

Sent: Saturday, 16 February 2008 2:53 PM
To: Grocery Prices Inquiry
Subject: SUBMISSION TO GROCERY PRICES INQUIRY

Public Submission to the ACCC Grocery Inquiry by G A Watts on 16th February 2008

This submission addresses two topics, one is a rather specific matter, (but which may indicate the attitude of the major supermarket chains to their customers, one of complacent contempt - the matter is hardly likely to become a major issue for the inquiry but may be a small part of the "jigsaw"), while the second is broader and may raise the issue of unconscionable conduct.

While the first particular topic relates to Coles Supermarkets, I have no doubt the same applies to Woolworths.

Topic 1 - About 2 years ago a particular product I had been using for many years **suddenly** disappeared from **both** Coles and Woolworths supermarkets. (While the actual product is not particularly relevant, for the record it was Cussons Imperial Leather stick deodorant).

I filled in and submitted (at least twice) the "Customer Experience Feedback Form" and waited for a response, and waited...and waited. Eventually, about 2 months later (I had by then forgotten about having submitted the form) I received a phone call from Coles "Battlestar Galactica" HQ in Melbourne, and after explaining my complaint/request I was informed the product was still available but only at selected supermarkets, but could be ordered in those which did not hold it. I was given a product number to quote.

I then went to my local Coles supermarket with the product code, and of course the store knew nothing about the process, let alone the product code number. However, they said they would look into it and about a week later I received a call to tell me they could find no trace of what I had been told. As it happened I still had the name and phone number of the Coles HQ employee who originally spoke to me and I called her; of course she was no longer there, but I was told that the particular product had never been on special order, and had been withdrawn months before **by Cussons because Cussons had told Coles it was being withdrawn and replaced by a product "which was better for both Cussons and Coles"**.

So, I then rang Cussons intending to express my disappointment at the withdrawal of an excellent product after so many years, only to be told by Cussons that the withdrawal decision was not made by them, but had been forced by the decision of **BOTH** Coles and Woolworths to stop selling the product at the same time because of low sales. The Cussons person was astonished at my report that Coles had said the product was being replaced by a better one because Cussons had no such plans.

I do not in any way deny the right of a company to withdraw a product because of economic factors, but I have to wonder at the simultaneous withdrawal, and I dislike the untruthful reason given for the action.

Topic 2 - Press reports have indicated that the major supermarkets insist on payment of their accounts in 21 days or less, while taking up to 4 months to pay their suppliers. This would seem to be an abuse of market power, or an instance of unconscionable conduct, which the inquiry should properly address.

Yours faithfully,

G A Watts, Dysart, Tasmania