

Confidential



2020 ANNUAL FOOD AND GROCERY CODE OF CONDUCT SURVEY

May 2020





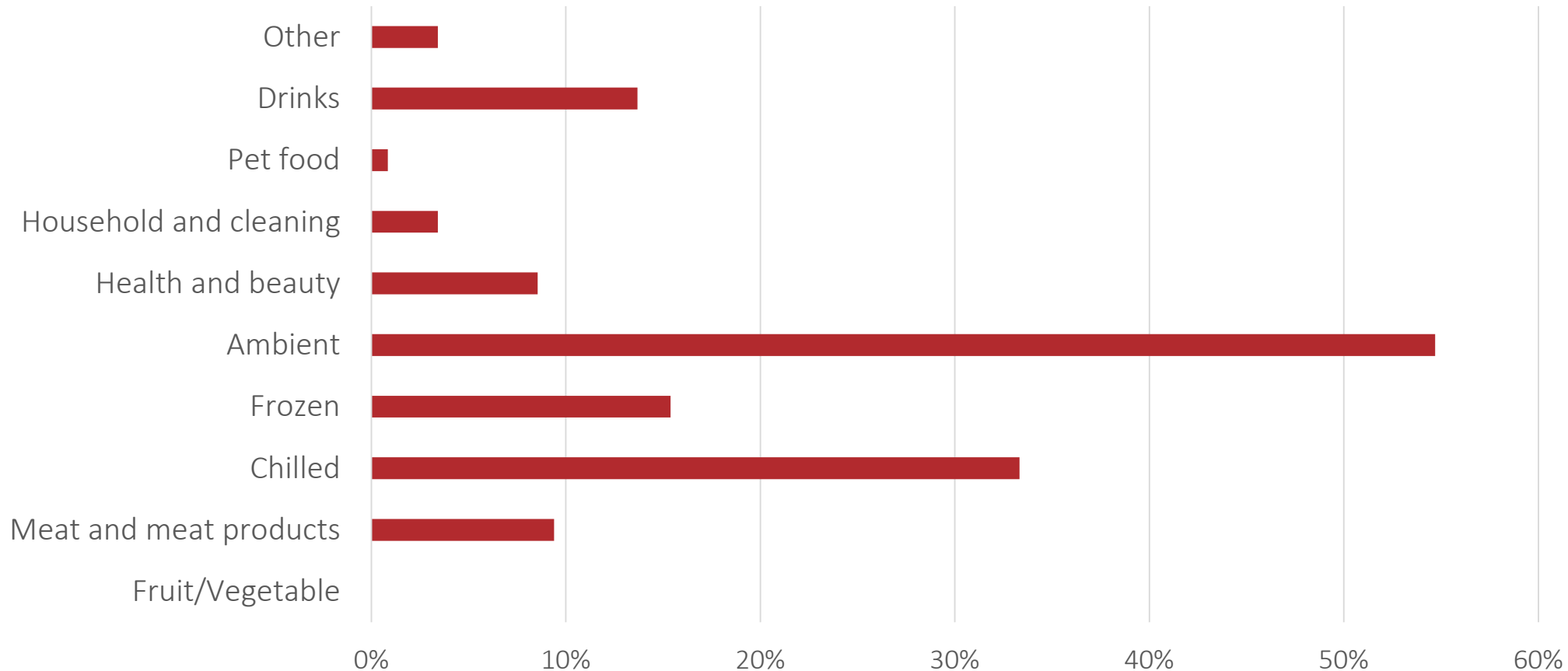
TOP LINE RESULTS

- Suppliers still have limited ability to influence trading terms with all signatory retailers
- Suppliers remain reticent to raise concerns with the Code Compliance Managers
- Aldi – trading relationships have remained stable however there has been a spike in issues around shelf space allocation and cancelling or reducing promotions
- Coles – results similar to 2019, with continuing concerns around clarity of range reviews and shelf space allocation principles
- Woolworths – after concerning 2019, WW improved across most areas but has not yet returned to previous levels of perceived compliance
- Key problematic behaviours – delisting and clarity around range reviews and shelf allocation principles
- Non FGCC issues raised included negotiating wholesale price increases and price increase mitigation



