

FEBRUARY 1985

# VIDEOTEX ARRIVES IN THE MILLETTS' BOARDROOM

Each Monday, promptly at 2 o'clock in the afternoon, the top management of Milletts, the leisure wear, sportswear and camping stores group, meets in the boardroom at the firm's Moulton Park, Northampton head office. The subject on the agenda is merchandise: what's moving, what isn't, what's needed, what's not.

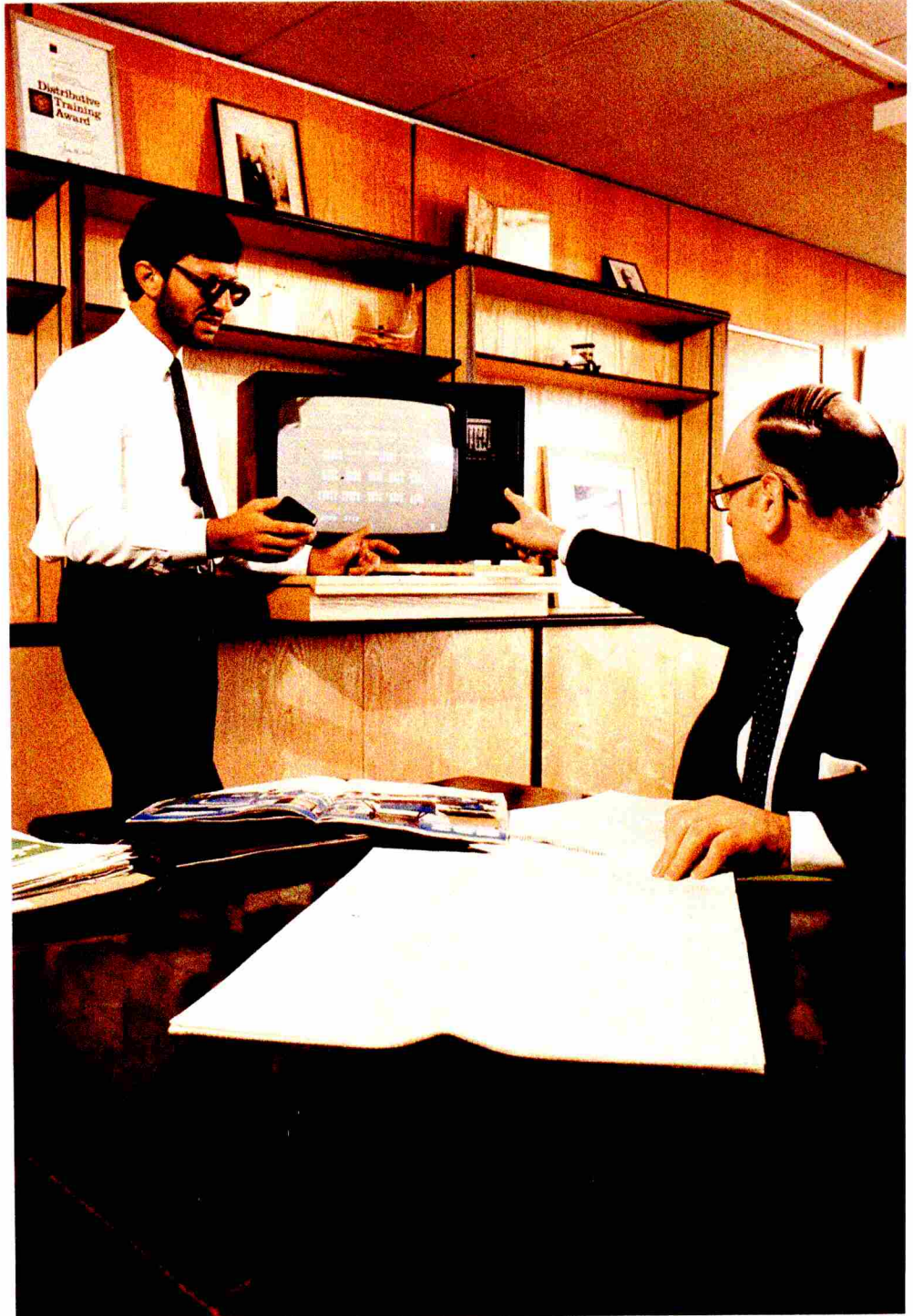
**"... up-to-the-minute information ..."**

The meeting has been a focal point for the operation over years. But these days, there's been an important change in the information base that is available for decision taking. On hand for all to see and operate is a videotex TV, mounted on a swivel, which can display up-to-the-minute information on what stock is in the branches and in the central Northampton warehouse, what the order and delivery status is and what sales are doing.

