



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2005/652
Contact Officer: Liam Stewart
Contact Phone: 02 6243 1275

25 May 2005

Mr John McQueen
Chief Executive Officer
Australian Dairy Farmers Ltd
Level 6, 84 William Street
MELBOURNE VIC 3000

Dear Mr McQueen

Application for revocation of authorisation A90782 and substitute by replacement authorisation A90966 lodged by Australian Dairy Farmers

I refer to the application for revocation of authorisation A90782 and its substitute by replacement authorisation A90966 lodged by Australian Dairy Farmers Ltd (the ADF) with the Australian Competition and Consumer Commission (the ACCC) on 8 April 2005.

The ACCC is in the process of assessing the ADF's application but requires further information in order for it to complete its assessment. In particular, the ACCC would appreciate further:

- clarification of whether the ADF is seeking:
 - to, as stated in page 1 of the ADF's submission, confine the substitute authorisation (A90966) to the same terms as the original authorisation (A90782) or
 - to, as stated in page 3 of the ADF's submission, broaden the substitute authorisation to allow "... any group of farmers to form into a collective negotiate group, with the region to be defined by the membership of the group."
- details regarding those collective bargaining groups (the bargaining groups) formed pursuant to authorisation A90782, including:



- the date on which each of the bargaining groups was registered with the ADF
 - the approximate regional location of each of the bargaining groups
 - the names and locations of participants in each the bargaining groups including the name and contact details of the bargaining group executive
 - the nature of the 'shared community interest' of each of the bargaining groups
 - the processor (dairy company) with whom each of the bargaining groups is currently negotiating
 - the plant(s) to which the bargaining groups intend to supply their produce
 - the anticipated finalisation date for contract negotiations and
 - any other details in relation to the bargaining groups which the ADF considers may be of assistance.
- information regarding any potential new bargaining groups which the ADF considers may register with them in the next 6-12 months.

In addition, the ACCC has received three substantive submissions in relation to ADF's application from the following interested parties:

- National Foods
- Fonterra
- Peters and Brownes

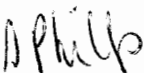
Copies of these submissions are enclosed for your information and have been placed on the ACCC's Public Register.

The ACCC requests that you provide responses to the above questions and, if you wish, responses to the above submissions, by close of business Wednesday, 15 June 2005. Responses should be addressed to:

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Liam Stewart on 02 6243 1275.

Yours sincerely


Susan Philp
A/g Director
Adjudication Branch