WHO TOOK PART

2020 – 117 RESPONDENTS



2019
= 63

2018
= 68

2017
= 37

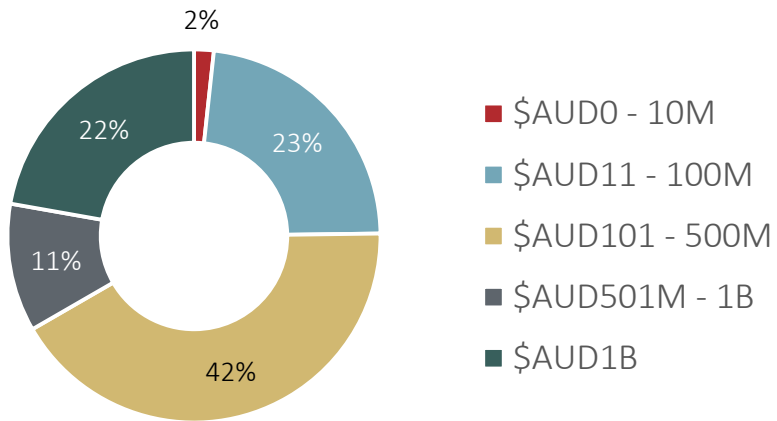
2016
= 53

2015
= 51

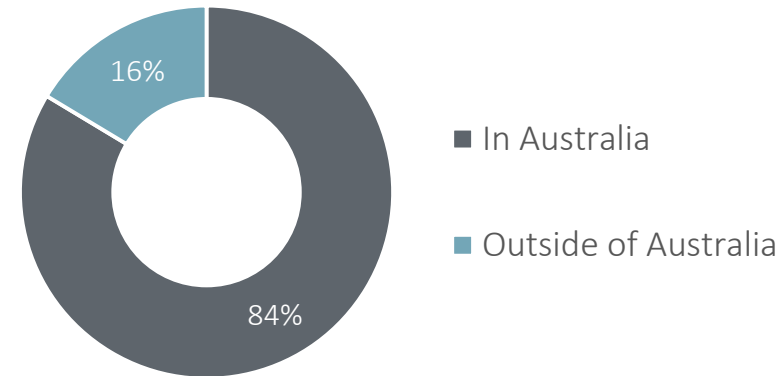


WHO TOOK PART

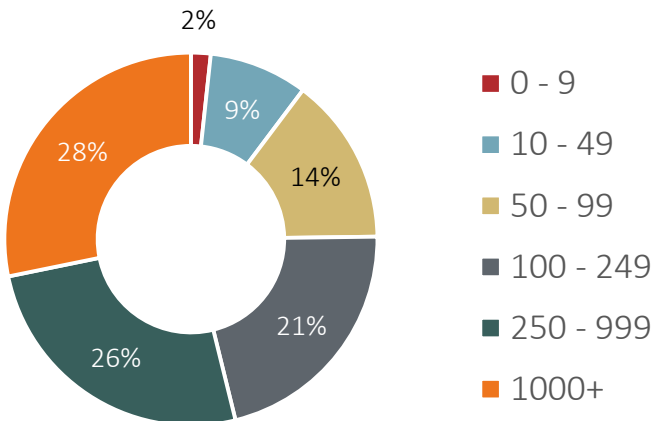
Annual turnover



Head Office



Number of employees



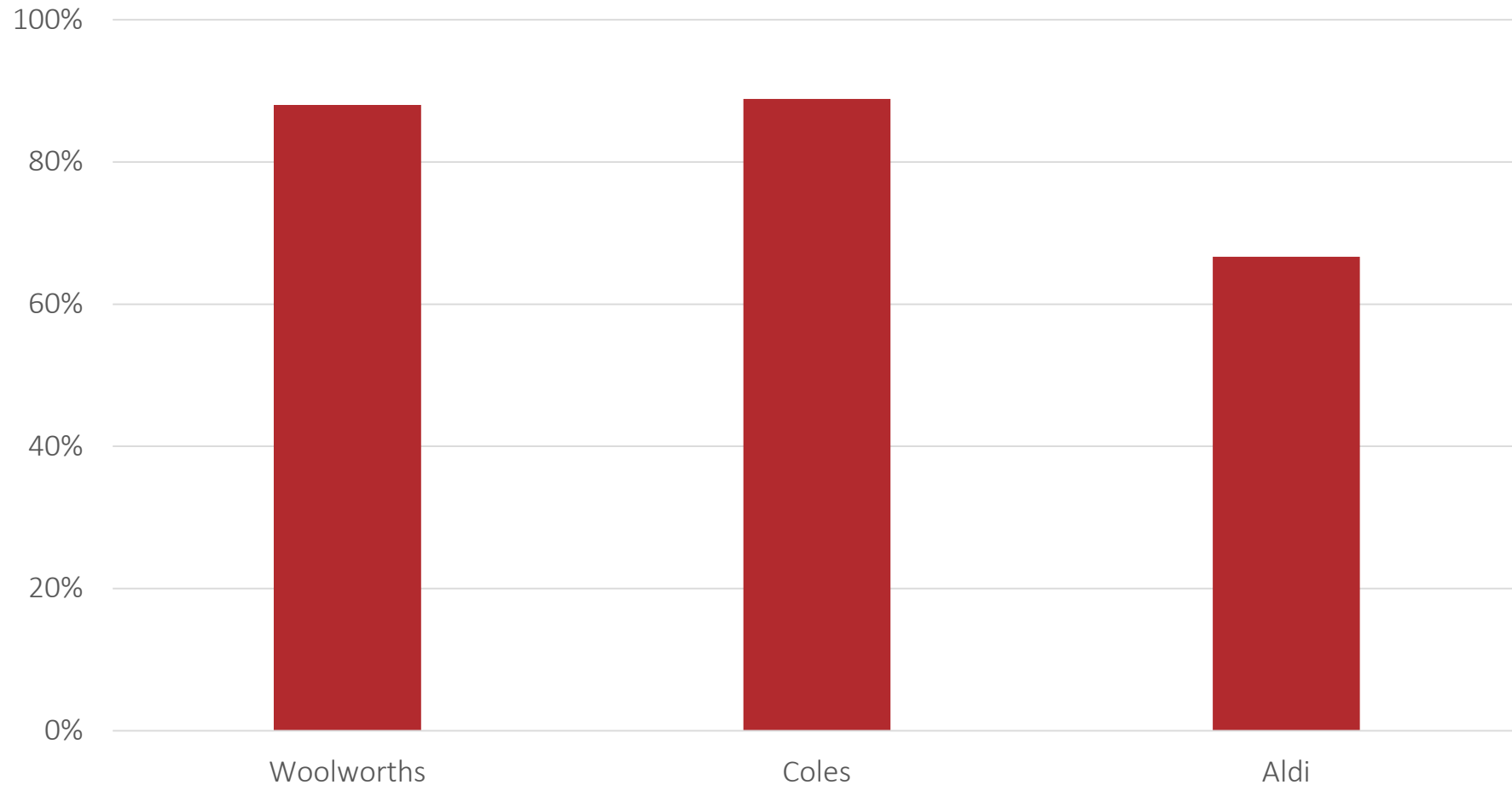
Position





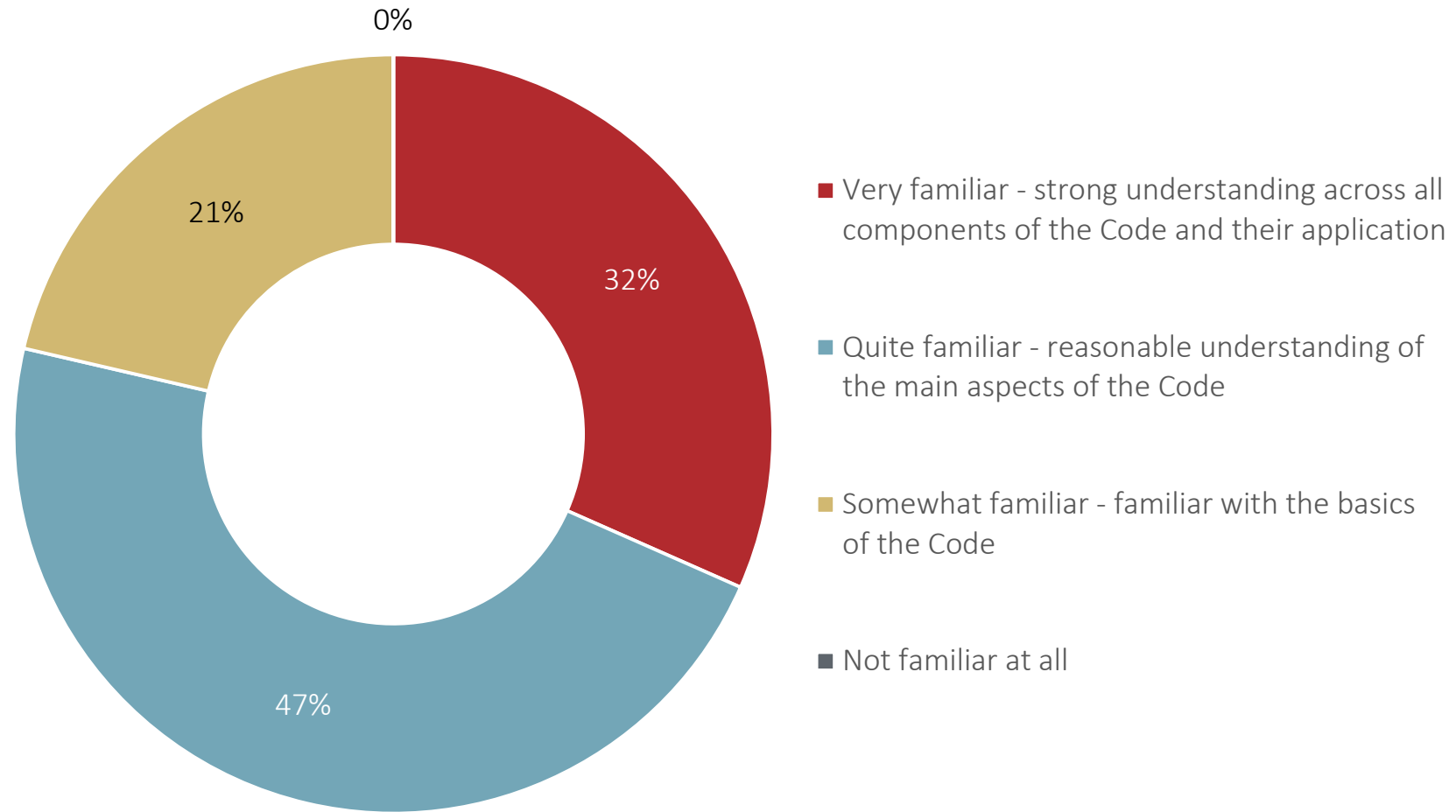
WHO TOOK PART

Which retailers do you supply?





