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GOOD NEWS FOR CONSUMERS FROM COMMERCE COMMISSION REPORT INTO PROGRESSIVE ENTERPRISES

Retail NZ has welcomed the release of a Commerce Commission investigation concluding that Progressive Enterprises has not breached the Commerce Act in its dealings with suppliers.

“The report confirms that retailers have the right to engage in tough negotiations with their suppliers which, ultimately, are designed to provide a better deal for consumers”, Retail NZ Chief Executive Mark Johnston said today. “Retailers are generally aware of their responsibilities under the Commerce Act not to engage in anti-competitive behaviour or to collude, but suppliers can still expect retailers to negotiate hard.

“There are learnings for the sector from the report, including the need to communicate expectations clearly. However, on behalf of all retailers, we welcome confirmation from the Commerce Commission that negotiating hard is not the same as acting anti-competitively. We think this is good news for consumers because better wholesale pricing to retailers generally means lower prices for consumers.

“In the international market, there are many products which are more expensive in New Zealand than they are abroad. Suppliers can expect retailers to continue to seek the best possible prices for customers over time.”