

Press Distribution Charter

Stage 3 - Independent Arbitration Decision

PDC Reference Number:

PDC/206771/28.05.21

Date First Issued:

28/05/2021

Name of Arbitrator:

Neil Robinson B. A. (Law), M.C.I.Arb.

Date complaint sent to Arbitrator:

01/07/2021

Independent Arbitration Decision

In the matter of the Arbitration Act 1996 and in the matter of a dispute between Mr H. and Smiths News (SN), Javelin Park, Black Country New Road, Wednesbury, WS10 7ND. This complaint concerns alleged failure by Smiths News to credit all valid vouchers within 14 days of return as required by Press Distribution Charter Third Edition (PDC) Standard 7.3.

Mr. H. maintains that he forwarded a Voucher Recall Envelope, Ref: J465428 and dated 12/04/2021, to SN containing 348 vouchers. On 01/05/2021 he was only credited for 102 vouchers which meant that, by his calculation, he was short by 246 vouchers valued at £436.56.

SN maintain that its voucher handling agency, EAV, identified the said envelope as being short. The envelope was not damaged in any way and was sealed. The envelope was re-checked and the initial shortages were verified. After communication with Mr. H. the issue was referred to the management team and, after detailed analysis, it was found that Mr. H.'s redemptions exceeded his net sales and therefore he had not sold the newspapers for the vouchers he was claiming. This assertion was arrived at by looking back at previous redemptions between May 2020 and May 2021. There was a surplus of 158 'The Times' vouchers and 56 'Guardian' (full details were disclosed). In conclusion, SN insist that there were shortages in the voucher envelope under consideration, such was verified by a second count and accrued voucher claims exceeded sales of the newspapers concerned.

Having carefully considered the evidence before me I adjudicate as follows:

1. In his originating complaint Mr. H. identified his missing vouchers as follows:

4 Daily Express (Saturday), 20 Daily Express (Monday – Friday), 1 Sunday Express, 10 Daily Mail (Saturday), 40 Daily Mail (Monday – Friday), 25 Guardian (Monday – Friday), 4 Guardian (Saturday), 14 'I' Daily (45p off), 1 'I' Daily (65p off), 2 Telegraph (Sunday), 10 Telegraph (Monday – Friday), 1 Telegraph (Saturday), 96 Times (Monday – Friday), 13 Times (Saturday) and 5 Sunday Times.

2. SN by letter dated 04/10/2021 in response to Mr. H.'s originating complaint identified the following shortages:

4 Daily Express (Saturday), 20 Daily Express (Monday - Friday), 1 Sunday Express, 10 Daily Mail (Saturday), 40 Daily Mail (Monday - Friday), 25 Guardian (Monday - Friday), 4 Guardian (Saturday), 14 'I' (Monday - Friday), 1 'I' Saturday, 3 Sunday Telegraph 10 Telegraph (Monday - Friday), 1 Telegraph (Saturday), 96 Times (Monday - Friday), 13 Times (Saturday) and 5 Sunday Times.

3. Mr. H. claims that he was originally informed by SN that he was short 158 Times and 56 Guardian. He appears to have founded his complaint on the fact that his Voucher Recall Note only showed 104 Times and 30 Guardian.

4. Subsequent to EAV's initial count of Mr. H.'s vouchers there followed an audit of Mr. H.'s voucher redemption history between May 2000 and May 2001 undertaken by SN's management team. This exercise revealed that his voucher redemptions exceeded his net sales therefore he had not sold the newspapers corresponding to the vouchers claimed. The audit showed the vouchers claimed over the stated period exceeded newspapers sold by 158 Times (Monday - Friday) and 56 for the Guardian (Monday - Friday).

5. I find it difficult to understand how an initial check by EAV could have revealed shortages of 158 Times and 56 Guardian when Mr. H. only showed 104 Times (Monday - Friday) and 30 Guardian (Monday - Friday). I did raise this as a specific query with SN but did not receive a satisfactory response.

6. Notwithstanding this, I must refer to the Press Distribution Charter (PDC) Section 7.3 which provides that "All valid vouchers returned for credit will be credited within 14 days of return".

7. PDC Section 7.6 provides that "All genuine voucher redemption will be credited by the wholesaler. Wholesalers reserve the right to reclaim monies for vouchers found to be inaccurately redeemed."

8. On the balance of probabilities I find for SN in as much as Mr. H.'s voucher claims exceeded his sales over a defined period and therefore were not "valid" or "genuine".

Neil Robinson

Signature of Arbitrator: _____

Date: 11th July 2021

Seat of Arbitration: London, England.

Date form returned to PDC Administrator:

11/07/2021

Date Independent Arbitration Decision
sent to Wholesaler & Retailer:

14/07/2021