

News from the Adjudicator

Edition 14

Welcome from the Groceries Code Adjudicator



I recently launched a drive to encourage more people to sign up to *News from the Adjudicator* and there was a strong response. I am pleased to welcome many new readers to this edition; I hope you find the information helpful and interesting. As ever I am grateful to all the long-standing subscribers for taking the time to follow the latest news about my work and for the feedback you continue to give me.

Code Confident

Keeping up to date with Code developments is an important part of my message urging suppliers to be Code Confident. I am reinforcing my message that suppliers should: Know the Code, Get Trained, Speak Up.



To support these themes I have produced a new logo and a folder containing useful documents including the GCA's directory of known training providers. Look out for the logo and folders at events around the country. The message has been well received and I have been asking suppliers, retailers, trade associations and others to promote it. Contact my office if you want materials to use in communications and at events.

Mini Survey

I had a fantastic response to my mini survey designed to gather more information from direct suppliers on my current issues of delay in payments, forecasting and promotions. I followed this up with a supplier workshop in Manchester to explore the themes more deeply. Thank you to all those who contributed. The quality of information I received was excellent and provided me with real examples of how these issues affect suppliers' businesses on a day-to-day basis.

Recurring themes involving delay in payments included the persistence of unilateral deductions and the practice of holding back entire invoices while one element is queried, as well as too much time taken to resolve disputes. Those suppliers experiencing issues with forecasting cited difficulties communicating with buying teams, retailers not taking enough responsibility for forecasts after they have been set and often making last-minute changes and no engagement when sales are not meeting forecasts. Issues around promotions were closely related to forecasting but also included concerns that buying-in periods exceeded the promotional period and shelf life for products, and failures to deliver on commitments in store for promotions.

I have taken up these points with the Code Compliance Officers (CCOs) at recent meetings and am considering my next steps. I would urge you all to read my latest record of those meetings where I go into detail of the messages I have given retailers on these important issues. These include the need to consider carefully whether they are fully compliant with my interpretation of the Code on delay in payments, consideration of

compensation for inaccurate forecasting and how retailers ensure due care has been taken when preparing forecasts through engagement with suppliers.

This engagement demonstrated the impact of good, detailed supplier information on my work. With more information I can better understand why these issues remain of concern for suppliers and it helps the retailers focus on changes to help minimise the risk of Code breaches arising. As I have found when I engage suppliers directly they are happy to share experiences, but I also need suppliers to contact me proactively to let me know about issues in the sector and extend my evidence base. Suppliers can be assured I handle all information in complete confidence and look for patterns of behaviour before raising issues with retailers.

Let your New Year resolution be Speak Up and tell the GCA what is happening.

Warmest wishes for a successful holiday season.

Orisone Town.

Christine Tacon

Top Five Issues

The GCA has now had detailed responses from those retailers whose progress on tackling delay in payments arising from drop and drive was causing concern. The GCA is now monitoring what suppliers say about the drop and drive issue and will use the results of the next annual survey to track the impact of retailer initiatives.

Formal monitoring of progress on payments for better positioning of goods will begin in the New Year – a year on from the GCA response to the consultation. The GCA is also looking into the issue of positioning of goods on retailer websites – whether for sale or as a means of advertising - and would be interested in suppliers' views on this issue. Please give us your feedback.

As already reported in this newsletter, the GCA continues to look into the issues of delay in payments, forecasting and promotions.

Supplier Helplines

As a way to help resolve payment issues and deal with invoice queries many retailers now have a single point of contact or supplier helpline which is outside the buying team and can enable a simple 'finance to finance' conversation to take place. The GCA supports this because suppliers sometimes report they do not want to raise issues in front of their buyer because of the perceived risk to their commercial relationship and future business. The GCA is publishing contact details for retailers' supplier helplines (where retailers have them) on the website alongside retailers' CCO details.

Meet the CCO

The GCA now has a Youtube Channel where we will post regular videos on Code matters. Check out the site link to see a video introducing the CCOs and to hear from the CCOs how they work with the GCA. There is also a recent conference address given by Christine. Subscribe to the channel to make sure you keep up with new posts.

Events and Meetings

The Adjudicator Christine Tacon has attended a large number of events in recent weeks. As well as holding the stakeholder workshop in Manchester, she met trade associations and has spoken to suppliers in Wales and London, including those attending the British Frozen Food Federation's Industry Forum. She is keen to attend as many direct supplier events – including private meetings with individual direct suppliers - as her diary allows. See below for upcoming events.

Save the date

Trade Association Meeting - London 5 February 2018

A follow up meeting for those trade associations unable to attend the November meeting, this is an opportunity to tell the GCA about the main issues trade association members are encountering. To register your interest contact enquiries@gca.gsi.gov.uk

Food Expo – Birmingham 16-18 April

The GCA will be attending and have a stand at this premier event for the food sector. Come and meet Christine Tacon and the team.

GCA annual Conference – London 25 June

The GCA will present her annual report and new work programme at the annual conference at Church House in London. Results of the annual survey will be announced. Further details including a registration form will published on the GCA website shortly.