

20<sup>th</sup> April 2007

Mr T. J Oyler  
Inquiry Secretary (2)  
Groceries Market Investigation  
Competition Commission  
Floor 6, Zone 4, Point 58  
Victoria House  
Southampton Row  
LONDON, WC1B 4AD

The logo for the Association of Convenience Stores features the text 'Association of Convenience Stores' in a serif font. The word 'of' is in a smaller, italicized font. To the right of the text is a graphic consisting of several overlapping squares in shades of blue and purple.

Association  
*of* Convenience  
Stores

Dear Tim

**Commentary on comparisons of supermarket retail prices and wholesale buying prices**

Please find attached to this letter a spreadsheet containing data collected by ACS that compares supermarket selling prices to the wholesaler buying prices on key items.

I also attach a commentary paper that explains the spreadsheet and draws some conclusions on what the data indicates.

We would welcome further dialogue with the commission on further uses to which this data might be applied. In particular we believe that the exercise would be more effective if the Commission was able to share further data with us concerning the average gross margins submitted by the main parties, after all this type of information was made available in 2000 (para 8.54).

This submission should be treated as confidential, please contact either James Lowman or myself if we can be of any further assistance.

Yours sincerely

Shane Brennan  
Public Affairs and Communications Manager

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