

Minutes of a Meeting of the Press Distribution Review Panel held on Thursday 28th June 2012 at the Offices of the Professional Publishers Association, Queen's House, 55-56 Lincoln's Inn Fields, Holborn, London, WC2 3LJ

Present: Neil Robinson Chairman
Dave Shedden MD
Carrie Rook PPA/ Seymour
Richard Sage Independent Retailer
Raj Ganatra Independent Retailer

1. Apologies for Absence

Apologies were received from:

Darren Barker	NPA/NI
Rajiv Chotai	Independent Retailer
Mark Williams	Independent Retailer
Debbie Dalston	SN

2. Minutes of Last Meetings: 26th April 2012

2.1 The minutes were adopted as a true and accurate record.

3. Matters Arising

3.1 Paragraph 4.3 - RG had written to Michel Woodman, reference the weight of certain newspaper titles, especially weekend editions. Michel advised that this is not a matter for consideration as a standard within the Charter, and should be raised as a commercial issue with the appropriate publisher.

RG had also contacted NFRN to raise his concerns, to be advised that there is no industry standard for individual weight per copy of a newspaper.

Within half an hour of making the call RG received 3 calls:

2 from the Telegraph and 1 from the Retail Newsagents, which has published the original letter from Raj Gantara.

RG is concerned for HND and welfare of news deliverers. Currently, the newspaper sections are assembled prior to delivery, but at delivery point the paper is disassembled to post through the consumer letter box. There is also concern regarding assembling point of sale material for 2p, but when returning unsolds this 2p is then credited back to the publisher thereby cancelling out the insertion handling fee.

RG to prepare a briefing note for NR to write to PDF/ Publishers.

- 3.2 Paragraph 4.3 - DB has contacted Lucy Ukoumunne regarding updated NPA Fast Track Publisher telephone numbers, these have now been amended and will be published on the PDF website, when received from Lucy.
- 3.3 Paragraph 4.4 – MD believe that the data it has submitted for Stage 2 complaints has been proportioned correctly. SN required to confirm their findings.
- 3.4 Paragraph 5.2 - DD be requested to supply written details of SN's potential first complaint involving the PPA where SN have been short supplied on a part work, which has resulted in an impact on a retailer. Details to be circulated to the panel and CR will look into the concern

4. Publisher Contact Numbers

- 4.1 RG asked that all publisher contact numbers for newspapers and magazine distributors' are available at customer service contact centres.

Due to the nature of wholesaler customer relationship with both retail and publisher, it was agreed that the retailer's first point of contact should always be with the wholesaler; but in the instance where a wholesaler is unable to provide a solution, then it is reasonable for the retailer to be given an appropriate contact number of the publisher or distributor.

When DK receives the NPA contact numbers, they will be forwarded onto DS (MD) & DD (SN) to share with their Customer Service teams, as well as published on the PDF website.

5. Recording Complaints

- 5.1 There was discussion concerning the recording of complaints made on individual company's complaints forms. Are they being properly detailed as PDC complaint and captured as such for data recording purposes?
- 5.2 DS stated that, at MD, the pure day-to-day restitution complaints are not recorded as a PDC Stage 2 complaint, but paperwork needs to be completed for audit purposes. All other complaints completed on MD's Service Pledge form ~~is~~ are recorded as official PDC Stage 2 complaints.

- 5.3 If a complaints form, whether it be a PDC or Internal form, is completed in relation to an issue then it is recorded as an official Stage2.
- 5.4 There was concern that some completed Stage 2 complaint forms had been returned to wholesalers, but not been processed; wholesalers were asked if this was the case and could it be because the wholesale houses did not wish to appear as underachieving. It is believed that this has happened, because the complaint did not get to the correct destination and/or workloads had increase without proper prioritising.

These issues have been addressed and should not occur again.

- 5.5 RS proposed that when a wholesale/publisher receives a completed Stage 2 complaint form, it should be immediately acknowledged.
- 5.6 DK suggested that instead of Stage 2 and 3 complaints being seen as a negative, they should be considered as a bench mark of when things go wrong, and how they are remedied, working together as a collaborative supply chain.

The process of reviewing complaints, looking for trends and common causes requires a positive approach to assist resolutions and changes where appropriate. The aim is to be transparent and move forward together as an industry.

The retail incentive of getting forms completed and returned was raised. It was generally agreed that there were commercial constraints on a retailer's time

- 5.7 RS expressed his concern that, when he contacts his wholesaler via the Helpline, there is a Customer Care Service that could resolve his issues, but the Helpline is very reluctant to pass on the Customer Care Number. It was agreed that it was more efficient and effective if the issues were dealt with in-house by the wholesale or publisher, before contacting the PDF.

6. Absence of PPA Complaints

- 6.1 DD circulated an email dated 26th June, which detailed that SN had experience of 300 magazine issues during May 2012, the issues were:

- Due book – date when due on sale
- Supplies – short or over supplied (box ins and outs)
- Allocation – where title is placed and if the retailer received allocation required.

CR is requested that these details are shaped into categories, and, if possible, to detail those that would naturally be resolved at Stage 1 and Stage 2 will then investigate further into the findings.

