

# STARK UK Strategy Launch: New Beginnings

## Frequently Asked Questions

Version: 16th October 2023



### **STARK UK:**

#### **Are we still 'Jewson', or is Jewson now 'STARK UK'?**

There's lots of change going on, but the Jewson brand and all its heritage is here to stay. As you've seen today, we've refreshed the logo to reflect the fact that Jewson is part of the STARK family, and the Jewson name remains. So, if you work at Jewson, you are a member of the Jewson team within STARK.

#### **Can you share more details about STARK Group's values and mission, and how they align with Jewson's culture and goals?**

STARK Group's purpose and values are decency, passion and pride – principles that we can all aspire to and live up to in our daily work. How we articulate them for our respective brands may look different, to reflect our local market conditions or specific business team cultures, etc. but the essence remains the same.

#### **What opportunities does being a part of STARK Group and STARK UK bring for career growth and development?**

There will be plenty of exposure to other businesses/roles. Being part of STARK UK will also give colleagues more support finding and developing the right career path for them at a local level. Next year, we'll introduce a new talent review process, guiding everyone to find and flourish in their ideal role.

#### **Will there be any impact on our compensation, benefits or employee policies in being a part of STARK UK?**

As STARK UK, we are reviewing all of our policies, procedures and packages to ensure we are competitive in the market place. When it comes to bonuses, you will be aware that we have changed the BM reward scheme to ensure that bonus targets are much more closely aligned to branch performance. We will also refresh the broader bonus scheme, so that all colleagues are rewarded in line with business and personal performance.

#### **Can we expect any headcount reduction? Can I feel confident that I have job security?**

It is true that our current operating costs are high compared to our sales revenue, but please know that branches with strong performance are secure, and we're here to support those that need a boost. As we restructure, our focus is not on arbitrary cuts or quotas, but on nurturing closer ties with our customers and positioning the right people in the right roles. Our goal is to empower everyone and ensure we're all moving forward together.

With a commitment to putting customers first, in the changes we have made to date, the majority of cost reduction has been above the branch.

#### **How will we hear more about all the changes?**

We'll be in touch! Right now, we're reviewing our communications approach and growing our understanding of how our colleagues need and want to be kept informed and involved, so everyone stays up to speed.

### **BRANCH MANAGERS AND THEIR TEAMS @HEART:**

#### **How will this new organisational structure affect the roles and responsibilities of branch managers?**

Quite significantly, actually. We want to give you everything you need to succeed. We're launching an accountability framework for Branch Managers (BMs), complete with a new Operating Manual detailing all BM tasks and knowledge. But rest assured, this content is being written and shaped in collaboration with BMs, integrating new work methods to empower them in their roles.

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### **What support and resources or training and development will be provided to branch managers to ensure our success?**

Alongside the clear accountability framework and revised Operating Manual, there will be a refresh of coaching, and our updated talent review process will help identify areas where individual colleagues need additional support.

### **Will my salary change to reflect the change in role & responsibility? What about for other roles?**

As previously outlined when we shared the BM bonus details, we are changing the scheme to ensure that bonus targets are much more closely aligned to branch performance. There are no planned general salary changes as a result of the new STARK UK strategy. We will consider what we plan to do regarding the annual salary review later this year.

### **I'm not a BM – what support will I receive to help ensure our success?**

We're committed to supporting all of our colleagues, whether in branch or a support function. At this point, as we put BMs and their teams at heart of our business and operating model, we need to focus our investment on them, but we will invest in our other talent to make sure we have the best people working for us.

### **Will there be any changes in reporting lines?**

We expect that reporting lines will evolve to always ensure the BMs have the right support required, and we'll keep you updated on plans as they develop.

### **Will there be a similar reduction in management in the operational teams? What does upwards progression for me look like?**

Opportunities for progression remain vital to us. We're determined to have the right people in the right roles.

