

Chairman  
Asda

From: Adam Land  
*Senior Director, Remedies  
Business and Financial Analysis*

13 June 2023

**Fourteen breaches of the Groceries Market Investigation (Controlled Land) Order 2010**

I am writing to express the CMA's concern that Asda has repeatedly breached the Groceries Market Investigation (Controlled Land) Order 2010 (the Order).

The Order was put in place to prevent Large Grocery Retailers, like Asda, from benefitting from long exclusivity arrangements and restrictive covenants. The CMA is therefore concerned to have found that you have breached your legal obligations under the Order on 14 separate occasions since the Order came into force.

As part of our monitoring and enforcement of the Order, in February 2020 following our determination that there had been several breaches of the Order by another Large Grocery Retailer (Tesco), the CMA wrote to all retailers within the scope of the Order to ask them to assess their own compliance with the Order and report to the CMA. The assessment has identified 14 breaches of the Order by Asda since the Order came into force (all of which have now ceased).

I recognise that Asda has cooperated with the CMA in taking forward its analysis and is now taking remedial action to address the breaches identified. However, these breaches demonstrate significant shortcomings in compliance for a company of Asda's size, resources and standing, particularly given that the Order has been in force since 2010. Following detailed engagement between the CMA and Asda, the CMA now expects Asda to take all steps necessary to ensure its future compliance with the Order.

This letter has been published on the CMA website, which also contains further details on these 14 breaches and the improvements that Asda has agreed to take to prevent future breaches.

Yours sincerely

Adam Land  
*Senior Director, Remedies, Business and Financial Analysis*

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