



Australian Competition & Consumer Commission

PO Box 1199
Dickson ACT 2602
470 Northbourne Ave
Dickson ACT 2602
Australia

Ph (02) 6243 1111
Fax (02) 6243 1199

Our Ref: C2002/1613
Contact Officer: Sue Sullivan
Contact Phone: 02 62431354

29 November 2002

Mr Geoff Gale
Director
Surrey Pty Ltd
Locked Bag 2050
Acacia Ridge DC QLD 4110

Dear Mr Gale

Re: Notification of Third Line Forcing (N91048) lodged by Surrey Pty Ltd

I refer to the above notification, lodged by Surrey Pty Ltd with the Australian Competition and Consumer Commission ('the Commission') on 4 November 2002. This notification has been placed on the public register.

This notification outlines a proposal whereby customers of Spar Kallangur may access a discount at Shell Kallangur on condition that they have purchased goods to a certain value. Customers will be provided with a voucher which entitles them to the discount.

Immunity from the Trade Practices Act ('the Act') came into effect on 18 November 2002.

On the basis of the information that you have provided, it is not intended that further action be taken in this matter at this stage.

It appears from the information you have provided that the third party retailer (Shell Kallangur) may be the person actually engaging in third line forcing. Please be advised that any immunity afforded as a result of your notification does not extend to third party retailers that supply discounted products or services to consumers who purchase under the Spar Kallangur voucher.

Whilst I would not expect the Commission to take action in relation to the conduct notified on the basis of the information you have provided (and without the benefit of market inquiries), it would be open for third parties to take action against third line forcing by those third party retailers.

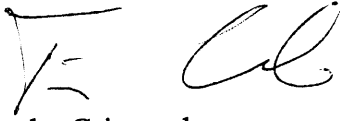
As such, Shell Kallangur may wish to consider lodging separate third line forcing notifications in order to obtain immunity from the exclusive dealing provisions of the Act.



Please note that the Commission may act to remove the immunity afforded by this notification at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

Should you have any further questions, please contact Sue Sullivan on 02 6243 1354.

Yours sincerely

A handwritten signature in black ink, appearing to be 'T. Grimwade', written over a horizontal line.

Timothy Grimwade
General Manager
Adjudication