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13 March 2006

Mr. Scott Gregson  
The General Manager – Adjudication  
Australian Competition & Consumer Commission  
PO Box 1199  
Dixon ACT 2602

Dear Mr Gregson

**Notification of Exclusive Dealing**

Please find enclosed one Form G application and supporting submission for notification of exclusive dealing for third line forcing under section 93(1) of the Trade Practices Act 1974 (Cth) (the **Act**) for FOXTEL Management Pty Limited on behalf of the FOXTEL Partnership (**FOXTEL**). The promotion which FOXTEL proposes to commence is outlined in the enclosed notification.

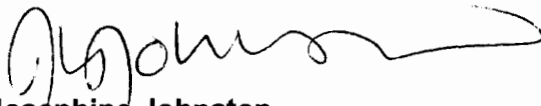
There is an inherent public benefit in the conduct because it will provide consumers who would like FOXTEL Digital with the ability to take up the offer at a genuine saving on the total price of the product. The conduct will result in lower prices for customers and will increase competition in the markets for both products.

In addition, the proposed conduct will stimulate demand for FOXTEL's subscription television services, demand for home loan products from the nominated home loan lender and may promote competition in similar markets by encouraging other home loan lenders to offer value-added services.

We enclose a cheque on behalf of FOXTEL Management in the amount of \$100 representing the lodgement fee.

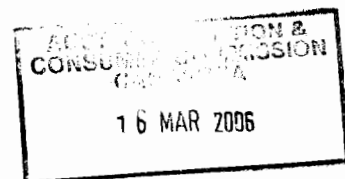
If you have any questions in relation to this notification, or require any additional information please contact Jeffrey Siddle on (02) 9813 7609.

Yours sincerely



**Josephine Johnston**  
Senior Legal Counsel  
FOXTEL Management Pty Ltd

Encl.



**FOXTEL**™

**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 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-section 47(6) or (7), of that Act in which the person giving notice engages or proposes to engage.

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1. (a) **Name of person giving notice:**  
FOXTEL Management Pty Limited (ACN 068 671 938) (**FOXTEL**).
  - (b) **Short description of business carried on by that person:**  
FOXTEL provides channels as part of the supply of subscription television services.
  - (c) **Address in Australia for service of documents on that person:**  
Josephine Johnston  
Senior Legal Counsel  
FOXTEL Management Pty Limited  
5 Thomas Holt Drive, North Ryde, NSW, 2009  
Ph: (02) 9813 7603  
Fax: (02) 9813 7606
- 
2. (a) **Description of the goods or services in relation to the supply or acquisition of which this notice relates:**  
Subscription television services.
  - (b) **Description of the conduct or proposed conduct:**  
FOXTEL intends to commence a promotion on 1 April 2006 (ceasing on 31 July 2006) offering customers of Wizard Home Loans, when they take out an eligible home loan between 1 April 2006 and 31 July 2006, the following:
    - (i) Free Foxtel Digital standard metro installation on a 24 month direct debit Platinum package; and
    - (ii) FOXTEL Digital Platinum package free for the first 6 months of the 24 month plan.The offer will only be made available to members of Collingwood Football Club.

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

Wizard Home Loans customers (who are members of Collingwood Football Club) who take out an eligible home loan between 1 April 2006 and 31 July 2006, and who wish to become FOXTEL Digital subscribers.

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

- (i) At the present time – Nil.
- (ii) Estimate within the next year – approximately 45,000.

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

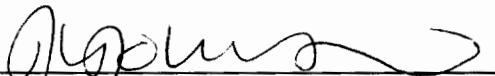
Not applicable.

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

Josephine Johnston  
Senior Legal Counsel  
FOXTEL Management Pty Limited  
5 Thomas Holt Drive, North Ryde, NSW 2113  
Ph: (02) 9813 7603  
Fax: (02) 9813 7606

**Dated:** 13 March 2006

**Signed** on behalf of the person giving this notice:



Josephine Johnston  
Senior Legal Counsel  
FOXTEL Management Pty Limited

## **SUBMISSION IN SUPPORT OF NOTIFICATION BY FOXTEL MANAGEMENT PTY LIMITED IN RELATION TO THIRD LINE FORCING CONDUCT**

### **The Proposed Conduct**

FOXTEL intends to commence a promotion on 1 April 2006 (ceasing on 31 July 2006) offering Wizard Home Loans customers the following when they take out an eligible Wizard Home Loan between 1 April 2006 and 31 July 2006:

- (i) Free Foxtel Digital standard metro installation on a 24 month direct debit Platinum package; and
- (ii) FOXTEL Digital Platinum package free for the first 6 months of the 24 month plan.

It is proposed that after a Wizard Home Loan customer takes out an eligible Wizard Home Loan and connects to the FOXTEL Digital Platinum package on a 24 month direct debit plan, FOXTEL will provide a free FOXTEL Digital standard metro installation (normally \$29.95) and the FOXTEL Digital Platinum package free for the first 6 months of the 24 month plan (normally \$99.95 per month).

It is proposed that the offer will last until 31 July 2006 and will only be made available to members of the Collingwood Football Club.

### **Trade Practices Act**

It is possible that the proposed conduct described above might involve conduct of the kind in section 47(6) of the Trade Practices Act 1974 (Cth) (*the Act*) on the basis that FOXTEL is giving free FOXTEL Digital standard metro installation and the Platinum package free for 6 months on the condition that the subscriber takes out an eligible home loan with Wizard Home Loans between 1 April 2006 and 31 July 2006.

Similarly, the conduct may fall within section 47(7) of the Act if FOXTEL refuses to provide free FOXTEL Digital standard metro installation and the Platinum package free for 6 months because a person does not take out an eligible home loan with Wizard Home Loans between 1 April 2006 to 31 July 2006 or because a person is not a member of Collingwood Football Club.

### **Public Benefit**

The proposed conduct will be of benefit to the public as it will:

- provide Wizard Home Loans customers who would like FOXTEL Digital with the ability to take up the offer at a genuine saving on the total price of FOXTEL Digital than if they were to subscribe separately;
- result in lower FOXTEL Digital prices for Wizard Home Loans customers and will increase competition in the markets for subscription television services; and
- promote competition by encouraging other suppliers of home loan related services to offer value-added services.

The proposed conduct does not have any anti-competitive effect in the markets for the relevant products and services as:

- the offer of free FOXTEL Digital standard metro installation and FOXTEL Digital Platinum package free for 6 months is intended to stimulate demand for FOXTEL's subscription television services and increase demand for subscription television services;
- there are a number of other potential suppliers of subscription television services and home loan related products from whom consumers will still be able to acquire such products;
- the offer does not limit the genuine choice of Wizard Home Loans customers to subscribe to FOXTEL Digital. Non-subscribers are able to choose whether to subscribe to FOXTEL Digital at the standard rate, or to accept the promotional offer;
- there is no obligation on a Wizard Home Loans customer to take up the offer; and
- there is no loss of transparency in the pricing of the products which would prevent a customer from making an informed decision about the promotion.

The public benefits arising from the proposed conduct will clearly outweigh any possible public detriment.