

COLLECTIVE BARGAINING NOTIFICATION BY:

**THE INDEPENDENT VENDING MACHINE OPERATORS
ASSOCIATION (AUSTRALIA) INCORPORATED**



1. Notifying party

Name: Independent Vending Machine Operators Association (Australia) Incorporated

Address: 11 Dagara Street, Rouse Hill NSW 2155

Tel. No.: (02) 8002 1982

ABN: 67 531 102 265

Contact: Mr Neville Wenben

Tel. No.: (02) 8002 1982

Email: info@ivmoa.asn.au

Business Activities: The administration of members, engaged in management of vending machine businesses.

Email: info@ivmoa.as.au

2. Details of the notified conduct

The IVMOA notified conduct is for collective bargaining but does not include a collective boycott.

The IVMOA negotiate on behalf of its current and future members collective buying agreements with various suppliers of goods to be sold through Unattended Retail Points such as Vending Machines.

Each contract contains typical clauses for a purchasing arrangement along with details of the products and pricing. Contracts are usually negotiated for a period of between 1-5 years. IVMOA are seeking protection for 6 years to be inline with the contract terms as well as allow for a negotiation period.

The purpose of negotiating these contracts as a group is to allow our members, in particular smaller to medium sized businesses, the ability to access better discounts than they could individually.

The only documentation submitted for the purposes of this notification is the member list in Appendix A.

All members are individual business entities that provide separate Vending Services but who all have access to the IVMOA negotiated group buying agreements.

Some of the top suppliers IVMOA would be negotiating supply contracts with include: [REDACTED]

3. Market information and concentration

The IVMOA provides Unattended Retail Solutions.

Products provided (including but not limited to), hot and cold beverages, snacks, confectionary, fresh meals, miscellaneous grocery, electronics, novelty items and toiletries.

Services provided (including but not limited to), provision of vending machines, refilling of vending machines and servicing of vending machines capable of dispensing the above products.

IVMOA covers every capital city in Australia, in addition to major regional areas across the country.

There are multiple companies offering the detailed products and services in each geographic area IVMOA competes in.

To better understand the **typical supply chain and the Operator's involvement and operating costs**, we estimate the Cost of Goods to be approximately [REDACTED] of the Sale Price. Given that Cost Of Goods is such a significant portion of the Operator's overheads, the IVMOA place considerable emphasis on Collective Bargaining.

The Australian Vending Industry Market would be in excess of \$200 million dollars per year with over 100,000 machines and over 500 plus operators. The process begins with the manufacture of multiple products which are then purchased by our Members from a variety of locations such as Distributors, Wholesalers, Grocery **Stores, etc...Once the products reach the Member's warehouse, they are then distributed** to the Unattended Retail Points where they are sold to the customer.

Due to the limited market information readily available, it would be difficult to accurately determine the various market share for all the products we distribute. The Vending Industry sales are a fraction of the total sales our Suppliers sell through other distribution points.

As a very rough estimation we believe the market share based on Vending Machines operated could be:

IVMOA Group [REDACTED]

Non-IVMOA Group [REDACTED]

The IVMOA do not foresee any factors as noted above that may affect product innovation, reduce quality or allow price fixing. As previously described, IVMOA acts on behalf of many independent operators. In addition to these, there are an infinite number of operators within the Vending Machine Industry that remain unknown to the association as well as new operators entering the market at any point. The purpose of the notification exists purely to allow IVMOA to secure competitive terms on behalf of its members. We do not foresee any other relevant factors that may impact the assessment of this notification.

Some large Vending Machine operators that compete in our industry but are not IVMOA Members are:

Coke Vending

Provender Vending

Benleigh Vending Systems

SVA Vending

Ausbox Vending

4. Public benefit

IVMOA collectively negotiate all contracts on behalf of its current and future members. This allows for discounts and pricing rebates to be maximised and allows all suppliers the opportunity to gain access to all the IVMOA retail points consisting of ~110 members across Australia. This in turn allows greater competition which then benefits the Consumer.

Ultimately, Vending benefits the public through convenience in location and accessibility. IVMOA Members not only compete within its membership and with other vending companies outside its membership, but also traditional retail outlets like convenience stores and shops. In order to stay price competitive with these retail chains and outlets, who also have substantial buying power, our members need to buy collectively to ensure the Cost of Goods allows a profitable return.

Without IVMOA having Collective Bargaining, our Members would not be able to sell competitively in the market and provide convenience, accessibility and product choice which all benefit the public.

5. Public detriment (including likely competitive effects)

The IVMOA can foresee absolutely no detriments whatsoever, likely to result to the public, from the notified conduct. The IVMOA Members' product purchases only represent a tiny fraction of our supplier's volume.

All IVMOA negotiated contracts are voluntary and members are open to negotiate their own contracts.

6. Contact details of relevant market participants

The main relevant market participants applicable to this submission that we have access to are our Members of which a list can be found in Appendix A. Another relevant market participant would be the Australian Vending Association whose details are below.

Australian Vending Association

ABN: 53 416 262 157

<https://www.ava.asn.au/>

President – Phillip Barry, [REDACTED]

Vice President – Darryl Stephen, [REDACTED]

7. Any other information

We have supplied all relevant information available to us.

8. Additional information for collective bargaining (with or without a collective boycott) conduct only

We confirm that the IVMOA is not a trade union, an officer of a trade union or acting at the direction of a trade union.

