



New Zealand Wine
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NEW ZEALAND WINEGROWERS SUBMISSION ON REVIEW OF THE GROCERY SUPPLY CODE

16 September 2024

Introduction

New Zealand Winegrowers (**NZW**) provides strategic leadership for the wine industry and is the body that represents the interests of all of New Zealand’s grape growers and wine makers. Established in 2002, NZW is funded by compulsory levies under the Commodity Levies Act and the Wine Act and has approximately 1,400 members, including approximately 700 wineries. New Zealand is the only major wine producing country to have a single, unified industry body that represents both grape growers and winemakers.

NZW welcomes the opportunity to make a submission on the Review of the Grocery Supply Code 2023 (**the Code**).

Regulated Grocery Retailers are major channel to market for domestic wine sales

The New Zealand domestic market is the fifth largest market by value for New Zealand wine, with New Zealand wine making up approximately two thirds of the supermarket wine category.¹

Of our 700 wineries (many of whom are small businesses), approximately half sell in the domestic market only. The Regulated Grocery Retailers (**RGRs**) defined in the Code are a major channel to market for these businesses.

The definition of “groceries” in the Code is exclusive rather than inclusive

Currently wine is one of many products not captured within the definition of “groceries” in the Code.

¹ Sourced from NIQ New Zealand Scan Data, February 2024 produced for New Zealand Winegrowers, available on request.

While the Sale and Supply of Alcohol Act 2012 regulates licensing conditions for the ability to sell alcohol to the public, this does not extend to the conduct of retailers, including RGRs, in dealing with their suppliers and in obtaining the product for sale.²

New Zealand wineries are not able to rely on the Code's obligations on RGRs

We note the purposes of the Code as set out in paragraph 21 of the consultation document.

The limitations in scope mean that our members are presently unable to rely on the Code and its duties on RGRs. This means they may not be treated in the same way as other suppliers whose products fit within the scope of groceries subject to the Code.

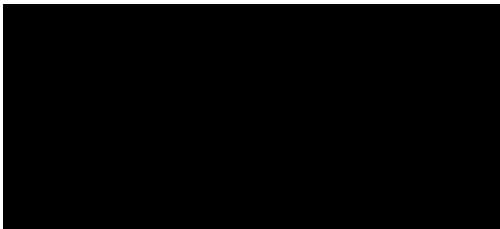
Consider extending the definition of "groceries"

We consider that the purposes of the Code should apply equally to all products sold by RGRs. By having an exclusive definition, it could lead to unintended consequences. For example, a single producer may sell some products which are "groceries" and some are not. It would not make sense to have only some of their dealings with RGRs captured by the Code.

In particular, NZW supports extending the definition of "groceries" to include wine, thereby extending the benefits of the Code to wine producers as suppliers to RGRs.

Conclusion

I would be happy to discuss any of the points raised in this submission in more detail. My contact email is [REDACTED].



General Manager Advocacy
New Zealand Winegrowers Inc

² Section 8 of the Act provides that nothing in the Act applies to the sale or supply of alcohol by makers, importers, distributors or wholesalers.