In this Annex the CMA sets out the full list of consultation questions.

**CMA’s proposed recommendation**

**Policy and impact questions**

*Question 1:* Do you agree with the CMA’s proposed recommendation to the Secretary of State to make a Block Exemption Order to replace the retained VABER with a new UK VABEO, rather than letting it lapse without replacement or renewing without varying the retained VABER?

a) Yes  

b) No  

c) Not sure

*Question 2:* Please explain your response providing, where possible, examples and evidence to support your answer.

Based on our clients and their experience, it is well-established practice for suppliers to rely on the provisions of the existing EU VBER, now retained in the UK VABEO. We support the CMA’s desire to take this opportunity to consider any amendments appropriate for application in the UK under the VABEO but would not agree with any proposal to let the UK VABEO lapse without replacement, given the unnecessarily negative impact this would have on the distribution systems of businesses across the UK and the resulting negative impact it would have on UK consumers.

*Question 3:* How will the proposed UK VABEO as outlined in the CMA’s proposed recommendation impact consumers?

a) Significant positive impact  

b) Moderate positive impact  

c) Negligible impact  

d) Moderate negative impact  

e) Significant negative impact

**Associations of undertakings**

**Policy questions**
Question 4: What are your views on the CMA’s proposed recommendation for agreements with association of undertakings to continue to benefit from the UK VABEO?

We support this proposal. Although not relied upon as often by associations, it is still a useful inclusion in our view.

Question 5: Do you think that the turnover threshold should be revised for agreements with associations of undertakings to benefit from the UK VABEO (in particular, to reflect market developments, growth, inflation and/or the UK market)? If so, please provide your views on what the new turnover threshold should be.

An adjustment in line with inflation would seem sensible.

Impact questions

Question 6: To what extent is the exception for agreements with associations of undertakings, as outlined in the retained VABER, helpful to your business’s operations or the operations of those you represent?

a) Very helpful

b) Somewhat helpful

c) Irrelevant

d) Unhelpful

e) Very unhelpful

Question 7: What would be the likely impact on your business’s operations or the operations of those you represent if the turnover threshold was increased?

a) Significant positive impact

b) Moderate positive impact

c) Negligible impact

d) Moderate negative impact

e) Significant negative impact

Question 8: What would be the likely impact on your business’s operations or the operations of those you represent if the turnover threshold was decreased?
a) Significant positive impact
b) Moderate positive impact
c) Negligible impact
d) Moderate negative impact
e) Significant negative impact

**Dual distribution**

**Policy questions**

**Question 9:** What are your views on the CMA’s proposed recommendation on dual distribution?

We support the CMA’s assessment and recommendation. As acknowledged by the CMA, dual distribution models are now commonplace and brands see both their direct (D2C) and distributor channels as essential parts of their go-to-market strategies. Removing the benefit of the VABEO from the many brands with this model could force them to choose between operating a D2C and distributor model, with the result of reduced choice for consumers and reduced intra-brand competition. In our experience, where brands have reached a reasonable size in Europe and have the resources, they operate the D2C and distributor channels separately and therefore information barriers would generally be workable for brands that have reached such a critical mass.

**Question 10:** Do you think that additional guidance on information exchange in the context of dual distribution would be helpful? If so, please provide your views on what that guidance should say.

We would welcome clarificatory guidance on this matter from the CMA, provided that such guidance did not attempt to replicate guidance that would be appropriate in a purely horizontal context. For instance, it would be completely inappropriate to share recommended pricing in a horizontal context but entirely appropriate in a vertical context to assist retailers in understanding the market for a brand’s products. Similarly, future promotions should not be discussed in a horizontal context but such discussions are necessary in a vertical context if the brand is to apply a maximum resale price during a promotional period and/or offer promotion support in the form of a discount from the wholesale price to support this. Creating uncertainty around such practices could reduce retail discounts. Other topics which would be inappropriate in a purely horizontal context but that may be essential for the efficient operation of a distribution arrangement include target volumes/sales, marketing strategy and spend, and in some cases exclusivity. The appropriate horizontal risks in relation to all of these topics can be effectively managed with appropriate information sharing protocols and training.

