

9 April 2020

Dear Sir/Madam

## Notification to The Department of Business Energy and Industrial Strategy pursuant to The Competition Act 1998 (Groceries) (Coronavirus) (Public Policy Exclusion) Order 2020 SI (2020/369)

- 1. Brake Bros Limited ("Brakes") has entered into two letters of intent with DEFRA (the terms of which are legally binding) on 27th March 2020 and 8th April 2020 for the delivery of emergency food boxes in England to vulnerable individuals self-isolating as a result of the Covid-19 epidemic.
- 2. Further, on 1st April 2020, Brakes entered into separate LOIs (in substantially the same form as the first DEFRA LOI) for the delivery of emergency food boxes to vulnerable individuals self-isolating as a result of the Covid-19 epidemic with (a) the Welsh Government for deliveries in Wales; and (b) with the Scottish Ministers for deliveries in Scotland.
- 3. The food boxes contain some 23 -24 agreed ambient temperature food and non-food essentials, such as coffee, tea, tinned goods and toilet paper. The products have been selected and approved by DEFRA and the other relevant Authorities.
- 4. To ensure resilience in the delivery service, DEFRA, and the other relevant Authorities, have split their requirement for the provision of the service 50/50 between Brakes and another foodservice provider, BFS Group Limited ("Bidfood"). Bidfood has entered into letters of intent with DEFRA, and with the Welsh Government and Scottish Ministers, on the same dates and in substantially the same form as those that Brakes has entered into. The initial commitment in the first letter of intent from DEFRA was for 100,000 food boxes, with an additional commitment to 60,000 food boxes in the second letter of intent both volumes split 50/50 between Brakes and Bidfood.
- 5. DEFRA, and the other relevant Authorities, have required Brakes and Bidfood to coordinate their provision of the service to provide deliveries of essential food/items for the most clinically vulnerable and socially isolated groups.
- 6. Necessarily, providing this co-ordinated service involves both Bidfood and Brakes co-ordinating with each other to arrange the 50/50 split in the deliveries, the exchange of data relating to the delivery addresses (as received from the relevant Authorities), the product types, reporting/monitoring measures, and delivery processes to ensure resilience in the delivery service.

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