

7 Bateman Street  
KAMBAH ACT 2902  
10 March 2008

Grocery prices inquiry - Submissions  
Australian Competition and Consumer Commission  
GPO Box 520  
MELBOURNE VIC 3001

Dear Grocery Prices Inquiry,

I wish to provide some simple observations I have made over the past few years as a weekly shopper at major grocery sellers.

I have observed that relabeling of the same product and quantity by major grocery retailers has been a convenient reason for subsequent price rises of about 15% to 25%.

For example, peanut and other nut products, carbonated drink products and frozen convenient foods have fallen victim to this marketing and price rise exercise. This was noticed with Farmland products being relabeled as Coles products. There is likely to be other products falling into this category that I do not buy.

Another example is at Woolworths stores the prices of fruit and vegetables have varied significantly from their adjacent stores located in close competition to Aldi and Coles such as Tuggeranong Town Centre in the ACT. When I raised this anomaly with Woolworths store management I was told, well you have a choice of shopping at whatever store you wish. Accordingly I no longer shop regularly at my local Woolworths store.

Obviously where open competition with other adjacent retailers exists it has kept prices at a minimum but not at those stores where competition does not exist.

Yours sincerely

John Armstead