**Impact questions**
Question 11: To what extent does the dual distribution exception for non-reciprocal vertical agreements, as outlined in the retained VABER, positively impact your business’s operations or the operations of those you represent? Please explain your answer.

a) Completely

b) Very much

c) Moderately

d) A little

e) Not at all

As noted above, it is standard practice for our clients to rely upon the dual distribution exemption. In the modern environment of online sales (perpetuated further by the Covid-19 pandemic as well as the need to reduce overall transactional costs and inefficiencies, and the desire to increase the quality of the consumer experience), some form of D2C engagement, particularly online, is expected from consumer brands and beneficial for consumers.

Question 12: To what extent does the dual distribution exception for non-reciprocal vertical agreements, as outlined in the retained VABER, negatively impact your business’s operations or the operations of those you represent? Please explain your answer.

a) Completely

b) Very much

c) Moderately

d) A little

e) Not at all

Question 13: What would be the likely impact on your business’s operations, or the operations of those you represent, if the dual distribution exception was not included in the UK VABEO at all? Please include examples and where possible, quantitative and/or qualitative evidence in your answer.

Removing the dual distribution exemption would reduce the certainty with which our clients are able to operate. For example, many of our clients use D2C websites and this trend is only accelerating in the market for the reasons mentioned above. Without the existence of the dual distribution exemption those businesses would not be able to make distribution decisions with the same sense of certainty. This lack of certainty would affect their ability
to accurately consider the terms of their agreements and relationships with distributors given the resultant inability of sales teams to discuss or agree on legitimate topics that can be core to a successful supply/distribution relationship, such as those summarised in Q10. The impact for consumers would be reduced choice (for instance if the brand has to decide between D2C or distribution) or higher costs passed down due to less efficient distribution arrangements.

**Question 14:** Do you consider the CMA’s proposed recommendation, which also applies the exception to dual distribution by wholesalers and by importers, to have a positive or negative impact on business operations? Please explain your answer.

   - a) Significant positive impact
   - a) Moderate positive impact
   - b) Negligible impact
   - c) Moderate negative impact
   - d) Significant negative impact

We expect the model of having a wholesaler or UK importer make direct as well as indirect sales to become more common post-Brexit.

**Resale Price Maintenance**

**Policy questions**

**Question 15:** Do you agree with the CMA’s proposed recommendation on resale price maintenance (RPM)?

We are not surprised that the CMA is unwilling to depart from the approach to RPM under EU VBER, although we note that there is rarely/never enough confidence to proceed with requiring a resale price for e.g. a short-term promotion on the basis of an efficiencies justification. In the context of retaining this approach to RPM, we consider the CMA’s proposed softened approach to dual pricing particularly helpful as it affords brands the ability to compensate and incentivise retailers for added investments and efforts. (Absent an ability to legitimately differentiate between customers based on their efforts, we expect the temptation to engage in RPM aimed at minimising free-riding would be higher).

**Question 16:** Based on your experience, do you have any examples in practice of circumstances where RPM would lead to efficiencies that outweigh the restriction of competition? If so, please provide these examples.
N/a. This is not because we do not agree that efficiencies are possible (indeed, the economic and U.S. evidence suggests RPM can be beneficial in some circumstances); rather, that brands are in practice not prepared to take the risk of relying on S 9 Competition Act 1998 (Article 101(3) TFEU) to exempt RPM, so experience is limited.

**Question 17:** Do you think that additional guidance on when RPM may lead to efficiencies would be helpful? If so, please provide your views on what that guidance should say.

We agree that additional guidance on RPM efficiencies would be useful. Clearly the elements of S9 Competition Act 1998 (Article 101(3) TFEU) are extremely difficult to satisfy. More detailed and specific guidance, as well as any potential examples, could give businesses greater confidence in using the exemption.

**Impact questions**

**Question 18:** What would be the likely impact on your business, or those you represent, if RPM were not treated as a hardcore restriction for the purposes of the proposed UK VABEO? Please explain your answer.

a) Significant positive impact

b) Moderate positive impact

c) Negligible impact

d) Moderate negative impact

e) Significant negative impact

**Question 19:** Are you aware of, or have you encountered, any difficulties in your business as a result of the treatment of RPM as a hardcore restriction for the purposes of the retained VABER? If so, please give examples.

