

## Groceries Inquiry

### Disclosure of interests for Chase & Partners and Mr Graham Chase

#### Introduction

The Competition Commission (the CC) proposes appointing Mr Graham Chase and Chase & Partners to provide expert industry advice on both land and planning issues for the Groceries inquiry. The CC proposes to make this appointment because of Mr Chase and Chase & Partners' experience and expertise.

Chase & Partners specialises in the shops, retail warehouse, food store and leisure property sectors in the areas of occupational and investment agency, development, consultancy and professional work representing landlords, tenant, developers and Local Authorities.

Mr Chase is currently the President and a Fellow of the Royal Institution of Chartered Surveyors, a Fellow of the Chartered Institute of Arbitrators and the Chairman of Chase & Partners, Chartered Surveyors, Commercial Property Consultants and Chartered Town Planners based in London.

The CC notes that Chase & Partners and/or Mr Chase currently act for: a number of supermarkets who are Main Parties in the Groceries inquiry; local authorities and other third parties including developers and landlords in their negotiations with a Main Party; and acting as an Arbitrator or Independent Expert to determine disputes involving a Main Party.

The CC believes that the disclosed matters described below will not compromise the ability of Chase & Partners and Mr Chase to provide independent and impartial advice on land and planning issues to the Group.

We set out below current and recently completed work undertaken by both Mr Chase and Chase & Partners that has involved a Main Party.

#### Disclosure of interests

##### Direct Instructions from Main Parties

Chase & Partners and Mr Chase act directly for Main Parties in a variety of matters, mostly relating to acquisition and disposal of property.

##### *Acquisitions*

Chase & Partners are currently acting on behalf of Tesco in acquiring a store in Suffolk where Mr Chase has been retained to negotiate the value of land to be purchased from the two local authorities who own part of the site.

In the past 10 years, Chase & Partners have acquired food store sites for development by Asda and Sainsbury's.

### *Disposals*

Chase & Partners and Mr Chase have been instructed to sell properties held on lease by Budgens in various locations, mostly in and around London.

### *Acting as an Expert Witness*

Chase & Partners and Mr Chase have been instructed by Tesco to act as an Expert Witness at a forthcoming Planning Inquiry to be held in March 2007 in relation to a site in Birmingham where Tesco is proposing to develop a food superstore in an edge of centre location.

### Third party instructions

Chase & Partners and Mr Chase are instructed by third parties (often owners of sites or property) to discuss opportunities or negotiate with Main Parties (for example advising on rent reviews, surrender of leases, acquisition and disposals).

### Local Authority Activity

Chase & Partners and/or Mr Chase act for approximately 44 local authorities in the UK, either their planning department or estates department including in connection with land used for the sale of groceries.

### Dispute Resolution Appointments

Mr Chase is regularly appointed as either an Arbitrator or Independent Expert to determine disputes between Main Parties (owners of food stores) and the tenant retailers on issues usually relating to rent reviews, profit shares on development and service charge disagreements.

Mr Chase is currently appointed as an arbitrator in three third party disputes regarding food stores.

Mr Chase currently does not have any outstanding Independent Expert appointments on food stores, nor has had an instruction of this nature in the past 12 months.

### **Future work**

The CC proposes that it will allow Chase & Partners and/ or Mr Chase to continue with its current instructions from supermarkets who are Main Parties in the Groceries inquiry. Chase & Partners and Mr Chase will not accept any further instructions from Main Parties during the length of Chase & Partners and Mr Chase's contract with the CC and one year after it ends, except that:

- Chase & Partners and Mr Chase can take instructions from Main Parties to act as an Arbitrator and an Independent Expert to determine disputes between Main Parties and other Main Parties or third parties;
- Chase & Partners and Mr Chase can take further instructions from Budgens solely in relation to disposing of its property.

For the avoidance of doubt Chase & Partners and Mr Chase can continue to act for third parties (which includes developers, landlords and local authorities) during the course of the Contract with the CC.

**Definitions**

Main Parties means retailers that supply groceries in the United Kingdom as noted in the Terms of Reference for the Groceries Inquiry dated 9 May 2006. A Main Party means any one of them.

The Groceries inquiry means the current Competition Commission investigation into the supply of groceries by retailers in the United Kingdom. The expression 'Groceries' is explained in the Terms of Reference for the Groceries Inquiry date 9 May 2006.