CODE FAMILIARITY

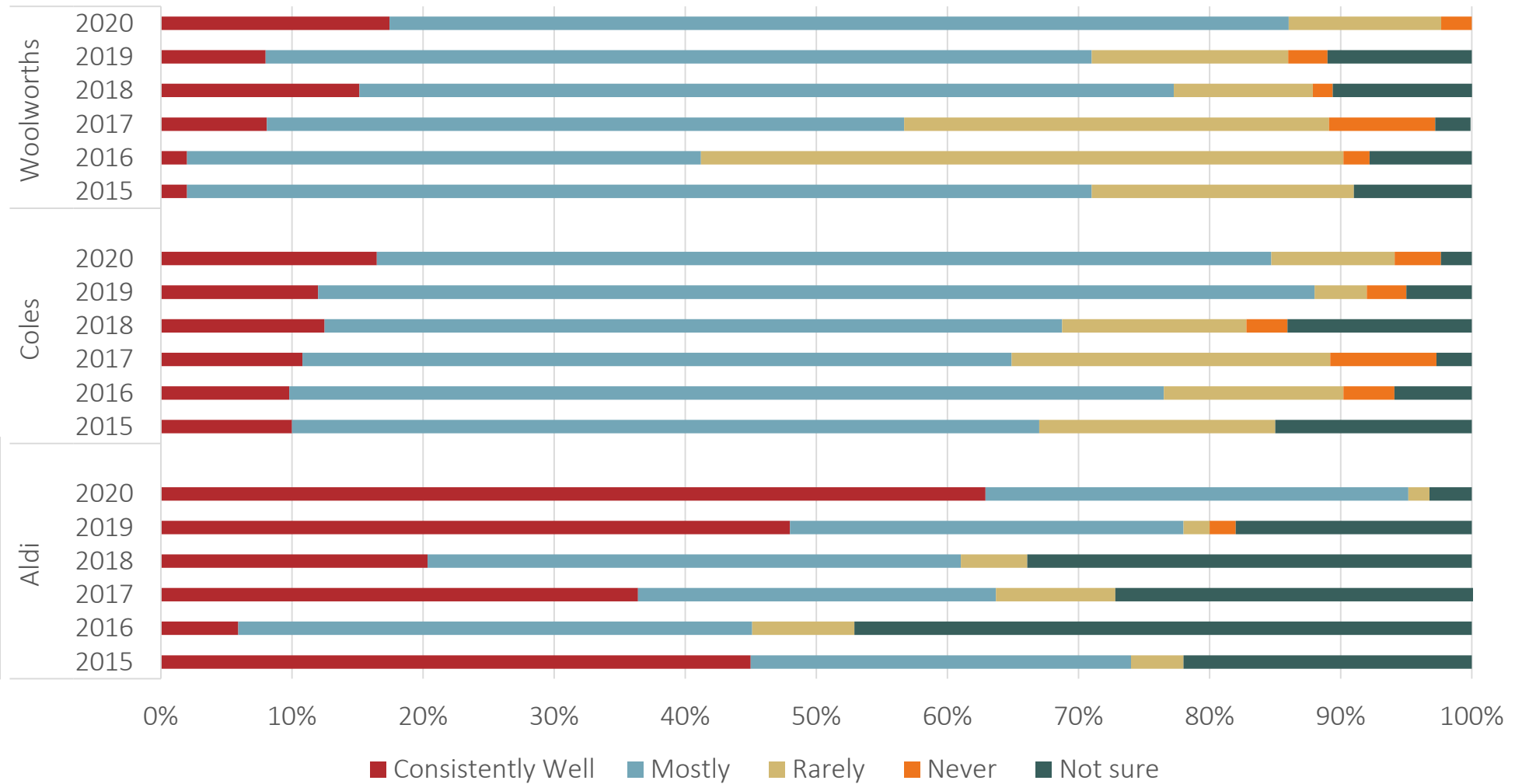


RETAILER PERFORMANCE





RETAILERS COMPLIANCE WITH FGCC

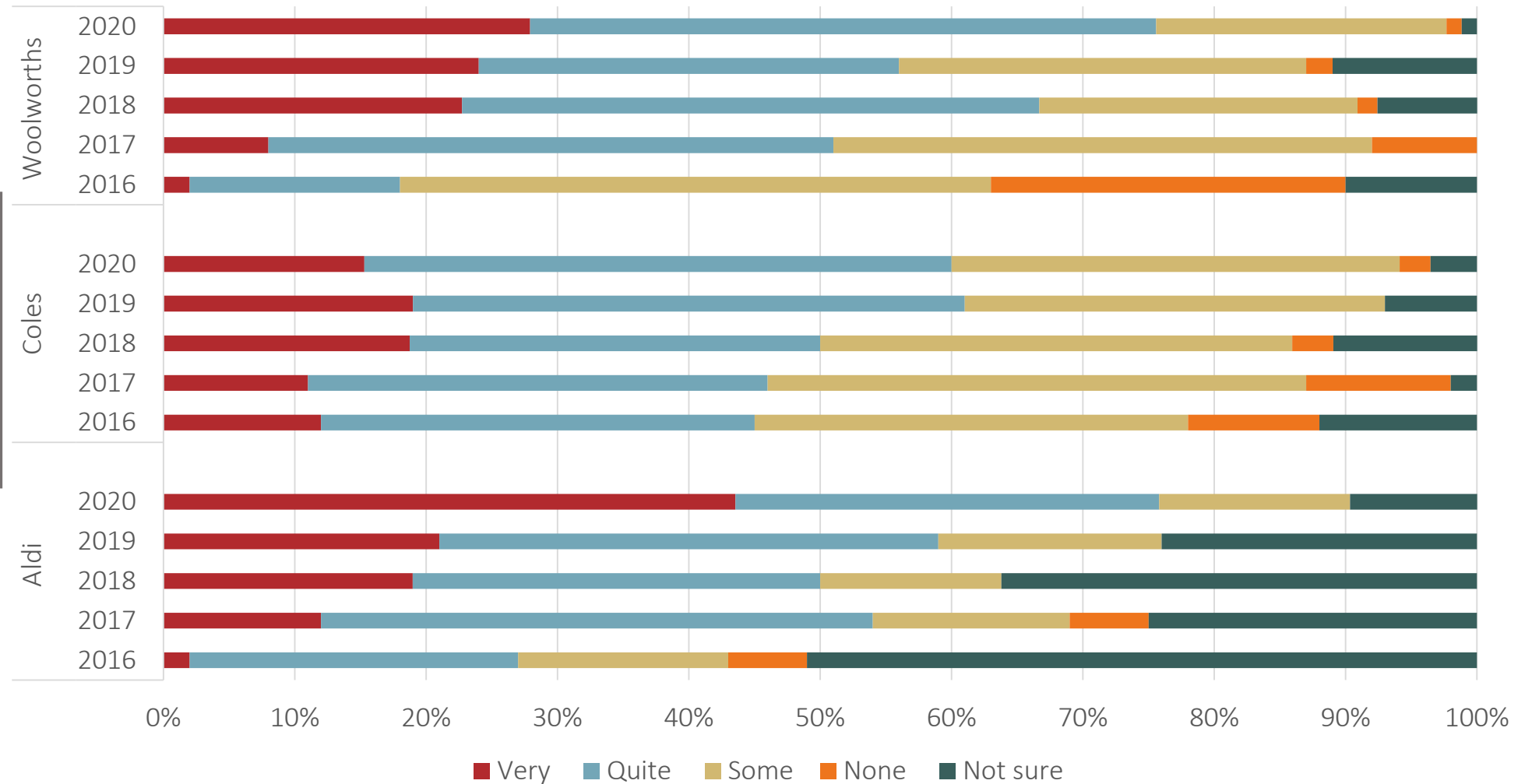


Aldi continues to be a standout signatory to the FGCC



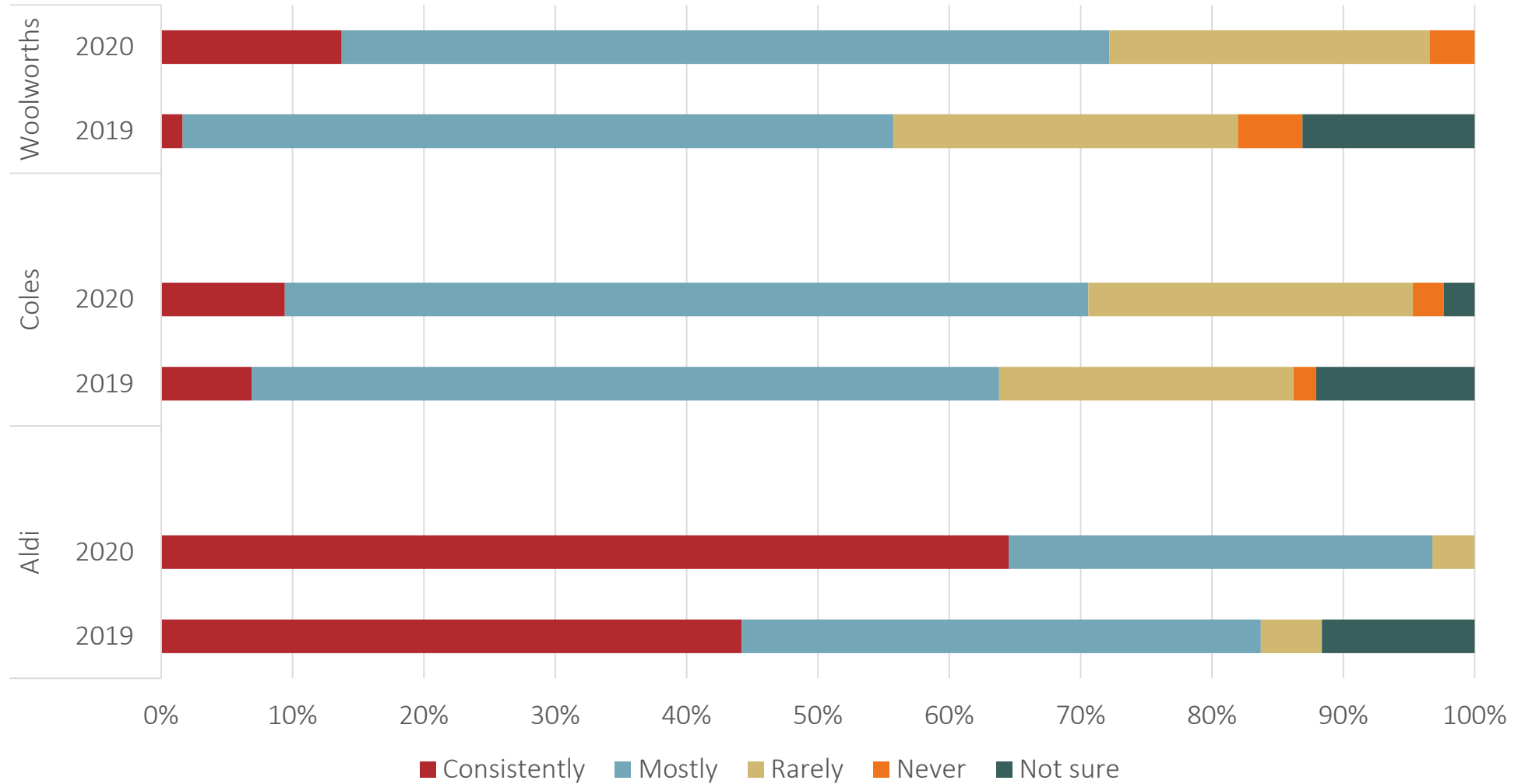
RETAIL BUYERS' UNDERSTANDING OF THE FGCC

