

# Working for fairness in the groceries supply chain



Groceries Code  
Adjudicator

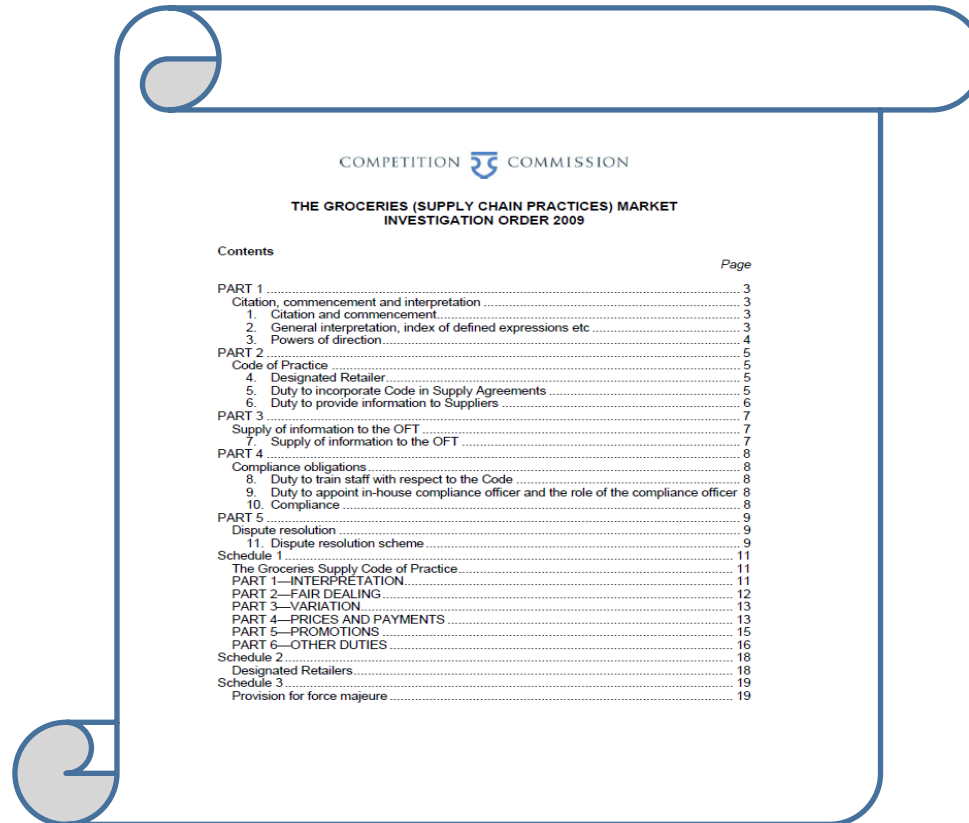
# The Groceries Supply Market


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- Very complex
  - Different business models; volumes, geography
  - Not one size fits all
- Legacy of practices to reduce supply costs
- New Challenges
  - Simplicity
  - Efficiency
  - Innovation



# The Groceries Supply Code of Practice



COMPETITION  COMMISSION

**THE GROCERIES (SUPPLY CHAIN PRACTICES) MARKET  
INVESTIGATION ORDER 2009**

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For full details go to [www.gov.uk/gca](http://www.gov.uk/gca)

