



Australian Competition & Consumer Commission

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Our Ref: C2002/873, C2002/876
C2002/879, C2002/1302

5 February 2003

Mr Timothy Dodds
Finance Director
Harvey World Travel Franchises Pty Ltd
633 Princes Highway
KOGARAH NSW 2217

Dear Mr Dodds

**Third line forcing notifications N91004, N91005, N91006 and N31187 lodged by
Harvey World Travel Franchises Pty Ltd**

I refer to the above third line forcing notifications, which were lodged with the Australian Competition and Consumer Commission (the Commission) on 11 June 2002, and 30 August 2002, respectively.

You described the conduct notified in N91004 – N91006 as involving, respectively, the offering of an incentive (in the form of a discounted franchise fee) to franchisees:

- who acquire and use approved hardware from a specified third party for use in conjunction with the Galileo computer reservation system;
- who subscribe to the Macquarie Communications telephone system;
- where a minimum of 90% of travel insurance policies sold by the franchisee are Thomas Cook Insurance Services Pty Ltd policies.

For your information, legal immunity provided by these notifications commenced on 25 June 2002.

In respect of N31187, you described the notified conduct as the supply of a franchise system to franchisees, on condition that franchisees utilise the Galileo computer reservation system. Legal immunity provided by this notification commenced on 13 September 2002.

In respect of this conduct, I bring to your attention the requirement under the Franchising Code of Conduct for a franchisor to disclose in the Franchise Disclosure Document any commission or rebate received through an agreement with a third party supplier.



On the basis of the information that you have provided, it is not intended that further action be taken in these matters at this stage. Please note that the Commission may act to remove the immunity afforded by one or more notifications 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.

This letter has been placed on the Commission's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Nicole Ryan on (02) 6243 1237.

Yours sincerely



Tim Grimwade
General Manager
Adjudication