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# FORM G

Commonwealth of Australia  
Trade Practices Act 1974---Sub-section 93(1)



## EXCLUSIVE DEALING NOTIFICATION

N92678

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to in sub-section 47(2), (3), (4), (5), (6) or (7) or paragraph 47(8)(a), (b) or (c) or (9) (a), (b), (c) or (d) of that Act in which the person giving notice engages or proposes to engage.

1. (a) Name of person giving notice

Ms Linda Deans  
Automobile Association of the Northern Territory (ABN 65 007 527 371)

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

The Automobile Association of the Northern Territory (hereinafter referred to as "AANT") is a member organisation providing various services including emergency road service.

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

Automobile Association of the Northern Territory Inc.  
79-81 Darwin Street  
DARWIN NT 0800

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

Facilitating a member benefit program described under paragraph 2(b), to be named the "AANT Show Your Card & Save Program" (herein after referred to as the "SYCS Program")

(b) Description of the conduct or proposed conduct

Under the SYCS Program, a person who is a member of the AANT will be entitled to receive special benefits and discounts from various retailers and service providers (hereinafter referred to as "State and National Partners") and the AANT, upon presentation of a membership card or other membership verification.

State and National Partners will:

- (i) supply or offer to supply goods or services;
- (ii) supply or offer to supply goods or services at a particular price; and/or
- (iii) give or allow, or offer to give or allow, a discount, allowance, rebate or credit in relation to the supply of goods or services

to the person on the condition that the person is a member of one of the AANT.

State and National Partners may also refuse to:

- (i) supply or offer to supply goods or services;
- (ii) supply or offer to supply goods or services at a particular price; and/or
- (iii) give or allow, or offer to give or allow, a discount, allowance, rebate or credit in relation to the supply of goods or services

to the person unless the person is a member of the AANT.

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

Those persons who are members of the AANT.

- (b) Number of those persons

(i) At present time 14,900

(ii) Estimated within the next year 15,200

- (c) Where number of persons stated in Item 3(b)(i) is less than 50, their names and addresses

Not applicable.

4. Names and address of person authorised by the person giving this notice to provide additional information in relation to this notice

Ms Linda Deans  
Automobile Association of the Northern Territory Inc.  
79-81 Darwin Street  
DARWIN NT 0800  
Phone: 08 8981 3837  
Fax: 08 8941 2965

Dated:

Signed by/on behalf of the applicant giving notice

*L J Deans*  
.....  
(Signature)

*LINDA I DEANS*  
.....  
(Full Name)

*GENERAL MANAGER*  
.....  
(Description)

## DIRECTIONS

1. If there is insufficient space on this form for the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the person giving the notice.
2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in Item 1(a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. In Item 1(b), describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in sub-section 47(2), (3), (4), (5), (6), (7), (8) or (9) of the *Trade Practices Act* 1974 have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. In Item 3(a) describe the nature of the business carried on by the persons referred to in that item.
6. In Item 3(b)(ii), state an estimate of the highest number of persons with whom the person giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.

## NOTICE

If this notification is in respect of conduct of a kind referred to in sub-section 47(6) or (7) or paragraph 47(8)(c) or (9)(d) of the *Trade Practices Act* 1974 ("the Act"), it comes into force at the end of the period prescribed for the purposes of subsection 93(7)(a) of the Act ("the prescribed period") unless the Commission gives a notice under sub-section 93A(2) of the Act within the prescribed period, or this notification is withdrawn.

The prescribed period is 21 days (if this notification is given on or before 30 June 1996) or 14 days (if this notification is given after 30 June 1996) starting on the date when this notification is given.

If the Commission gives a notice under sub-section 93A(2) of the Act within the prescribed period, this notification will not come into force unless the Commission, after completing the procedures in section 93A of the Act, decides not to give a notice under subsection 93(3A) of the Act. The notification comes into force when that decision is made.

If this notification is in respect of conduct of a kind referred to in subsection 47(2), (3), (4) or (5) or paragraph 47(8)(a) or (b) or (9)(a), (b) or (c), of the Act, it comes into force when it is given.



## AANT Show Your Card & Save

### Exclusive Dealing Notification

### Supporting submission to Form G

#### Background

The Automobile Association of the Northern Territory Inc. conducts a member benefit program designed to offer special benefits and discounts to its Members. The program involves an agreement between the AANT and various retail operators to facilitate the offerings to AANT Members, in exchange for exposure of the retail operators through the AANT's channels, to AANT Members'.

#### Market characteristics

The AANT currently has **14,900** Members in the Northern Territory (as at 4th October 2006).

