

Press Distribution Charter

Stage 3 - Independent Arbitration Decision

PDC Reference Number:

PDC/128109/12062019

Date First Issued:

12/06/2019

Name of Arbitrator:

Neil Robinson

Date complaint sent to Arbitrator:

15/07/2019

In the matter of the Arbitration Act 1996 and in the matter of a dispute between Ms. Retailer (Ms. C.), and Menzies Distribution (MD), Europa Drive, Sheffield, S9 1XT. This complaint concerns alleged failure by Menzies Distribution to deliver all titles and their appropriate sections and supplements no later than the RDT or SDT on the day of sale contrary to 'Pledge on Deliveries' and to fulfil orders for product, provided that they are in line with individual publishers guidelines on sales promotion and unsolds contrary to 'Our Pledge on Supplies', both of which 'Pledges' form part of MD's 'Customer Service Pledge - Fourth Edition'.

Ms. C. alleges by complaint dated 06/06/2019 that during the month of May 2019 she experienced a number of issues concerning packing accuracy. She maintains that the problems date back to July 2018 and she found it necessary to make a formal Stage 2 Complaint in March 2019. She experienced a short period where errors were limited, but further packing errors occurred and became persistent whereupon she was forced to initiate a second Stage 2 Complaint. She cites the following instances of service failures on 29/04/2019, 12/05/2019, 13/05.2019, 14/05/2019, 18/05/2019 and 24/05/2019. In her Stage 3 - Retailer Statement of Case Ms. C. points out that service failures continued after the submission of her Stage 2 Complaint.

MD responded to the complaint by letter dated 28/06/2019. It pointed out that the Sheffield Manager had requested that Ms. C.'s supplies be double checked for accuracy and that any future claims against the specific packer will be investigated by him. MD was hopeful that the measures it had taken would improve the accuracy of deliveries.

In its Stage 3 Wholesale Statement of Case MD informed that it had investigated Ms. C.'s claims from January 2019. It pointed out that the Management Team at Sheffield had investigated the packing discrepancies and had initiated an action plan to resolve the issues. This involved a review of all customers on check in order to ensure that it was only investigating customers with recent issues. This had taken time, but all unnecessary customers have been removed from the system thereby allowing greater efficiency and packing accuracy. MD accepted service failures on the dates cited by Ms. C. together with a number of others and quantified its opinion of the restitution value.

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

1. Ms. C. has clearly experienced some poor service levels from MD and, indeed MD has admitted to this and apologised for the same.
2. A retailer can only make a 'Customer Service Pledge' Stage 2 and 3 Complaint if the service failure/s is or are 'serious or persistent'. I am satisfied that there is persistence in this case and that it could be properly proceeded with.

3. MD promised to investigate a restitution claim from Ms. C. if she provided more information, with this in mind I suggest that Ms. C. should prepare a schedule of her losses caused by the MD service failures over the period 06/03/2019 - 06/06/2019. Once completed, she must submit the same to MD for settlement. MD must settle the same unless there is a dispute, in which case the issue should be referred back to me for further adjudication.

4. If Ms. C. fails to provide MD with evidence of proven loss within 30 days of the date of this adjudication no restitution need be considered by MD.

5. Every retailer should receive on time delivery of newspaper, magazines and supplements for the appropriate day of sale and that delivery should be sufficient to fulfil the retailer's order where there is sufficient copy in the system enabling the wholesaler to do so. These are minimum service standards that retailers are entitled to and should help ensure that the right product gets to the right place at the right time. With such a complex and time sensitive operation it is inevitable that problems will occur. Most of these issues can and are treated as 'occasional service blips' and resolved informally, however when a single retailer experiences a steady number of service blips the wholesaler must take the appropriate steps to remedy the matter and I believe that MD has tried to do so in this case and I sincerely hope that its remedial action has been successful.

Neil Robinson

Signature of Arbitrator: _____

Date July 22nd 2019

Seat of Arbitration: London, England.

Date form returned to PDC Administrator:

22/07/2019

Date Independent Arbitration Decision sent to Wholesaler & Retailer:

22/07/2019