"We use it frequently, because it tells us exactly what the position is," says Alan Millett, son of the founder and current chairman of the group. "When it's up there on the screen, there's no argument. It answers all the questions: it's either, yes we have it, or no we don't and we can take appropriate action. We've certainly found it a very useful tool."

**"It answers all the questions ..."**

Managing director, Julian Millett cousin of the chairman, agrees. "As a visual aid accessing factual database it can be invaluable in reaching the kind of pressure decisions that can make profit out of particular situations. It also helps us to see clearly the way the overall picture of the business is going in, say, October, enabling us to prevent a potentially difficult situation in, say, December, a peak selling month," he said. "We can see a pattern developing early on in the cycle." "We can look at that picture from two different angles," he added. "We can take a broad company-wide view, or we can look at a particular



Each Monday, promptly at 2pm, top management of Milletts meets in the boardroom at the company's Moulton Park, Northampton head office, to discuss the movement of merchandise: what's moving, what isn't, what's needed, and what's not.

Alan Millett, chairman of the Milletts Group (right) is seen discussing branch stock levels with his cousin, Julian Millett, managing director.

shop, or line of stock that might be presenting a problem, or doing particularly well." There's still room for the gut-feel decision. The retail business, according to Julian Millett, is geared up to intuitive feel. But nowadays that gut feeling is 'grafted on to a more accurate base of information'.

Before the videotex system was installed the information was just not available, he said, even though they had computer printouts. These were both difficult to interpret and, by the time they reached management were historic and of little practical help in a fast-moving business like the retail trade.

Milletts installed its videotex system some two years ago on a modified R1800 computer that it put in to develop its computer systems in-house in 1979 after several years of operating through a computer service bureau.

An interesting commentary on the success of the installation is provided in the fact that the initial intention to run the new systems in parallel with the Hoskyns bureau service for six to twelve months was quickly abandoned. Parallel running, in fact, was abandoned after just three weeks when Milletts felt confident enough to cancel the bureau contract.

Videotex came into the picture when Matthew Poray, the group's distribution manager, (now distribution director) had attended ROCC's first launch of videotex and had promptly put a report into the board recommending that Milletts should look at it.

His report was with the board for six months while the idea germinated, but once it did take hold things moved very quickly.

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**"We felt that if people could see that the directors were using the system, it would encourage others to use it in the normal line of activity"**

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The first priority was to get videotex TVs into the two 'absolutely vital' operational areas of the business – the buying and the distribution offices. Once that had been accomplished management decided that it should also get directly involved with the system. "We felt that if people could see that the directors were using the system, it would encourage others to use it in the normal line of activity," said Julian Millett.

More recently a videotex TV set has been installed in the warehouse for use in forward planning and other stock applications, bringing the number of installed sets to four. A small number perhaps, but the four sets are worked by much larger numbers of people. In the buying office, for example, all four buyers operate around the one set.

There are no firm plans to extend the system currently, but there is an open attitude to the benefits that can accrue from the application of technology and the Milletts foresee a place for videotex in their stores of the

future. Branches have already shown a healthy interest in the central systems and see the advantages of having a direct link that would enable them to have immediate information on their own particular situation.

Milletts' computerised stock distribution system provides most of the raw data, taking up roughly 90 per cent of the computer workload, the other 10 per cent being accounted for by financial systems.

The unit stock system revolves around Kimball tags which were introduced along with computers in the early '70s. Their use allows Milletts to control the movement of stock to branches right down to what Matthew Poray describes as the lowest common denominator. "Every single merchandise product – and there are approximately 2000 different product lines – and every single colour available in that product line is controlled at size level," Poray commented.

