To: The Registrar, Commerce Commission
Reference: JPT/T&G Fresh
Date: 21 July 2026

Submission opposing the proposed acquisition of T&G Fresh

J&P Turner Limited's proposed acquisition of up to 100% of the shares in Turners & Growers Fresh Limited

Submitter	
Capacity / interest	Grower
Contact person	
Email / phone	
Confidentiality	Name to be redacted

POSITION: The submitter opposes clearance. The proposed acquisition would remove an independent central marketing and wholesale channel in an already concentrated food supply chain, increasing buyer power over growers and reducing genuine choice in how, where and to whom fresh produce can be sold.

1. Executive summary

1. The submitter opposes clearance for J&P Turner Limited (JPT), or any interconnected body corporate, to acquire up to 100% of the shares in Turners & Growers Fresh Limited (T&G Fresh).
2. The central concern is not merely the merged firm's percentage share of wholesale sales. It is the permanent removal of one of the few large, independently controlled central marketing and wholesale channels available to growers. Competition means access to a genuinely different decision-maker. Separate brands, sales teams, depots or trading floors under common ownership do not preserve that choice.
3. The Commerce Commission's Statement of Preliminary Issues (SoPI) correctly identifies the relevant questions: whether the merged entity could lower prices paid to suppliers, reduce quality, service or innovation, and strengthen its buyer power relative to growers (SoPI at [18.4], [27.1] and [30.4]). In the submitter's view, those risks are real and material. JPT is known through out the industry to have lower returns back to growers compared to T & G Fresh and runs a less transparent commission deduction system.
4. Fresh produce is perishable and often must be marketed within a short window. That does not simply constrain wholesalers, as JPT submits at SoPI [29.1]. It can increase growers' exposure to buyer power because growers cannot store most produce indefinitely, reverse sunk growing costs, or wait for a distant alternative buyer to emerge.
5. The downstream context magnifies the concern. New Zealand's major retail grocery channels are dominated by Foodstuffs banners and Woolworths. The Commission's 2025 Annual Grocery Report records that the regulated grocery retailers retained 82% of the national market and that suppliers are generally much more dependent on those retailers than the retailers are on any

individual supplier. Removing an independent wholesale route to market would increase dependence at another critical level of the supply chain.

6. The principal competition concerns are:

- loss of head-to-head competition between JPT and T&G Fresh for growers' produce, including price, commission, payment terms, sales effort, market information, transport and other services;
- reduced ability for growers to switch channels or play independent marketers off against each other;
- Lower returns as the JPT model has a reputation for lower returns to growers, aggressively low pricing into supermarkets (via a channel called back dooring – a sale not approved by the supermarket DC) and independents. Currently T&G Fresh does not transact that way and has direct relationships with both the main supermarket chains in New Zealand.
- understatement of competitive harm if the Commission relies on a single broad national market rather than regional, produce-specific and grower-facing acquisition or marketing markets;
- overstatement of the constraint from direct supply to supermarkets, farmers' markets, roadside stalls or end consumers, particularly for small and medium growers or seasonal and irregular volumes;
- loss of independent control over physical trading floors, depots, logistics and ancillary services that cannot be replaced quickly by a new entrant;
- greater risk of outlet rationalisation, standardised grower terms, coordinated conduct and vertical discrimination; and
- long-term harm to grower investment, crop diversity, innovation, product quality, regional production and consumer choice.

7. The Commission should decline clearance because it cannot be satisfied that the acquisition would not be likely to substantially lessen competition. If the Commission considers that the concerns may be remedied, only a structural solution that preserves an independently owned and controlled competitor of sufficient scale should be considered. Operational assurances not to close sites or change terms are not a substitute for independent rivalry.

2. Grower perspective and the importance of independent outlets

8. This submission is made from the perspective of growers and industry participants who rely on competitive central marketing channels to place fresh produce. The submitter's interest is in maintaining practical, not theoretical, choice over who markets and buys produce and on what terms.

9. A central wholesale market or marketing outlet performs more than a simple resale function. It can aggregate demand, place variable volumes and grades, provide local market knowledge and price discovery, coordinate transport, manage credit and collection, and find buyers for seasonal surpluses or produce that does not fit a major retailer's programme. These functions are especially important where harvest timing is fixed and the product has a short saleable life.

10. For growers, the number of independently controlled outlets matters more than the number of physical addresses. If two competing outlets come under one owner, a grower may still see two signs on buildings, but no longer has two independent organisations setting terms, deciding how aggressively to sell, allocating scarce transport or floor space, or responding to a competitor's offer.

11. Grower choice concerns non-price dimensions as well as the headline price. Relevant terms include commission and other charges, grading and rejection practices, minimum order or volume requirements, payment timing, transport and handling, access to packing or ripening, transparency of sales and deductions, responsiveness, and the willingness to develop new customers or markets.