## **POWER OF LOCAL:**

### **Will there be any changes in the decision-making responsibilities of branch managers with this increased autonomy?**

Our vision is a structure where everyone can play to their strengths. BMs will have more control locally, utilising their insight and experience to make key decisions. And centrally, we can employ our scale to our advantage on stock and supplier partnerships, and bring systemic improvements across the business that deliver benefits to our customers and staff.

In time, we will give you the details of that framework, explaining what is fixed vs flexible so that you know where you can make the biggest impact.

### **How do we strike the right balance between local autonomy and a consistent customer experience?**

This is where the framework/guardrail comes into its own. We will be providing more guidance – like the recent price breaks introduced on KVIs – where local dynamics have been factored in, but of course, local knowledge and relationships are everything.

We want to be known as the merchant that really listens to what our customers need and identify solutions that solve their problems – the merchant that always has time for a conversation with our customers.

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### **BETTER PRICING GUIDANCE:**

#### **When will these other changes happen?**

We've already rolled out improved guidance on KVIs and Specials and will soon be sharing more information on the rest of the range pricing trial we will be putting in place before the end of the year. We'll also be confirming the timing of the launch of a set of General Builder Terms to be targeted at new and lapsed customers.

#### **Will STARK UK train our teams on pricing, or is that down to BMs?**

Regional Commercial Directors will lead pricing training and ensure Business Unit Directors (BUDs) and BMs confidently guide branch colleagues. Besides training, we're enhancing ICON to provide on-screen guidance whenever colleagues need it.

### **COMPLETE RANGE FOR THE JOB:**

#### **When will RAPTOR land?**

We do need to improve our lightside Distribution Centre (DC) service and achieve a managed sell out of the current own brand ranges before we launch the new brand ranges. We expect to be able to bring in some Raptor products during 2024.

#### **What are some examples of the benefits you mentioned in being a part of the STARK Group in terms of range?**

Being part of STARK Group means we're able to identify potential new products and supplier partners. With the recent addition of four Group Category Directors, we can also negotiate better terms for our core range.

#### **Can we have any input into these ranges? What about our customers?**

The Category team welcomes input on range developments, like the recent landscaping request. We frequently survey colleagues and customers during category reviews and if you have feedback or any ideas, you're always welcome to reach out to your Category Manager.

#### **What strategies are in place to introduce more innovative, sustainable products?**

All our brands, especially Jewson with the Making Better Homes range, are committed to sustainability. This collection emphasises innovative, sustainable products, backed by a dedicated website and a newly-launched award scheme. Behind the scenes, a devoted team collaborates closely with marketing and STARK Group's sustainability experts to enhance and promote this range and similar initiatives.

#### **Can branches approach different suppliers to the ones that have been agreed centrally?**

If there is a supplier that you are keen to use locally, please pick this up with the Category team as they may be able to get a more competitive rate for you.

### **ALWAYS IN STOCK FOR OUR CUSTOMERS:**

#### **What products will be included in this core range of 4,000 products?**

Our core range is made up of everything that a customer needs to build a single-storey extension.

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### **What is Relex?**

Relex is the automated stock re-ordering system we have introduced to over 160 branches so far. We will be introducing it across all remaining branches soon.

### **When will Relex be rolled out in my branch?**

The rollout is currently on pause while we complete our separation from Saint-Gobain. Once we have completed separation, we will share more details on the rollout timings.

### **Are we sure Relex is the right tool?**

The results and feedback on the most recent rollout have been positive and we look to improving this further with each round of rollout. Relex is a best-in-class solution, which is being rolled out by the rest of STARK and considered by many others in the industry, so we are confident it is the right tool for us.

### **Will we receive training on Relex from STARK UK?**

Branches won't need training on Relex – you will have a dedicated planner in the region who will help and manage the transition to the automated stock re-ordering.

## **TOOL HIRE:**

### **How will we provide the Tool Hire service in my branch if there aren't any Tool Hire colleagues based there?**

We are currently reviewing our Tool Hire Lite offer and aim to simplify it further so that every branch can sell Tool Hire, whether or not they have a Tool Hire-trained colleague based in their branch. More details will follow on what the new offer looks like, as soon as the details have been finalised.

