

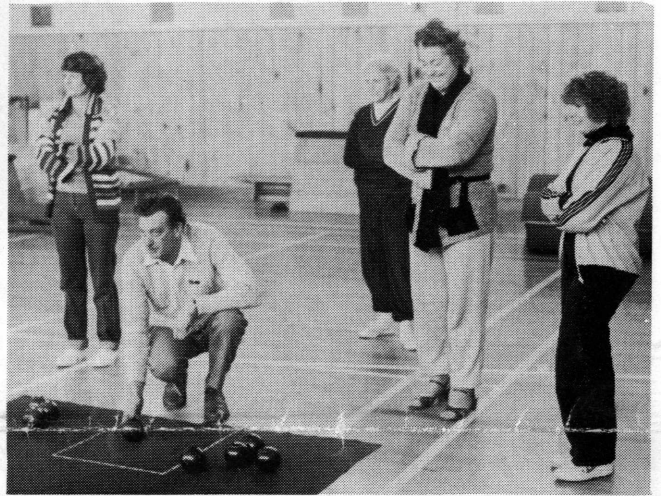


## HBF sports day a success

On Sunday July 25 about 120 HBF people from Wairoa, Waipukurau, Hastings and Napier turned up at Havelock North High School at 10.00 am for an energetic day of sports, organised by Barry Johnson, Hastings grocery manager, with the help of Linda Head and Bill Plapp. Besides soccer and indoor bowls (shown here) there was women's and men's netball and basketball. The HBF Social Club provided hot soup, toast, tea and coffee all day in the school's staff room, plus drinks at a social after the games. The day was "really enjoyable" says Barry, who is now thinking of organising a barbecue and picnic in summer.



# INFO



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## KEEPING IN TOUCH WITH THE WORLD

by Jim Scotland, General Manager

### Makes a change

Switching from animals to machinery, *John McKinnon* (below left), company livestock manager, expertly wheedles money out of the pockets of reluctant buyers. Helping him spot bidders at the annual Stortford Lodge machinery sale in July are Hastings agents *Peter Margoliouth* (left, in hat), *Andrew Wood* and *Michael Kay*. The sale attracted a big crowd and offered everything from trucks, tractors, tents, trampolines, and water tanks — right down to one shiny aluminium kitchen sink. Before the bidding began, HBF agents wandered through the crowd arousing buying fervour with comments like "Plenty of things for you here today; you don't want to go home emptyhanded."



I have recently returned from a visit to England where I spent some time with Towers (UK) Ltd. This company, in which we have a share, is the major importer of NZ lamb, and sells on our behalf 250,000 carcasses annually.

Towers has 15 depots which sell 55,000 tonnes of meat annually. Only 55% of this total is NZ lamb as the company also handles large volumes of pork, poultry and beef. In addition, the head office sales team sell a further 24,000 tonnes of lamb and offals.

From these figures you can see it is a large business, and I am pleased to report to directors and staff that it is very efficiently managed and staffed by people committed to ensuring that we get the best prices for our product.

Unfortunately, we are having some problems with NZ lamb as sales are slow and prices are lower than anticipated. This is due to a larger lamb kill in the UK and substantially more NZ lamb being available. These problems are not helped by the depressed UK economy with more than three million people unemployed.

You will be pleased to know that Cooks NZ Wine Company's London representative is making substantial sales. It was a great thrill to see our product in the marketplace and to try the odd sample.

We are now looking closely at the 1982/83 financial year. It will be a difficult one; and it is very much in the farmers' interest — and therefore in ours — that the wage and price freeze works and that the rate of inflation is reduced.

We are finishing this year well with retail sales and livestock numbers ahead of budget in June. This momentum must be maintained and I trust I have the support of all staff to meet our new targets.

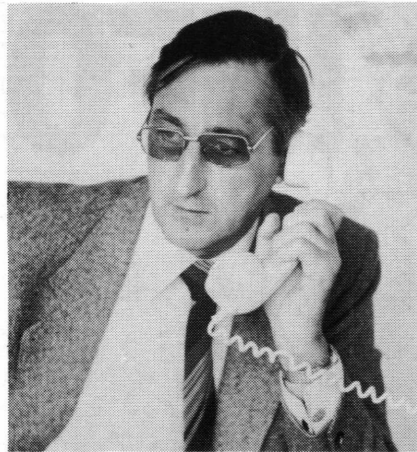
Company deer manager David Ward has just returned from a trip to Russia, Poland and West Germany where he studied practical deer management, deer species, animal health, scientific research, velvet harvest and prices, use of deer by-products and market prospects.

