

Wholesale Supply Inquiry

Preliminary Issues paper

This feedback form has been developed to assist with the making of submissions in response to the “Wholesale Supply Inquiry - Under section 55 of the Grocery Industry Competition Act 2023 - Preliminary Issues Paper” paper released on 24 September 2024.

If you would like to make a submission using this form, please fill in the boxes on the following pages.

You can choose to respond to any or all of the questions.

Alternatively, you can:

- Email a submission to grocery.regulation@comcom.govt.nz;
- Submit an anonymous report using the Commission’s Anonymous Reporting Tool at: <https://report.whistleb.com/en/comcom-grocery>; or
- Post to:
Grocery Regulation
Commerce Commission
PO Box 2351
Wellington 6140
New Zealand

Submissions are due by 5pm Friday .

Please note:

- If you wish to provide commercially sensitive information in a submission, we request that you provide, as necessary, confidential and public versions of your submission. Within the confidential version, please remember to provide reasons alongside any confidential information as to why it is confidential or commercially sensitive.
- There is a 4000 character limit per question. If you would like to provide a longer response, then we recommend providing a written response through the other channels listed above.

General questions

1. Name

██████████

2. Email

████████████████████

3. Is this an individual submission, or is it on behalf of a business or organisation?

On behalf of a business

4. Business or organisation name, if applicable

A E Preston CoLtd

██████████

5. Would you like to be added to our distribution list to receive updates on grocery regulation?

Yes

6. Is this a public or confidential submission?

Public

7. Who do you think the wholesale regime should service? For example, what types of customers and what market share?

Smaller grocery and convenience stores

8. Please describe any experiences you have had regarding different forms of wholesale supply, inside or outside the wholesale regime. We are interested in the experiences of both wholesale customers and suppliers.

We supply wholesale to customers and are a wholesale customer

9. Do you have any additional comments about the wholesale supply regime?

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10. Please describe your experiences of wholesale pricing in the grocery industry.

No experience with grocery industry

11. Please describe your views and provide evidence on the costs to wholesale customers of retailing grocery products. For example, what margin between wholesale and retail prices is required to recover the costs of retail activities.

Retail prices need to be significantly higher than wholesale prices due to the overhead and running costs of a retail store.

12. Please describe your experience and awareness of the types and value of rebates, discounts and payments (RDPs). How does this affect you as a wholesale customer (eg, retail pricing) or supplier? For example, what types of RDP between suppliers and wholesale customers have you used, and what impact did this have on margins? Please provide evidence if available.

Rebates need to be considered within supply and increases product price point accordingly.

13. What is your view on the types of RDP that should be passed on to wholesale customers to reflect the RGRs' benefits of scale and efficiency?

Unknown



14. Do you have any additional comments about wholesale pricing?

It important to provide wholesale pricing for businesses so they can compete in the market, providing this wouldn't detract from sales as technically the sale would be transferred not lost

15. Please describe your experience of accessing popular retail grocery products (or appropriate substitutes), including via Regulated Grocery Retailers (RGRs) and through direct supply.

As a small to medium sized business, it is difficult to purchase from some suppliers due to MOQ and price point

16. Please describe your experience of using alternative channels of supply - eg, wholesalers, direct supply and/or "off the retail shelf"

Good

17. Please describe your experience of supplying wholesale groceries to retailers.

Challenging to drive successful sales and maintain margin

18. Please describe your experiences/relationships with suppliers and/or retailers.

Good

19. Do you have any additional comments about range of products?

No

20. Please describe your experience regarding the effectiveness of systems and processes for wholesale grocery supply.

Unknown

21. Please describe whether you have experienced differences between the RGRs' and alternative channels' systems and processes? If yes, please comment on the effect of these differences.

No

22. Do you have any additional comments about systems and processes?

No

23. Please describe your experience of terms and conditions for wholesale grocery supply.



Okay

24. Please describe whether you have experienced differences between the RGRs' and alternative channels' terms and conditions. If yes, please comment on the impact of these differences.

No

25. What is your opinion on the findings of this progress assessment? Is there anything we have not mentioned in this paper that you consider is relevant? Please explain.

No

26. Do you have any additional comments about terms and conditions?

No thank you

27. Do you consider we have identified the most important issues affecting the RGRs' wholesale offers? Is there anything we have not mentioned in this paper? If yes, please identify and explain.

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28. Is there any information or analysis that we have not mentioned in this paper that you consider relevant? If yes, please identify and explain.

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29. Do you have any additional comments about RGRs wholesale offers?

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30. Do you consider we have identified the most important issues affecting the direct supply of wholesale groceries? Is there anything we have not mentioned in this paper? If yes, please identify and explain.

No

31. Is there any information or analysis that we have not mentioned in this paper that you consider relevant? If yes, please identify and explain.

No



32. Do you have any additional comments about direct supply?

No

33. Please describe your views on the additional regulatory options.

Good to improve awareness and maintain controls via regulation requirements

34. Are there other actions not described in this paper that you think would help? If yes, please identify and explain.

No

35. Do you have any additional comments about potential solutions to the issues?

No