3. Market definition must reflect commercial reality

12. JPT submits that the relevant market is a single national market covering all fresh produce, domestic and imported produce, all routes to market, and all customer types (SoPI at [21]-[24]). That framing is too broad to reveal the full competitive effect of removing T&G Fresh as an independent channel.

13. At a minimum, the Commission should separately assess: (a) markets for acquiring or marketing fresh produce on behalf of growers; and (b) markets for wholesale supply to retailers, secondary wholesalers, foodservice customers and other buyers. The parties can exercise buyer power upstream even where large retail customers exercise power downstream.

14. The Commission should also test regional and local markets. Fresh produce must be moved promptly, transport cost and availability matter, and many growers rely on nearby trading floors, depots, sales teams and buyer relationships. T&G Fresh operates eight wholesale produce markets and nine depots, while JPT's Fresh Direct operates from six locations. A national average can conceal a material loss of choice in particular growing regions or city markets.

15. Produce categories may also require separate analysis. Seasonality, shelf life, grade, packaging, ripening, temperature control, buyer specifications and available customer bases differ. A wholesaler able to handle one category or standard retail programme may not be an effective alternative for another category, for mixed grades, or during a short seasonal peak.

16. Grower size and sales profile are relevant. Large growers with continuous, standardised volumes may sometimes contract directly with a supermarket. Smaller growers, growers with irregular or seasonal output, and growers needing an outlet for multiple grades may have materially fewer options. The Commission's own Attachment A asks whether a grower's scale affects access to alternative channels; that question should be central to market definition, not treated as an afterthought.

17. A substantial lessening of competition can arise in one or more narrower markets even if the merged entity's share appears modest in an aggregated national market. The Commission should therefore avoid treating farmers' markets, roadside stalls, direct consumer sales, direct supermarket programmes and full-service wholesale markets as equally close substitutes without evidence of actual switching at commercial volumes.

4. Unilateral effects and increased buyer power over growers

18. The SoPI asks whether the lost competition would allow the merged entity to lower prices paid to suppliers or worsen service by itself (SoPI at [27.1]-[30]). The submitter considers that it would.

19. Where JPT and T&G Fresh currently compete for a grower's crop or for particular consignments, each has an incentive to offer a better net return or service to win and retain supply. The acquisition would internalise that rivalry. A grower who rejects one offer could be redirected to another part of the same group rather than to an independent competitor.

20. Perishability is likely to make the effect stronger. Once a crop is harvested, the grower's outside options can deteriorate by the hour or day. The merged entity would know that delay is costly to the grower. That asymmetry may permit lower farm-gate returns, higher charges, slower payment, stricter acceptance practices or reduced sales effort even where the merged entity cannot raise downstream prices.

21. JPT's submission that the parties have different business models and are not each other's closest competitors (SoPI at [29.3]) does not remove the concern. Different models can be the source of valuable competition. A grower may choose a trading-floor model for transparent spot marketing, a direct wholesale programme for planned volumes, or switch between them to manage risk. The loss of a differentiated alternative can materially reduce choice even if the parties do not look identical.

22. The merged entity could also standardise grower contracts, commissions, deductions, payment cycles, information systems and service levels across the combined network. It could rationalise sales teams, trading floors, transport routes or category specialists. Those changes may create private efficiencies for the owner while reducing the competitive pressure that currently benefits growers.

23. Retailer countervailing power does not protect growers. A powerful supermarket may negotiate lower wholesale prices or impose demanding terms, but the wholesaler can seek to recover the effect upstream through lower grower returns or higher service charges. Strong buyer power at the retail level can therefore coexist with, and reinforce, strong buyer power at the grower level.

24. Most growers do not have countervailing power equivalent to the merged entity. Growing costs are sunk before sale; supply is seasonal; produce is perishable; volumes may be too small for direct programmes; and switching can require new packaging, accreditation, logistics, relationships and payment arrangements. The Commission should assess actual grower bargaining outcomes rather than assume that theoretical direct-sale options amount to effective resistance.

5. Alternative sales channels are not sufficient constraints

25. Direct supply to a major supermarket is not a close substitute for a central wholesale market for many growers. Supermarkets generally require consistent volume, specifications, packaging, delivery performance, systems and commercial arrangements that not every grower can meet. Direct supply may also deepen dependence on the already concentrated retail channel rather than create independent choice.

26. Farmers' markets, roadside stalls, box schemes and direct-to-consumer sales can be valuable supplementary channels, but they are not scalable replacements for moving commercial volumes across multiple grades and regions. They require growers to take on retailing, staffing, marketing, payment, transport and unsold-stock risk, and usually reach a limited geographic customer base.

