

21st August 2006

FILE No:
DOC:
MARS/PRISM:

Mr Scott Gregson
General Manager, Adjudication Branch
Australian Competition & Consumer Commission
470 Northbourne Avenue
Dickson ACT 2602

Dear Mr Gregson,

Please find attached the exclusive dealing notification document for the planned activity between British Airways and Mastercard.

If you need further information, please do not hesitate to contact me.

Yours sincerely,



Edward Millington-Jones
Revenue Development Manager South West Pacific

AUST. COMPETITION & CONSUMER COMMISSION CANBERRA 24 AUG 2006
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FORM G
Commonwealth of Australia
Trade Practices Act 1974 – Subsection 93(1)
EXCLUSIVE DEALING
NOTIFICATION

N92614

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the Trade Practice 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 engages or proposes to engage

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

British Airways ("BA") ABN 74725650354

(b) **Short description of business carried on by that person:**

BA operates an international airline service

(c) **Address in Australia for service of documents on that person:**

Level 7, 141 Walker Street, North Sydney NSW 2060

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

Offer of reduced airfares on BA marketed flights between Australia and UK/Europe, as part of a promotional campaign, to persons who book their flight using a MasterCard credit card. The offer only applies to flights in Business and First class from Australia to UK and Europe via Bangkok and Singapore for sales from 21 August 2006 for travel from 01 December 2006 to 15 January 2007

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

BA proposes to run a promotional campaign from 21 August 2006 to 30 September 2006, offering reduced airfares for certain flights to consumers from Australia to UK and Europe on the condition that the consumer books such flights using their MasterCard. ("BA Campaign")

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

- Promote competition in the relevant markets by exerting pressure on competitors to offer similar reduced prices for airfares; and
- Encourage competitors to improve the value and quality of services that they provide to consumers.

The conduct will not lessen competition in the markets for the relevant products and services or result in any conceivable detriment to the public because:

- the BA Campaign will only be available for a short and limited period of six weeks;

- the BA Campaign will only apply to flights to certain destinations during a limited period;
- there is a substantial competition in the international airline market; and
- it will promote competition in the relevant markets by exerting pressure on competitors to offer similar reduced prices;

The applicant submits that the likely public benefits from the conduct outlined above will outweigh any possible public detriment.

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

Person who are or may be booking BA flights to which the BA Campaign applies.

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

(i) **At present time:**

Not applicable.

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

Not applicable.

(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:

Edward Millington-Jones
British Airways
Level 7, 141 Walker Street
North Sydney
NSW 2060
Phone. 02 9927 4845

Dated: 16 August 2006

Signed on behalf of the applicant



(Signature)
Edward Millington-Jones
Revenue Development Manager
South West Pacific