## The GSCOP Infographic - Helping You to Understand GSCOP Quickly

Previously Supermarket Code of Practice, GSCOP came into force in 2010, with Groceries Code Adjudicator appointed in 2013

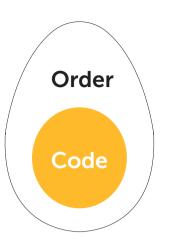
# **GSCOP**

- is UK Law
- Stands for 'Groceries Supply Code of Practice'
- has over 1000 searches per month on google.co.uk



#### **Christine Tacon Groceries Code Adjudicator**

ensures adherence to the Code by supermarkets and has the power to fine supermarkets up to 1% of their UK sales. For Tesco this could be over £500m.



## 7 page piece of law

part of The Groceries Market Investigation **Order** bill. The best way to understand this is **GSCOP** is the yolk and The Order is the white of the egg.



By law the supermarket buyers have to be trained in GSCOP each and every year.



Each supermarket has to appoint, by law, a 'Code Compliance Officer'. Someone that suppliers can speak to if they have a query/dispute.

UK Supermarkets named in the 'The Order'

Asda Stores Limited, a subsidiary of Wal-Mart Stores Inc

### **Key Principles of GSCOP Introduction**

- Provides **supplier confidence** and certainty in their dealings with the big supermarkets.
- Transparency, clarity and openness are the watch-words of GSCOP.
- A written supply agreement is at the heart of GSCOP.
- No retrospective requests.
- No **delay** in payments.
- No supplier to be the **predominant funder** of promotions.
- No second year or **ongoing listing fees**.
- Restrictions on tying of third party goods and services.
- Written supply agreement including as a minimum; set payment terms, delisting process, complaints and disputes process, names of senior buyers and code compliance officer.



View the Yearly **GCA** results of their annual survey of supplier thoughts on GSCOP ....You also can take

part in the survey.



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**Tackling the** Top 5 Issues. Do you know what they are?



1: Money owed to suppliers for goods supplied must be paid in accordance with the terms for payment agreed between Tesco and the supplier.

The cost to Tesco was £1.1m and the GCA's recommendations were

Tesco must not make unilateral deductions.

#### The cost to Co-op was £1.95m and the GCA's recommendations were:

- 1: Co-op must have adequate governance to oversee and manage its compliance with the Code. 2: Legal, compliance and audit functions must have sufficient co-ordinated oversight of Co-op
- systems to ensure Code compliance.

The GCA has conducted 2 investigations with Tesco - January 2016 and Co-op - March 2018.

Wm Morrison Supermarkets plc

Co-operative Group Limited

Waitrose Limited, a subsidiary of John Lewis plc

Iceland Foods Limited, a subsidiary of the Big Food Group





Youtube of 15 x 1

Know the GCA's case studies

**TESCO** Tesco plc

J Sainsbury plc

Lidi UK GmbH

Aldi Stores Limited

Marks & Spencer plc

**B&M** Retail Limited

Ocado Retail Ltd

ASDA

Sainsbury's

M MORRISONS

🔏 ALDI

LADL

The co-operative

MARKS & SPENCER

Waitrose

Iceland

Cocado

- 3: Data input errors identified by suppliers must be resolved promptly.
- 4: Tesco must provide transparency and clarity in its dealings with suppliers.
- 5: Tesco teams and buyers must be trained in the findings from this investigation.
- Co-op IT systems must support Code compliance.
- 4: Co-op must adequately train on the Code all employees who make decisions which affect a supplier's commercial arrangements with it.
- 5: Co-op must in any potential de-listing situation communicate with affected suppliers to enable the retailer to decide what is a significant reduction in volume and reasonable notice investigation.



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