## Good day,

Our industry experience includes foodservice and retail; our customers include all banners for FSNI, FSSI, WWNZ, and various independent stores nationwide.

A big issue is transport costs.

We need sufficient margin to cover transport, hence we have minimum orders quantities.

## Feedback points:

- 1. The Wholesale Supply Regime is hard to understand. The risks and benefits are not clear to us, as a small supplier.
- 2. For our retail SKUs, we sell to FSNI, FSSI and WWNZ at incredibly low prices (barely profitable). We would not want to pass on those prices to wholesale customers through the regime. We would rather they buy from the retail store (e.g. PNS).
- 3. Source of supply is an issue not all suppliers have all of their SKUs in the retailers' DCs.
- 4. South Island clearly has different pricing and logistical concerns to North Island, which will impact whether or not a supplier joins the regime, <u>e.g.it</u> may be ok for the North, but not for the South.
- 5. Product type makes a big difference the speed at which people consume. Milk and pickled onions are not consumed at the same frequency. There is a volume ceiling for certain products which make a wholesale supply regime unsuitable. The regime is not nuanced enough.
- 6. The Wholesale Supply Regime is not attractive enough.

Kind regards