The treatment of RPM as a hardcore restriction does, in our experience, make it difficult for businesses to support retailers that invest in offering greater customer support to consumers (for example in the form of after-care or a personalised shopping experience). Suppliers wanting to support distributors or resellers with greater consumer support facilities are unable to control the ‘grey market’ resellers who undercut more comprehensive customer support packages with a race to the lowest feasible price point. These types of ‘product dumping’ practices, in which players actively track and compete with one another to find the lowest price (further exacerbated by price matching software), create a market in which it is difficult for customer support oriented resellers to survive - which may be at odds with the brand image and intended use of the product for sale.

**Territorial and customer restrictions**
Policy questions

Question 20: What are your views on the CMA’s proposed recommendation on territorial and customer restrictions? In particular, what are your views on the CMA’s proposed recommendation to:

a) continue to treat territorial and customer restrictions as ‘hardcore’ restrictions so as to remove the benefit of the block exemption (subject to exceptions);

b) maintain a distinction between active and passive sales;

c) revisit the distinction between active and passive sales for certain types of online sales in the CMA VABEO Guidance; and

d) change the current regime in order to give businesses more flexibility to design their distribution systems according to their needs?

In your response please consider whether:

a) there are any features of the UK internal market militating in favour or against retaining the treatment of territorial restrictions as ‘hardcore’ restrictions for the purposes of the UK VABEO;

b) the distinction between active and passive sales remains valid and whether changes to this categorisation should be made in order to:

i. clarify the situations where online sales amount to passive or active sales; or

ii. give businesses more flexibility to combine different distribution models.

We are strongly in favour of the CMA’s proposal to allow the combination of selective and exclusive distribution in the same or different territories. We consider that the key elements are:

- it should be permissible to prevent any reseller wherever located from selling to unauthorised resellers in a territory where a selective distribution system is in place (cross-sales, whether made actively or passively, between authorised retailers should not be permitted under the UK VABEO);

- in the situation where exclusivity at the wholesale level is combined with selective distribution at the retail level, it should be permissible to prevent active sales into the exclusive territory at the wholesale level but restrictions on cross-sales at the retail level (including between territories) should not be acceptable.
In relation to the latter scenario, we note with concern the European Commission's more aggressive current position.\(^1\) The European Commission seems to envisage that businesses must apply selective distribution at both the retail and wholesale levels, although they may choose to impose quantitative criteria at the wholesale level. We are concerned that the proposal leaves no workable solution for businesses with a market share of more than 30% who fall outside the safe harbour and must apply criteria consistent with the *Metro*\(^2\) case (i.e. generally cannot apply quantitative restrictions, and thus would be obliged to authorise any wholesaler meeting the quality criteria - which is usually not an efficient or realistic means of managing distribution at the wholesale level). It also seems to ignore the significantly greater workload placed on distributors assisting with the operation of a selective distribution system, where retailers have to be checked for compliance with often detailed criteria and educated on the terms (e.g. making necessary quality investments and agreeing not to make sales to unauthorised dealers). There is a strong case for protecting wholesalers from active sales where such efforts are required to ensure the successful launch and operation of the selective distribution system. This structure also seems to ignore the reality that selective distribution systems are, in the vast majority of cases, implemented to elevate the consumer experience of a brand, not that of the retailers. We welcome the CMA's more coherent, real-world approach.

Otherwise, we are broadly in agreement with the CMA's proposals relating to consumer and territory restrictions but believe they raise some interesting questions. First, we think it is important to consider the jurisdictional parameters of the Competition Act. We understand that territorial restrictions between the UK and the European Economic Area are now acceptable but consider that clarification of this point would be very helpful.

Secondly, as regards maintaining the active/passive distinction in an intra-UK context, it will be difficult in our view to define any online sales as active and therefore capable of being restricted where different parts of the UK share a common domain (.co.uk) and common language (English). We consider some softening of the EU approach to restrictions on passive selling may be necessary in this context.

**Question 21:** Do you agree that additional guidance on this issue would be helpful? If so, please provide your views on what that guidance should say including examples of situations where online sales should be regarded as passive or active sales.

Yes. In particular, further clarity would be welcome on the issue of controlling sales in and out of the UK under the proposed UK VABEO. In terms of the distinction between active and passive sales, we consider it important to avoid oversimplification of online sales as generally passive.

**Impact questions**

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\(^1\) Draft Vertical Guidelines, paragraph 222.

\(^2\) Case 26/76 Metro v Commission (No 1) [1977] ECR 1875
Question 22: Do you have any examples of circumstances where territorial and customer restrictions might lead to operational efficiencies? Please include examples of locations within the UK and, where possible, quantitative and/or qualitative evidence in your answer.

