**THE NATIONAL PAWNBROKERS ASSOCIATION…**

**The National Pawnbrokers Association (NPA) was founded in 1892 and represents retailers in a £500m loan market comprising 1,800 retail outlets, which is 80% of the market. It is the only trade association which specifically represents the interests of pawnbrokers in the UK. Pawnbroking is part of the credit industry and is regulated alongside banks and other lenders by the Consumer Credit Act 1974.**

The NPA has close links with bodies such as Department for Business Innovation and Skills, the Office of Fair Trading, Trading Standards Departments, Financial Ombudsman and Police Constabularies throughout the country.

The NPA sets higher requirements of its members than are required in law. We help members to be compliant and in fact our advice goes way beyond the basic requirements of the law to ensure that they give great service to their customers. In addition we ensure that they have adequate security, a good safe, CCTV and a monitored alarm system.

The NPA Chief Executive manages operations of the NPA, creates the annual marketing plan and, after gaining approval from the Council, sets about delivering the plan. He liaises closely with members, the Council and other industry stakeholders.

**…REPRESENTING A GROWING INDUSTRY**

Today, the Pawnbroker market is growing at around 10% per year. This equates to 1 new shop per week. The market size is approximately £500 million, however this represents only a fraction of overall consumer credit.

The comparatively recent upsurge in the industry came during the 1980's credit boom and has continued to today with customers now preferring the speed and convenience of pawnbroking for small cash sums over other High Street lenders.

**…MEETING CUSTOMERS NEEDS**

If you were to walk into a pawnbroker's shop today you could be forgiven for thinking that you had just walked into your local bank or building society. Pawnbroking is now a serious alternative to using the services provided by the High Street bank. Customers realise that borrowing money against goods they already own is an affordable alternative to a bank overdraft or other type of loan.

Pawnbroking businesses are on the High Street and are very often jewellery retailers giving them a perfect shop set-up for lending and for keeping goods safely in storage. Consequently, the security that the vast majority of pawnbrokers give loans against is gold, jewellery and watches. This is because they are:

* easy to value
* easy to store
* are a luxury 'can do without' item
* do not perish
* do not generally depreciate
* have an established second-hand market

Alternatively a pawnbroker may be an exchange shop that buys and sells second hand goods. A pawnbroker will lend from as little as £5 to many thousands of pounds in one easy, quick transaction that requires no credit checks or lengthy meetings or form filling. Short-term cashflow is the reason most people use a pawnbroker, where convenience and speed of service are quite unrivalled. A loan will just as often be obtained for some extra spending money as it will be to clear an outstanding telephone bill. It is flexible, transparent, competitively priced and immediate and it is these factors that customers prefer. The result is that a high number of customers are satisfied with the service they receive.