

Wholesale Supply Inquiry

Preliminary Findings Paper

Submitter name: Anonymous E

Date received by email: 9 July 2025

Submission

Comments on how the wholesale market is operating.

1. We were invited to allow our products to be wholesaled through the majors to other smaller retailers - when we looked at it we felt the upcharges were reasonable but it simply took the ridiculously cheap product we were supplying the majors with and made it available to all customers to access the low pricing.

Comments on what needs to change to improve the wholesale market.

2. The majors use their scale to gain unreasonably low pricing from suppliers. To offset this you must sell to other customers at a higher price to make money. If you want everyone in the wholesale market to gain access to similar pricing then the supplier has to have a higher price to the majors (they can't leverage their scale) and all terms/discounts need to be removed - the charging of 'hidden' terms has grown over the years.

Comments on the options for delivering change.

3. Breakdown the market to remove their scale. They have been allowed to get too big. In this market I would think no retailer should be allowed more than 20% share - this will promote innovation, growth of NZs many small suppliers, and retail competition that will more than offset the benefits of scale promised by the retailers. Remove 'hidden' terms/discounts ie. All suppliers to offer Net Pricing

Any other comments or feedback?