One area we note where operational efficiencies may arise is with the launch and promotion of new products. Suppliers need distributors to be interested in generating appetite amongst consumers for the launch of a new product, which requires investment by the distributor. Distributors then in turn need reassurance that any investment will be rewarded with sales. Without territorial or customer restrictions in place it is possible that those distributors may invest in generating interest amongst the consumer population in their territory or sector, only for other external sellers or distributors to then sell into that interested market from elsewhere. This possibility works to disincentivise distributors from investing in the generation of product interest in their geographic and consumer sectors, thus limiting the avenues through which new products are presented to consumers.

Additionally, it is commonplace that a distributor is comparatively more experienced and has a more efficient operation serving particular types of customers. In these circumstances, restricting active sales from other distributors to that type of customer acts to incentivise the distributor’s efforts in growing the network and sales among that customer profile.

Question 23: How helpful is the exemption for restrictions of active sales in the UK to your business or those you represent? Please explain your answer.

a) Very helpful

b) Somewhat helpful

c) Irrelevant

d) Unhelpful

e) Very unhelpful

Indirect measures restricting online sales

Policy questions

Question 24: What are your views on the CMA’s proposed recommendation on dual pricing and on the equivalence principle?

We consider the proposed recommendations to reconsider the approach to dual pricing and the equivalence principle to be very helpful for the reasons set out in the CMA consultation. We note that whilst there is no proposed softening of retail price maintenance, these other proposed measures will enable brands to support bricks and mortar stores in
meeting their increased costs for the extra services provided over and above those offered by basic online retailers.

**Question 25:** Do you agree that additional guidance on this issue would be helpful? If so, please provide your views on what that guidance should say.

Clarifying the position on sharing sales information would be helpful. The UK VABEO will need to make clear whether it is acceptable for retailers to be expected to share information regarding the split between their bricks and mortar and online sales. This information will be necessary for dual pricing and equivalence mechanisms to be fully utilised - any grey areas regarding this issue may undermine the effectiveness of the CMA’s proposals by discouraging businesses from relying on these changes.

**Impact questions**

**Question 26:** What are your views on the current regime, which treats certain online sales as a form of passive sales? What are some examples of the benefits or costs for your business operations, or the operations of those you represent? Please include examples and where possible, quantitative and/or qualitative evidence in your answer.

We believe that the application of the active / passive distinction to online sales is and should be a nuanced exercise. As highlighted in the recent European Commission’s ‘Expert report on active sales restrictions in different distribution models and combinations of distribution models’, we believe it is important that online sales are not generalised as being entirely passive. Online retailing has grown significantly in recent years (even prior to the acceleration brought about by the Covid-19 pandemic), meaning that for many of our clients online sales can account for the majority of sales of their goods. If these sales are classified as passive by default, then the proportion of all sales which are affected by any active sales restriction is reduced.

**Question 27:** Does the treatment of online sales bans as a hardcore restriction have an overall positive or negative impact on your business? Where possible, please provide examples of the impact on online channels and offline channels in your answer. Please include qualitative and/or quantitative evidence where possible.

a) Significant positive impact  
b) Moderate positive impact  
c) Negligible impact  
d) Moderate negative impact  
e) Significant negative impact
Treatment of online sales bans as a hardcore restriction has a significantly negative impact on a number of our clients. Whilst we understand there may be instances where online sales bans are wholly inappropriate, we do not believe such bans should be considered de facto hard core. We would assert that certain factors (for example, the nature of the goods for distribution or any ongoing role of the retailer in the consumer’s use of the goods) should be evaluated on a case by case basis, and that in instances where there is proper justification for an online sales ban it should be permitted.

**Question 28:** Do you consider that the CMA’s proposed recommendation (to remove dual pricing and the requirement for overall equivalence in selective distribution from the list of hardcore restrictions) will benefit offline channels? If yes, please provide examples where possible.

Yes, absolutely. Removing these provisions from the list of hardcore restrictions will enable brands to enhance their support of bricks and mortar stores. The increased costs accrued by bricks and mortar distributors (in terms of costs associated with the premises, staffing, promotion and service provisions) go well beyond those necessarily encountered by online retailers, and the current economic environment means that this level of support is necessary not just for the success of bricks and mortar stores, but their survival. Some of our clients consider that the retail environment as we begin to move out of the Covid-19 pandemic has the capacity to “wipe out” the high street, and equipping brands to support bricks and mortar stores (including those run by small and independent business owners) is vital in our view.

