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# **RETAIL AND CONSUMER HUB**

Welcome to October's Retail & Consumer newsletter brought to you from Dubai.

#### Retail Week launch

The main news item this month is the launch of the Retail Week Report. For the last 4 months, representatives from Addleshaw Goddard's UK and international offices have been working in conjunction with Retail Week to launch the report: "Retail's top five global hotspots: Mapping your fast track to international growth". There will be a launch event in London on 23 November at 3.30 – 6pm, chaired by Retail Week and featuring panellists from prestigious retail brands John Lewis and Ted Baker, as well as global investment bank Houlihan Lokey.

Separately, the Retail team here in Dubai will be leveraging the Retail Week Report by giving targeted seminars to retail clients on the results contained in the report.

#### Breaking news: Dubai is no longer tax-free

Tax is currently the main talking point amongst UAE retailers. Not only is VAT set to be introduced in the New Year (see article below) but something that has informally been labelled a "Sin Tax" was introduced earlier this month targeting unhealthy products. This has seen the price of soft drinks increase by 50% and tobacco double in price.

#### UAE retailers embracing disruption

The UAE is traditionally a bricks and mortar market as people like to visit the mall to browse and shop as a hobby as much as anything else. But major retailers in Dubai are adapting to combine traditional shopping with digital disruption. One of the main supermarket chains is looking to roll out a system where customers can still spend an hour browsing and scanning with their smartphones any items they wish to purchase. When finished, they simply walk out the shop and head home with their shopping arriving shortly afterwards.

## This month's articles...

## VAT to hit the UAE

Robin Hickman and Ben Sims from our Dubai office have authored an informative bulletin on the introduction of VAT in the UAE, which is set to be implemented by 1 January 2018. In (what was previously) a tax-free jurisdiction, businesses (and expats) are not geared up to pay any tax (even the proposed rate of 5%) and so its implementation is a key talking point and fraught with logistical and legal difficulties. We will keep you posted on developments and the impact on retailers in the region.

Robin and Ben's article can be accessed here.

## Product recalls increasing problematic?

Statistics from 2014/15 show that about 36% of incidents attended by the Fire and Rescue services related to the misuse of electrical equipment or appliances within the home. Given there are now an estimated 41 domestic electric appliances in daily use in the average UK home, the issue of product safety has been pushed into sharp focus. In light of these alarming statistics, Mark Chesher looks <u>here</u> at the problems associated with product recalls and how the traceability of goods can be improved.



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## Dressed to repress?

In an interesting and topical article, Helen Almond looks at how retailers need to strike a balance between promoting the image they want for their brand (their "look policy") and not straying into discriminatory behaviour by imposing a dress code.

Helen's article can be found here.

## <u>Events...</u>

- If you are interested in attending our Retail Week London launch event on 23 November 3.30 6pm, discussing the themes addressed in our recent report alongside panellists who can give valuable insight into the internationalisation process, please register with <u>Katie Smith</u>
- We are also running a Mock Employment Tribunal on Wednesday 31 January 2018 in Leeds. This is an event for in-house employment lawyers, HR professionals and line managers alike, offering the opportunity to gain the experience of an employment tribunal in a safe environment. Delegates will be given packs to take away including the pleadings, witness statements and the relevant documentation relied on by the parties. The cost of this event is £99 plus VAT, and we are offering an early bird discounted rate of £49 plus VAT for any reservations placed on or before 15 November 2017. To reserve your place please contact <u>Vicky Lightowler</u>

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