

## Stewart, Liam

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**From:** Stewart, Liam  
**Sent:** Thursday, 21 September 2006 11:13 AM  
**To:** 'mrowe@tennisaustralia.com.au'  
**Subject:** TRIM: COMPS application for authorisation [SEC=UNCLASSIFIED]

**Attachments:** COMPS - DRAFT DETERMINATION 20 9 06.pdf  
**ACCC Classification:** SEC=UNCLASSIFIED

Hi Michael,

### **Application for authorisation A91007 lodged by the Coalition of Major Professional Sports**

As discussed, the Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation lodged by the Coalition of Major Professional Sports (COMPS) on 12 July 2006.

A copy of the ACCC's draft determination is attached. For the reasons set out in its draft determination, the ACCC proposes denying authorisation to the proposed arrangements. A summary of the ACCC's reasons, as well as directions on how further submissions may be lodged, is provided below.



COMPS -  
DETERMINAT

### **Summary of reasons**

In relation to the potential public benefits of the arrangements, the ACCC is of the view that the proposed arrangements may generate some public benefits from allowing COMPS members to have greater input in contract negotiations. However, the ACCC considers that any such benefits would be diminished by the diverse nature of the parties and the proposed method by which they intend to conduct the collective negotiations.

In relation to potential anticompetitive detriments, the ACCC is of the view that the voluntary nature of the arrangements and the absence of boycott activity are likely to lessen any anticompetitive detriment which may result from the proposed arrangements.

However, the ACCC does consider that those arrangements may, to some extent, inhibit an apparent growing level of competition between COMPS members to supply information to sports betting operators. In addition, the ACCC considers that the proposed arrangements may result in increased costs for sports betting operators which they are likely to pass on to consumers.

Overall, the ACCC cannot be satisfied that the public benefits likely to result from COMPS collective bargaining arrangements would outweigh the potential anticompetitive detriments of those arrangements.

### **Next steps**

Once the ACCC issues a draft determination, COMPS or any interested party may request that the ACCC convene a 'pre-decision conference'. A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Under the *Trade Practices Act 1974*, the ACCC must set a date within 14 days of which any pre-decision conference must be requested.

Accordingly, if you wish the ACCC to hold a pre-decision conference in relation to the draft determination, you must notify the ACCC in writing by close of business **Thursday, 5 October 2006**. Conferences are conducted informally, without the participation of legal or other professional advisers.

You are also invited to make a further written submission in response to the ACCC's draft determination. Written submissions should be lodged by close of business **Friday, 13 October 2006**

In addition, ACCC staff would be happy to discuss this matter with you prior to these dates to clarify any concerns that you may have.

This email has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Liam Stewart on 02 6243 1275.

Yours sincerely

(Liam Stewart)  
Assistant Director  
Adjudication Branch