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Our reference
PJA.AJT.02-1383-8501

18 July 2005

FILE No
DOC
MARS/PRISM

Mr Scott Gregson
General Manager
Adjudication Branch
ACCC
Level 7
123 Pitt Street
SYDNEY NSW 2000

Dear Mr Gregson

Form G Notifications of Exclusive Dealing Conduct

We act for Visa International Service Association.

We enclose form G Notifications of Third Line Forcing Conduct on behalf of the following entities:

- (a) Michael Coppel; and N31410
- (b) Visa International Service Association N31411

We also enclose a cheque in the amount of \$300 comprising filing fees for Visa International (at the concessional rate of \$200, as this notification is related to others lodged on 15 July 2005) and as well as for the individual specified above (\$100).

If you have any queries, please do not hesitate to contact Peter Armitage on (02) 9258 6119 or Amanda Taggart on (02) 9258 5696.

Yours faithfully

SYDNEY
MELBOURNE
BRISBANE
PERTH
CANBERRA
LONDON
PORT MORESBY
JAKARTA
SHANGHAI

112729000

FORM G

N 31410

N 31411

Commonwealth of Australia

Trade Practices Act 1974 - Sub-section 93(1)

EXCLUSIVE DEALING NOTIFICATION

To the Australian Competition and Consumer Commission:

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

1. (a) **Name of persons giving notice:**

(i) Michel Coppel (The **Promoter**) in on his own capacity and on behalf of agent(s) appointed by him to sell tickets

(ii) Visa International Service Association (**VISA**)

(b) **Short description of businesses carried on by those persons:**

(i) **Michel Coppel**

The Promoter is in the business of producing and managing major concerts in Australia. Tickets to those events are sold to the public through the Promoter's ticketing agent(s).

(ii) **VISA**

VISA is an association of financial institutions which operates a world-wide payment system in which member financial institutions offer a wide range of card-based and non-card-based payment products and services to consumers and other entities, and payment acceptance capabilities to merchants, all of which utilise VISA payment processing systems.

(c) **Address in Australia for service of documents on those persons:**

c/o – Peter Armitage
Partner
Blake Dawson Waldron
Level 35
225 George Street
SYDNEY NSW 2000

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

The Promoter will provide, through its ticketing agent(s), preferential ticket booking services to individuals that are holders of a payment card (either a debit card or a credit card) bearing the VISA acceptance mark (VISA Card). Cardholders

will be able to acquire tickets to the forthcoming Jamiroquai concert tour to be held in Perth, Adelaide, Melbourne, Sydney, Brisbane and Newcastle.

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

Background

At the end of November / early December 2005 (specific dates yet to be confirmed), Jamiroquai will commence a concert tour of Australia, at venues (to be confirmed) in Sydney, Melbourne, Brisbane, Perth, Adelaide & Newcastle, (Collectively, **The Concerts**). The last concert will be held in early December 2005.

Tickets for The Concerts will be made available to the general public at box offices, over the telephone and via the Internet from the end of August 2005.

Proposed conduct

The Promoter and VISA have established a marketing relationship in Australia to jointly promote The Concerts and to provide a benefit to consumers holding VISA Cards by providing advanced access to tickets for The Concerts.

Under this arrangement, VISA will enter into an arrangement with the Promoter whereby VISA Cardholders have 2 weeks 'exclusive' access through its ticketing agent(s) to tickets for The Concerts prior to the general public via the public box office release. VISA Cardholders will be able to purchase advance tickets over the internet via a VISA-hosted website which will click through to the Promoter's ticketing agent(s) website on condition that the Cardholder pays for the tickets using his or her VISA card. The purchase price of the tickets will be debited by the member financial institution that issued the relevant card to the Cardholder's account with that financial institution.

There are about 7.6 million VISA credit cards on issue in Australia. Approximately 70% of individuals in Australia that hold a credit card hold a VISA-branded credit card. 3.9 million individuals hold VISA-branded debit cards.

