

**Provisional decisions of the CMA in relation to Groceries Market Investigation
(Controlled Land) Order 2010: Assessment of Aldi Stores Limited, Lidl Great Britain
Limited and Lidl Northern Ireland Limited (Provisional Decision)**

Response of Wm Morrison Supermarkets Limited

07 September 2026

Introductory remarks

1. Wm Morrison Supermarkets Limited (**Morrisons**) welcomes the opportunity to comment on the CMA's Provisional Decision.
2. As set out in Morrisons' RFI responses, its response to the CMA's invitation to comment, and as explained in more detail below, Morrisons strongly agrees with the conclusions set out in the Provisional Decision that Aldi Stores Limited (**Aldi**), Lidl Great Britain Limited (**Lidl GB**) and Lidl Northern Ireland Limited (**Lidl NI**, together with Lidl GB, **Lidl**) should be designated as Large Grocery Retailers for the purposes of the Order.
3. Morrisons considers that the CMA's designation of Aldi and Lidl as Large Grocery Retailers is particularly important in light of the Provisional Decision's finding that Aldi and Lidl are both using restrictive covenants and exclusivity agreements in their land agreements in order to limit competition in the supply of groceries in the UK.¹
4. Morrisons' response below follows the framework set out in the Provisional Decision:²
 - a) section 2 sets out Morrisons' comments on the provisional finding that Aldi and Lidl operate Larger Grocery Stores in the UK;
 - b) section 3 sets out Morrisons' comments on the provisional finding that Aldi and Lidl stock a full range of Groceries; and
 - c) Section 4 sets out Morrisons' comments on the provisional finding that Aldi and Lidl operate an integrated wholesale function.

Aldi and Lidl operate Larger Grocery Stores in the UK and are continuing to expand their footprint in the coming years

5. The first criterion when determining whether grocery retailers should be designated as Larger Grocery Retailers is to establish whether they "*operate Larger Grocery Stores throughout Great Britain or Northern Ireland or both or in considerable part or parts of the UK*".³
6. As recognised in paragraph 5.47 the Provisional Decision, Aldi and Lidl both operate over 1,000 stores in the UK, the vast majority of which are over 1,000 sq m (72% of Aldi stores and 87% of Lidl GB stores are over 1,000 sq m). Notwithstanding their current footprint, which is much larger

¹ Provisional Decision Report (7 August 2026), Appendix A, paragraph 1.1

² See for example paragraph 1.2 of the Provisional Decision.

³ Provisional Decision Report (7 August 2026), paragraph 1.2(a); Article 3(4)(a) of the Order.

than at the time of the Competition Commission's Final Report, Aldi and Lidl each have plans to further increase their UK operations:

- a) In April 2026, Lidl announced "*ambitious expansion plans with over 50 new stores set to open in next 12 months*";⁴ and
 - b) Aldi has announced a £1.6 billion investment programme, which includes opening 40 new stores this year and a long term ambition to reach 1,500 stores.⁵
7. Morrisons understands these expansion plans relate to stores which are greater than 1,000 sq m. In particular, Morrisons [] and understands that:
- a) Aldi is in the process of opening 81 stores,⁶ of which 78 are understood to be larger than 1,000 sq m; and
 - b) Lidl is in the process of opening 94 stores,⁷ of which 93 are understood to be larger than 1,000 sq m.
8. As a result Aldi and Lidl's presence as operators of Larger Grocery Stores is only expected to increase in the near term.

Aldi and Lidl stock a 'full range of Groceries'

9. The second criterion when determining whether grocery retailers should be designated Large Grocery Retailers is to establish whether they "*carry a full range of groceries for sale at the retail level*".⁸
10. Morrisons agrees with the Provisional Decision's conclusion that Aldi and Lidl do carry a full range of groceries for sale at the retail level. In particular, it is clear from the evidence gathered by the CMA that:
- a) Aldi and Lidl publicly market their product range as being suitable for a full weekly shop;⁹
 - b) the number of SKUs stocked by Aldi and Lidl has increased significantly since the Competition Commission's Final Report;¹⁰
 - c) competitors regard Aldi and Lidl as a competitive constraint and actively compete with them (e.g. through price benchmarking and matching initiatives);¹¹ and

⁴ Lidl press release, [Lidl Gb Announces Ambitious Expansion Plans With Over 50 New Stores Set To Open In Next 12 Months - Lidl Great Britain](#) (09 April 2026)

⁵ Aldi press release, [Aldi Announces Over £370 Million Investment In Opening New Stores - Aldi UK Press Office](#) (28 January 2026)

⁶ i.e. Aldi either has detailed planning permission in place and/or the site is under construction.

