st February, 2007

Dear Sir,

New Retail Supermarket

I am writing to you with my views on the above as I was a surveyor for many years working for retail companies and taking premises for them. I have not acted for any of the shops in the Island nor the current major UK supermarkets ever. I worked for British Bakeries, Lloyds Retailers (part of Philips Electrical) and Allied Carpets prior to its sale to Asda.

As a Councillor in South London for many years and holding, amongst other positions the chairmanship of the Planning & Development committee and the Health & Housing committee I became aware of what was suitable from both the electors and retailers viewpoint.

What has to be understood is that the price able to be charged in the UK is purely through very large turnovers as a result of populations for each supermarket being greater than that of Jersey. For Jersey to be able to support a major supermarket from the UK or France with their prices all of the CIT and Co-op stores would have to close so that there was sufficient turnover to have any chance of prices being reduced. Spar and R Store would also be hit. This would eliminate competition and then encourage the new company to increase its prices as they would be in such a dominant position. This would be to the detriment of the Islanders and tourists.

The cost of distribution is a major factor in the prices that multiples can charge and it is fairly common to see that such and such a store has got itself into trouble because of a breakdown in distribution. With the weather it is unlikely that much could be flown in and there are times when the sea is too rough for regular deliveries.

Yes, Jersey is more expensive than the UK for many products but the salaries are greater, taxation lower and thus the balance is roughly the same.

I trust that this helps in your consideration.

Yours faithfully,

Edward Trevor, MBE FRICS