**Parity obligations (or ‘most favoured nation’ clauses)**

**Policy questions**

**Question 29:** What are your views on the CMA’s proposed recommendation on parity (or ‘most favoured nation’) obligations? As part of this, you might like to consider whether indirect sales channel parity obligations can generate benefits/efficiencies beyond those that may be created by direct sales channel parity obligations – if so, please provide evidence or examples in practice of circumstances where this may be the case.

We accept the CMA’s proposal.

**Question 30:** Do you agree that additional guidance on this issue would be helpful? If so, please provide your views on what that guidance should say.

We have no comment.

**Impact questions**

**Question 31:** To what extent are indirect sales channel parity obligations relevant for your business’s operations, or the operations of those you represent? Please explain your answer.
a) Completely
b) Very much
c) Moderately
d) A little
e) Not at all

**Question 32:** To what extent are direct sales channel parity obligations relevant for your business’s operations, or the operations of those you represent? Please explain your answer.

a) Completely
b) Very much
c) Moderately
d) A little
e) Not at all

**Question 33:** Are you aware of any difficulties to your business if indirect sales channel parity obligations are treated as hardcore restrictions for the purposes of the proposed UK VABEO? Please explain your answer.

N/a.

**Non-compete obligations**

**Policy questions**

**Question 34:** The CMA invites views on the proposed recommendation in respect of non-compete obligations. In particular:

a) Should non-compete obligations that are tacitly renewable remain ‘excluded restrictions’ under the UK VABEO?

b) Are there any risks in allowing such obligations to be automatically exempt under the UK VABEO?

c) Should the current regime in the derogations in Article 5(2) and Article 5(3) of the retained VABER be revised (for example, to reflect market developments such as the increasing trend towards online sales)?
We do not believe that a generalised exclusion of non-compete obligations of this nature is necessary from a risk management perspective. Provided that any automatically renewing non-compete clauses allow the parties to opt-out or break periodically, then it is not clear to us why parties shouldn’t be free to agree to non-compete clauses for longer initial periods.

Impact questions

**Question 35:** To what extent are non-compete obligations relevant to your business or industry, or the industry that you represent? Please explain your answer.

- a) Completely
- b) Very much
- c) Moderately
- d) A little
- e) Not at all

**Question 36:** Relative to the current regime as set out in the retained VABER, what would be the likely impact on your business’s operations, or the operations of those you represent, if non-compete obligations that exceed 5 years in duration were no longer treated as ‘excluded’ restrictions? Please include examples and where possible, quantitative and/or qualitative evidence in your answer.

The removal of 5+ year non-compete obligations from the list of ‘excluded restrictions’ would have a significant positive impact for our clients. We understand that the administrative burden of renewals required due to this 5 year threshold is significant, particularly within larger organisations. The renewal process is time-consuming and places an unnecessary burden on those individuals responsible for tracking expiry and organising renewal of non-compete clauses, as well as incurring avoidable and unjustified legal costs. The 5 year duration limit also introduces periodic business uncertainty which could be prevented by the reliance on longer term clauses which allow for periodic breaks. We therefore believe that the benefits of permitting longer running non-compete clauses outweigh any possible risks, which are largely mitigated by the parties ability to opt out as discussed at Q34 above. Finally, the 5 year duration limit completely disregards the fact that products have different lifecycles and that it may be commercially very important to agree to a longer non-compete obligation.

**Question 37:** What are some of the benefits or efficiencies of non-compete obligations remaining exempt if the duration is less than 5 years? Please include examples and where possible, quantitative or qualitative evidence (or both) in your answer.
In our experience, non-compete obligations for a duration of less than 5 years are considered relatively standard across the full spectrum of goods sectors. Given that the majority of manufacturers rely upon, or negotiate for, terms of this nature, this basic exemption allows those manufacturers to feel comfortable with the legitimacy of their contractual terms. Introducing any uncertainty into this area, or reducing the timeframe for this exemption, would undermine universal business practice to an extent which cannot be justified by the purported risk of lengthy non-compete periods.

