

Press Distribution Charter

Stage 3 - Independent Arbitration Decision

PDC Reference Number:

PDC241021/02-04-18

Date First Issued:

02/04/2018

Name of Arbitrator:

Neil Robinson

Date complaint sent to Arbitrator:

31/05/2018

In the matter of the Arbitration Act 1996 and in the matter of a dispute between Mr Retailer and Smiths News (SN), Units G1 & G2, Europa Industrial Park, Stratton St Margaret, Swindon, SN3 4ND This complaint concerns alleged failure by Smiths News to honour amendments contrary to Press Distribution Charter Standards (PDC) 4.1, 4.4 and 4.7.

Mr Retailer manages a holiday park with seasonal clientele which causes substantial fluctuation in his ordering of magazines. He complains that SN is overriding changes he is making to his magazine order on line via the SN SNAPP facility. The problem has been such that he has had to reduce the space he makes available for magazines in the store and suffer a considerable amount of extra work. He made a Stage 2 PDC Complaint on 02/04/2018 and was assured that his store would be placed on a permanent inhibit which would mean no alterations could be made to his account without his authorisation. He supplied evidence that showed he submitted changes to his magazine order on 14/05/2018 that did not show on 16/05/2018.

SN responded to Mr Retailer's Stage 2 Complaint on 05/04/2018 by stating that it had placed him on a permanent inhibit for newspapers and magazines which would ensure that quantities would not be amended unless Mr Retailer personally did so himself. It also advised Mr Retailer that the inhibit would not action immediately and to allow 3 - 4 weeks for it to take full effect. In its Stage 3 Statement of Case SN endorses the fact that Mr Retailer had been placed on a permanent inhibit and restates that it would take 3 - 5 weeks to take full effect. SN had monitored the alterations made on the account and concluded that its team has not been altering Mr Retailer's amendments. It blames the problems on the way its computer system works.

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

1. All retailers should be provided with a range of options to help manage their supplies in order to increase sales and reduce inefficiencies.

2. The PDC contains standards that underpin the statement in (1.) above as follows:

4.1 The wholesaler will fulfil retailers' orders, and honour amendments, where there is sufficient copy available to do so.

4.4 The wholesaler will not send more copies/titles than the retailer has requested or agreed to; accept via the pre-notification process, unless in exceptional circumstances, such as, where additional supplies are required to meet expected public demand.

4.7 Newspaper and magazine revisions received by the wholesaler by 3.00 pm will be actioned for the next available issue.

3. Clearly SN has failed to meet some, if not all, of the standards detailed above.

4. I do appreciate that Mr Retailer was placed on permanent inhibit on 05/04/2018, but it is inconceivable that SN advised Mr Retailer that this would take 3 - 5 weeks to take full effect. The matter is made worse by the fact that Mr Retailer was still suffering problems 42 days after the inhibit was made known to Mr Retailer on 05/04/2018.

5. I sincerely hope that the inhibit is now firmly in place and that Mr Retailer's issue has been resolved. If it has not, I suggest to SN that the matter need be corrected immediately.

6. If Mr Retailer is still experiencing problems he should make a further Stage 2 Complaint following the 'Guidance Notes for Retailers' and claim restitution for loss of profit on any missing sales.

Neil Robinson

Signature of Arbitrator: _____

Date: 4th June 2018

Seat of Arbitration: London, England.

Date form returned to PDC Administrator:

04/06/2018

Date Independent Arbitration Decision
sent to Wholesaler & Retailer:

07/06/2018