# Who is covered by the Code



The **co-operative**



YOUR M&S



Sainsbury's

**TESCO**

Waitrose



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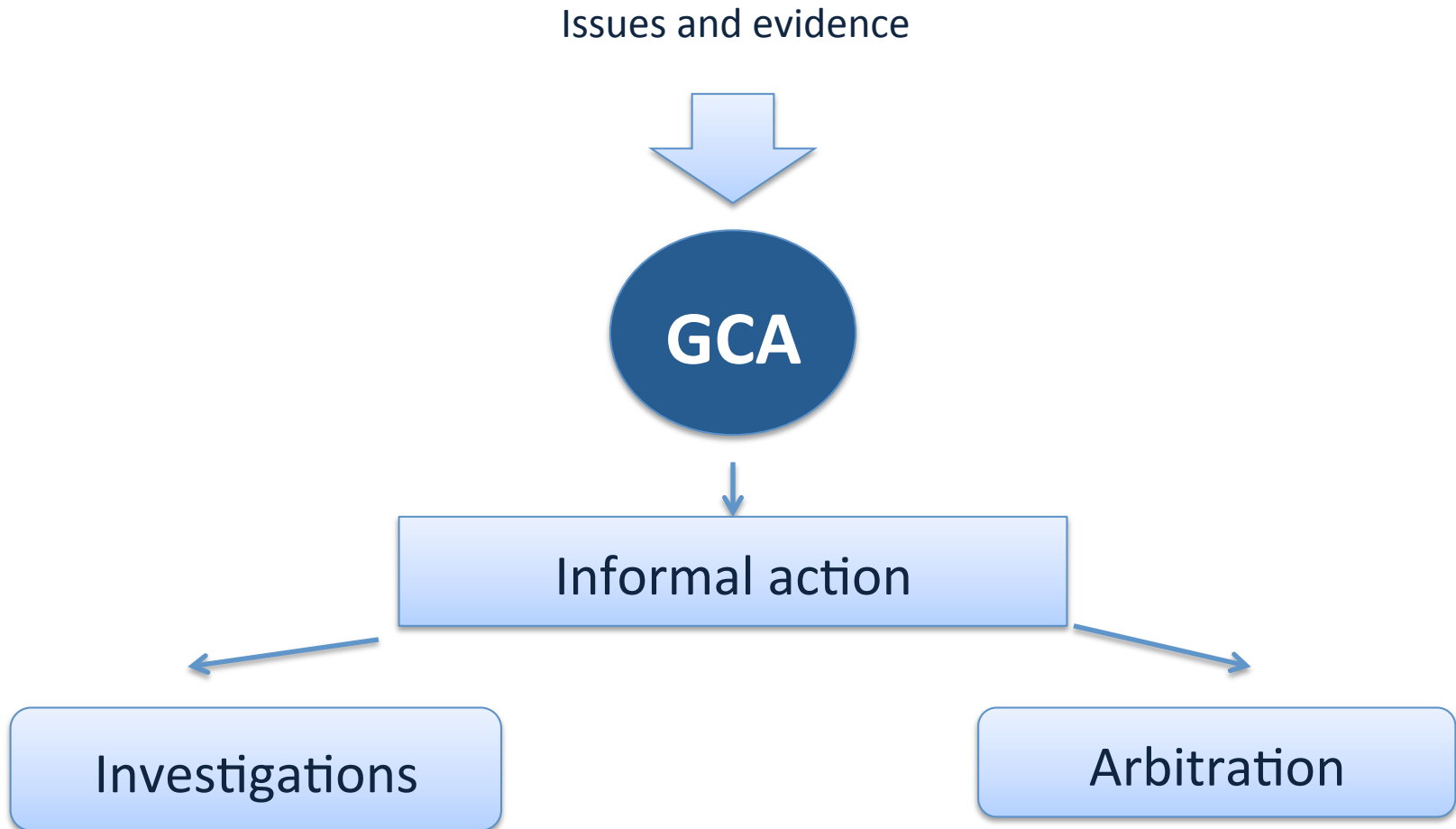
# Role of the Groceries Code Adjudicator

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- To monitor, ensure compliance and enforce the Groceries Supply Code of Practice
- Help strengthen the supply chain and bring further innovation to the groceries sector benefiting suppliers, retailers and customers



# Powers of the Adjudicator



# Working for success: GCA approach

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- Aiming for collaboration
- Will only investigate where informal approach fails
- But tough sanctions if an investigation discovers a breach:
  - Issue **recommendations** against retailer
  - **Require** retailers to publish details of breach
  - **Fine** retailers – expected for severe or repeated breaches only





# One year on: Progress and achievements



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# Key issues



# Highlights of year one



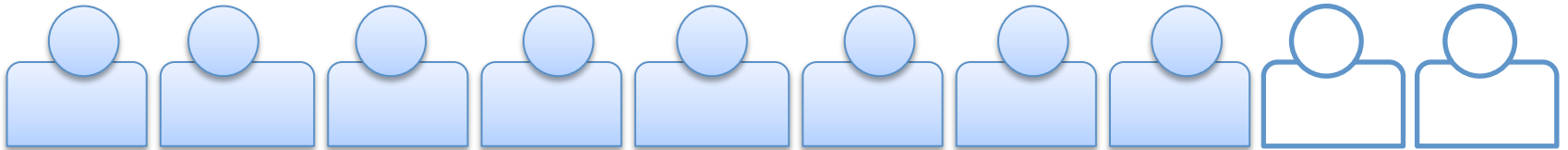
**Year two:**  
**What next?**



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# Acting on GCA survey:

- 8 out of 10 had experienced issues that could be breaches of The Code



payment delays  
shrinkage  
marketing costs  
wastage payments  
de-listing  
third parties  
forecasting errors  
customer complaints  
varying supply agreements

# Acting on GCA survey

- Improving our response rate
- Increasing awareness of our actions
  - New regular newsletter
- Dealing with feedback:
  - Only 38% of direct suppliers said they would consider raising issues with GCA.

58%  
feared retribution

41%  
thought GCA wouldn't act

Why?

- Considering further guidance



# Give me the tools and I can do the job

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The GCA needs to know of practices and issues which could be in breach of the Code

- Anyone can bring me information
- Confidentiality will be protected



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# Contacting the GCA

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[www.gov.uk/gca](http://www.gov.uk/gca)