27. Other wholesalers should be counted as effective constraints only to the extent that they have available capacity, appropriate facilities, category expertise, transport, credit, customer demand and a regional presence that can absorb the supply in the relevant time window. A list of businesses that are technically capable of wholesaling does not establish that they can replace the rivalry lost between JPT and T&G Fresh.

28. Digital platforms and direct introductions between growers and buyers may assist transactions, but they do not by themselves replicate cool-chain handling, consolidation, grading, ripening, packing, transport, credit management, market intelligence and the aggregation of many buyers. The constraint must be assessed as a complete route to market.

29. The Commission should place greatest weight on evidence of actual switching, credible threats to switch, lost tenders or consignments, and the capacity of alternatives to take meaningful volumes at short notice. It should not infer strong competition merely from isolated direct sales or small-scale consumer channels.

6. Supermarket concentration makes independent wholesale channels more important

30. The proposed acquisition must be assessed in the context of New Zealand's concentrated grocery sector. The Commission's 2025 Annual Grocery Report states that the regulated grocery retailers' combined national market share remained at 82%, that the market continues to be highly concentrated, and that independent retailers still face structural constraints to effective expansion.

31. The same report states that the major grocery retailers are a critical route to market for many suppliers and that suppliers are generally far more dependent on those retailers than the

retailers are on any individual supplier, creating a significant bargaining imbalance. That existing imbalance is a reason to preserve alternative wholesale and marketing routes, not a reason to permit further concentration.

32. Growers are already heavily dependent on a small number of supermarket groups and associated banners for access to consumers. Reducing the number of independent central marketing outlets would narrow choice at both ends of the chain: fewer independent marketers or buyers upstream and a concentrated set of major retail customers downstream. The merged entity would sit in the middle of that structure with greater leverage over growers.

33. The Commission's 2024 decision declining the proposed Foodstuffs North Island/Foodstuffs South Island merger is instructive as an economic analogy. The Commission was concerned that reducing the number of major buyers would increase buyer power, adversely affect suppliers, and reduce supplier investment, innovation and consumer choice. The market and parties are different here, but the underlying principle is the same: removing an independent buyer or route to market can harm the competitive process even where consumers do not see an immediate retail price increase.

34. Independent wholesale markets also support secondary wholesalers, greengrocers, hospitality suppliers and emerging retailers that need access to varied produce without the scale of a major supermarket. Consolidating central wholesale outlets may therefore weaken the supply options of the very retailers that could place competitive pressure on the supermarket groups.

35. The likely long-term effect is a negative feedback loop. Lower or less predictable grower returns and reduced route-to-market choice can discourage investment in production, new varieties, quality systems and regional capacity. That can reduce diversity and resilience of supply and ultimately diminish consumer choice and quality.

7. Physical trading floors, logistics and regional competition

36. T&G Fresh's network of physical wholesale markets and depots is a competitively significant asset. The SoPI records eight wholesale produce markets and nine depots, and Attachment A expressly asks about the importance of physical trading floors to the supply and acquisition of produce. Those questions should be answered region by region.

37. A physical trading floor is not simply real estate. Its value comes from the network of growers, salespeople, buyers, transport, credit, local knowledge and regular trading activity built around it. That network can take years to establish and cannot be assumed to reappear promptly if a site is closed, downgraded or converted into a depot serving centrally negotiated accounts.

38. Even if the parties state that all sites will initially remain open, common ownership removes the independent incentive to keep competing outlets fully resourced and to bid against each other. The merged group may later rationalise nearby facilities, categories, sales teams or transport routes without needing to respond to an independent rival's presence.

39. The Commission should obtain site-by-site information on throughput, grower numbers, customer numbers, category specialisation, capacity, staffing, profitability, planned investment and any closure or consolidation scenarios. Particular attention should be given to regions where T&G Fresh is a significant central outlet or where alternative wholesalers have limited capacity.

8. Entry and expansion are not easy or timely

40. JPT submits that barriers to entry and expansion are low because the requirements for wholesaling different types of produce are similar (SoPI at [29.5]). That proposition understates what is required to impose an effective competitive constraint on a combined national and regional network.

41. Effective entry requires more than a warehouse and trucks. A new or expanding wholesaler needs suitable sites and cool-chain facilities, working capital and credit capability, reliable grower supply, a broad customer base, category expertise, systems, reputation, transport capacity, and sufficient throughput to manage perishability and fixed costs. It must build both sides of the market at the same time.

42. The downstream supermarket structure makes that task harder. A new wholesaler or independent market needs enough demand from retailers, foodservice and secondary wholesalers to give growers confidence that their produce will be sold. Where the major grocery groups dominate demand, an entrant can struggle to obtain the customer scale needed to compete aggressively for growers.