### **Will we receive additional training on Tool Hire?**

As we are looking to make Tool Hire in non-Tool Hire branches simple, there won't be additional training for all colleagues. However, all colleagues will continue to be supported by the Tool Hire team in their regions who can assist with any questions or concerns from individual teams.

## **DELIVERY ON TIME IN FULL, EVERY TIME:**

### **How will we ensure that deliveries are made first time, in full?**

Ensuring first-time, complete deliveries begins with having ready availability of customer-desired items. Once customers are confident in receiving their full order, it's essential to provide clarity on delivery timing. This is where Bringg steps in, offering a specific delivery slot and real-time tracking.

### **What, if any, new systems or tools will be rolled out to help us meet our targets?**

We will be rolling out a number of new systems and tools – including Bringg starting in the Spring of 2024, to help us meet our targets. More information on timings will be shared, when we get nearer to them going live.

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### **BETTER BRANCHES:**

#### **How have you selected which branches will be refurbished? Will my branch be refurbished?**

We're in the process of shaping the branch refurbishment programme. Our top priority is ensuring that we are investing to meet all Environment, Health & Safety (EHS) requirements. Once that's addressed, we'll schedule updates for larger format branches and determine how other branch makeovers may be integrated.

#### **When will my branch be refurbished?**

Timings are being finalised at the moment. We will give you as much warning as possible for any works that will be taking place.

#### **Will my branch have to close during refurbishment?**

Depending on the refurbishment taking place, we may need to close branches during the process. Should this occur, we'll assist in communicating with customers and ensure the period of closure is as short as possible.

#### **Will there be any technology or digital upgrades in my branch?**

Yes. As part of the move to STARK, we are looking at improving Wi-Fi across our branches, and all branches will be receiving new STARK hardware later this year.

#### **You asked us what needed fixing. Will we have all of our improvements made?**

We are prioritising the big-ticket items that we absolutely have to address from an EHS perspective, e.g. making sure our colleagues have an appropriate work environment when it comes to facilities and rest areas, then we will work our way through the rest of the list.

#### **When will we find out if branches will close?**

We won't close any branch that's performing well, and any branch that is underperforming will be given help to try and turn performance around before any other decisions are made.

### **A NEW LOOK:**

#### **What's the rationale behind the new logo?**

The new logo has been introduced as a symbol to the industry that Jewson is now part of STARK Group and that, as a part of the STARK family, there is a new energy and drive in Jewson.

#### **When will the new logo be rolled out? How will this rollout happen?**

Rollout plans for the new logo are currently being finalised and we will update you on timings as soon as possible.

#### **Will we update other brands? Will other brands become 'Jewson'?**

There are currently no plans to move other brands to Jewson. Each of our brands has a rich heritage that we are keen to build on now we are part of the STARK family. We may look at integrating STARK into our other brands in the future.

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#### **New uniforms?**

Yes! We're currently working on a suitable uniform range for all, of course for all genders.

#### **If we're not 'Jewson', what happens?**

Right now, our main focus is on Jewson, to allocate the right resources and pave the way for larger plans. As we introduce the new Jewson brand identity, we'll start evaluating other brands. While some logos might see a refresh, but iconic elements (like the Jewson name or the JP Corry tree) will remain, honouring our brands' heritage. All changes aim to align our brands under the STARK Group umbrella, just as we've done with Jewson.

#### **BRANCH OF THE FUTURE:**

#### **When can we learn more about the Branch of the Future?**

We are aiming to share more of our vision and plans for Branch of the Future later this year, with a group of colleagues and suppliers. We hope to bring more detail to the wider business through our roadshows in Q1 2024.

#### **When will we start to see the changes you've alluded to?**

Changes to our branches have already begun and will continue over the coming months and years to improve conditions for every colleague. Fixing the bigger-ticket items has also begun and will continue in a phased approach, with the Branch of the Future developments likely to begin in the first half of next year, 2024.