

THE ART FCFM[®] MARKET BLACKWOOD GROUP LIMITED



BRIEFING PAPER FOR THE CREATION AND OPERATION OF THE ARTISAN MARKET, BLACKWOOD

9th July 2018

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*This is a draft consultative paper which is subject to change and
amendment*



3D Visualisations of Proposed Artisan Market

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1.0 Executive Summary

- 1.1 The retail offer in town centres and high street locations across the UK has changed in recent years, this has been brought about by the ongoing rise in internet shopping and the high cost of operating traditional retail premises.
- 1.2 As evidenced by increasing numbers of farmer's markets, home based retailers and "pop up" retail businesses, there is a growing demand from budding entrepreneurs and start up business as well as the general public for an alternative to the increasingly homogenised high street retail experiences, often saturated with charity shops, financial institutions, betting shops and failing businesses, this is evidenced by the increasingly common closures of many former high street brands and the growing presence of speciality retailers.
- 1.3 The Blackwood "**artisan market**" will comprise thirty 200 sqft units, these will be lock up units with limited servicing and there will be communal toilets and welfare facilities for both tenants and visitors.
- 1.4 Each of the 200sqft units will carry a rent of £10 per foot per, so each 200sqft unit would have a £2,000 a year annual rent, this equates to less than £7 a day assuming a 6 day week and, initial research shows, would appeal to a wide range of users.
- 1.5 One of the attractions of this strategy is that the individual units are below the threshold for paying business rates and so no business rates are payable.
- 1.6 The freeholder would provide communal space on a no-cost basis to keep the service charge low and would fit out the communal areas, but the ongoing utility and energy costs for this would be covered by the service charge on the individual units.
- 1.7 In addition to the above retail offering, there would also be an outside area where the current disabled parking bays are which would become an attractive outside meeting/socialising place with pavement seating, cobbled walkway, high quality landscaping, street furniture/public art sculpture display area.
- 1.8 This area would be an attractive place to meet, not only for the users of the market but also for the residents living in the new build block above the car parking and also the residential block above the market bringing life and vibrancy of a high-quality nature to that whole area.
- 1.9 The Blackwood **artisan market** area would have a direct link from it directly to the existing Market Place precinct, currently there is a rental unit which is un-let which would provide this capacity.
- 1.10 Currently the existing market place pedestrianised thoroughfare, precinct, is disused and locked up at night, it might be worth giving consideration to leaving this area permanently open with remote CCTV security, this would, perhaps, enable some of the currently unlet units to be let to food and beverage or night-time economy tenants and with the, now, nearly 100 new residential units immediately above, that might help provide additional customers for those units enabling them to improve their sustainability and make a more attractive overall environment.
- 1.11 The Blackwood **artisan market** provides an innovative approach to the demand by start-up businesses/entrepreneurs and the general public for a different type of retail facility.
- 1.12 Set out in this document are the details of how the Blackwood **artisan market** will operate, the facilities on offer, the type of businesses that will be welcome/targeted and the management and promotional aspects.

2.0 The Overall Concept

- 2.1 The Blackwood **artisan market** will be an interesting and vibrant place to visit with lots of quirky, unusual but interesting experiences for consumers.
- 2.2 The **artisan market** will be open from 10:00am until 7:00pm and will be open 7 days a week, all tenants will be required to commit to opening these hours.
- 2.3 In addition to the retail option, there will be an interesting range of food and beverage outlets with attractive indoor and outdoor seating/relaxing areas, these areas will also provide space for visiting displays and entertainers as set out herein.
- 2.4 The culture within the **artisan market** will be that everyone works together to provide an attractive and interesting experience for the visitors, by everyone working towards this aim, additional footfall will be attracted and that, in turn, will benefit everyone.
- 2.5 There will be a strong relationship between the overall market place management and the tenants evidenced by a monthly meeting so that problem areas can be remedied urgently, and forward planning and positive ideas can be debated, planned and implemented quickly and efficiently.
- 2.6 Within the Blackwood **artisan market**, there will be the following “quarters”;

(a) The Artisan Food & Drinks Quarter

This area will attract small speciality food and drink outlets such as homemade duck and hen scotch eggs, homemade pies and quiches, locally produced speciality foods, local brewery or soft drink manufacturer, homemade cakes and celebration cake maker, artisan bread bakery, homemade chocolatier, herb grower and drier, local cheese seller and similar businesses.

(b) Antiques & Pre-Owned Quarter

The aim will be to attract speciality retailers and dealers, these focused speciality areas could include pre-owned party dresses, antique wedding dresses, retro clothing, watches and jewellery, stamps, coins and other collectable items, pottery and glassware, postcard and football cards, antique furniture and antique silverware.

(c) The Artist's Quarter

This area will feature working artists, so effectively a studio environment but with a retail capability providing an interesting experience for both artists and customers alike, the environment could include watercolour or oil artists, photographic portraits, silhouette artists, calligraphy and specialist invitations for weddings, christenings etc., homemade local jewellery, sculpture, pottery and ceramics, acrylic art, wood carving and lathe work, “new life” artists, i.e. taking old furniture and reinventing such as painted chest of drawers, re-used materials etc.