- 6.2 RS raised an issue regarding damaged stock, with tote boxes containing wet magazines, which leads to stock shortages. There is no visibility of returned stock for the reason of return, i.e. unsold or damaged stock received. RS stated that on a Tuesday when he receives his TV mags, he has known that 50% of his stock is unsalable. He has to return it to his wholesaler, and not satisfying his customers' demands.

7. Complaints Audit

- 7.1 RG contacted SN following the PDRP meeting 26.04.12 and customer service seemed to know exactly what he was about, when he requested a Fast Track Resolution Stage 2 Form.

The customer service person stated that he would pass the details over to the person who handles and progresses the Stage 2 FTR requests. Subsequently Shaun Crosse contacted RG.

RG commented that he did not receive a Complaint Form, as SC purported to be resolving the matter, but the matter still remained unresolved as of today. Consequently, SN has failed to action the complaint within the 28 day window required by the PDC.

The complaint relates to queries on magazine credits. The details are given to customer service and no response or feedback is given back to retail. No explanation is offered as to why credit was not given. Currently RG has 3 such queries outstanding.

- 7.2 It was considered that SN may have primed the customer service departments of incoming complaints. This was not considered to be helpful to a 'blind' audit.
- 7.3 DS reported that he was also aware that MW has reported a complaint also from previous meeting. RC has also lodged a complaint, which has been resolved to his satisfaction.

8. Mechanical Count

- 8.1 DK reported that there have been complaints from retailers regarding disallowed credit, where they have physically counted their returns, but the processing wholesale house has disallowed credit due to weight, rather than physical count.
- 8.3 CR stated that within the past few weeks she had been to 4 MD branches, to see the new packing machines in progress. CR commented that it is difficult to make a mistake with the HS packing line as there are three different touch points where the pack is audited.
- 8.4 DS offered to hold a PDRP meeting next year at MD SEL, so the panel can witness the mechanical packing process.

9. Quarterly Report

- 9.1 NR reported that, due to an error with May 2012 disclosure of Stage 2 & 3 complaints, the quarterly report will need to be reworked and published.

10. Complaint Process Procedure

- 10.1 DK raised an issue regarding the Independent Survey of the PDF complaints with the retailers that have engaged with the process, feedback and transparency of process.

- 10.2 DS stated that MD use an outsource company on an annual basis that conducts a survey on its behalf and feedbacks the result, without seeing the paperwork or questions that retailers have responded to.
- 10.3 There was consideration of whether it would be more efficient for retailers to apply for a Fast Track Resolution form via the PDRP, for the following reasons:
- a) To maintain a more accurate record of complaints.
 - b) To monitor the progress of complaints.
 - c) To impartially identify the root of problems, i.e. publisher or wholesaler, where frequently wholesale will deal with the issue as they have a commercial relationship with both retail and publishers.
- 10.4 It was suggested that if the retailer cannot get his issue resolved at a local level, be it concerning wholesale or publisher, then it should be referred to the PDF to issue and track the complaints through.
- 10.5 Members of the panel agreed with this suggestion and instructed NR, to write to Michel Woodman for consideration for the re-write of the Charter.

11. Legal Challenge to Competition Act Appeal

- 11.1 NR advised the members that in 2009 the OFT conducted a review of the industry and stated that within in two years they would revisit and consider a prioritisation review, which took place September 2011.

On 1st March 2012, the OFT announced that it did not feel that there is a need to conduct a review within the industry as, after careful consideration and being mindful of the economy, it is important that the OFT focuses its resources on work that carries greatest impact for consumers.

Such a review would also not be justified in the light of the OFT's current strategic priorities and self-regulatory developments in the sector. In view of these considerations, further investigation would not be a proportionate use of the OFT's resources

- 11.2 The NFRN and ACS have jointly applied together for a Juridical Review, where a Judge will sit in the hearing, Competition Act Tribunal.
- 11.3 DK read to the members the following response from the PDF Board:

"The PDF Board notes that the Competition Act Tribunal (CAT) appeal by the NFRN/ACS is on the PDRP agenda.

While the PDF Board believes that this is not a matter for the PDRP, but for general discussion, the PDF highlight the following background helpful:

- i) The NFRN/ACS has appealed the OFT decision on its prioritisation principles not to further review the news supply chain to the CAT.

- ii) Since the PDF made a submission to the OFT Prioritisation Review it has applied to Intervene in the appeal and has been accepted.
- iii) The appeal is scheduled for 28.09.12 and the outcome could be end of the year or even later.”

12. Any Other Business

12.1 There has been a significant rise in the amount of complaints which have been referred by the NFRN, which whilst it is publicly not acknowledging the PDF/PDRP it is referring retailers and complaints onto the PDRP Helpline as they have been unable to resolve the issues.

Date of Next Meeting

The next meeting will be held on 20th September 2012 at 13.30 at the NPA offices.

The meeting closed at 3.30 pm.

MEETING –28th June 2012 SUMMARY OF ACTIONS

Item	Action	By Whom
3.3	DD to confirm if SN has experienced logging complaints against wholesale, where the complaint could potential lay with publishers	DD
3.4	DD to submit in writing the potential of PPA complaint re short supply on part works	DD
4.1	NPA Contact numbers to be published on website and circulated to DS/DD for customer services.	DK
6.1	DD to categorise the 300 potential magazine issues for May and to circulate for CR	DD
10.5	NR to write to MW regarding the complaint process procedure	NR