Continued overall improvement in Retail Buyers' understanding of the FGCC





RETAILER'S DEALINGS IN GOOD FAITH



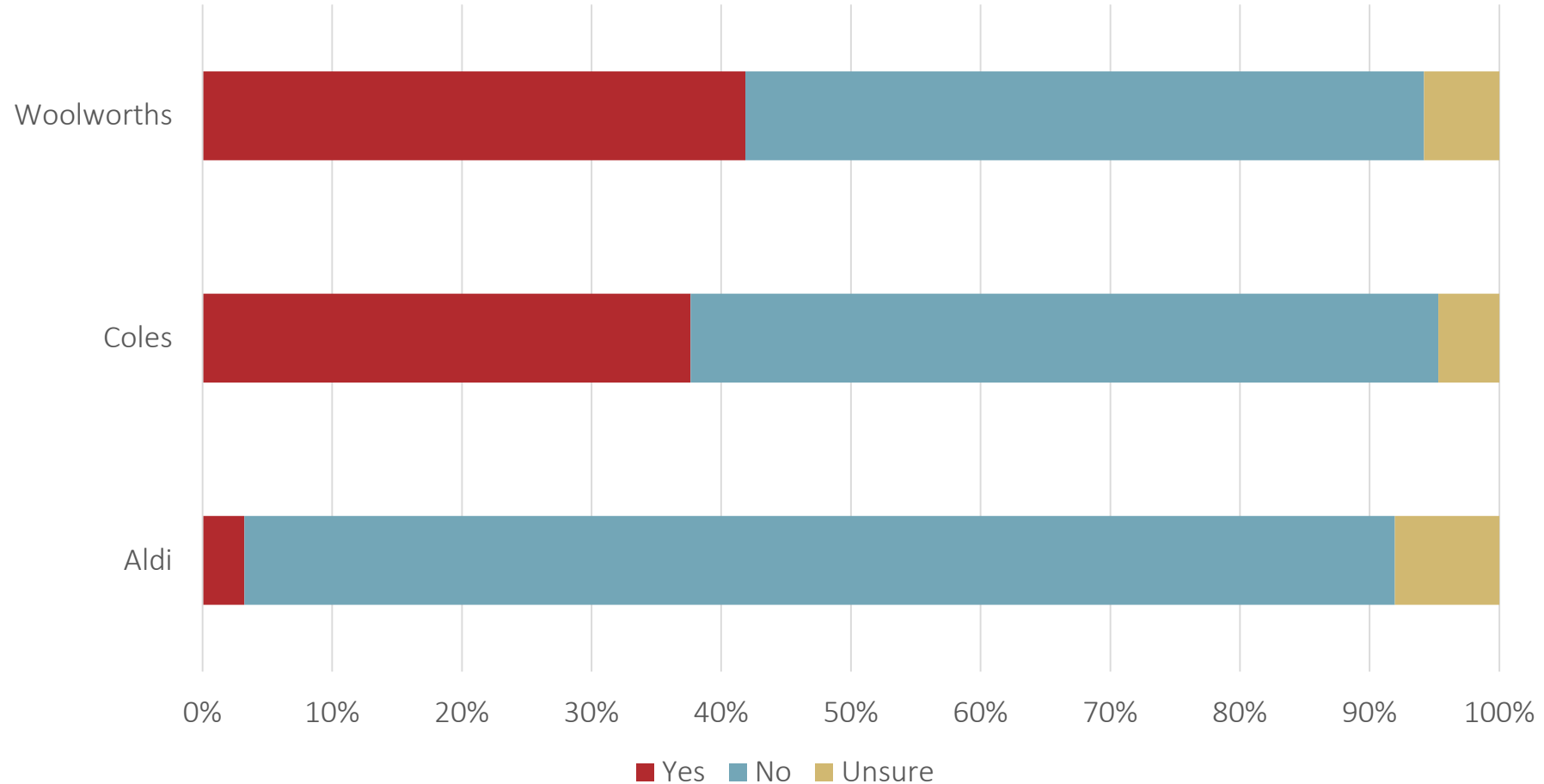
Combined Rarely and Never

	2019	2020
WW	31%	28%
Coles	24%	26%
Aldi	5%	3%



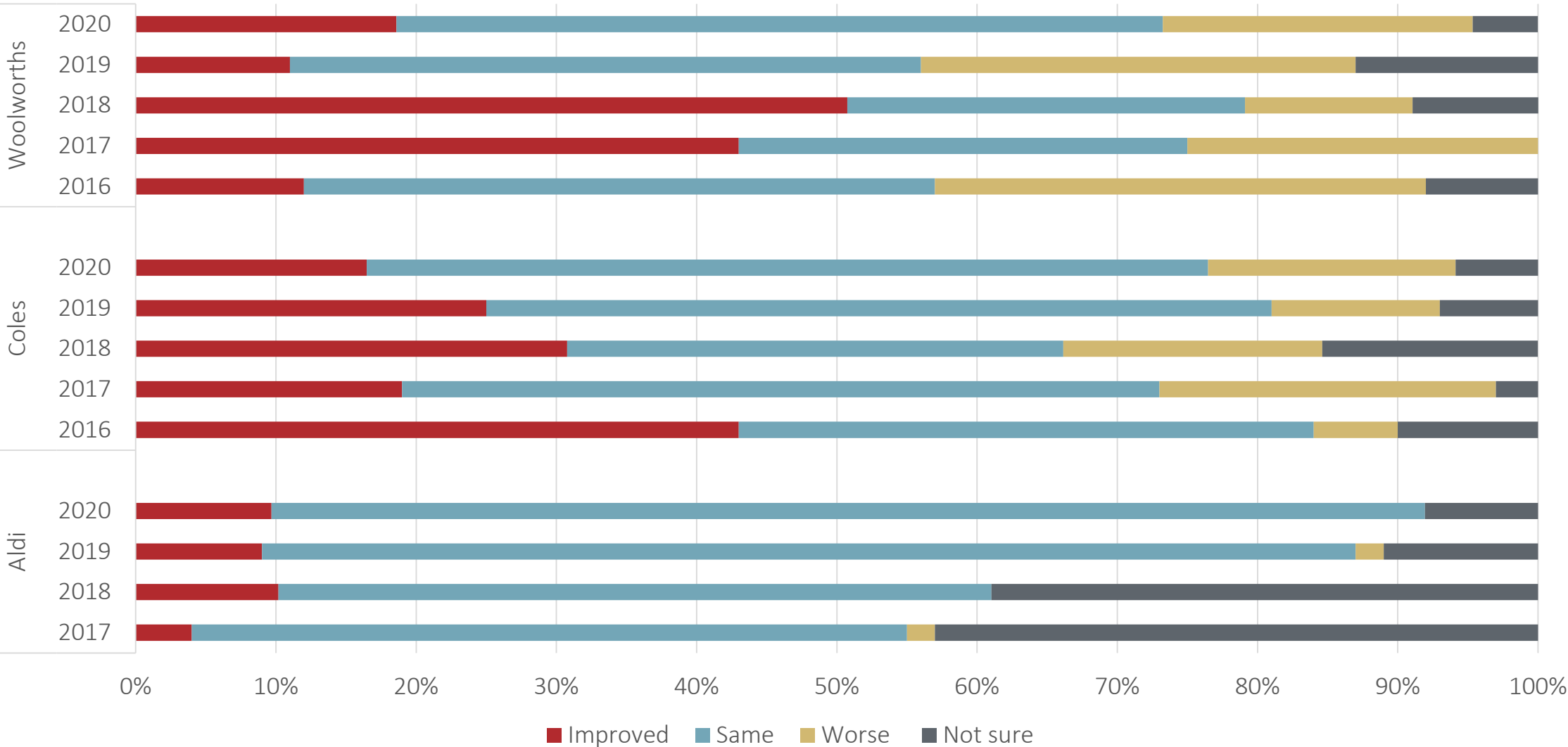
RETAILER'S DEALINGS IN GOOD FAITH

Have you raised FGCC good faith obligation?