The 'exclusivity' period proposed may constitute third line forcing pursuant to sections 47(6) and/or 47(7) of the *Trade Practices Act* (Cth). This is because it may be argued that tickets will only be sold during the exclusivity period if the purchasers also acquire the payment services of VISA.

After the 2-week exclusivity period for each of The Concerts, the public will be able to purchase tickets to The Concerts using cash and other credit and charge cards.

(c) **Effects of the proposed conduct**

The effect of any third line forcing will be insignificant for the following reasons:

- (i) Approximately 70% of credit card holders in Australia have a VISA card. 3.9 million individuals in Australia have a VISA debit card. The proposed

conduct will provide these VISA Cardholders with a benefit if they choose to purchase tickets during the exclusivity period using their VISA Cards;

- (ii) The public sale will still start approximately three months before the concert tour giving the public ample opportunity to obtain tickets to The Concerts. The exclusivity period will only run for a proportionately very short period of time and the proposed conduct will not impose any material restriction on access to tickets by the general public for the overall period for which The Concerts will be performed.
- (iii) A maximum limit has been set of 30% of tour tickets to be sold during the VISA pre-sale period. This means that with over 70,000 tickets to be sold for the tour, a maximum threshold of 21,000 tickets will be available for purchase by VISA Cardholders in the pre-sale period. The promoter is highly likely, if demand outstrips supply, to put on additional concerts once the public box office opens.
- (iv) At this stage all concert venues are planned to be outdoor and standing viewing (general admission) only. Therefore the type of tickets available to VISA Cardholders in the pre-sale period will be an identical "level" (i.e. price) to those available to the general public.
- (v) Should any concert venue change to a 'seated' venue, the type of tickets available to VISA Cardholders in the pre-sale period for that venue will represent a proportionate allocation of each "level" (i.e. price) available. As a result, seats of every level/price will still be available to the general public

(d) **Benefits of the proposed conduct:**

The proposed exclusivity arrangements will provide VISA Cardholders, who are not an insubstantial percentage of the public and a high proportion of Cardholders generally, with advanced access to tickets to The Concerts, prior to the tickets becoming available to the general public.

Other members of the public will also have ample opportunity to purchase tickets to The Concerts after the limited exclusivity period and these can be purchased by cash and by other credit cards and charge cards.

VISA Cardholders will have no obligation to take advantage of the proposed arrangements. Any person who wishes to obtain tickets to the production without using a VISA Card will be able to do so from the public on-sale date.

For the reasons above, there is no significant detriment to the public as a result of the proposed conduct. Any minimal detriment is substantially outweighed by the public benefits outlined above.

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

VISA Cardholders.

(b) **Number of those persons:**

(i) **At present time:**

Approx 70% of the eligible population of credit card holders holds a VISA-branded card. When added to numbers of VISA debit cardholders, there are approx 11.5 million VISA Cards on issue in Australia.

(ii) **Estimated within the next year:**

The number of VISA Cardholders is estimated to grow by 6.9% in the next year.

(c) **Where the number of persons stated in items 3(b) is less than 50, their names and addresses**

Not applicable.

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

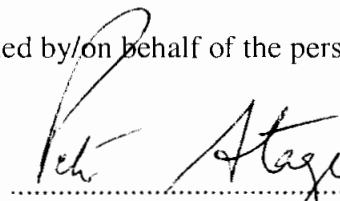
Peter Armitage
Partner
Blake Dawson Waldron
Level 35
225 George Street
SYDNEY NSW 2000

Telephone: (02) 9258 6119
Facsimile: (02) 9258 6999
Email: peter.armitage@bdw.com

Dated: 18 July 2005



Signed by/on behalf of the person giving this notice


.....
(Signature)

Peter James Armitage
(Full Name)

5.

Partner, Blake Dawson Waldron
(Description)