**Agency**

**Policy question**

*Question 38: The CMA invites views on the proposed recommendation in respect of agency issues and stakeholders to make any submissions they consider would help the CMA to develop useful guidance on this topic.*

We support the CMA’s proposal to address these issues in its accompanying guidance, and concur with the need to address the specific scenarios outlined in paragraph 6.4. In our experience, greater clarity in particular is welcome on points (a) - the application of agency principles to online sales partners and platforms, and (b) - the approach to logistics partners.

At present we also consider the application of the principle of agency to be excessively restrictive under the retained VBER, given that the transfer of title from the supplier (the apparent principal) to the distributor (the apparent agent), can in and of itself prevent a relationship of agency existing. However, we note with approval that the proposed draft EU Vertical Guidelines helpfully clarify that “the fact that the agent may temporarily, for a very brief period of time, acquire the property of the contract goods while selling them on behalf of the principal does not preclude an agency agreement, provided the agent does not incur any costs or risks related to that transfer of property”. We would encourage this clarification is made in the UK guidance as well, given that momentary transfer of title may be unavoidable in practice due to the legal structuring of a transaction, albeit that for all intents and purposes the partner is carrying no economic risk (e.g. in the case of a sale made in a department store, where the goods are held on concession and the brand bears risk but the invoice is issued from the store till).

**Environmental sustainability**

**Policy question**

*Question 39: The CMA invites views on the proposed recommendation in respect of environmental sustainability and stakeholders to make any submissions they consider would help the CMA to develop useful guidance on this topic.*

5 July 2021
We believe that sustainable practices or support of green initiatives should be included as a factor for determining whether a selective distribution system should be permitted. In the same way that the ‘quality’ ‘tech’ or ‘luxury’ nature of goods is considered an appropriate justification for a selective distribution system, so too should be a brand’s desire to ensure that distributors are facilitating sustainable (e.g. consumer recycling, low waste packaging, low carbon logistics, etc.) practices in relation to its products. Although we understand ‘green smoke screening’ is a concern of the CMA, selective distribution systems themselves would seem an excellent opportunity to encourage brands to lessen their carbon footprints (and those of their distribution partners), so we believe this justification should be prioritised.

We also note the importance of being able to gather information throughout a supply chain in relation to “green” initiatives or ensuring partners’ “green” credentials.

Impact questions

The CMA proposes that the Secretary of State does not make any changes to the UK VABEO in respect of environmental sustainability issues, but the CMA would instead seek to provide guidance on this topic in any CMA VABEO Guidance.

Question 40: What are your views, if any, on whether the retained VABER and EU Vertical Guidelines contain or frustrate initiatives which might support the UK’s Net Zero and environmental sustainability goals. Please include examples to support your views where possible.

Please see Q39.

Question 41: Relative to the current regime, would any amendments relating to environmental sustainability (either in the UK VABEO or any CMA VABEO Guidance) have a positive impact on your business’s operations, or the operations of those you represent? Please provide examples and evidence where possible about how any such amendments would have a positive impact.

As discussed at Q39 above, amendments to allow for the protection of green supply chains would be of significant benefit for a number of our clients.

Question 42: Relative to the current position, would any amendments relating to environmental sustainability (either in the UK VABEO or any CMA VABEO Guidance) have a negative impact on your business’s operations, or the operations of those you represent? Please provide examples and evidence where possible about how any such amendments would have a negative impact.

We would not anticipate any negative consequences from a shift to incorporate sustainability concerns into the UK VABEO.

Duration

Policy question
**Question 43:** The CMA invites views on whether the UK VABEO should have a duration of 6 years.

If the CMA is willing to be more definitive on the position of territorial sales into the UK, we consider that the duration could appropriately be extended to e.g. 10 years.

**VABEO Obligation to provide information**

**Policy question**

**Question 44:** The CMA invites views on the above proposed recommendations in respect of the other provisions in the UK VABEO.

We note that the consequences of withdrawing the benefit of the VABEO are likely to be severe for the business affected. We consider that:

- a period of much longer than ten working days to respond to requests should be provided for - we think at least double that will be required to ensure reasonable time is allowed;

- additional procedural safeguards should be included - such as the right to request an issues meeting before a final determination to withdraw the benefit of the VABEO is made;

- bearing in mind the CMA’s decision could require a business to completely redesign its distribution system, there should be a minimum period of notice before a withdrawal takes effect so that the undertakings affected can put in place new arrangements.

K&L Gates LLP

22 July 2021