

## Press Distribution Charter

### Stage 3 - Independent Arbitration Decision

**PDC Reference Number:**

PDC227463/24/11/2017

**Date First Issued:**

24/11/2017

**Name of Arbitrator:**

Neil Robinson

**Date complaint sent to Arbitrator:**

09/01/2018

In the matter of the Arbitration Act 1996 and in the matter of a dispute between Mr Retailer and Smiths News (SN), Slough Whitby Road, Slough, SL1 3DR. This complaint concerns alleged failure by Smiths News to process all returns collected from retailers for credit on the next available invoice contrary to Press Distribution Charter (PDC) Standard 5.9.

Mr Retailer alleges that he prepared returns for credit on 03/07/2017 and they were collected the same day. The value of the returns was £332.10. Credit was received from SN to the value of £80.99 leaving £251.11 missing credit. Mr Retailer spoke to various SN staff regarding the issue and was informed that the issue number for each magazine was missing from the returns list. Mr Retailer maintains that the requirement was not notified to him prior to the returns being prepared and collected. The issue numbers were provided at a later date but he was then advised by SN that the issue numbers were wrong.

Unfortunately, SN failed to respond to Mr Retailer's PDC Stage 2 Complaint and did not submit a PDC Stage 3 Wholesale Statement of Case Form on time.

Having considered the evidence submitted to me, I adjudicate as follows:

1. The PDC Complaints Process cannot be used if the incident complained of occurred more than three months prior to the submission of a Stage 2 Complaint. This is set out in the 'Guidance Notes for Retailers'.
2. Mr Retailer's PDC Stage 2 Complaint was dated 24/11/2017 and accordingly the incident complained of must have occurred between 24/08/2017 and 24/11/2017. The incident Mr Retailer complains of occurred in July 2017 and falls outside of the said time frame. In these circumstances I cannot find in favour of Mr Retailer
3. SN appears to have shown a disregard for the PDC and its Complaints Process at Stage 2 and Stage 3. The PDC is a self regulatory process which depends on the support of the industry to maintain its integrity. Having said that, I understand that there have been administrative failings within the company that caused the failure to comply with the complaints process for which it has apologised.
4. During the course of my consideration of this case SN has provided a Stage 2 Wholesaler Statement of Case Form and supporting documents. It has investigated Mr Retailer's credit claims thoroughly and found that Mr Retailer inadvertently used the full cover price for the titles returned for credit rather than the cost price i.e. cover price less 25% margin. Furthermore, a number of titles

Listed for credit were unrecognised by the SN system e.g. 'Great Gifts' and 'Running Fitness'. SN has now awarded the credit with the adjustments referred to above.

*Neil Robinson*

Signature of Arbitrator: \_\_\_\_\_

Date: 17th January 2018

Seat of Arbitration: London, England.

Date form returned to PDC Administrator:

17/01/2018

Date Independent Arbitration Decision  
sent to Wholesaler & Retailer:

24/01/2018