# News story: News from the Adjudicator — Edition 17

On 1 November the Competition and Markets Authority (CMA) announced that it had designated two additional retailers to be covered by the Code. I welcomed this announcement and the opportunity to build on the strong progress I have made for groceries suppliers since 2013. I have already held an introductory meeting to which the Code Compliance Officers (CCOs) of the additional designated retailers were invited. Next steps will be to work with them on overall compliance with the Code.

I need suppliers to speak up and tell me about their experiences with these retailers so that I can pursue any specific issues. Email me at <a href="mailto:Enquiries@GroceriesCode.gov.uk">Enquiries@GroceriesCode.gov.uk</a> or call 020 3738 6537. You can also speak to me at events I attend over coming months (details later in this newsletter). Any information I receive will be treated in full confidence. As with the original 10 designated retailers I encourage suppliers to raise issues with the relevant CCOs and you can find details of how to contact the CCOs.

Following the progress made by the original 10 regulated retailers and the addition of two new ones I have decided to make a small change to my working so during 2019 I will hold three rather than four meetings with each CCO. Please continue to look out for the published record of those meetings.

The CMA will now consider designation on a yearly basis and I would encourage suppliers to contact the CMA directly if they believe there are other retailers that should come under the Code.

## Meetings with audit chairs

I have just completed a round of meetings with the chairs of the audit committees of the original 10 regulated retailers. I view these as a significant part of my work because making progress on Code-related issues has meant securing culture change supported from the top. These meetings have proved very valuable and I am pleased with the level of support I have received from the audit chairs who recognise the risk to their businesses if they are not compliant with the Code.

During these meetings I also shared themes that emerged from the 2017/18 annual compliance reports which the retailers produce. I am pleased that retailers are doing more to capture potential Code issues within their businesses and I continue to encourage them to be more open and transparent about how they comply with the Code by putting more information in the public domain.

# **Training**

As we are nearing the end of 2018, I want to ask suppliers to make a resolution for 2019 and that is to ensure they are fully trained in the Code.

Becoming Code Confident by understanding the Code and how I interpret it is so important for grocery suppliers and yet there are still too many who have not undertaken training. It could prove to be one of your best investments next year. I publish a list of all the training providers I am aware of on my website.

Warmest wishes for a successful holiday season.

Christine Tacon

## **Top Issues**

The GCA continues to monitor the progress being made by the original ten designated retailers on the issues of delay in payments, forecasting and promotions.

Retailers have done a lot of work in this area but delay in payments was the most reported issue by suppliers in the last annual survey. The GCA has worked with them to implement the changes required following the investigation into Tesco plc as well as encouraging them to put in place systems and processes to minimise the risk of delay in payments arising from drop and drive. Other changes to systems and supply chain practices have been made based on anonymous feedback from suppliers that the GCA has received. The GCA needs to hear from suppliers whether these changes are making a difference or if they are experiencing any new issues.

In June this year the GCA published a revised best practice statement on forecasting; this also included the issue of promotions. The revisions reflected the GCA's previously stated view that there will almost always be some circumstances in which compensation for inaccurate forecasting is appropriate, so a blanket exclusion in a supply agreement would be unlikely to be compliant with the Code. The GCA has also made clear that the due care test is unlikely to have been met if a retailer did not provide a way for a supplier to contribute to the forecasting process and also encouraged retailers to consider the extent to which they might offer compensation for inaccurate forecasting. The points in relation to the issue of promotions largely reflect where retailers could improve their processes and are based on the practical experiences that suppliers have shared with the GCA. Again, please let the GCA know how this best practice statement is being followed by the retailers.

We will also be working with the two additional designated retailers on all the Top Issues which the GCA has considered.

#### Save the date

• 17 to 20 March 2019 — International Food & Drink Event at ExCel, London

The GCA will be attending the International Food and Drink Event at London's leading exhibition centre. Come and meet Christine Tacon and the team and hear Christine speak on 19 March. Check out the programme on www.ife.co.uk.

- 20 to 21 March 2019 TasteWales Conference in Newport Members of the GCA team will attend the TasteWales Conference held at the Celtic Manor Resort in Newport between 20th and 21st March and will be happy to answer your questions about the Groceries Code.
- 24 June 2019 GCA Annual Conference in London The GCA will present her annual report and new work programme at the 2019 conference at Church House in Westminster. As in previous years YouGov will also announce the results of the GCA's annual survey. Further details including a registration form will be published on the GCA website in spring 2019.

### Invite the Adjudicator and her team to your event

The Adjudicator and her team are keen to attend as many supplier events as our diary allows. If your organisation is planning an event then please contact <a href="mailto:Enquiries@GroceriesCode.gov.uk">Enquiries@GroceriesCode.gov.uk</a> to discuss whether we can attend. It would be helpful if you could provide full details of the event including timing and location as well as the audience involved.

#### New email address

The GCA's email has changed. Please make sure you use the new address that ends in @GroceriesCode.gov.uk. Enquiries should be directed to <a href="mailto:Enquiries@GroceriesCode.gov.uk">Enquiries@GroceriesCode.gov.uk</a>. At the end of 2018, emails sent to the old address will no longer be forwarded.