



MARK SIMMONDS, M.P.
Member of Parliament for Boston and Skegness

HOUSE OF COMMONS
LONDON, SW1A 0AA

Peter Freeman
Chairman
Competition Commission
Victoria House
Southampton Row
London
WC1B 4AD

14th March 2006

MS/CM

Dear Mr. Freeman,

I write further to the announcement of an investigation by the Competition Commission into the dominance of the grocery market by the four largest supermarket chains. I welcome this investigation and await the results with interest.

I have spoken to a number of the farmers, producers and pack-house owners in my constituency about their relationships with the supermarkets and they have raised concerns over the tactics sometimes employed by the retailers. Many farmers and producers are finding it increasingly hard to be competitive as costs are rising, but supermarkets are reducing the prices they pay to suppliers and tying them into unfair contracts, thereby distorting the market. Many farmers are too scared to speak out against these practices for fear of losing their contracts with the large grocery retailers.

I am deeply concerned that the scope of your investigation is not sufficiently wide to adequately address the concerns raised by many producers in Lincolnshire, and no doubt elsewhere in the country. I therefore urge you to fully investigate the relationship between producers and the supermarkets to ensure that the supply chain functions fairly and the economic viability of our producers is protected.

Yours sincerely,

Mark Simmonds MP
Boston and Skegness