

Simon Roberts, CEO Sainsbury Allan Leighton, EC Asda Ken Murphy, CEO Tesco Giles Hurley, CEO Aldi Ryan McDonnell, CEO Lidl UK Rami Baitiéh, CEO Morrison

30 January 2025

## **Ensuring a fair deal for farmers**

Dear Sirs,

We are writing to you today as Members of Parliament concerned about your supermarkets' commercial relationship with farmers and growers in the UK.

Your recent public positioning as defenders of UK farmers stands in contrast to farmers' and growers' commercial dealings with you. Farmers have told many of the co-signed below that their relationship with you is often characterised by your own pursuit of excessive profit, rather than – as you have claimed – a fair business relationship.

As you will be aware, British farming is in crisis, and the farming industry is rightly demanding a better deal from the supermarkets that control and dictate much of the UK's food supply chain.

Supermarkets in the UK play a vital and important role in supporting our local communities, employing staff, supporting our economic ambitions for growth, and helping to feed the nation. The importance of each of these roles – and more besides – is valued and cannot be overstated.

But as a national brand, your supermarket is part of a small group of supermarkets that control the vast majority of the UK's food system and grocery market. This will not be news to you.

You will also be acutely aware that farmers are 'price takers' – taking and agreeing the price for their product, set by supermarkets. Research shows that farmers often receive 1p profit from the food items they produce. This is creating a farming industry that is struggling, and forcing too many farmers and growers to rely on subsidies from government.

Over the last year alone, your businesses combined made a total pre-tax profit of more than £5billion. Yet a typical 200-acre arable family farm in the UK makes just £27,300 in profit. In a world where farmers and producers are struggling to make a living, and relying on Government grants and subsidies so that they can survive from one year to the next, this can't be seen as fair or right. This stark fact is made even more concerning when not all supermarkets pay corporation tax in the UK.



You will know that farmers carry all the risk, yet they receive only the smallest crumbs of the reward. We are therefore greatly concerned that your own supermarkets are failing in your moral and commercial obligations to our farmers.

We are also greatly concerned about the practice of 'farmwashing', which appears to be a growing and concerning trend. Misleading labelling is actively suggesting that produce sold in many of your supermarkets is grown or reared in the UK, when it is in fact often imported, or produced in megafarms that masquerade as a small family farm. This is not only undermining family farms, but it is actively misleading customers.

We value the role that supermarkets play in supporting local and national priorities, but more needs to be done to ensure that farmers receive a fair deal, and that customers can enjoy an honest portrayal of your products in your store and online.

We would be happy to meet with you to understand how you are intending to improve your terms and conditions, and to level the playing field for farmers in the UK, so that they too can get a greater share of the benefits from growing, producing, and selling in the UK.

With our best wishes,

Dan Aldridge, MP for Weston-super-Mare Dr Scott Arthur, MP for Edinburgh South West Lee Barron, MP for Corby and East Northamptonshire Olivia Blake, MP for Sheffield Hallam Julia Buckley, MP for Shrewsbury Dawn Butler, MP for Brent East Ben Coleman, MP for Chelsea and Fulham Jacob Collier, MP for Burton and Uttoxeter, Lizzi Collinge, MP for Morecambe and Lunesdale Torcuil Crichton, MP for Na h-Eileanan an Iar Dr Beccy Cooper, MP for Worthing West Stella Creasy, MP for Walthamstow Josh Dean, MP for Hertford and Stortford Anna Dixon, MP for Shipley Neil Duncan-Jordan, MP for Poole Cat Eccles, MP for Stourbridge Maya Ellis, MP for Ribble Valley Anna Gelderd, MP for South East Cornwall Amanda Hack, MP for North West Leicestershire Chris Hinchliff, MP for North East Hertfordshire Alison Hume, MP for Scarborough and Whitby Leigh Ingham, MP for Stafford



Terry Jermy, MP for South West Norfolk Adam Jogee, MP for Newcastle-under-Lyme Ian Lavery, MP for Blyth and Ashington Noah Law, MP for St Austell and Newquay Brian Leishman, MP for Alloa and Grangemouth Clive Lewis, MP for Norwich South Perran Moon, MP for Camborne and Redruth Grahame Morris, MP for Easington James Naish, MP for Rushcliffe Josh Newbury, MP for Cannock Chase Samantha Niblett, MP for South Derbyshire Dr Peter Prinsley, MP for Bury St Edmunds and Stowmarket Richard Quigley, MP for Isle of Wight West Bell Ribeiro-Addy, MP for Clapham and Brixton Hill Jennifer Riddell-Carpenter, MP for Suffolk Coastal Dave Robertson, MP for Lichfield Cat Smith, MP for Lancaster and Wyre David Smith, MP for North Northumberland Dr Lauren Sullivan, MP for Gravesham Jon Trickett, MP for Normanton and Hemsworth John Whitby, MP for Derbyshire Dales Steve Witherden, MP for Montgomeryshire and Glyndŵr Nadia Whittome, MP for Nottingham East Sean Woodcock, MP for Banbury