

# Press Distribution Charter

## Stage 3 - Independent Arbitration Decision

PDC Reference Number:

PDC/217227/15032019

Date First Issued:

15/03/2019

Name of Arbitrator:

Neil Robinson

Date complaint sent to Arbitrator:

15/04/2019

In the matter of the Arbitration Act 1996 and in the matter of a dispute between Retailer (Mr. N.), 29, Drew Road, Pedmore, Stourbridge, West Midlands, DY9 0UU and Smiths News (SN), Elmdon Trading Estate, Bickenhill Lane, Marston Green, Solihull, B37 7HE. This complaint concerns alleged failure by Smiths News to deliver all titles and their appropriate sections, no later than the Retailer Delivery Time (RDT), or Scheduled Delivery Time (SDT), for the day of sale in accordance with Press Distribution Charter (PDC) Standard 2.1 and to fulfil retailers' orders, and honour amendments, where there is sufficient copy available to do so in accordance with PDC Standard 4.1. There are also allegations relating to claims and communications.

By undated PDC Stage 2 Complaint Mr. N. alleged that various service failures on 3rd, 4th, 5th, 6th, 7th, 8th, 11th, 13th, 16th, 18th, 19th, 21st, 22nd, 23rd, 24th, 26th, 27th, 30th January, 3rd, 5th, 10th, 13th, 17th, 18th, 19th, 21st, 24th, 27th, 28th February and 5th, 6th, 10th, 11th, 12th and 13th March. Unfortunately, Mr. N. has not quantified any loss suffered, but points to the inconvenience being caused and serious financial implications. The matter has been complicated further by his receiving claims re-charges on his invoices.

By letter dated 18/03/2019 SN responded to the complaint by apologising for any inconvenience caused. It undertook to place Mr. N.'s account on check whereby supply was verified every day before departure. It also undertook to speak to the packers regarding accuracy and to credit Mr. N. with £58.00 representing one week's Delivery Service Charge.

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

1. The Press Distribution Charter has been developed by wholesalers, distributors and publishers as a promise of good service to retailers. It sets out the **minimum service standards** that a retailer can expect to help him sell more newspapers and magazines.
2. Based on the Charter Standards the industry makes the proud boast of **"right product, right place, right time, every area, every retailer, every day"**.
3. Mr. N. has identified no less than 35 days during the period January - March 2019 on which service failures occurred thereby disadvantaging his business.
4. I do not consider that SN has paid sufficient attention to Mr. N.'s complaint. It apologised, undertaken to place his supply on check and awarded him £58.00 refund of Delivery Service Charge and or loss of profit on sales. In the response to Mr. N.'s complaint SN state "Mr. Norgrove please bear in mind that the accuracy of supplies will not always be 100%, some time due to unforeseen circumstances." Whilst I accept that supply is never going to be 100% accurate, I certainly expect a far higher success rate than that being offered to Mr. N.
5. Mr. N. is entitled to better service than he is experiencing from SN and I urge it to dramatically improve service levels.

6. For the avoidance of doubt and for the information of both parties I take this opportunity to set out the restitution payable in cases of late supply and missing copy as follows:

a) In circumstances where the wholesaler is at fault for the non-delivery of products or under-allocation of product the wholesaler will reimburse the customer for lost margin on the sale of that product.

b) In circumstances where the wholesaler was at fault for late delivery of products and the lateness necessitated the redelivery of HND copy the wholesaler will reimburse the customer 55p per copy redelivered, with a minimum award of £5.50.

7. If Mr. N. so desires he must prepare a schedule of his losses caused by the SN service failures between 01/01/2019 and 31/03/2019. Once completed, he must submit the same to SN for settlement. SN must settle the same unless there is a dispute, in which case the issue should be referred back to me for further adjudication.

*Neil Robinson*

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

Date: 24th April 2019

Seat of Arbitration: London, England.

Date form returned to PDC Administrator:

24/04/2019

Date Independent Arbitration Decision sent to Wholesaler & Retailer:

24/04/2019