David considers it a feather in HBF's cap that the company was invited by the NZ Deer Farmers Association to participate in this unique tour.

The group went to Moscow and Nalchik, a deer farming area near the Black Sea, where they also observed fur farming in mink and beaver.

In Poland, Professor Jaczewski of the Polish Academy of Sciences took the group to a farm to see experimentation in grafting deer antlers and artificial insemination techniques.

In West Germany, where they visited Frankfurt, Bonn and Hamburg in four days, the group talked to game importers, discussing aspects of NZ venison. "They appeared keen to buy," reports David.



**Adrian Rotherham**, softgoods merchandise manager, supervises the softgoods buyers and buys handknitting yarn himself. He joined HBF in 1973 as manager at Hastings store, then became Napier manager, then into buying. "The most important thing buyers must keep in mind is the return on investment: the job is to make money work," says Adrian. "If the buyer does not have the right merchandise in the right place at the right time, we have got problems. We can make bad buys and that will cost the company a lot of money. One of the problems is getting merchandise to the floor as early as we possibly can, following up manufacturers to make sure the stock will arrive on time."

Joining Adair's in 1976, **Christine Knox** (right) started as a furniture consultant then moved up into buying, transferring to Napier in 1980. She buys footwear, handbags, infantswear and maidswear. "Footwear is a rapidly changing scene," says Christine. "You have to indent (place uncancellable orders six months in advance) and by the time you get the stock, the style can change." The current trend in footwear is nautical (meaning red, white and blue) and metallic (gold, bronze, silver). Handbags too will be metallic.



**Margaret Goldsack** went to Adair's, Gisborne, in 1969 to run a two-day fashion show and is still with us, transferring to Napier a year ago. She buys boutique sportswear for Westerman's, Adair's, and Napier, and supervises the buying of hosiery and cosmetics. Margaret makes six trips a year to Auckland, NZ's fashion centre, and "we watch to see what people are wearing," she says. "For summer this year, there will be bright colours, flounces, the nautical look and the prairie (country and western) look. Fashion is harder to buy these days because it changes even faster than a few years ago."



**Beryl Johnstone** has been a buyer for 16 years, joining HBF Napier eight years ago when the Napier store opened: "It was a challenge buying for a store with nothing in it." Beryl buys women's frocks, corsetwear, underwear, and outerwear. "New Zealand is right up to date in fashion. If a new style appears on television or in print, a manufacturer will have it the next day. If fickle fashion doesn't move in six weeks, it's out. You must know figure types, have a knowledge of dressmaking. What would it cost to homemaker that garment — is the manufacturer charging too much? No seams to let out, no buying power. You must know the buying public well; you can't work shut away in an office."



**Vernon Walters**, hardgoods merchandise manager, works out of Bayfarmers, Napier and buys home appliances. Also in his department is **Campbell Burnside**, not shown here, who buys hardware, tools, kitchenware, plastics and outdoor equipment. Vern says, "A subcommittee of branch people meet here, I show them the products, we discuss them and decide which will sell. A major problem is getting parts. Everything appears fine and dandy with a model and then it is discontinued; so we buy with fingers crossed. In Japan especially the electronics industry is making innovations so rapidly that by the time the new model arrives here, it is obsolete in Japan."



**Betty Rhodes** has been buying in Gisborne for eight years, first for Common Shelton then for Adair's, and arrived in Napier on July 21 to take over centralised buying of china, glassware, silverware, gift cards and woodenware. "We've had difficulties in getting quality imported products in New Zealand but now we can get very good supplies of Royal Doulton, Royal Albert, and Royal Crown Derby china. It's farmers who buy the quality china and silverware and we can cater for them."

