



THE COMMERCIAL
ACADEMY

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The Australian Food and Grocery Code of Conduct

PART 3

Other Conduct



FUNDED PROMOTIONS - CLEAR GUIDELINES AND FAIR TREATMENT

If suppliers agree to support a promotion, retailers must provide reasonable written notice before holding the promotion.

Retailers must not over-order products for a funded promotion and must compensate suppliers if over-ordered products are sold at prices above the promotional resale price.

FRESH PRODUCE STANDARDS AND QUALITY SPECIFICATIONS

Retailers must provide clear and concise written fresh produce standards and quality specifications to suppliers.

Retailers may reject fresh produce that does not meet the standards but must provide written reasons for the rejection within 48 hours.

CHANGES TO SUPPLY CHAIN PROCEDURES - TRANSPARENCY AND FAIRNESS

Retailers cannot require suppliers to make significant changes to supply chain procedures during the grocery supply agreement without reasonable notice or compensation for resulting costs.

This clause is subject to clause 9 (unilateral variation of agreement).



BUSINESS DISRUPTION - AVOIDING UNREASONABLE THREATS

Retailers must not threaten suppliers with business disruption or termination of the grocery supply agreement without reasonable grounds.

RESPECTING INTELLECTUAL PROPERTY RIGHTS

Retailers must respect suppliers' intellectual property rights, including branding, packaging, and advertising.

Retailers must not infringe suppliers' intellectual property rights in developing or producing own brand products.

CONFIDENTIAL INFORMATION - PROPER USE AND PROTECTION

Retailers must use suppliers' confidential information only for the disclosed purpose and limit access to relevant employees or agents.

Information publicly available or independently obtained is not considered confidential.

PRODUCT RANGING AND RANGE REVIEWS - TRANSPARENCY AND NON-DISCRIMINATION

Retailers must publish product ranging principles and act according to them without discrimination, including in favour of own brand products.

Range reviews must be communicated to affected suppliers with clear notice of the purpose and criteria governing decisions.

TRANSFER OF INTELLECTUAL PROPERTY RIGHTS - FAIR CONDITIONS

Retailers cannot require suppliers to transfer or exclusively license intellectual property rights for own brand products as a condition of supply, except when the product is developed or customised by the retailer.

PRICE INCREASES - OPEN NEGOTIATIONS AND REPORTING

Retailers must notify suppliers of price increases within 30 days and engage in good faith negotiations when necessary.

Retailers must provide relevant information to the Code Arbiter about price increase notifications and negotiation outcomes.



FREEDOM OF ASSOCIATION - SUPPLIER RIGHTS

Retailers cannot induce or discriminate
against suppliers for forming
associations or lawful associations with
other suppliers.

PROVISION OF CONTACT DETAILS - TRANSPARENT COMMUNICATION

Retailers must make and keep updated contact details for buyers, senior buyers, and the Code Arbiter available to suppliers, including position titles and telephone numbers.

CONCLUSION

Compliance with the Australian Food and Grocery Code of Conduct is critical for suppliers and retailers in the food and grocery industry to ensure fair and transparent trading relationships.

For more information on the Code and its requirements, visit the Australian Government's official website:

<https://www.legislation.gov.au/Details/F2021C00201>





DISCLAIMER

Based on content from the Federal Register
of Legislation at 5th March 2021. For the
latest information on Australian Government
law please go to:

<https://www.legislation.gov.au>

WHEN THIS CODE APPLIES

Want to know more about the Australian Food & Grocery Code of Conduct?


 Follow

Follow us to receive the more Code of Conduct insights over the coming weeks:

1. **Preliminary and Good Faith**
2. **Grocery Supply Agreements**
3. **Paying Suppliers**
4. **Requiring Payments from Suppliers**
5. **Delisting Products**
6. **Other Conduct**
7. **Price Increases**
8. **Dispute Resolution**
9. **Strategies for Successful Resolution**
10. **The Code's Independent Reviewer**
11. **Mediation and Arbitration**
12. **Compliance**
13. **Summary of the Code**





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organisation comply with the Code and
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