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Our ref: AA1000500

Contact officer: Rebecca Hall Contact phone: 07 3835 4623

26/05/2020

Sharon Henrick
Partner
King & Wood Mallesons
Level 61, Governor Phillip Tower
1 Farrer Place
Sydney NSW 2000

By e-mail: Sharon.Henrick@au.kwm.com

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Dear Ms Henrick,

7-Eleven Stores Pty Limited AA1000500 - request for information

I refer to the application for authorisation lodged by 7-Eleven Stores Pty Limited (**7-Eleven**) on 9 April 2020.

7-Eleven has sought authorisation to approach some of its franchisees (Franchisees) and, if they agree, to enter into arrangements with those Franchisees to either temporarily close or reduce the trading hours of certain stores. This may include stores operated by its Franchisees, and stores operated by 7-Eleven (or through its sister entity, Convenience Holdings Pty Limited) (corporate-owned stores) (the **Proposed Conduct**).

Submissions from interested parties

As you are aware we have conducted public consultation regarding 7-Eleven's application. Copies of public submissions received are available on the ACCC's public register for this matter (available at Public Register). The purpose of this letter is to seek 7-Eleven's response to the matters raised by interested parties. In particular we seek 7-Eleven's response to the following:

- Concerns have been raised that the period of authorisation, if it is indicative of the duration of the arrangements entered into with Franchisees, is inappropriately long and fails to take into account changing circumstances.
- Concerns have been raised that there is a lack of clarity about the ability of Franchisees to 'opt-in' or 'opt-out' of arrangements. It has been argued that Franchisees should be permitted to opt-out without first requiring the agreement of 7-Eleven.
- Concerns have been raised that the Proposed Conduct may allow 7-Eleven to selfpreference its corporate owned stores by closing or reducing the trading hours of Franchisee stores that are within the same geographic market.

It is asked that 7-Eleven provide its response by **Tuesday 9 June 2020**. Please note, subject to any request for exclusion, 7-Eleven's response will be placed on the ACCC's public register for this matter.

Request for further information

We also request that 7-Eleven provide a list, with street addresses, of the corporate-owned stores. It is asked that this document be in Excel spreadsheet format and be provided by **Friday, 29 May 2020**.

Provision of information to the ACCC

Please send all updates and information to adjudication@accc.gov.au copying rebecca.hall@accc.gov.au.

This letter has been placed on the public register.

If you wish to discuss this letter, please contact Rebecca Hall on 07 3835 4623.

Yours sincerely,

Susan Philp Director

Adjudication