



UK MAINLAND CUSTOMER BREXIT UPDATE

November 2020

With the end of the Brexit transition period looming at the end of the year, we felt it was timely to update you on the preparations we have made for Brexit and some of the possible implications of the changes which will result.

At the time of writing no deal has been agreed with the EU, we have based our planning on that remaining the case – if there is a deal, things may be simpler. We have been working with our EU based suppliers to ensure they can continue to supply us when the transition period ends. We are confident the arrangements made will work, but as a precaution are building up additional stocks of products from EU suppliers before Christmas. If there is no deal, there may be tariffs applied to EU supplies, though the government position has been that tariffs will generally be avoided.

Most of the products we sell do not come from the EU and are unaffected by the presence or absence of a deal with the EU. There may be some changes in tariffs, but indications are that these will be down rather than up, so we do not anticipate major price movements as a result. However, whether or not a deal is agreed may have an impact of the strength of sterling which may have a more marked impact on cost prices.

A no deal Brexit does run the risk of congestion at the Channel ports and disruption of supplies from the EU. The additional stock we have put in place for EU supplies will minimise the impact of any congestion. In addition, we are accredited as an Authorised Economic Operator with HMRC which gives us fast-track clearance through the ports.

CE markings required to meet regulations will continue to be recognised in the UK until the end of 2021. The new UKCA marking is being introduced, this will replace CE for UK use. The final details of the UKCA scheme are still being defined by the Government. It is our intention that products currently CE marked will also be UKCA certified during 2021 allowing continuity of use.

We will continue to update our plans and take action to ensure continuity of supply as further information becomes available. We will update you on any major changes.

Ian Doherty
CEO
November 2020