



**Australian Competition & Consumer Commission**

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Our Ref: C2002/809  
Contact Officer: Danielle Staltari  
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16 September 2002

Mr Peter Van Rompaey  
Carey Van Rompaey Solicitors  
PO Box 169  
CARNEGIE VIC 3163

Dear Mr Van Rompaey

**Re: Exclusive Dealing Notification – Alshandegha Pty Ltd (N40527)**

I refer to the above third line forcing notification lodged by Alshandegha Pty Ltd (Alshandegha) on 27 May 2002 with the Australian Competition and Consumer Commission (the Commission). This notification has been placed on the public register. Immunity in respect of this notification commenced on 10 June 2002.

The notification details a proposed arrangement in which a franchisee is obliged to purchase from the franchisor approved products that are required to be used for the provision of services at their business. In addition, the franchisee also agrees to sell retail products provided by the franchisor.

I note that third line forcing conduct involves the supply of goods or services on condition that the purchaser acquire a second good or service from another supplier. On the basis of the description of the conduct provided to the Commission, I am of the view that the proposed arrangement is likely to constitute exclusive dealing conduct other than third line forcing. Accordingly, the notification lodged by Alshandegha does not afford immunity to conduct which may constitute exclusive dealing conduct other than third line forcing.

With the exception of third line forcing conduct, exclusive dealing conduct will not breach the Act unless the conduct has the likely effect of substantially lessening competition.

If you are of the view that the proposed arrangement is likely to have the effect of substantially lessening competition, but be none the less in the net public benefit, then you may wish to consider lodging a notification in respect of exclusive dealing conduct other than third line forcing under section 93 of the *Trade Practices Act* (the Act). A fee of \$2,500 is payable in respect of such notifications.



Please note that if you decide to lodge a notification in respect of exclusive dealing conduct other than third line forcing, you will need to provide the Commission with the following information:

- a description of the goods and services (including brand names of the goods and services) which are involved in the supply of the proposed arrangement; and
- a detailed submission outlining the anti-competitive detriment and benefit to the public likely to result from the proposed arrangement.

If you wish to discuss this matter further, please contact Danielle Staltari on (02) 6243 1362.

Yours sincerely

A handwritten signature in black ink, appearing to read 'T Grimwade', written in a cursive style.

Tim Grimwade  
General Manager  
Adjudication Branch