

Newsagency

Business start-up guide

Newsagency industry overview

Traditionally, newsagencies mainly sold products such as newspapers, magazines, books and stationery to the general public. As more customers now read newspapers online and e-books via electronic devices, newsagents have had to broaden their product ranges and services.

Starting or buying a newsagency business involves many essential steps. Legally, you must ensure that you apply for and receive the correct licences.

This guide explains how to start a newsagency in Queensland. It will help you understand the challenges and opportunities of entering the newsagency industry so you can make good business decisions.

Getting into the newsagency industry

Before you start a newsagency in Queensland, you need to understand how the industry works, what things you need to consider in your planning, and the legal requirements you must meet.

Finding a competitive edge in Queensland's newsagency industry

There is little price-based competition between newsagencies because most newspapers and magazines are sold at their cover price. However, you can compete on book and stationery prices to set your business apart.

Newsagencies also face competition from department stores, supermarkets and general or convenience stores. To give your newsagency a competitive edge, ensure your product range caters to different customers in your local market. For example, if you are near a high school, provide pre-paid mobile phone cards and public transport tickets.

Key success factors for newsagents

To build a successful newsagency, you need to:

- effectively manage your stock
- find the best price for your products
- adapt to changing customer demands
- present your products attractively
- hire skilled and friendly staff
- consider joining a franchising chain.

Newsagency industry entry barriers

The main barrier to entering the newsagency industry is the money needed to buy or set up a new store, as well as stock and store fittings. If you plan to join a newsagency franchise system, you need to buy a franchise and also pay advertising and royalty levies.

(Source IBISWorld, March 2012)

Newsagency industry requirements

You may need to meet a number of licensing and registration regulations depending on your newsagency operations.

Acting as a lotteries agent

To act as agent for lotto and other games, such as Gold Lotto, Instant Scratchies and Oz Lotto, you may need an Application for Appointment as a Lotteries Agent from the [Golden Casket Lottery Corporation Ltd](#). Applications cost \$550 and it will take 1 month to process your application. Before you start operating as a lotteries agent, you may be required to do 1 day of training for Instant Scratchies and another 4 days training for online agencies.

Operating as a licensed post office

To act as a post office for Australia Post, you may need either a Licence to operate a Licensed Post Office (LPO) or a Licence to Operate a PostShop:

- [Licence to operate a LPO](#). Licence costs vary depending on your business operations

and it can take Australia Post up to 3 months to process your application. **Note:** you can only apply in response to an advertisement placed in a newspaper under 'Business for Sale' by a licence holder or 'Business for Tender' Australia Post. Australia Post must approve your licence in writing before your LPO operation can start.

- [Licence to Operate a PostShop](#). You require this licence to operate a PostShop franchise to sell stamps and postal packaging materials as a recognised postal outlet.
- **Licence to Operate as a Licensed Stamp Vendor.** This licence is required by any business that wishes to sell stamps.

Selling tobacco products

To sell tobacco products, you need to be aware of the *Tobacco and Other Smoking Products Act 1998*, which is managed by [Queensland Health](#). It is illegal to supply tobacco products to children up to the age of 18 years and no exceptions will be made for any business that does so. Any business that helps supply tobacco products to the public must display a prohibition sign near each tobacco product point-of-sale and make sure the sign is easily visible to the public.

Legislation that may apply to your business

- *Australian Postal Corporation Act 1989*
- *Debits Tax Act 1990*
- *Disposal of Uncollected Goods Act 1967*
- *Lotteries Act 1997*
- *Motor Accident Insurance Act 1994*
- *National Measurement Act 1960*
- *Partnership Act 1891*
- *Sale of Goods Act 1896*
- *Stamp Act 1894*
- *Statistical Returns Act 1896-1986*
- *Tobacco and Other Smoking Products Act 1998*
- *Trading Allowable Hours Act 1990*
- *Work Health and Safety Act 2011*

To access copies of legislation, visit www.legislation.qld.gov.au.

Useful industry contacts

Business Support Unit

For more information on licences, regulations, market research, business planning and other support services phone 13 25 23 or visit business.qld.gov.au

Queensland Newsagents' Federation Ltd

Phone 07 3862 7100

Visit www.queenslandnewsagents.com.au

United Retail Federation

Phone 1300 721 730

Visit www.unitedretailfederation.com.au