

# Tacon sets out stall on key role in food chain

**EXCLUSIVE:** by Ewan Pate farming editor

A GROCERY code adjudicator has been eagerly sought for so long it hardly seems possible that one is now in place.

Sorting out injustices in the £146 billion UK groceries chain will be no easy task, but Christine Tacon could well be exactly the right person for the job.

Well known in farming circles as the chief executive of Co-operative Farms, the UK's largest agri-business, from 2000-2011, and as a former chairman of the Oxford Farming Conference, she has industry knowledge of primary food production.

Over her period at the helm she moved Co-operative Farms from a largely commodity production role to the supply of the associated Co-operative stores business with fruit, potatoes and vegetables.

Mrs Tacon also has earlier career experience with multi-national supermarket suppliers. She will need to draw on every ounce of that acquired knowledge if she is to deal with complaints raised against the 10 multiple retailers in the UK with a turnover of more than £1bn.

Speaking exclusively to The Courier during a private visit to St Andrews, she said she was excited about this pioneering appointment.

She will not be fully in post until the Groceries Code Adjudicator Bill receives Royal Assent this summer, but is already out and about gathering evidence.

"I have been at dinners and conferences and so on, and it has surprised me how many people have had a quiet word or offered to meet me later to talk about issues they face as suppliers.

"That is exactly what I need to hear if I am to ensure that these larger supermarket chains deal fairly and lawfully with suppliers. They mustn't, for example, vary supply arrangements retrospectively, and they must pay within a reasonable time."

She was at pains, however, to point out that it would not be her job to create a non-competitive market. A supplier who simply



Christine Tacon talked to The Courier about her new role. Picture: Ewan Pate.

could not compete on price would not be within her remit or that of the code.

The Grocery Code of Practice, which Mrs Tacon will police, is in fact quite well established, having become law three years ago.

Until now it has been self-policed by the supermarkets through their code compliance officers.

She believes they have worked hard to comply with the code, but may not always have had all the information to hand.

When it was put to her that the fear of losing a contract stopped many complaints being made, she said she realised that maintaining anonymity was a problem.

"That can be dealt with, I believe. If, say, an individual carrot producer made a complaint which looked like it could be substantiated and might be a wider

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Christine Tacon

problem, then I would launch an inquiry into the whole root vegetable sector.

"These inquiries would be time consuming, and it is unlikely that I could do more than three or four a year," she added.

Mrs Tacon will also have legal powers to act in formal arbitrations between suppliers and supermarkets.

In that case, of course, there can be no anonymity.

"If a direct supplier comes to me with a specific point which breaches the code I will go to the supermarket's code compliance officer first.

"If agreement can't be reached then arbitration is possible, with the retailer picking up the costs," she said.

Indeed, the whole cost of the office of the groceries code adjudicator will be

borne by the supermarkets. The estimated annual cost of the operation, which is part of the Department of Business Innovation and Skills, is budgeted at £800,000 and will be levied at a flat £80,000 each for the 10 major grocery retailers.

Mrs Tacon will also have the power to name and shame those who transgress the code, and to impose fines.

The level of fines has yet to be decided, but she reckoned it only reasonable that something which had cost a supplier £1 million would need to be punished by a fine several times greater if it was to act as a deterrent.

"It will be lovely to have all these powers, but it will be better if disputes can be sorted out an earlier stage," she said.

"I won't be frightened to go and see supermarket compliance officers and tell them to sort out a situation quickly."

Mrs Tacon is sure her activities will not make groceries more expensive for the consumer; indeed, the effect should be the opposite.

Many supermarket practices, such as insisting a supplier buy packaging from a nominated company when identical material could be purchased at a third of the price, did nothing to keep prices down.

Similarly, the insistence that only one laboratory was used for food testing when others could do the same job more cheaply did nothing but boost supermarket profits.

Supermarket audits, ever more frequent, have likewise become profit centres in themselves, with the supplier bearing the cost.