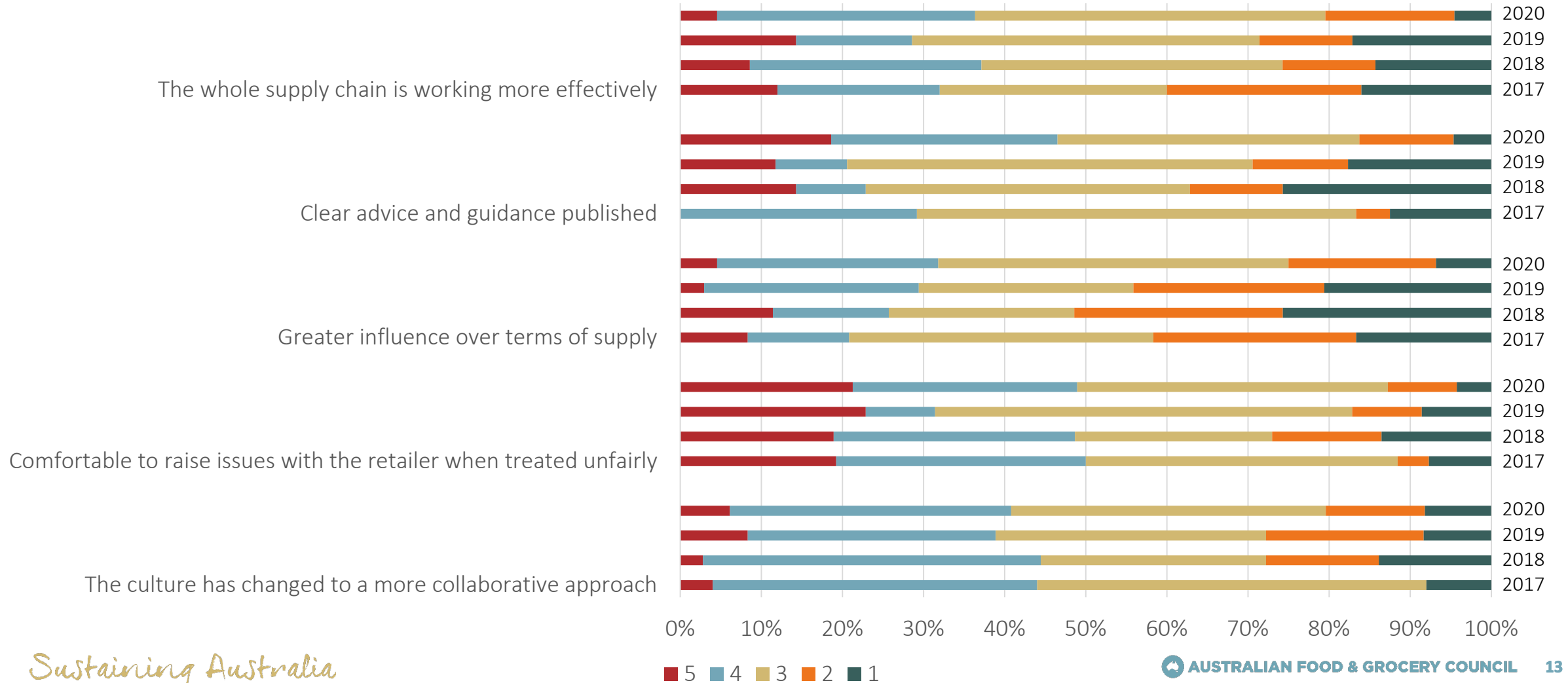
RETAILER PRACTICES





SUCCESS FACTORS – ALDI

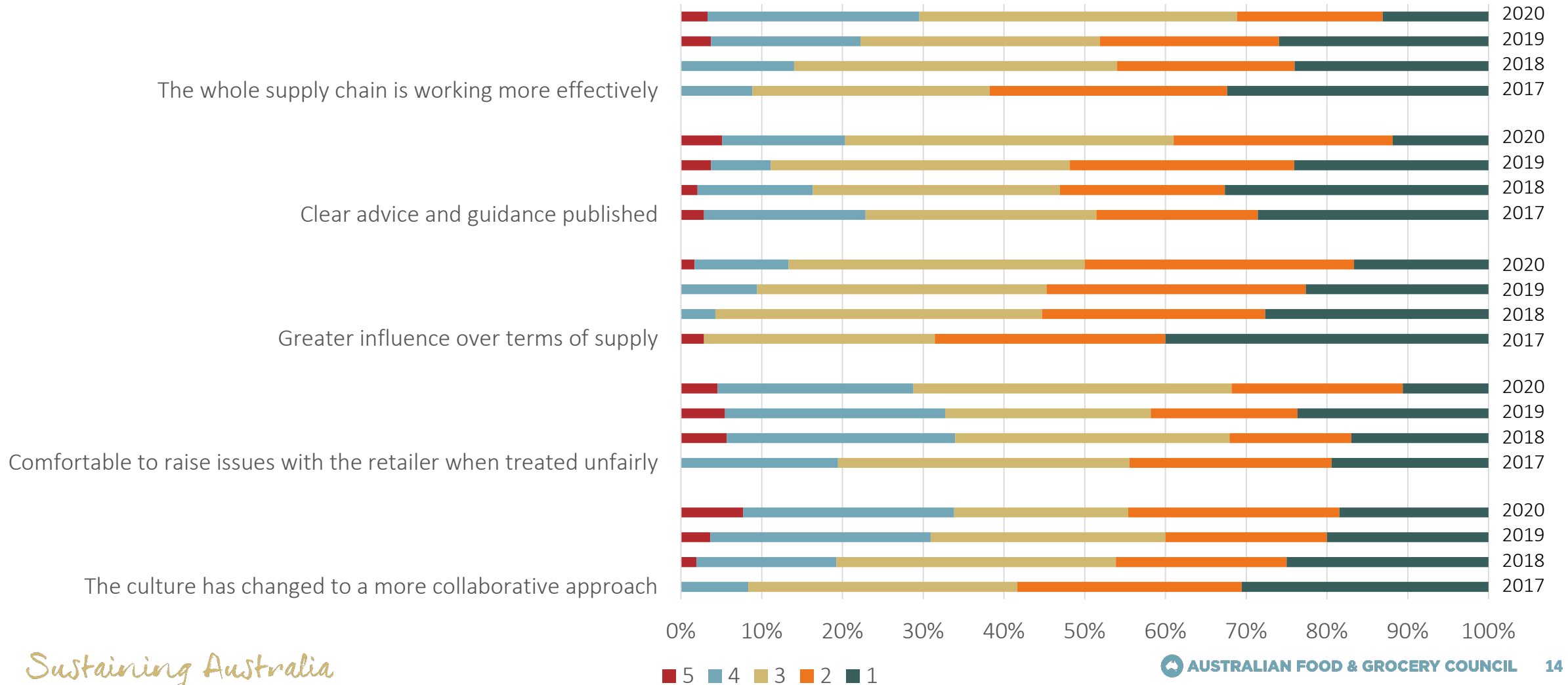
On a scale of 5 (significant improvement) to 1 (no improvement)





SUCCESS FACTORS – COLES

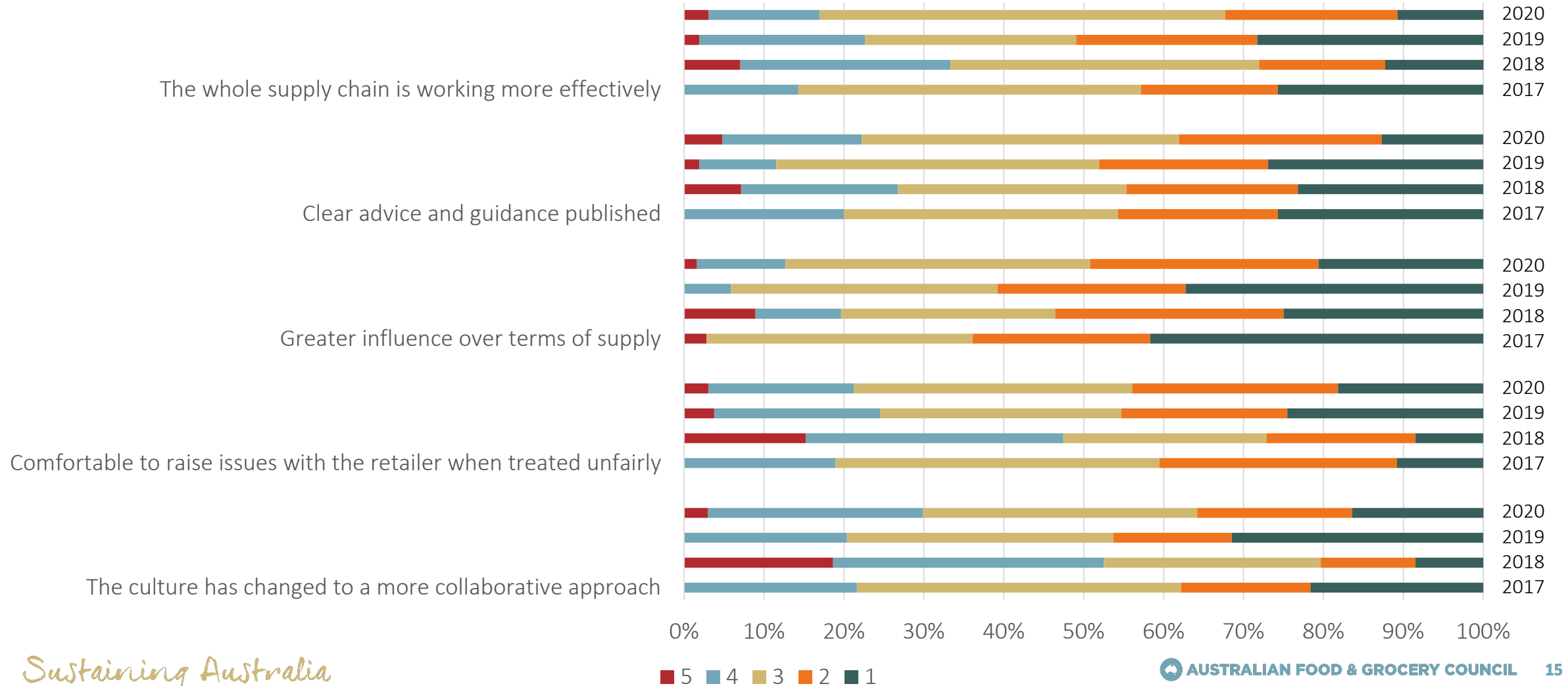
On a scale of 5 (significant improvement) to 1 (no improvement)





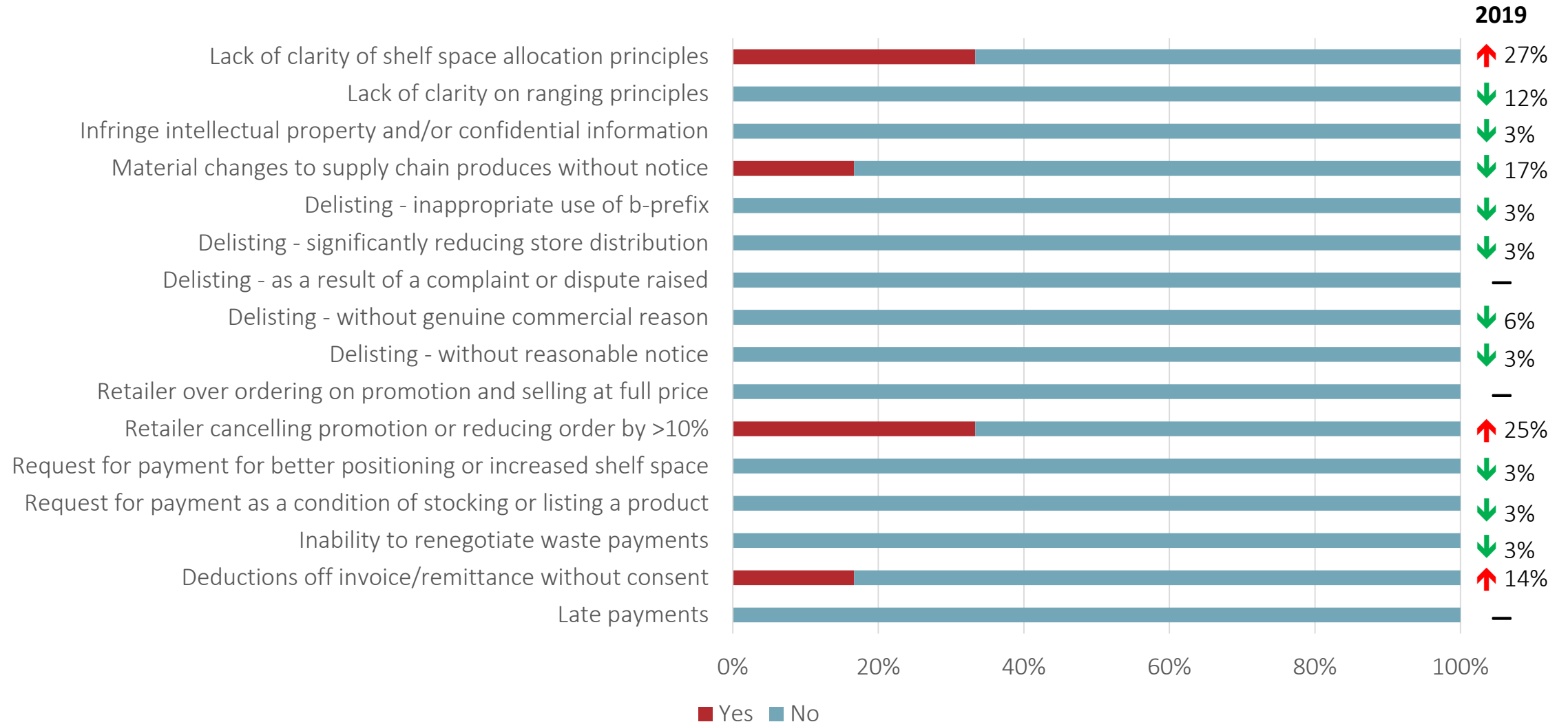
SUCCESS FACTORS – WOOLWORTHS

On a scale of 5 (significant improvement) to 1 (no improvement)



