



**Australian
Competition &
Consumer
Commission**

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Our Ref: N92569
Contact Officer: Sheridan de Kruiff
Contact Number: 02 6243 1236

2 August 2006

Ashleigh Le
Herman Partners Lawyers
PO Box 2091
Melbourne VIC 3001

Dear Ms Le,

Exclusive dealing notification N92569 lodged by Simon's Franchising Pty Ltd

I refer to the above exclusive dealing notification N92569 lodged with the Australian Competition and Consumer Commission (the ACCC) on 27 July 2006. Legal immunity conferred by the notification commenced on the same day. The notification has been placed on the ACCC's public register.

You have described the notified conduct as Simon's Franchising Pty Ltd (Simon's Franchising) requiring franchisees to purchase all retail stock from the franchisor.

Further information

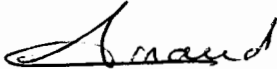
The notification is currently being assessed by the ACCC pursuant to section 93 of the *Trade Practices Act 1974*. However, the ACCC requires further information in order to assess the notified conduct. The issues on which the ACCC would appreciate your responses are as follows:

1. A brief description of Simon's Franchising, in particular the market or markets in which Simon's retail outlets will be operating in.
2. The ACCC would appreciate a more detailed description of the proposed arrangements. From the information already submitted, the notified conduct appears to be that franchisees will be offered a franchise agreement, on the condition that they must not obtain goods from alternative suppliers. In describing the conduct further, please clarify if this statement is correct.
3. An outline of the public benefits that will flow from the proposed arrangements.



To assist the ACCC in considering this notification, we would appreciate your response no later than **cob 7 August 2006**. A copy of this letter has been placed on the ACCC's public register. If you have any questions, or wish to discuss this matter further, please do not hesitate to contact Sheridan de Kruiff on 02 6243 1236.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Isabelle Arnaud', written in a cursive style.

Isabelle Arnaud
Director
Adjudication Branch