⁷ i.e. Lidl either has detailed planning permission in place and/or the site is under construction.

⁸ Provisional Decision Report (7 August 2026), paragraph 1.2(b); Article 3(4)(b) of the Order.

⁹ Provisional Decision Report (7 August 2026), paragraph 4.40.

¹⁰ Provisional Decision Report (7 August 2026), Table 4.1.

¹¹ Provisional Decision Report (7 August 2026), paragraph 4.52.

- d) Aldi and Lidl have gained significant market share and customer spend from the Large Grocery Retailers.¹²

11. Consistent with the approach taken in the Provisional Decision, Morrisons considers that it is vital to consider the evidence of Aldi's and Lidl's product range in the round, rather than focusing solely on the number of SKUs. Morrisons considers that the following evidence further strengthens the Provisional Decision's conclusion that Aldi and Lidl stock a full range of Groceries.

12. First, as explained in question 6 of Morrisons' RFI response, **customers perceive Aldi and Lidl as having stronger or equally as strong product range** as the Large Grocery retailers. In particular:

- a) As shown in Figure 3.1 below, Morrisons' [X]

[X]

- b) Morrisons has [X]

[X]

13. Second, as explained in question 2 of Morrisons' RFI response, a small number of SKUs account for a large proportion of customer demand and sales. In particular,

- a) [X] of SKUs account for 20% of Morrisons' Groceries turnover;
- b) [X] of SKUs account for 40% of Morrisons' Groceries turnover;
- c) [X] of SKUs account for 60% of Morrisons' Groceries turnover; and
- d) [X] of SKUs account for 80% of Morrisons' Groceries turnover.

As a result, Aldi and Lidl can compete for a very significant proportion of customers' demand and spend whilst offering fewer SKUs than other Large Grocery Retailers.

14. Third, **Morrisons actively competes with Aldi and Lidl in the categories that Aldi and Lidl describe their range as relatively weak**. In particular, Aldi's response to the CMA indicated that its product range was weaker in relation to "*free-from, organic, international cuisines, exotic fruits and vegetables, and health and beauty products*", whilst Lidl cited "*free from or world foods as examples of areas it did not cover*".¹³ However, as set out in Morrisons' response to Question 4 of the CMA RFI:

- a) Morrisons operates a 'Price Match' initiative that ensures Morrisons will be the same price as (or cheaper than) comparable Aldi and Lidl across a comprehensive range of Groceries. As at 28 February 2026, Morrisons' Price Match initiative included SKUs that cover Groceries in the categories set out above: Produce ([X] SKUs) Foods of the World ([X] SKUs); Health, Beauty and Baby ([X] SKUs); and Free From ([X] SKUs).

¹² Provisional Decision Report (7 August 2026), paragraphs 4.79 - 4.73.

¹³ Provisional Decision Report (7 August 2026), paragraph 5.12(a) and 5.12(b).

b) [3<]

15. Additionally, Morrisons has recently launched a new price match initiative guaranteeing that its 'Unbeatable Prices' will not be beaten by those at Aldi or Lidl, as well as Tesco, Sainsbury's and Asda.¹⁴ The 'Unbeatable Prices' commitment covers over 500 weekly essentials across a wide range of Grocery categories, including everyday favourites such as bananas, salad tomatoes and carrots, alongside staples like bread, butter, chicken fillets, bacon and pizzas.
16. This evidence highlights that even in instances where Aldi and Lidl have a more limited range than other supermarkets, Morrisons competes intensely with them in these product categories.

Aldi and Lidl operate an integrated wholesale function

17. The third criterion when determining whether grocery retailers should be designated as Large Grocery Retailers is to establish whether they "*have an integrated grocery wholesaling function that purchases directly from suppliers*".
18. Whilst Morrisons has limited insight into Aldi's and Lidl's purchasing behaviour, Morrisons notes that it is common for large supermarkets to rely on wholesalers/intermediaries to supply some products ([3<]). Accordingly, any evidence submitted by Aldi that it purchases products from wholesalers/intermediaries does not preclude the CMA from finding that Aldi has an integrated wholesale function that is similar to that of the other Large Grocery Retailers.

¹⁴ Morrisons Press release, '[Morrisons guarantees unbeatable prices on hundreds of everyday essentials with new commitment](#)' (24 August 2026)