We can confirm each of our Members would reasonably expect to make one or more contracts with the Suppliers for the supply or acquisition of the relevant goods. This is due to the large variety of products sold through our Unattended Retail Points. We can also confirm that for any given Member, they would not exceed AUD\$3 million in any 12 month period for any single contract.

It is not foreseen that our contracting parties would engage in a collective boycott with respect to the targets.

Declaration by notifying party

Authorised persons of the notifying party must complete the following declaration.

The undersigned declare that, to the best of their knowledge and belief, the information given in response to questions in this form is true, correct and complete, that complete copies of documents required by this form have been supplied, that all estimates are identified as such and are their best estimates of the underlying facts, and that all the opinions expressed are sincere.

The undersigned are aware that giving false or misleading information is a serious offence and are aware of the provisions of sections 137.1 and 149.1 of the *Criminal Code* (Cth).



Signature of authorised person

VICE PRESIDENT of IVMOA

Office held

DARREN YAN

(Print) Name of authorised person

This **THURSDAY 23rd** day of **JANUARY, 2020**

Note: If the Notifying Party is a corporation, state the position occupied in the corporation by the person signing. If signed by a solicitor on behalf of the Notifying Party, this fact must be stated.

APPENDIX A – IVMOA Membership List

IVMOA MEMBERS DETAILS		23-Dec-19	info@ivmoa.asn.au
Company	Contact	Mobile	Email
1st Class Vending Pty Ltd			
24 Hour Vending			
24 Seven Vending			
AAT Vending			
Abbotsbury Vending			
ACE Vending			
Activend			
Adelaide CBD Vending			
Alelope Pty Ltd			
All About Vending			
All Vending Solutions			
Allround Vending Pty Ltd			
All-Ways Vending			
Allwest Vending			
Art of Vending			
Assorted Vending(4 Square Gosford)			
AtoZ Vending			
B & S Broadbent			
BCE Pty Ltd			
BD Vending			
Body Corporate Lifestyle Pty Ltd			
Border Vending			
BrisVegas Vending/Bella Family Trust			
Café Vending Aust Pty Ltd			
City First Vending (Supertrack P/L t/as)			
Cool Cans (M Hamlin & R Hamlin Partnership t/as)			
Cool Change/Bold Vending Services			
Cooloola Vending			
Corpvend Vending Services (C & H Vending Pty Ltd t/as)			
Cpvi Vending Australia			
CSD Vendors			
D&J Vending Pty Ltd			
Darling Downs Vending PTY LTD.			
DC Vending			
Desert Gold vending			
East Coast Vending (Monty Davis Enterprises Pty Ltd)			
Eastern Suburbs Vending Services			
Essential Vending Pty Ltd			
G & D Vending			
Gameking Aust Pty Ltd			
Gameking Brisbane			
Gameking Enterprises SA			
Gecko Vending			
Gippsland Vending Machines			
Gnibl			
Goulburn Valley Vending Services			

Grab N Go Pty Ltd			
Grandstyle Pty Ltd			
Hello Vending			
J C Vending Systems			
JR Service Aust			
Juantim Pty Ltd			
Just Vending			
Kelly Co Vending			
Kwik & Easy Vending			
Mackay Food Services			
Mastervend			
Melbourne Vending Co Pty Ltd			
MidCoast Vending			
Murray River Vending			
National Vending Corp/Classy Work			
Newcastle Complete Vending Services			
Novavend			
NT Snack & Bev Vending			
Outback Vending Pty Ltd			
Pak Vending			
Park Vend Vending			
Platinum Vending Pty Ltd			
Premier Products & Services			
Progressive Vending			
Qualityvend Pty Ltd			
R.Vend			
Red Vend Pty Ltd			
Reliable Vending			
Rick Paull			
Robinson's Vending			
S A Vending			
Select A Snack (Jesshan Pty Ltd t/as)			
Service With A Smile			
Smartbar Supplies Pty Ltd			
Smartchoice Vending			
Snack Attack Vending Pty Ltd			
Snack Bot Vending			
Snacks R Us			
Sneaky Snack Vending			
South Coast Vending NSW P/L			
Sovereign Vending			
Stechrama Food & Pack Supplies			
Steeemz Vending			
Sunnyside Vending & Amusements			
Tamworth Vending Services			
Tasvend Pty Ltd			
Tezza's Vending Services			
The Cnr Store Vending Co (Seaware Pty Ltd t/as)			
The Vending Guys			
Tia Vending			
Treat Yourself Vending			
Trend Vend Sydney			
Utopia Developments			
Vend Solutions			

Vendarama	[REDACTED]	[REDACTED]	[REDACTED]
Vending First	[REDACTED]	[REDACTED]	[REDACTED]
Vending Is Us Pty Ltd	[REDACTED]	[REDACTED]	[REDACTED]
Vending Krew	[REDACTED]	[REDACTED]	[REDACTED]
Vending Revolution	[REDACTED]	[REDACTED]	[REDACTED]
Vending Services Townsville	[REDACTED]	[REDACTED]	[REDACTED]
Vending Simplicity	[REDACTED]	[REDACTED]	[REDACTED]
Vending Solutions Tas	[REDACTED]	[REDACTED]	[REDACTED]
Vendx	[REDACTED]	[REDACTED]	[REDACTED]
WeVend	[REDACTED]	[REDACTED]	[REDACTED]
Wollongong Vending	[REDACTED]	[REDACTED]	[REDACTED]
Your Choice Vending (Tweedside t/a)	[REDACTED]	[REDACTED]	[REDACTED]