



NEWS FROM THE ASSOCIATION OF LICENSED MULTIPLE RETAILERS

TESCO – ALL TALK AND NO ACTION

The Association of Licensed Multiple Retailers (ALMR) today claimed that Tesco had ducked its responsibility, by failing to take action now to end cut-price booze sales in its outlets. The claim was made in response to Tesco's call for Government action to end the practice of below cost selling of alcohol.

ALMR Chief Executive, Nick Bish, said:

“Tesco has finally woken up, smelt the coffee and realised that it is partly to blame for the nation's collective hangover. They claim to recognise that they have a role to play in addressing the problem of anti-social drinking, but have taken no steps to do so. They are so addicted to below-cost selling that they appear unwilling or unable to moderate their own behaviour and instead need legislation to stop them.”

He went on:

“Every day, pubs and bars have to make the commercial and moral decision not to compete on price and to resist irresponsible promotions. It beggars belief to suggest that the UK's biggest off-licence retailer is unable to do the same. There is absolutely nothing to stop Tesco from unilaterally taking action to ban below cost selling in its outlets. Far from being ‘commercial suicide’, it would actually make their alcohol sales more competitive – and does anyone seriously believe that it would make people stop shopping at Tesco?”

The ALMR has been campaigning on the issue of below-cost selling since June 2007, when it first highlighted the scale of the problem to MPs. In addition to a ban on below cost selling, we have also argued for restrictions on cross-promotion of alcohol with other groceries and the siting of alcohol within the stores.

In 2004, pubs and bars developed their own voluntary code of practice on pricing and promotions, establishing a model of responsible retailing practice which is widely followed throughout the UK. It is a model that the supermarket have conspicuously failed to adopt.

Nick Bish concluded:

“Alcohol misuse is a serious problem and it needs a grown-up response. As Tesco says, ‘every little helps’, and a clear signal from the market leader that below cost selling is unacceptable would do just that.”

-ENDS-

Notes for Editors

1. *The Association of Licensed Multiple Retailers (ALMR) is the only national trade body dedicated to representing the interests of pub, club, bar and restaurant operators. There are currently just under than 100 companies in membership, representing a quarter of all managed operators. Two thirds of these are small managed operators with fewer than 50 outlets. Around 35% of members' outlets will be community pubs.*