Surprisingly Mrs Tacon will be the first grocery code adjudicator in the world.

Even Australia, with 71% of the food market dominated by only two supermarkets, has yet to make the move.

"It is exciting and it is pioneering but be assured I am not trying to build an empire.

"Competition is good but it has to be fair. "I am doing this because I think I can make a difference," she said.

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## MARKETS

### Stirling

■ Caledonian Marts (Thursday) sold 215 live cattle at their weekly primestock sale, comprising 114 bullocks and heifers, six young bulls, 12 OTM clean cattle and 83 cast cows and bulls.

Bullocks (65) ave 228.5p, to 261.5p, 635kg Limousin, Learielaw Farm, Broxburn, or a record market price per head of £1,885 for 790kg Limousin, Craigton Farm, Clackmannan.

Heifers (49) ave 220.5p, to 253p (twice), heavy Limousins, Mains of Cultmalundie Farm, Perth, or £1,485 for 600kg British Blue, Balquharrage Farm, Lennoxton.

Butchers' cattle (26) in excess of 240p, ave 246p, to 260p, 645kg Charolais, Lochend Farm, Denny.

Young bulls to 228.5p, £1,713, for 750kg Charolais, West Kirk Farm.

OTM clean cattle to 209.5p, Limousin bullock, Bonnyhill Farm, Bonnybridge, or £1,500 for 730kg Limousin, Coledrain Farm, Kintyre.

Other leading prices were as follow.

Cast cows: Char £1,455 Newbigging of Ceres, £1,325 Redhouse; Lim £1,325 Newbigging of Ceres.

OTM bulls: Sim £1,355 Scart; Lim £1,725 Wairds of Alptay; Frie £1,575 Carskerdo.

OTM clean: Lim £1,500 Coldrain, £1,300 Bonnyhill.

■ United Auctions (Thursday) sold 4,348 prime sheep including 16 spring lambs and 3,370 hogs ave 196p (-18p), and 962 cast ewes and rams.

Spring lambs (16) Old Spittal (SuffX) £126.

Hogs: Easter Ochtermuthill (TexX) £121, Stanley (SuffX) £114, Easter Ochtermuthill (BTexX) £121, Nether Strathkinnes (ChevX) £108; Low Knockrioch (TexX) 259p, Low Knockrioch (CharX) 247p, Easter Ochtermuthill (BtexX) 303p.

Ewes (962): Barbarfield (SuffX) £137.50; Cherryfield and Wheatrig (TexX) £130; Lochty (Mule) £98.50.

# Lochhead shown 'acute impact' of storms

RURAL Affairs Secretary Richard Lochhead was in Dumfries and Galloway yesterday to see the severe weather-related challenges being faced in the area, writes Ewan Pate.

Mr Lochhead visited John Kerr's farm at High Barlay, near Newton Stewart.

Mr Kerr, a new entrant

to the sector, saw the loss of several hundred lambs under the snow when the storms struck late last month.

Since then, the stress on the farm's ewes because of the weather has resulted in further abortions.

Mr Kerr estimates that he will have lost 30% of his normal lamb crop by

the time lambing is completed.

NFU Scotland president Nigel Miller thanked Mr Lochhead for making £500,000 available to help with fallen stock collection.

But he added: "This visit brought the Cabinet Secretary face-to-face with the acute impact of the storms.

"John Kerr is a young farmer and, like a significant number of others, the storm has seen him lose many of his sheep and facing a daily battle keeping those that remain alive until warmer weather arrives

"That effort is replicated on many farms across Scotland.

"These are exceptional times and we believe that merits consideration being given to a one-off aid package.

"Today we issued a joint statement with farming charity RSABI, and are looking to work with all those with links into Scottish farming to ensure that any vulnerable farming

families are aware of the help available," Mr Miller said.

"By working with those who come into regular contact with farmers — banks, auctioneers, abattoirs, doctors, churches, the supply trade — we hope that any struggling family knows they are not alone," he added.