

**MacLeod, Heather**

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**From:** Schibello Service [anthony@schibellocaffe.com]  
**Sent:** Friday, 11 August 2006 8:52 AM  
**To:** Adjudication  
**Cc:** Tony Sorbello  
**Subject:** Submission from RHBL Re Notification N90853  
**Attachments:** Licencing - RHBL letter to ACCC.doc

Good morning,

I attach a letter indicating the position of the largest, in player participation, Junior Baseball League in Australia with regards to the ABF notification on licensing, which has also been added to the Pacific Coast Baseball League's submission.

Tony Sorbello

President

Ryde-Hornsby Baseball League

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

Dear sir,

**Re: Notification N90853 by the Australian Baseball Federation**

I write to make a submission regarding the above Notification. Ryde Hornsby Baseball League is not convinced that the merchandise licencing program is an appropriate way to achieve the stated objectives of the program.

Ryde Hornsby has made some brief attempts to source clothing from unlicenced suppliers and has found quoted price reductions of up to 30%.

We have sought competitive prices for only the playing tops for the representative teams. When considering only this one clothing item, for only the representative players, the total cost differential is equivalent to the revenue notionally received by Ryde Hornsby from the merchandise licencing program. Considering all the other clothing and equipment purchased by the representative players and club players, we believe that the additional costs imposed by enforced use of licenced suppliers is significantly greater than any revenue received. Given the small number of suppliers, it intuitively seems to reinforce the concerns of the ACCC that the lessened competition leads to a significant cost burden.

We are also concerned that the program is difficult to police. This makes the program less effective and creates inequities, which will continue to dog the program.

We suggest that a "unified image" could be achieved by other means. Logos or other forms of branding could be mandated and provided at a much lower cost.

As the pre-decision conference points out, the program raises less than \$2 per player. Given that this represents less than 2% of usual adult baseball playing fees and around 4% of child player fees, we submit that this increase in fee would not be noticed and would be a much more efficient means to raise revenue. We suggest that even if the merchandising program miraculously doubled in revenue, a similar doubling in fee to \$4 would still not be a major issue to participants. This increased fee would, of course, be more than compensated by reduced cost of clothing and equipment.

Ryde Hornsby believe that there are more efficient and less risky ways to achieve the stated objectives of this program, and that it appears that scrapping the program will provide substantial net savings to the participants in baseball.

Tony Sorbello  
President  
Ryde Hornsby Baseball League