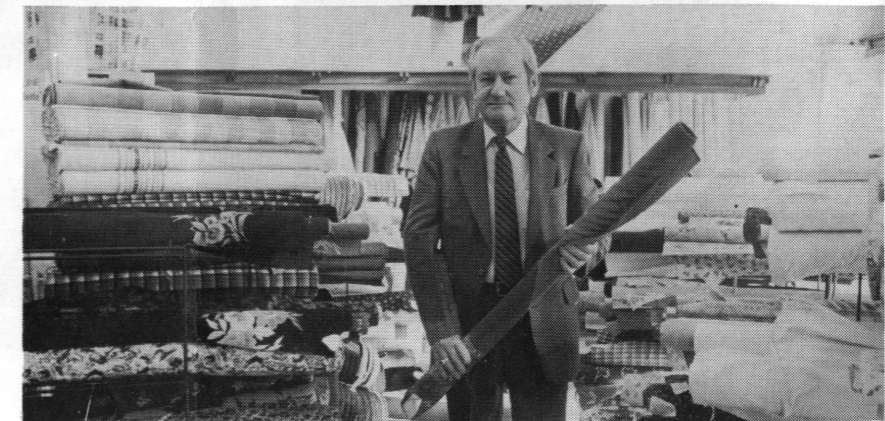


**Noel Sail** buys menswear, boyswear, bedding and Manchester. He started with HBF 30 years ago in Dannevirke, served as manager of the now-extinct Ormondville branch for 15 years, then came to Napier. One major problem for buyers, he feels, is "to know the different then All branches vary in style of products. We sell a lot more work clothes in the country stores than in Napier, Westerman's and Adair's." Other buyers pointed out that Wairoa had a warmer climate and tended to buy larger sizes, while Woodville had a colder climate and people were smaller.

**Adele Mohi**, retail assistant working out of head office, has recently taken on the additional job of toy buyer and research into new products. "In toys, the problem is to get a good cross-section in a wide range of prices into all branches — on a budget. New products means top of the range, one-off, exclusive products like Pierre Cardin sheets. Buyers don't have time to fossick in small shops for new ideas, so I do that and find out who makes the items and where the best deal is coming from."



**David Sutor**, department manager at Westerman's, buys fabrics for Adair's, Westerman's, Waipukurau and Woodville. He has been with Westerman's since he came from Northern Ireland 33 years ago. "A buyer must buy not what he or she likes but with an open mind for what the customers want. And you must be able to pick your colours." HBF buyers must pass a colour test to be sure they're not colourblind.



## BUYING: THE GLAMOUR JOB

Imagine having between \$600,000 and \$900,000 of someone else's money to blow in each year on clothes or home appliances or china and silver or any of the products sold in HBF retail stores.

Trouble is, buyers may not buy what they like but must concentrate on what the fickle public wants. Indeed, buyers must predict six months to a year in advance what customers will buy. "Anybody can go out and buy merchandise," says Adrian Rotherham, "but buyers must make sure stock turns over."

If the public isn't buying, then the buyer must decide to lower the price — and down go company profits. Yet buyers must take risks, may not play safe on sure-fire items, or the department will lack "flair" and the public will go elsewhere for new and exciting things to show off.

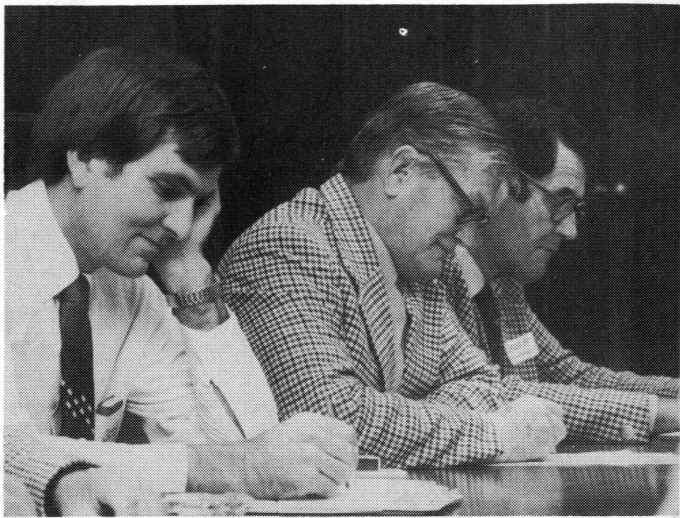
Buyers keep in touch by reading overseas magazines and manufacturers reports from Singapore, Frankfurt, Paris, New York and London. They travel to Auckland, Wellington and Christchurch. To disseminate product knowledge to branches, the company runs product courses and issues a weekly merchandise information sheet.

Most important of all, buyers visit all branches monthly to consult with managers and sales staff. "A buyer is only as good as the sales people," points out Margaret Goldsack. Equally important is rapid, continuous feedback from branches on sales, and detailed record-keeping, which means an enormous amount of paperwork for buyers.

