

From: [Munro-Smith, Hayley](#)
To: [REDACTED]
Cc: [Jones, Gavin](#)
Subject: Information request - AA1000457 Co-Operative Supermarkets [DLM=Sensitive]
Date: Wednesday, 4 December 2019 6:22:00 PM

Dear Mr Love,

I refer to the Co-operative Supermarkets Australia Limited (**CSA**) application for authorisation lodged with the ACCC on 5 November 2019. As discussed, in order to assess the application, and application for interim authorisation, we are seek clarification from CSA on a number of issues.

The active member test

The application and supporting submission provide only very limited information regarding the operation and parameters of the active member test. There is very little information on how the test will work and how decisions surrounding the functioning of the test will be made, beyond that the Board will make such decisions. Please provide further information about how the Applicants envision the active member test will work.

1. How will the minimum value or volume requirement be set?
 - a. What types of considerations will the Board have regard to in setting the minimum value or volume requirement?
 - b. What consultation will occur with members in setting this requirement?
 - c. What, if any, capacity will there be for members to seek to vary the requirement as it applies to them?
2. Will the minimum value or volume requirement be set for each member at an aggregate level (that is, across their entire spend through the CSA system) or will it be applied to particular categories or classes of products or services (that is, separate requirements in respect of different categories of goods and services)?
3. Will the minimum value or volume requirement be expressed as a monetary value or a percentage of the members' purchases?
4. Will the minimum value or volume requirement be applied uniformly across all members, regardless of characteristics such as size, sales turnover or location? Or will the value or volumes required to be purchased through the CSA system vary depending on the member business?

Information sharing by members

It is proposed that members share information about a range of matters including range, costs, terms and conditions. This includes an expectation that a CSA Member who chooses to operate outside the CSA systems disclose any "better terms" it is receiving to CSA.

5. Please confirm whether it will be a requirement for membership that the member shares such information.

Please provide a response to our questions by **11 December 2019**.

We intend to publish this email, together with CSA's response, on the ACCC's public register. If CSA wishes to request exclusion from the register for any information provided in response to this request, please clearly indicate this and provide brief reasons for the exclusion request when providing the information.

Please do not hesitate to contact me if you need any clarification on the above.

Hayley Munro-Smith

Analyst | Adjudication | Merger and Authorisation Review

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The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.