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**". . . ROCC's willingness to 'tailor a system to suit our business' . . ."**

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ROCC got involved after Milletts had decided to move its systems in-house from the Hoskyns bureau service in Birmingham. Looking back on the decision, Alan Millett recalled that it was ROCC's willingness to 'tailor a system to suit our business' that won Milletts' confidence. "We looked at various installations at the time and the attitude of the larger suppliers seemed to us to be: this is the system, your business has got to fit the system," he commented.

The cooperation Milletts has had from ROCC since the decision to install the R1800 minicomputer and the service back-up, he said, had been 'quite fantastic'.

Milletts is now adding to its original, much modified system with an R2800 Telecentre. This is needed to cope with a major group expansion following the takeover of Wakefield Stores (Midlands) Limited, a chain of 53 stores in the same line of merchandise as Milletts – 'friendly competitors', as Alan Millett puts it. They join the Milletts chain of 100 shops that cover the country from Aberdeen in the North East to Plymouth in the South West and from Glasgow in the North West to Maidstone in the South East.

The Wakefield acquisition happened on September 3 1984 and will bring the Milletts turnover up from



*A videotex TV is installed in the busy distribution department at Milletts' Northampton head office. Melba Baldwin, office manager, is seen answering a branch request for a further stock of Dalesman Tents. The information as to branch availability of this item is being accessed by Matthew Poray, distribution director, who is also responsible for the videotex installation at Milletts.*

a level of some £24 million prior to the takeover to around £40 million.

One by one, the Wakefield stores are being closed for a week. All the stock is being taken out to be replaced by Kimball-tagged Milletts stock; the standard of in-store equipment is being upgraded; and, in general, the stores are being given the Milletts modernisation treatment with a new layout and a fresh look.

The first phase of the Wakefield refurbishment programme, involving 35 shops, was completed by the end of last November. It has picked up again after Christmas and will be completed early in 1985.

### **“... ‘quite fantastic’ ”**

The Wakefield move is part of an overall group drive for expansion and modernisation. New standards have been established for all the Milletts stores and a new-look logo reflects the new thinking of the organisation.

### **“The modernisation programme looks out to the 1990s”**

Another recent acquisition, a group of a dozen shops in Scotland trading under the name Chelsea Boy, went through earlier last year and is taking Milletts into a new market area catering specifically for youth and fashion. There is a constant programme of stores opening and closing as the company pursues a policy of adding to the average floor space of its stores and brings in more up market fashionable merchandise to add to its existing well-established product lines.

The modernisation programme looks out to the 1990s. When all's said and done, however, and Milletts looks back on the 1980s, 1984 is likely to stand out as a milestone year. As Julian Millett put it in something of an understatement: “Last year, we gave ourselves a fair amount of work to do.”



*Three of Milletts' employees are pictured modelling a selection of the winter 1984/85 casual wear which is available at all branches of Milletts' leisure wear shops.*

## **Alan Millett: Driving force in leisure retailing**

At 56, Alan Millett still talks with staccato energy about the business of leisure retailing which is synonymous with his family name. When he left school at 18 to join the business his father founded in 1918 it was to work alongside his brother.

Together they took the Milletts shops from nine in number to nineteen. There was a generation gap between the brothers, however – a difference of 21 years – and Alan Millett decided to branch out on his own and started with one shop in Richmond in 1951. He had built that up to 33 shops when, in 1964, he and his brother decided to come together again and the brother's 50 shops effectively came under the umbrella of Alan Millett's company with a merger being formally sealed in August 1966.

At that time Milletts was operating from a head office in Twickenham with warehouses in Twickenham and Manchester. A firm believer in the merits of centralised control, however, Alan Millett looked around for a new site on which to base future growth. He found it in Northampton, a few minutes off the M1 and the national motorway network and close to the centre of the country and Milletts moved in to its new head offices and warehouse complex in August 1973.

The next major building block in the Milletts growth plan was the move to go public which took place at the end of 1978. The Millett family continues to hold the majority of the shares – 63 per cent, in fact – and remains at the centre of things.

It's not in Alan Millett's nature to do otherwise. His interest in retailing remains as sharp and as involved as ever it was and he continues to look for new ideas. He was the one who burst into Matthew Poray's office one day with the news that he wanted the ROCC videotex system and he didn't want to be kept waiting for it either.

*Milletts' new logo and livery.*