#### Parties to the conduct at issue:

AANT (ABN 13 431 478 529)  
Solver Paints (W P Crowhurst Pty Ltd) (ABN 65 007 527 371)  
Bridgestone Australia Ltd (ABN 65 007 516 841)  
Hertz Australia (ABN 31 004 407 087)  
Universal Publishers Pty Ltd (ABN 83 000 087 132)  
O'Brien Glass Ind Ltd (ABN 74 000 022 275)  
Palmerston Sports Club Inc (ABN 73 506 470 278) & Casuarina All Sports Club Inc. (ABN 12 559 722 723)  
Brumby's WA/NT (Wishaw Holdings) (ABN 87 009 049 076)  
Hidden Valley Tavern (JTR Investments Pty Ltd) (ABN 95 009 653 383)  
The Outback Experience (ABN 61 301 530 774)

#### How the conduct operates in practice

The AANT Inc has formulated agreements with the above parties (called "Retail Partners"), to supply specific benefits and/or discounts to AANT Members upon presentation of a Membership card at the point of purchase in a retail outlet, or upon quotation of a Membership number for phone or web orders. Each Retail Partner in the program is the sole participant in their industry, and will be promoted as an official program partner.

The program is designed as an AANT Member 'reward' for continued Membership, therefore, the supply of the discount or special offer on goods or services by a Retail Partner, to a customer under the program, requires the customer to be a current AANT Member.

The AANT Inc is the architect and promoter of the program and will also offer discounts and benefits exclusively to Members through its own retail products and services. Retail Partners supply the benefits/discounts. In exchange for the benefits/discounts supplied to Members, the AANT promotes the Retail Partners and their offers to AANT Members – through direct channels and via mass media in the Northern Territory.

Benefits and discounts offered under the program range from % or \$ discounts, to gifts-with-purchase or free added features (such as free extended warranty). Benefits and discounts may be offered for selected, single products/services, or across a given Retail Partners' entire product/service range.

Under the program, a Retail Partner may refuse to give or allow a discount on supply of their goods/services to a person because he/she is not an AANT Member (and therefore unable to produce an AANT Membership card). While this behaviour may represent a contravention of Section 47(7) of the Trade Practices Act, its nature is not anti-competitive and will in fact serve to increase competition in the industries for which there are participating Retail Partners. Similarly, if the Retail Partner informs a customer that a discount will be offered if he/she joins the AANT, there will be an apparent contravention of Section 47(6) of the TPA. As most Retail Partners will be offering other discounts to the general public, it will be easy for an alternative discount to be offered to the non-AANT Member, and in fact Retail Partners will be instructed to provide this alternative in order to minimise any negative impact.

### Nature of public benefit/detriment

It is believed this program will result in significant benefits to the public in the Northern Territory, both directly to those who are AANT Members, and indirectly by encouraging competitors to make available further offers and benefits. It is anticipated that this will outweigh any negative impact from the program, and in fact would not have any accompanying anti-competitive detriment. To elaborate:

- 1 Member participation in purchasing goods or services from Retail Partners under the program is voluntary, and therefore the conduct is not inherently anti-competitive. The AANT has no involvement in the production or pricing of the goods or services offered by Retail Partners in the program, therefore AANT Members are at liberty to adequately compare prices from Retail Partners in the program with retailers not involved, and therefore make an informed decision on the Retail Partners' offers. Further, there is an inherent public benefit in the conduct as AANT Members can obtain genuine savings on the products offered.
- 2 Because of the extent of program, it is believed that the program may encourage positive competitive activity amongst the industries which have Retail Partners represented in the program. In other words, because the program will be promoted extensively to the AANT Member base (and therefore each participating Retail Partner will be promoted as an official program partner), it will encourage competitor retail operators who are not part of the program, to improve their offerings and promotion of similar benefits to the general public.
- 3 For Retail Partners, this program represents an alternative promotional mechanism to traditional mass-media. Most retailers participating in the program are already offering other discounts to either the general public or selected groups (such as their own loyal customers). Without the program, this would continue.

### Overview of business of various market participants

Solver Paints	Manufacture & Market Surface Coatings (Paint Products).
Bridgestone Australia	Supply of Tyres & Batteries. Providing Wheel Alignment and Wheel Balance.
Hertz Australia	Supply of cars and other vehicles.
Universal Publishers Pty Ltd (Gregory's)	Publish & supply Maps, Guides and Books.
O'Brien	Supply & repair of glass products.
Palmerston Sports Club Inc & Casuarina All Sports Club Inc	The Palmerston Sports Club and Casuarina All Sports Club are an entertainment based service provider.
Brumby's Bakery	Brumby's is a specialty bread retailer. Bread is baked daily at each location using the traditional scratch banking methods. Brumby's also offer a variety of Pies, Pastries and Drinks.
Hidden Valley Tavern	Liquor Retailer, Restaurant, Bar.
The Outback Experience	Days tour operator from Alice Springs.
InterContinental Hotels Group	Offering Accommodation and Tours throughout the Northern Territory