



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2006/1389
Contact Officer: Sheridan de Kruiff
Contact Number: 02 6243 1236

29 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 previous correspondence regarding 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. Franchisees must not utilise any other stock without the express written consent of Simon's Franchising.

On the basis of the information provided by Simon's Franchising, it is not intended that further action be taken in this matter at this stage.

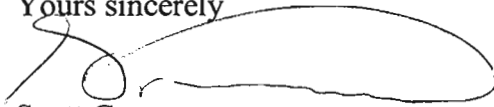
Please note that the ACCC may act to remove the immunity afforded by this notification at a later stage. The ACCC may revoke notifications of exclusive dealing (other than third line forcing) if the conduct has, or is likely to have, the purpose or the effect of substantially lessening competition and the ACCC is satisfied that: the conduct has not resulted or will not result in a benefit to the public; or the likely detriment to the public will outweigh any public benefit from the conduct constituted by any lessening of competition resulting from the conduct.

I would also like to take this opportunity to remind your client of potential obligations under the Franchising Code of Conduct, including disclosure.



A copy of this letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please feel free to contact Sheridan de Kruiff on 02 6243 1236.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a large, sweeping flourish extending to the right.

Scott Gregson
General Manager
Adjudication Branch