

INFORMATION FOR SUPPLIERS

Market study into the grocery sector

In November 2020, the Commerce Commission began a year-long study into whether competition in the grocery sector is working well, and if not, what can be done to improve it.



In this paper we outline why it is important we hear from suppliers, what we want to know, and how we may be able to protect the confidentiality of information you supply us.

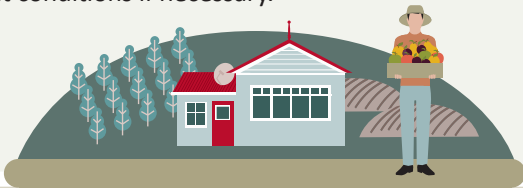
You can contribute to the study by sending us information, meeting with us, or making submissions when we ask for them during the study.

We also have an online survey to help you have your say. You have options to share your details with us or complete the survey anonymously.

Why we want to hear from you

Suppliers, such as farmers, growers, manufacturers and processors of grocery products, play a critical role in the New Zealand grocery sector.

By participating in our study, you are helping to build a detailed picture about how well competition is working at the supplier level of the grocery market. This will help us to make our findings and any recommendations to improve market conditions if necessary.



A summary of the potential supplier issues we propose to look at during our study is available in our preliminary issues paper (pages 24-29) on our website at www.comcom.govt.nz/groceries

How does the Commission conduct the study?

We are gathering information from a range of stakeholders including grocery retailers, suppliers, farmers, growers, wholesalers, importers, consumer organisations, consumers, and potential new competitors. We will release our draft report around July 2021 for consultation and a final report by 23 November 2021.

What is the study looking at?

The Government has asked us to look at a range of things including:

- How retailers deal with their suppliers such as manufacturers, producers, farmers and growers
- Competition at the supplier level of the grocery market
- Who consumers buy groceries from and who supplies those retailers
- Competition between retailers when selling groceries to consumers
- What retailers charge consumers for groceries and how they decide on their prices, as well as the associated levels of service, product ranges and quality of groceries.



Online survey

We have an online survey to help you have your say. You have options to complete the survey anonymously or share your details with us.

We would like you to identify yourself to us if you feel you can. This is because it is challenging to investigate the accuracy of information we receive from anonymous sources and may potentially reduce the evidentiary weight we can place on information supplied anonymously.

The survey includes questions on:

- your trading relationship with the retailers and wholesalers you supply
- the form of your supply agreements and terms of trade
- your bargaining power relative to that of the grocery retailers and wholesalers you supply
- and any specific behaviour or conduct which may be positively or negatively affecting your business.

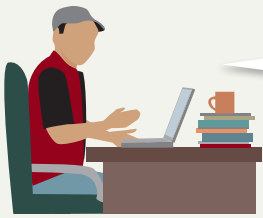
The survey is hosted on the Commission's website. Once you have completed the survey, your response will be moved from the website to the Commission's Document Management System, where it will only be accessible to a small group of staff.



The survey should take you up to 30 minutes to complete.

[Click here to take the survey now](#)

If you wish to provide us with information outside of using the survey or have any questions about the confidentiality of information you want to provide us, please contact us at marketstudies@comcom.govt.nz or ring Market Studies Project Manager Karen Smith on 04 924 3863 to discuss further.



I want to talk to the Commission, but information about my business relationships is highly confidential. What protections can the Commission offer me?

We understand that some of the information you may want to share with us could be commercially sensitive and highly confidential.

We recognise the need to ensure that you can have confidence in our use and retention of information and we are committed to respecting any privacy, confidentiality, or commercial sensitivity attached to your information where possible.

Below we describe how we handle confidential information. We also summarise how the Official Information Act applies to information that we hold, and the reasons that we may be able to decline a request for disclosure of information requested under the Act. We also have some powers under the Commerce Act to protect confidential information in some cases.

More information about the Commission's approach to confidential information and information gathering powers can be found in our market study [guidelines](#).

Anyone who has information relevant to the study can ask the Commission to keep their identity and/or the information provided confidential.

If confidentiality is a concern, it should be raised when you first contact the Commission so we can discuss your concerns and any available protections as early as possible.

How we handle confidential information

We will not disclose any information we consider to be confidential or commercially sensitive in a media statement, public report, or in response to a request, unless there is a countervailing public interest in doing so in a particular case. Such cases are likely to be rare and will be discussed with you in advance of any publication.

We have implemented additional information handling measures for information provided to us by suppliers, including restricting the number of our staff who have access to the information. The identities of suppliers will also be protected with code-names and regular reviews will be undertaken to ensure internal procedures are being followed.



What can be the outcomes of a market study?

As New Zealand's competition, consumer and regulatory agency we have the power under the Commerce Act to conduct independent studies into competition in different sectors of the economy. Outcomes of our work may range from a 'clean bill of health' for the sector to recommendations to industry and/or the Government for changes to make competition in the market work better.



How we respond to Official Information Act requests

The Commission is subject to the Official Information Act (OIA). The OIA provides the framework for disclosure of information we hold, including information that is given to us from third parties like suppliers.

If we receive a request under the OIA, we must make the relevant information available unless good reasons exist to withhold it. This is known as the principle of availability.

However, there are a number of reasons that we may be able to decline a request for disclosure of your information, including:

- the release would unreasonably prejudice your commercial position
- withholding the information is necessary to protect your or someone else's privacy
- the information is confidential and releasing it would threaten the supply of similar information to us in future.

Before responding to a request for confidential information, we generally consult with the person that provided, or who is the subject of the information.

Timeline

Early – mid 2021

Information gathering and testing evidence



Around July 2021

Draft report released for consultation



By 23 November 2021

Final report released for the Government to consider

Find out more and sign up for updates on the study at www.comcom.govt.nz/groceries