

# The Grocer

## Adjudicator hits out at retailer and supplier use of 'costly' arbitration process

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Adjudicator Tacon published her annual report today, as the CMA confirmed her remit is to be extended

Groceries Code Adjudicator Christine Tacon has hit out at retailers and suppliers for relying on the “costly and non-transparent” arbitration process to resolve disputes, rather than discussion and negotiation.

Writing in her annual report published today (21 June), Tacon revealed in the past year she had dealt with two new cases of arbitration, taking it to four in total since she took up the role five years ago.

Although the details of who is involved are being kept secret, Tacon said the arbitration process was ‘costly and very time-consuming for the parties involved, typically taking over 12 months’.

In a separate development the Competition & Markets Authority has written to MPs to say it will extend the list of retailers Tacon polices in August. The CMA has not officially named names but The Grocer understands that, as [previously predicted](#), it will add online giants Amazon and Ocado to the list, alongside Alliance Boots and B&M Stores.

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CMA chief executive Andrea Coscelli said the new retailers would be given six months to allow them to introduce measures to ensure they were code-compliant.

‘I am disappointed that both parties do not do more to try to reach a realistic position and to resolve issues through commercial discussion and negotiation rather than relying on the arbitration process to deliver a solution,’ said Tacon of the latest arbitration cases.

Tacon also said that the confidentiality of the arbitration process meant that she was unable to share learnings from cases with other suppliers and retailers.

‘Where possible I try to share any thematic lessons with retailers, but this is difficult given the confidentiality requirements and the fact-specific material involved. Accordingly I believe that my essential work of encouraging, monitoring and enforcing compliance with the Code to be more effectively conducted in other ways.’

The two arbitrations in the past year come on top of an ongoing investigation launched by Tacon into the Co-op in March for its treatment of suppliers.

Next week Tacon will publish her annual league table of retailer performance.

She said in her report today: ‘There are a number of practices that remain on my radar and the individual retailers are well aware of these.

‘I will be expecting to see action on these, including tackling the aggression shown by some buyers, contract lengths which bear no relation to the production time or growing season of the product and retailers choosing not to issue forecasts, instead expecting suppliers simply to fulfil every order, whenever it is issued.’