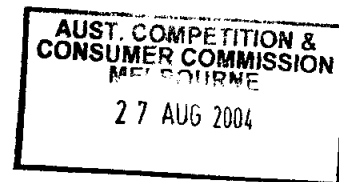


Mr Tim Grimwade
General Manager Adjudication Branch
Australian Competition and Consumer Commission
470 Northbourne Avenue
DICKSON ACT 2602

25th August 2004

FILE No:
DOC: D04/41553
MARS/PRISM:



Dear Mr Grimwade

Third line forcing notification - sale of discount fuel

We enclose a third line forcing notification in relation to the sale of discount petrol on behalf of Queensland Fuel Supplies Pty Ltd (ABN 43 296 411 596) trading as Independent Fuel Supplies (IFS).

We also enclose a cheque for \$100.

As detailed in a letter dated 30th June 2004, and set out in the attached notification, Foodland Associated Limited (ABN 13 008 667 650) (FAL) has introduced a promotion in Queensland whereby customers have the opportunity to receive a 4cpl discount on petrol at participating service stations if the customers spend \$30 at participating supermarkets branded "Action" (the **Promotion**).

IFS have now sought to join the Promotion, which is already in operating in Queensland, at Ipswich and Strathpine. Although FAL has assisted each of the fuel retailers, including IFS, with the logistics of preparing and lodging the third line forcing notifications, FAL wishes to confirm that FAL has had discussions with each of the fuel retailers individually, offering them the opportunity to participate in the Promotion. Each of the fuel retailers has agreed individually with FAL to participate. In particular, FAL is not of aware of any discussion or agreement among the fuel retailers with respect to entering into, or the terms of, the Promotion.

As detailed in the notification, IFS believes the proposed conduct will result in a number of public benefits, will promote competition, and will not have any negative effect on competition in any relevant market.

If you have any questions in relation to any of the matters raised in the enclosed notification, please do not hesitate to contact us.

Yours sincerely

Peter Hede

Division Manager – Quickstop

FORM G

Regulation 9

Commonwealth of Australia

*Trade Practices Act 1974 - sub-section 93(1)***EXCLUSIVE DEALING: NOTIFICATION**

To the Australian Competition & Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or proposed conduct of a kind referred to in sub-section 47(6) or (7) of that Act in which the person giving notice engaged or proposes to engage.

1. (a) Name of person giving notice:

Queensland Fuel Supplies Pty Ltd (ABN 43 296 411 569) trading as Independent Fuel Supplies (IFS)

(b) Short description of business carried on by that person:

Retailing of petroleum and related products.

(c) Address in Australia for service of documents on that person:

**Independent Fuel Supplies
PO Box 691**

Archerfield Qld 4108

2. (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

Retail petroleum products.

(b) Description of the conduct or proposed conduct:***Outline of proposed conduct***

The giving or allowing, or offering to give or allow, a discount, allowance, rebate or credit in relation to the supply or proposed supply of retail petroleum products by IFS to consumers on the condition that the consumers have acquired goods of a specified value from participating supermarkets branded Action, and any other supermarkets which are participating from time to time in a discount retail petroleum products scheme with IFS (**the Promotion**). *(Ipswich only) + Strathpine*

Proposed conduct will deliver public benefits

IFS considers that the proposed conduct will be of benefit to the public because:

- **Consumers will benefit from lower petrol prices** - IFS considers that the Promotion will provide consumers with lower petrol prices and should result in greater availability of cheaper fuel;

- **The proposed conduct will generate a culture of discounting** - IFS considers that the Promotion will promote a culture of discounting in the retail petrol market; and
- **The proposed conduct will increase non-price competition in the retail petrol market** - the Promotion will encourage innovative, competitive responses from competitors in order to attract and retain custom.

Proposed conduct will promote competition and should have no adverse impact on competition

The proposed conduct will not lessen competition in any relevant market as:

- there are a large number of petrol service stations in the Queensland metropolitan area; and
- Woolworths and Coles have already implemented a similar “shopper docket” promotion which enables customers of Woolworths and Coles to receive a discount on petrol purchased at a large number of petrol service stations nationwide. Accordingly, the proposed conduct is a competitive response to the existing levels of intense competition that exists between retail grocers.

Instead, the proposed conduct will promote competition between retail grocer and drive competition between supermarkets and petrol retailers, which encourages price discounting and increases non-price competition.

3. (a) Class or classes of persons to which the conduct relates:

The general public in the metropolitan area of Queensland.

(b) Number of those persons -

- (i) **At present time:** unknown
- (ii) **Estimated within the next year:** unknown

(c) Where number of persons stated in item 3(b)(i) is less than 50, their names and addresses:

Not applicable.

4. Name and address of person authorised by the person giving this notice to provide additional information in relation to this notice:

Peter Hede

FAL

Level 1, Number 1 Lakeside Drive

Burwood East, Melbourne. 3151 03 8805 5080

Dated 24th August 2004

Signed on behalf of Queensland Fuel Supplies Pty
Ltd (ABN 43 296 411 569)

Peter C Hege

.....
Signature

PETER C HEGE

.....
Full name

DIVISIONAL MANAGER Queensland

.....
Position

DIRECTIONS

- 1 If there is insufficient space on this form for the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice.
- 2 If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1(a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
- 3 In item 1(b), describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
- 4 If particulars of a condition or of a reason of the type referred to in sub-section 47(2), (3), (4), (5), (6), (7), (8) or (9) of the *Trade Practices Act 1974* have been reduced in whole or in part to writing, a copy of the writing is to be furnished with the notice.
- 5 In item 3(a), describe the nature of the business carried on by the persons referred to in that item.
- 6 In item 3(b)(ii), state an estimate of the highest number of persons with whom the person giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

NOTICE

If this notification is in respect of conduct of a kind referred to in sub-section 47(6) or (7) or paragraph 47(8)(c) or (9)(d) of the *Trade Practice Act 1974* ("the Act"), it comes into force at the end of the period prescribed for the purposes of subsection 93(7A) of the Act ("the prescribed period") unless the Commission gives a notice under sub-section 93A(2) of the Act within the prescribed period, or this notification is withdrawn.

The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996), starting on the day when this notification is given.

If the Commission gives a notice under sub-section 93A(2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decides not to give a notice under subsection 93(3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47(2), (3), (4) or (5), or paragraph 47(8)(a) or (b) or (9)(a), (b) or (c), of the Act, it comes into force when it is given.