

REMITTAL OF THE COMPETITION TEST: PROVISIONAL DECISION - WAITROSE RESPONSE, 30 JULY 2009

This paper is the response of Waitrose Limited ("Waitrose") to the CC's provisional decision sent to Waitrose under cover of your email CC/RM/Groceries (Remittal)/576-09 of 15 July 2009. This response also covers the appendices to the provisional decision and the supplementary documents sent under separate cover by the CC since the publication of the provisional decision.

The methodology recorded in the provisional decision reflects closely that which the CC outlined in earlier stages of the remittal inquiry. As Waitrose explained at the plenary hearing on 17 June 2009, Waitrose considers this methodology to be an appropriate one. Given the CC's unique set of data, Waitrose is not in a position to second guess the precise approach taken by the CC and the individual assumptions made. However, there is nothing in the CC's approach or assumptions which appears to Waitrose to be wrong.

The CC's provisional conclusion does match Waitrose's own view, based upon its experience operating in the sector. That is, the competition test would:

"facilitate and encourage entry and expansion in areas of high concentration by preventing a strong incumbent from reducing its competitors' incentives and ability to enter or expand".

Waitrose remains happy to assist the CC during the remainder of this inquiry.