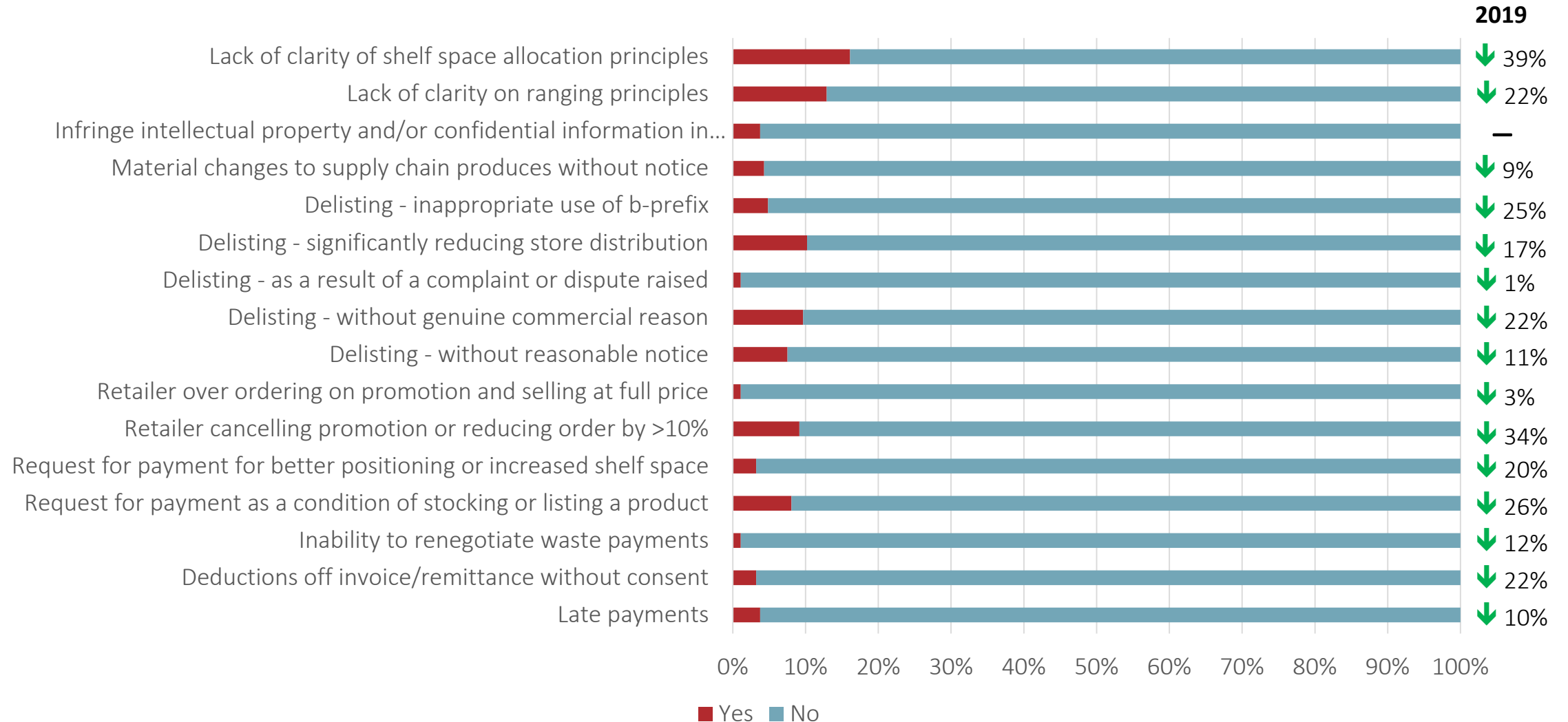


COMPLIANCE ISSUES – ALDI



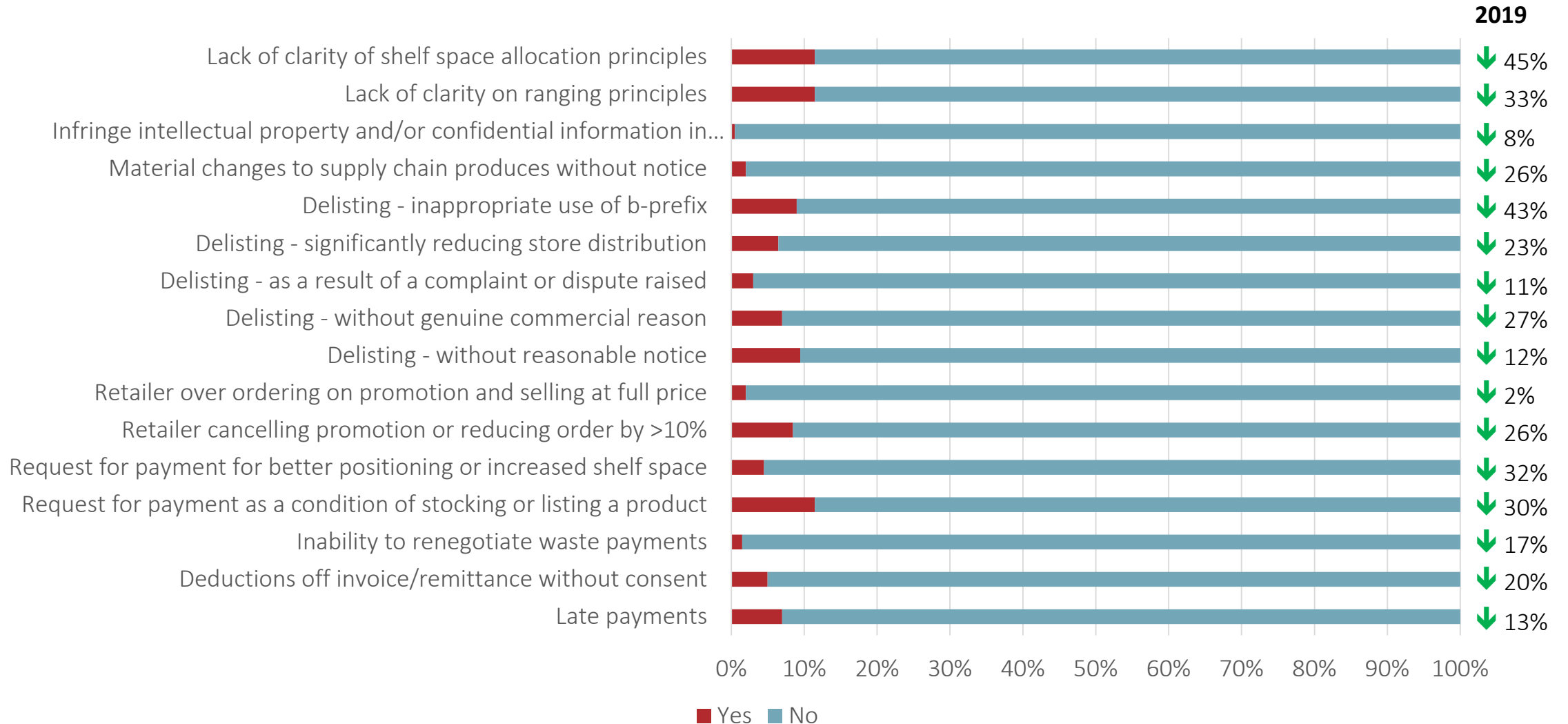


COMPLIANCE ISSUES – COLES





COMPLIANCE ISSUES – WOOLWORTHS



