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## **Winemakers' Federation signs Code for Fairness and Transparency with Woolworths Liquor Group**

The Winemakers' Federation of Australia and Woolworths Liquor Group (WLG) have negotiated a code and supporting guidelines for wine suppliers with, or considering, a commercial relationship with WLG.

Called *Good Wine Buyer and Supplier Principles: A Code of Fairness and Transparency*, it is a voluntary, principles-based agreement outlining standards for behaviours and business practices.

Together with its supporting guidelines, the Principles require WLG and suppliers to act honestly, deal fairly and be transparent in processes and decision making.

The Federation represents all Australia's winemakers and its 380 members make up some 90% of the industry by value.

In summary the main elements of the Principles are:

- A fair and clear commercial Relationship;
- Clarity in marketing and promotional activity;
- Open, honest and early communication;
- Respect each other's rights to set retail and wholesale prices;
- Outline of a clear process for listing and delisting products
- Protection of Intellectual Property; and
- Process to resolve disputes

Federation President Tony D'Aloisio AM said the Principles were an important step in setting a clear direction for a soundly-based business culture in dealings between WLG and wine suppliers. The industry's support and desire for a code is part of the blueprint to improve industry profitability known as *Actions for Industry Profitability* which the Federation put in place late last year.

"The Principles will be welcomed across the industry as they will provide more transparency, certainty and fairness for negotiations and agreements," Mr D'Aloisio said.

"We have built into the Principles an independent dispute resolution process should issues arise between WLG and a wine supplier. The Federation will monitor implementation and a further strength is that the Principles will be reviewed every two years to ensure they remain robust and improvements can be made.

"A plain English guide to the Principles has also been developed to ensure everyone has a clear understanding of what to expect in negotiations and their commercial relationships with WLG.

“We welcome the progress we have made with WLG on the key issues and the constructive way they have responded to the issues raised by our members regarding retail market practices. We look forward to improving and adding to the Principles for the benefit of our members and their commercial relationship with WLG in the future.

“The Federation will continue to work with WLG and other wine retailers on encouraging the principles and practices we believe make for a fairer domestic market place.”

The Principles apply to all wine suppliers dealing with WLG and not just Federation members.

The *Good Wine Buyer and Supplier Principles: A Code for Fairness and Transparency* is available from [www.wfa.org.au](http://www.wfa.org.au)

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