



1 December 2005

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

Dear Mr Gregson

**APPLICATION FOR AUTHORISATION A90992 LODGED BY THE AUSTRALIAN NURSERYMEN'S FRUIT IMPROVEMENT COMPANY**

I am writing in response to your correspondence of 18 November, seeking comment on the application by the Australian Nurserymen's Fruit Improvement Company Ltd (ANFIC)).

The public benefits as defined by NFIC are:

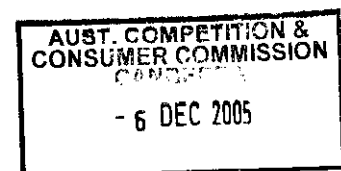
1. providing a coordinated approach to marketing;
2. providing technical and honest advice for participating growers; and
3. changes to royalty arrangements which allow for continued improvement of fruit varieties, by providing an income stream to nurseries through the proposed arrangements.

The Department recognises that the production and marketing arrangements for fruit varieties are changing rapidly. The key drivers for this are the requirement of breeding organisations to generate longer term returns for their varieties, the need to provide new varieties to consumers to build market share and certainty for producers in terms of variety success.

The Department does not have objections to ANFIC's request and notes that it is consistent with current international approaches to the development of new fruit varieties.

Yours sincerely

Ian Longson  
DIRECTOR GENERAL



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