Buyers decide how much of each item goes to each branch, and different areas have different requirements. Buying used to be done by retail store managers and or department heads but is now centralised. The advantages of centralised buying, according to Kerin Barker, company retail manager, are: "We are able to put together orders for all stores and negotiate bigger discounts; it gives us bargaining power. Also, managers formerly had to divide their time between buying and selling; now buyers do only buying and specialise in their fields.

"For the same amount of money we can send one buyer to Auckland six times instead of sending six buyers once to buy the same products.

"Also, because we have control over the range of products, we can centralise our advertising, and can negotiate placement and terms."



John R. Mills (left), Farm-n-Town manager, Hastings, Trevor Rasmusen, Dannevirke area manager, and Forbes Cochrane, central district manager, Hastings, struggle to solve a tricky problem in creative thinking set by training consultant Owen Steel, who warned them "People are too often inhibited by conformity, by tradition, by standard methods, restricted by too much respect for past practices."

## Training for a new era

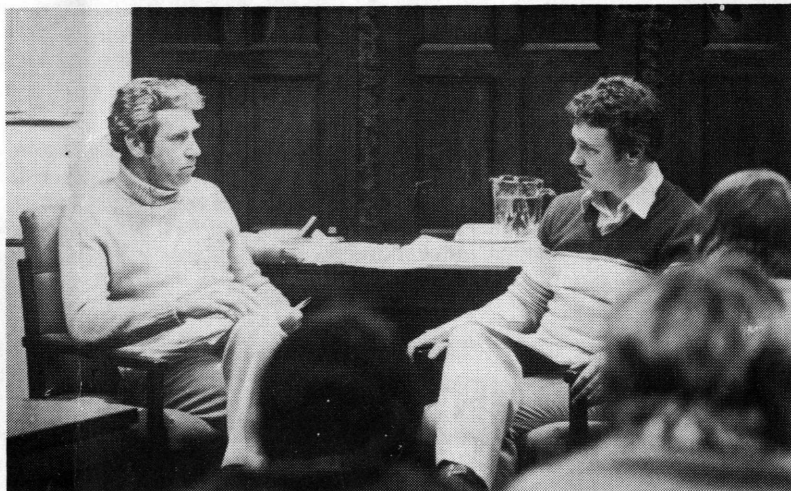
Mercantile managers and agents were called to head office in July for intensive training sessions. The purpose of the training, according to company mercantile manager Jock McKenzie, was: to sharpen the awareness of managers and staff to selling opportunities; to increase the degree of manager/agent collaboration; and to examine specific aids to increased efficiency in the mercantile division.

One specific aid was the new client record card on which agents will record all details of visits and sales. The cards are designed to serve as a ready reference for client inquiries and complaints, a reminder list of the HBF product range, an aid in planning calls, a daily tool for budgeting (which will now be part of an agent's job), and a reference sheet for the annual performance review. Managers are urged to use the client record cards as a tool for dialogue with agents, guidance, discussion and discipline.

A change in the job of stock agent was emphasized. From now on stock agents will not be limited to livestock sales but will be selling animal health products, wool packs, lambing requirements and other animal-production related items, plus reminding clients of HBF's services in real estate, travel, finance and insurance. Some agents (not all) will be selling the entire range of HBF mercantile products.



Owen Steel, training consultant, and former marketing training manager for Shell Oil Co., told HBF agents to "Stop spinning your wheels. Plan your calls. Every call must have a purpose. Plan what you are going to say. A 'general call' is just an excuse to chew the fat. Every hour spent in the car is an hour not doing the job."



Jim Howard (left), Waipukurau stock agent, and Barry Woon, Gisborne Farm-n-Town agent, do some role-playing, every move recorded by a video camera and played back later for criticism by their colleagues. Jim played the role of Ruatoria branch manager, with Barry as his agent using the new client record cards. "You made six visits and didn't sell a thing. What's the problem?" Jim asks Barry. "Ah, yes, well . . ." says Barry.



Also taking part in the training sessions were Vin Unverricht, Dannevirke stock manager,



Paul Johnson, Waipukurau stock agent



and Richard Rolls, Gisborne Farm-n-Town agent

*"Recording systems are a pain but managers cannot be effective without them. You cannot fly by the seat of your pants any more. You must become involved in setting objectives and targets. Lack of time is no excuse." Owen Steel.*

Watching the role-playing are Michael Greene (left), Dannevirke stock agent, Gordon Stewart, Waipukurau stock agent, Ian Parkes, Wairoa stock manager, and Paul Toothill, Gisborne stock agent.

