



**Australian
Competition &
Consumer
Commission**

Our Ref: C2006/1868
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9 November 2006

By facsimile: 03 9679 3111

Stephen Ridgeway
Partner
Blake Dawson Waldron
GPO Box 4958
MELBOURNE VIC 3001

Dear Mr Ridgeway

**Third line forcing notification N41022 lodged by
Allco Principal Finance Nominees Pty Ltd (Allco)
as trustee for Gateway Pharmacy Finance Trust**

Thank you for your letter of 20 October 2006 in response to our initial information request. As you are aware, the notification involves Allco offering discounted commercial credit to retail pharmacy businesses on condition that pharmacies acquire a minimum level of 85% trading stock on an ongoing basis from Sigma.

Legal immunity conferred by the notification commenced on 12 October 2006.

The purpose of this letter is to seek further information that will assist our assessment of the notification. While I note that Sigma is a full-line wholesaler, the ACCC would be concerned if, in order to meet the ongoing levels of trading stock under the notified arrangement, pharmacists were less likely to recommend particular products to customers than they otherwise would. In this regard, can you please confirm whether Sigma provides a full range of pharmaceutical products to each pharmaceutical retailer and any information you can provide relevant to this concern? A detailed response explaining your answer would assist.



I look forward to receiving your response by 20 November 2006. This letter 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 Ms Tina Pigliardo on (03) 9290 1481 or at tina.pigliardo@acc.gov.au or Ms Jaime Norton on (03) 9290 1477 or at jaime.norton@acc.gov.au.

Yours sincerely

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

Scott Gregson
General Manager
Adjudication Branch