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Mr Kieran Grace,  
Principal Officer,  
Competition and Consumer Policy Section,  
Department of Jobs, Enterprise & Innovation,  
1 Earlsfort Centre,  
Lower Hatch Street,  
Dublin 2.

*✓ Recd 29/2/16  
AG*

26th February 2016

### Consultation process on the draft Guidelines to the Grocery Goods Undertakings Regulations 2016

Dear Mr. Grace,

I am writing on behalf of the Members of Stonehouse Marketing Ltd., a trade association representing 23 Independent Wholesale Cash & Carry's operating in the Republic of Ireland. Stonehouse Members are family businesses, many of which are operations with less than 20 employees.

I understand the rationale behind the Consumer Protection Act 2007 (Grocery Goods Undertakings) Regulations 2016. In principle it is set as a protection for Suppliers against the power of large Buyers. However in its intent to protect suppliers it actually could have the effect of putting undue financial and time burdens on small to medium size Wholesalers with limited resources, struggling to exist in this sector.

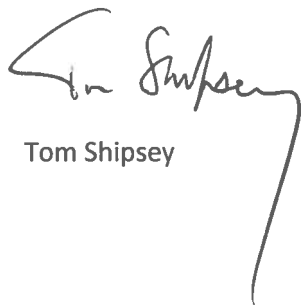
To add another layer of complexity to my Members with limited resources would be another example of legislation affecting the smaller players in the market. Collectively Stonehouse represents less than **1% of the grocery market** that this legislation is targeting. All but one of my Members has a turnover of far less than €50million. Some are under €2million total sales. There is no way that people with such limited buying power could have any adverse influence on suppliers. In an effort to protect suppliers the financial burden of this legislation would undoubtedly have serious consequences for the small wholesale players if they were deemed to be subject to the regulations. I have no doubt that the legislation was not intended to hurt the smaller players in the marketplace but with the level of reporting etc required under this legislation the effect would be to do so. Who is going to protect them? I would urgently request that you review the rationale for this legislation, asking yourselves not only who it is to protect but more importantly, in the desire to protect suppliers, what are the effects on small wholesale/retail buyers.

The legislation in principle is progressive, however a threshold should be set on size by market share. I can assure you that if you asked any Supplier that deals with the members of my organisation whether the likes of the independent Wholesale Cash & Carrys had the power to put undue pressure, financial or other, on Suppliers the answer would be no. Ask the same suppliers whether this legislation would unduly burden the independent Cash & Carry sector and they would say yes, without doubt.

I would welcome the opportunity to discuss this matter with you. In the meantime I would request a fundamental move away from this fixed figure of €50million per Group to a figure where one has power or influence over suppliers. This figure I would argue is a market share of well over 10%.

In my experience of the Retail Business and I have spent my business life in this sector, working on both sides of the desk, as a supplier and as a buyer, I would argue that this legislation is fundamentally correct but in an effort to hit "the big boys" is penal to the minnows. The financial burden of complying with this legislation will be another nail in the coffin of the small to medium sized businesses in the country.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tom Shipsey', with a long, sweeping vertical line extending downwards from the end of the signature.

Tom Shipsey