2.0 The Overall Concept

- 2.7 Each of the above “quarters” will feature retailers who are effectively a draw in their own right, i.e. customers will come to that specific retailer irrespective of where they are, in addition to those “quarters” there will be a number of speciality retail units which have a similar customer draw capability, i.e. the customer wants that particular item and will go to a specific location for that purchasing requirement, typically something that requires a discussion with the retailer or a relationship building experience, these could include speciality wines, craft retailers including knitwear, speciality tobaccos and personalised toy products.
- 2.8 In addition to the retail unit there will be four different themed food and beverage operations, these will be tightly controlled so as not to compete with each other but to give customers a good choice. The initial theming suggestions are; -
- Vegetarian/vegan
 - Asian street food
 - Artisan coffees and homemade cakes
 - Wine and tapas
- 2.9 It is anticipated that all of the above businesses will be single person or family run businesses, many will be relocating from a home or informal environment and the majority will be start up or early stage businesses.
- 2.10 In addition to the above facility, there will be communal toilet accommodation for both customers and tenants and shared seating areas with both outside and inside zones.
- 2.11 In addition to the above, there will be a regular series of self-funding additional draws such as weekly “buskers corner”, meet Santa, charitable events from local bands, singers and similar, regular community led activities such as council demonstrations, third party talks etc.
- 2.12 Each of the individual retail areas will be 200 sqft with a polished concrete floor finish, glazed frontage, lockable front door and a painted fair faced block interior with painted ceiling. Each unit will have its own power supply and running. The internal fit out and design will have to be approved but will be the responsibility of the incoming tenant and there will be sensible rules about ensuring interesting and attractive displays, lighting etc. at all times, this is designed to create a good quality, attractive, interesting environment for all visitors.

3.0 The Cost & Occupancy Terms

- 3.1 The rental costs are calculated on a daily basis at £7 per day per unit (*6 days a week*).
- 3.2 There are no business rates due to the current government policy.
- 3.3 All tenants will be individuals, if a company is used as a tenant then a personal guarantee from the company's director will be required.
- 3.4 In order to give security to the tenants, the length of the agreement is for a minimum of 5 years with an automatic ability to renew for a further 5 years, however there is a 3 month notice period, tenant only, at all times so the maximum commitment from the tenant at any one time is 3 months.
- 3.5 The rent is fixed on an annual calendar year basis and future rent increases will not increase by more than the rate of inflation at each annual rent review date (*RPI*).
- 3.6 The rent is payable by way of a standing order on a monthly in advance basis with a two month rent deposit held by the landlord.
- 3.7 All tenants are given a one month rent free period for them to fit out and decorate their unit and commence trading.
- 3.8 Each tenant will pay a service charge in addition to the rent, this will include insurances for their unit (*not contents*), communal area, heat, light and water costs and marketing and events costs (*the marketing and events costs are controlled by the tenants on the basis of a 65% approval rate for any such events and costs*).
- 3.9 In order to create a cohesive, likeminded and committed experience, all potential tenants are required to go through an approval process, this involves a brief description of the products they will be selling, details of how their goods are manufactured or procured and, finally, why they feel they will be successful, both individually and also as part of the overall **artisan market** community. This application, along with a 30-minute interview is required for all prospective tenants and will be undertaken by the centre manager.
- 3.10 There will be an "**artisan market** community" (*AMC*). The AMC will have a "board" elected from the individual retailers comprising a minimum of 5 people, one of whom will be elected as chairperson, this group will meet on a monthly basis with minutes prepared and circulated to all, in addition, there will be a quarterly social get together for all retailers, the aim of this is to build a strong and sustainable community for the **artisan market** as a whole.
- 3.11 The individual units will be allocated on a first come first served basis within the various "quarters". If a unit becomes vacant it will be automatically be offered to the other unit holders with a priority of length of stay being the key deciding factor, the aim of this is to ensure the strongest and most permanent retailers are always given preference to secure a stronger position if they wish.
- 3.12 The legal documentation is standard and not capable of variation, it will be up to individual prospective tenants if they wish to take legal advice and it is perfectly in order for prospective tenants to simply enter the documentation themselves thus saving on legal costs, or they can instruct their own lawyers as they prefer.
- 3.13 The electricity supply and water meters are in the names of the individual tenants, although the **artisan market** as a whole has negotiated highly preferential power supply costs using their "bulk buying" capability.

4.0 Community Involvement

- 4.1 One of the guiding principles behind the **artisan market** is to encourage and build local community relationships and there are a number of initiatives set down below to help achieve this objective.
- 4.2 In order to build on the local community involvement strategy, an ongoing joint venture with the local media will be established, this will provide a weekly profile of individual units to the newspaper with photographs, it is hoped this will be an interesting feature for the newspaper and will benefit the tenants. Tenants will be offered a discounted advertising rate if they want to advertise alongside these editorial items. In addition, we will have a large wall mounted display within the **artisan market** covering the history of the newspaper and raising their profile to primarily local users (*this may include an automatic discount using a "tear off" voucher*).
- 4.3 There will be local business advertising and display opportunities within the **artisan market**, these will be "swapped" for promotion of the artisan market within that business's capabilities, i.e. in all estate agency details that are sent out, reference will be made to the **artisan market** as a benefit of living the community.
- 4.4 In order to encourage genuinely local businesses and start-ups there will be a 3-month rent free period for any tenant who has lived in Blackwood for more than 5 years and/or whose parents have lived in the town for more than 10 years.
- 4.5 We will establish relationships with local art colleges for regular displays (*lots of artist's family and friends will come and see a display*) and will offer them the same rent free period (*3 months*) for students who want to establish their own business or, perhaps, a small consortium of students.
- 4.6 We will set up a website and put this under the control of the AMC and link this to lots of other local websites and tourism facility providers.