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SUPERMARKET CHAIN OPENS NEW STORE AND SCOTTISH HQ IN WEST LOTHIAN

The new kid on the block in retail trade, supermarket company Haldanes, today [tues] opened a new store in West Lothian just days after it announced a major UK-wide expansion.

Haldanes has taken over the former Somerfield outlet on East Main Street, Broxburn, guaranteeing the jobs of all 46 staff, three weeks after opening for business the first of its planned nationwide chain in Prestonpans, East Lothian, which was followed by another two – in Carluke, Lanarkshire, and last week, in Tranent, just outside Edinburgh.

Company chairman Arthur Harris said the popularity of the other three stores had exceeded all expectations with takings more than 20% ahead of predictions in early trading.

'More than 8,000 shoppers came through the doors at Prestonpans in the first full week,' he revealed. 'And we have no reason to think that the people of Broxburn will be any different in their tastes and choices.'

The Broxburn opening came just a week after Haldanes announced the acquisition of a number of Somerfield stores, taking to 18 the total from Wick, in the North of Scotland, to the Midlands of England, employing around 750.

The Vice-Provost of West Lothian Councillor Jim Dickson was at the store opening to welcome Haldanes to the town where staff had had an anxious nine-month wait for news of the future of their jobs.

Una Lawson, who has worked at the store for 11 years, cut the ribbon, watched by Mr Harris and Haldanes regional business development director Katie Hainey.

The store ceased trading under the Somerfield name last Saturday and staff worked full

out to renovate, refurbish and bring it up to standard for reopening under the Haldanes brand.

It is in Broxburn that the company's Scottish headquarters will be based – at East Mains Industrial Estate. At least a dozen senior executives and administration staff will have it as their base. The other 14 stores will start trading under the new brand from the New Year until Easter, with more additions revealed along the way.

Mr Harris anticipates that the independent chain will grow to around 50 over the next four years employing in the region of 1,200.

Mr Harris said today: 'Our acquisition plans are right on track and we will have all 18 supermarkets running under the Haldanes name by Easter. And we are still on the acquisition trail for other stores the length and breadth of the UK.

'We see the mid-size supermarket format, like ours, as the way forward and the shopping style of the future.'

The first batch of acquisitions came about after The Co-operative Group agreed with the Office of Fair Trading [OFT] to offload 133 outlets, in centres where it already had stores, following its takeover of Somerfield earlier this year.

Haldanes – whose trading logo is 'Refreshingly local' - will be the first mid-sized supermarket chain to open for business in the UK for 27 years, filling a gap left with the acquisition of William Low by Tesco in the mid-90s.

Haldanes has three key words at the core of its trading policy – quality, fresh and local.

Mr Harris said: 'Other supermarket groups have boasted a reputation for good quality products but we will go further than that; we'll be dedicating a higher percentage to freshly grown, local products. That policy with also extend to using local bakers and butchers as suppliers.'

Haldanes will source more than a third of its food and drink from local producers at each of its nationwide stores.

Mr Harris added: 'We also believe that local knowledge is essential and that is at the heart of our expertise. Our local knowledge is particularly important because it means that we able to tailor products to local tastes. Although some of the established supermarket chains have tried to source locally, we believe that that none has managed it effectively.'

The new company has pledged to engage fully with local community life at each of the stores, most of which are in market towns.

Mr Harris said: 'We appreciate the role that shops like ours can play in local communities and it's our intention to give something back in return. For example, we would be keen to support local events and, quite simply, to be an integral part on the community. In some ways, we wish to get back to the days when the local store was at the hub of community life.

'We think we have injected excitement and optimism into the retail trade nationally by

our launch when all the news in recent months has been downbeat,' Mr Harris explained.

'People have been asking us why we are taking what they see as such a bold move in the face of a recession. My answer is that this opportunity presented itself to us to acquire some excellent stores with some fantastic staff. It's as simple as that.

'But watch this space. Haldanes Stores Ltd will have some more good news in the New Year. We are in preliminary discussions with other supermarket operators throughout Britain as potential acquisitions.'

NOTES TO EDITORS:

· The acquisition of Somerfield by The Co-operative Group in early 2009 created the fifth largest player in the UK grocery market with 3,000 stores generating sales of more than £7 billion. This prompted a review of both national and local area competition by the OFT. It concluded that the acquisition would not give rise to competition concerns nationally. However, after extensive research at local level, competition concerns were raised in 133 local markets across the UK. The majority of problematic areas arose because The Co-operative and Somerfield were competing closely in these areas. As a result, The Co-operative agreed to divest itself of a number of stores across the UK. As part of the divestment package as block of stores was offered to Haldanes and a sale and purchase agreement was subsequently concluded.