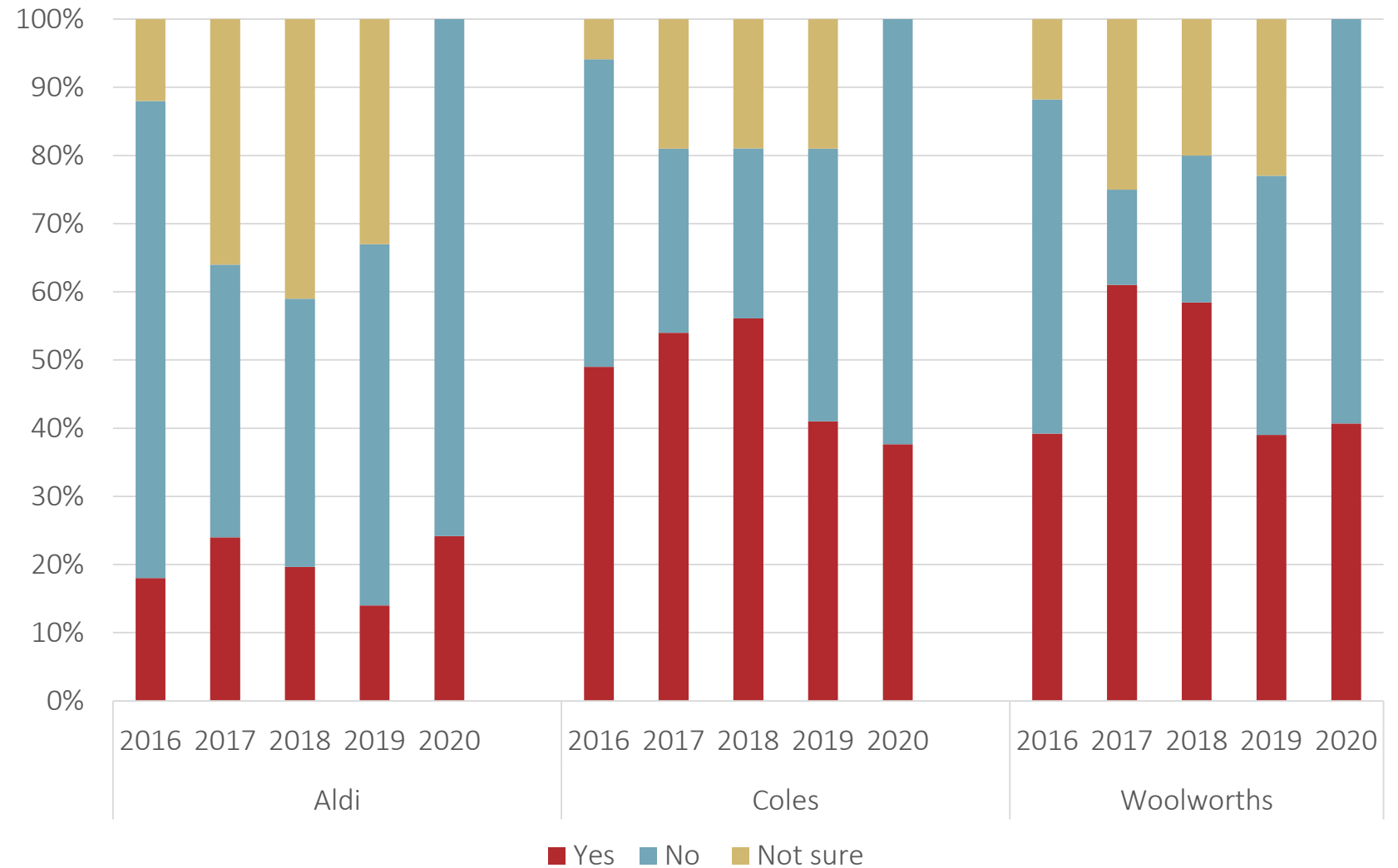
DISPUTE RESOLUTION





CODE COMPLIANCE MANAGER

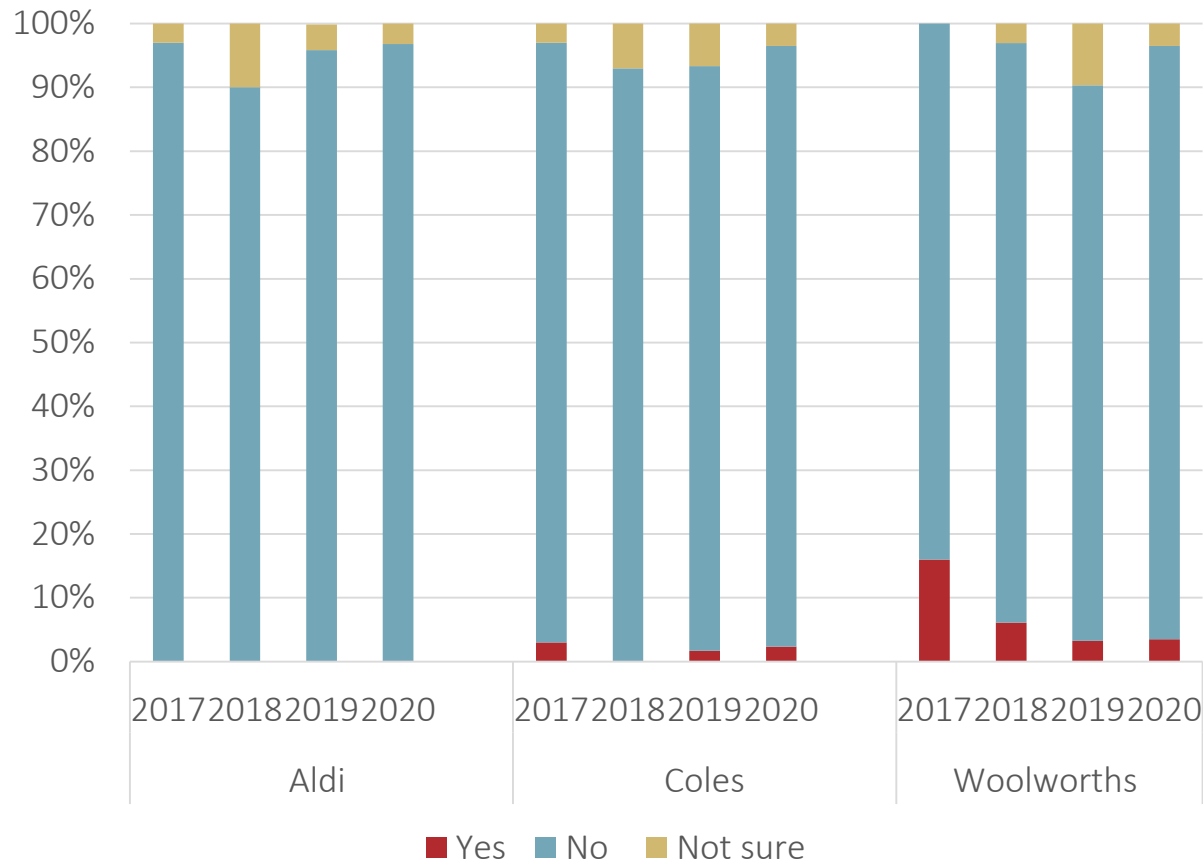
Do you know
who the CCM is
and how to
contact them?