43. The legal test requires entry or expansion to be likely, sufficient in scale and timely enough to replace the lost competition. The Commission should require evidence of committed expansion, available capacity and realistic timeframes, rather than rely on the abstract possibility that an existing wholesaler could broaden its offering.

9. Coordinated and vertical effects

44. Reducing the number of significant independent wholesale operators may also make coordination more likely or more sustainable. Repeated interaction, transparent market conditions and common exposure to the same major retail customers can make it easier for remaining wholesalers to accommodate each other on commissions, charges, service levels, grower allocation, customer segments or regional focus. The Commission should test these risks in narrower regional and category markets.

45. Vertical effects also require close examination. T&G Fresh grows a portion of its own supply and provides transport and some ripening services, while the combined group would have substantial wholesale, logistics and market infrastructure. The merged entity may have greater ability or incentive to favour its own-grown, affiliated or strategically sourced produce over independent growers, particularly when floor space, transport, ripening, packing or buyer demand is constrained.

46. The merged entity may also gain access to commercially sensitive information about rival wholesalers, growers and customers through trading-floor activity, transport or ancillary services. The Commission should assess whether that information could be used to target rivals, foreclose access, discriminate in service, or weaken independent markets. Behavioural assurances are difficult to monitor and should not be treated as equivalent to structural independence.

10. The correct counterfactual

47. The relevant comparison is not between the proposed acquisition and the disappearance of T&G Fresh unless the evidence shows that disappearance is likely. The starting counterfactual should be continued independent operation, or another transaction that preserves an independent competitor and the trading-floor network.

48. The Commission should require clear evidence of what T&G Fresh would do without the acquisition, including its financial position, investment plans, alternative purchasers, restructuring options and the likelihood that its markets and depots would continue. It should not assume that JPT is the only viable owner or that consolidation is necessary merely because the seller wishes to exit.

49. If a sale is required, the Commission should consider whether a less anti-competitive alternative purchaser or structural divestment could preserve independent rivalry. Claimed efficiencies should be tested against the loss of grower choice and should not be credited if they can be achieved without combining the competing businesses.

11. Information the Commission should obtain and test

50. Before determining the application, the Commission should obtain and test at least the following information:

(a) shares and volumes in grower-facing acquisition or marketing markets, broken down by region, produce category, grower size, sales channel and season;

(b) evidence of head-to-head competition, including grower switching, competing offers, lost consignments, changes in commissions or charges, and internal documents identifying JPT or T&G Fresh as a competitive threat;

(c) site-by-site plans for trading floors, depots, sales teams, transport routes, systems and category functions, including all synergy, closure, consolidation and centralisation scenarios;

(d) the capacity, category capability and realistic expansion plans of remaining wholesalers, with evidence of the time and cost required to replace the lost constraint;

(e) the proportion of growers, by size and category, who can practically supply major supermarkets or end consumers directly, and the commercial requirements and costs of doing so;

(f) data on payment terms, rejection rates, grading disputes, commissions, deductions, transport charges and service levels, including differences between the parties and by grower type;

(g) the merged entity's proposed treatment of T&G-owned production, imported produce and third-party growers when capacity or buyer demand is constrained;

(h) the effect on secondary wholesalers, independent retailers, greengrocers and foodservice distributors that rely on physical markets or mixed-load purchasing; and

(i) the likely counterfactual, including alternative purchasers and options that would preserve independent ownership and control.

12. Conclusion and requested outcome

51. The clearance test requires the Commission to be satisfied that the proposed acquisition would not have, or would not be likely to have, the effect of substantially lessening competition. The burden is not on growers to prove the precise size of every future price or service effect.

52. On the issues identified in the SoPI, the acquisition creates a credible and substantial risk of increased buyer power, reduced service competition, loss of independent regional outlets, weaker constraints from entry and alternative channels, and coordinated or vertical harm.

53. Those risks are particularly serious because growers already sell into a supply chain dominated downstream by a small number of major supermarket groups. Further concentration of central marketing outlets would retract growers' practical ability to choose how and to whom they sell their produce.

54. The Commerce Commission should therefore decline clearance for JPT's proposed acquisition of up to 100% of T&G Fresh. If the Commission considers a remedy, it should require a structural outcome that preserves a genuinely independent competitor, rather than relying on promises about future conduct or site retention.

Signed for and on behalf of the submitter:

Name	
Position	Grower
Date	21 July 2026

Sources referenced

Primary source: the Commission's Statement of Preliminary Issues, with recent grocery-sector publications used for context.

1. Commerce Commission, Statement of Preliminary Issues: J&P Turner / T&G Fresh, 6 July 2026.
2. Commerce Commission, 2025 Annual Grocery Report, 2 June 2026.
3. Commerce Commission, Commerce Commission declines clearance for the proposed Foodstuffs merger, 1 October 2024.