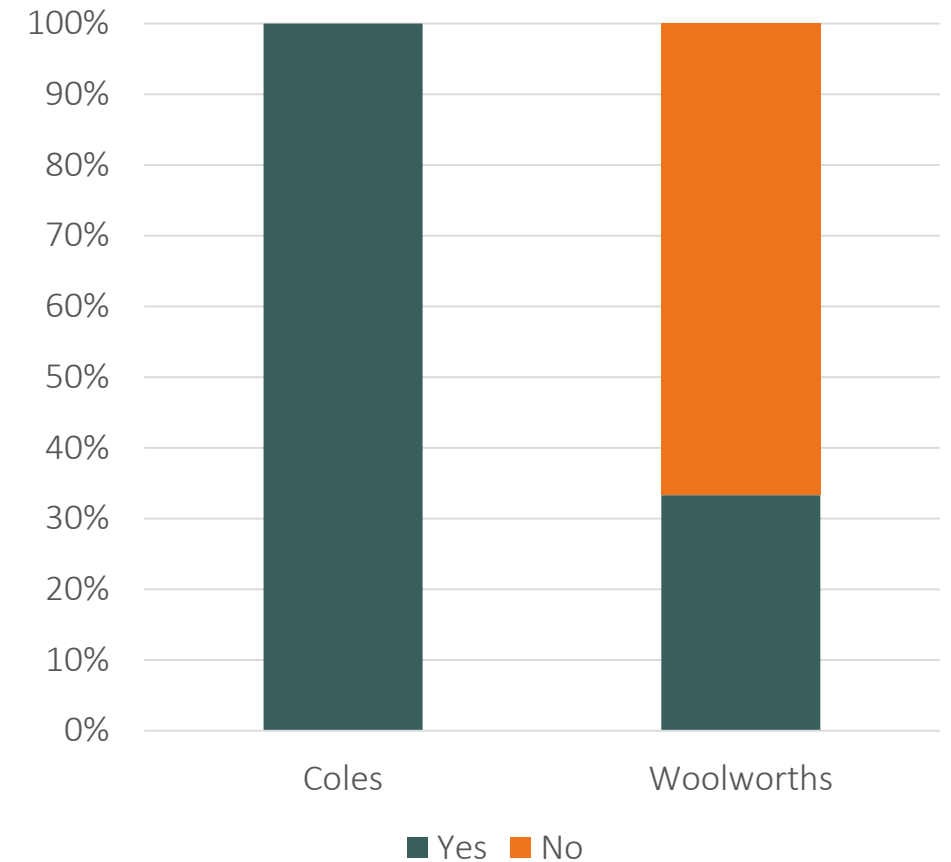


CODE COMPLIANCE MANAGER

RAISED COMPLAINT WITH CCM



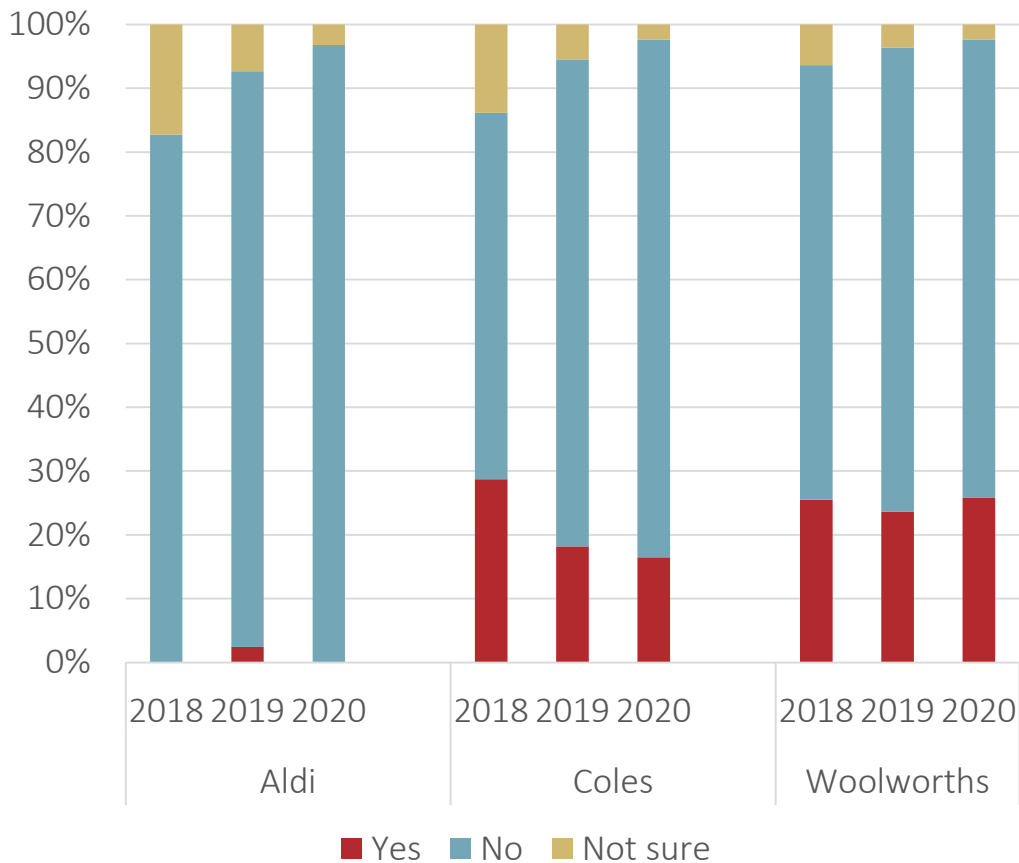
HANDLED SATISFACTORILY



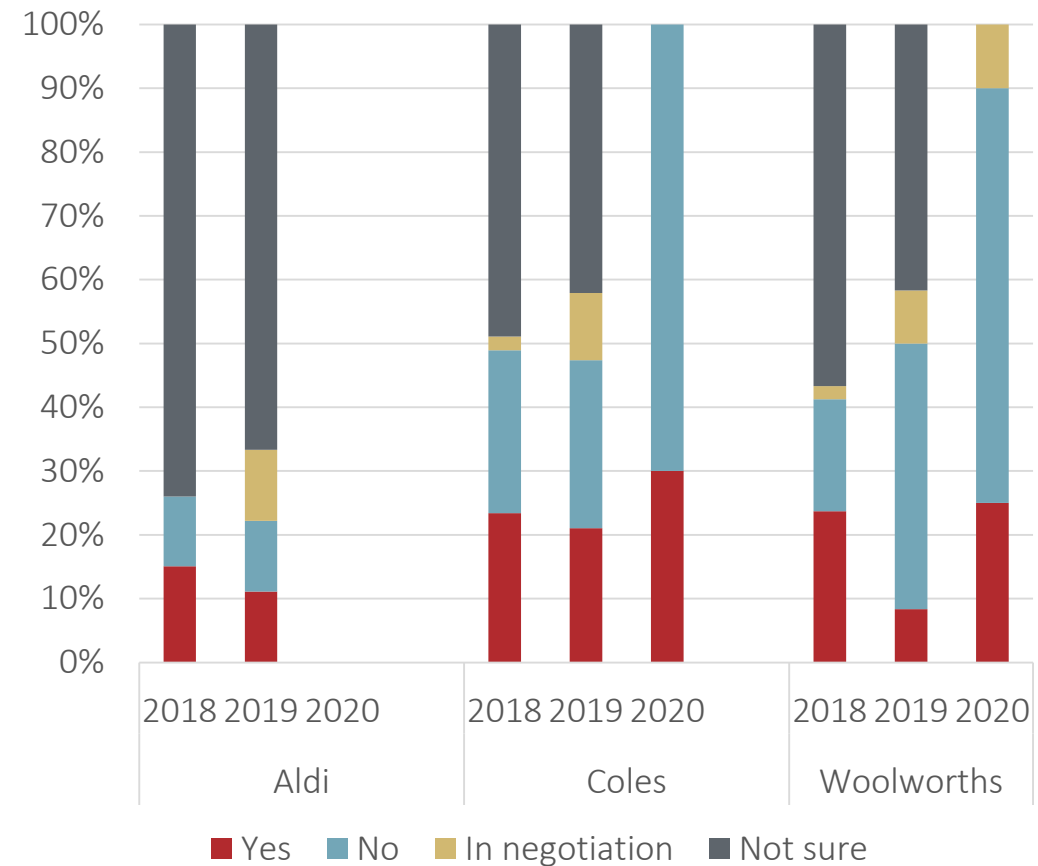


DISPUTE RESOLUTION

RAISED ISSUE WITH BUYING TEAM



HANDLED SATISFACTORILY





DISPUTE RESOLUTION

MAIN IMPEDIMENTS TO RAISING AN ISSUE WITH...

	Aldi	Coles	Woolworths	ACCC
1	Fear of damaging commercial relationship	Fear of damaging commercial relationship	Fear of damaging commercial relationship	Prefer to address the concern directly with customer
2	Fear of retribution	Fear of retribution	Fear of retribution	Don't think the ACCC can do anything to address the issue
3	We see the issue as a normal way of doing business	Don't think anything will be done to address the issue	Don't think anything will be done to address the issue	Not confident that confidentiality will be maintained

FINAL THOUGHTS



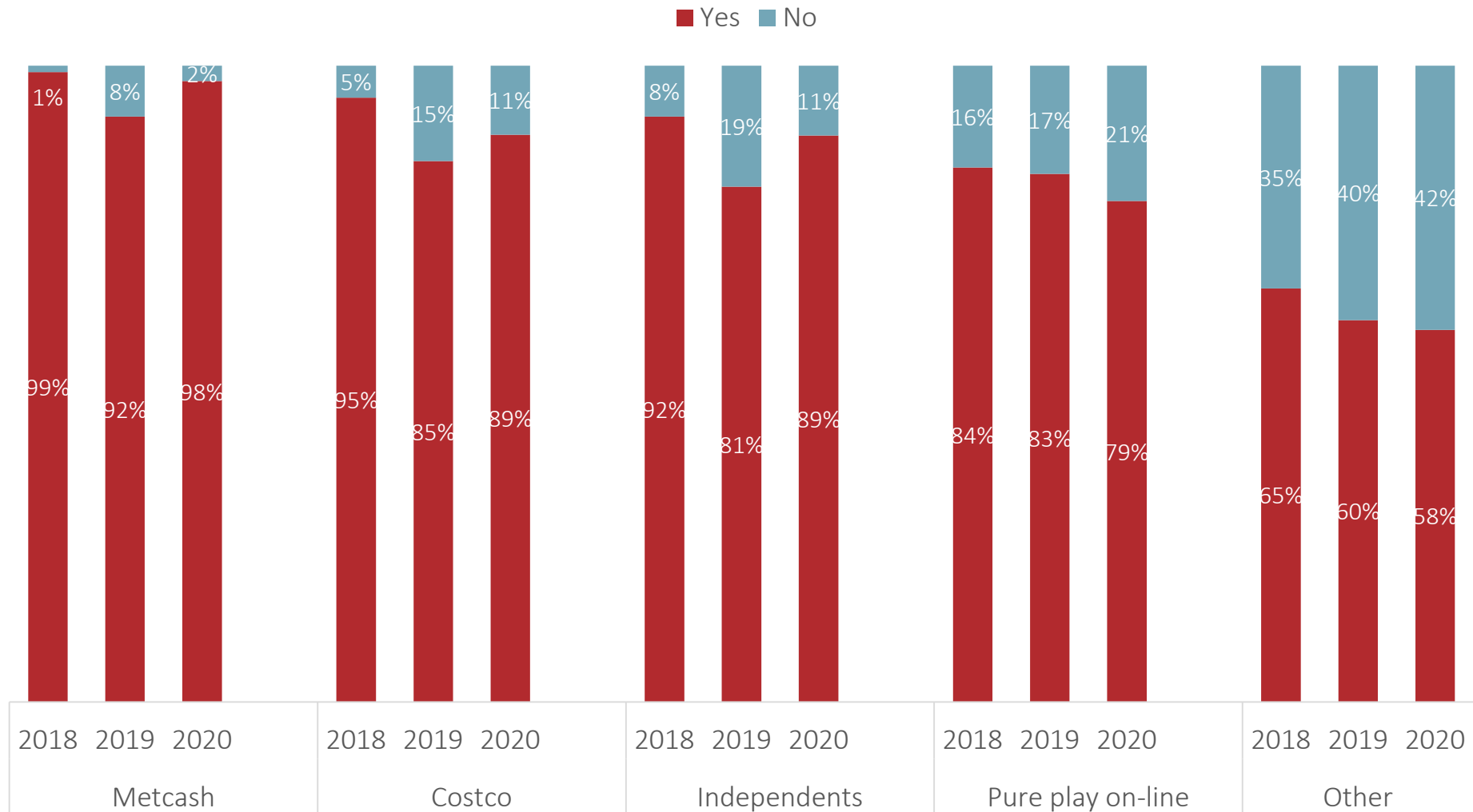


MOST SIGNIFICANT ISSUE





WHO ELSE SHOULD BE CAPTURED



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For more information please contact
Samantha Blake – Director, Industry Affairs