

# SunbeamFoodsGroup Limited

---

31<sup>st</sup> October 2007

Mr Gavin Jones  
Director  
Australian Competition and Consumer Commission  
GPO Box 520  
MELBOURNE VIC 3001

**By Facsimile:** (03) 9663 3699

Dear Mr Jones

**Victorian Farmers Federation (Sunraysia Branch) application for authorisation  
– A91064**

I acknowledge receipt of your letters dated 18 October 2007 addressed to Sunbeam Foods and Angas Park.

Sunbeam Foods Pty Ltd and Angas Park Fruit Company Pty Ltd are controlled entities of Sunbeam Foods Group Limited (Sunbeam) and I am responding on behalf of both companies.

I am aware that Hank Spier who has been engaged by Sunbeam has been in contact with the ACCC regarding a time extension and I confirm that we will be in a position to provide a more detailed submission to you by 7 November 2007.

While not exhaustive there are a number of matters and corrections that Sunbeam wishes to put on record at this point in time and these are:

1. There is in existence a growers Consultative Committee set up between Sunbeam and the ADFA (Australian Dried Fruits Association)
  - (i) The Consultative Committee has been in operation since 2004 and was established at the time Sunbeam acquired Angas Park.
  - (ii) Sunbeam and the ADFA each independently advised the ACCC at the time that agreement was reached to establish a Sunbeam/ADFA Consultative Committee to facilitate high level discussion and exchange of information related to dried grape marketing, pricing and grower contracts including terms and conditions.
  - (iii) This Consultative Committee, while voluntary continues to operate with the support of both parties.

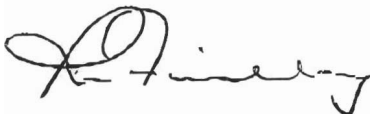
2. Sunbeam is happy with the forum of the Consultative Committee and does not wish to engage in collective bargaining. The ADFA is aware of Sunbeam's position.
3. Sunbeam believes that there will be no public benefit gained by engaging in collective bargaining with the VFF or any other party and believes that any collective negotiations including those relating to dried fruit prices are more likely to adversely impact on prices paid by consumers.
4. Of the 42 current members listed by the VFF in their submission, only 14 of those are active in the dried fruit industry. Those members supplied 11% of Sunbeam's dried vine fruit intake in 2007 which was less than 10% of the industry's total intake for the year.
5. In early October of this year, Sunbeam announced its prices for 2008 dried vine fruit. The prices are the minimum prices Sunbeam will pay to contracted growers and are available to any non-contracted grower who wishes to contract their fruit to Sunbeam.

Sunbeam is therefore opposed to VFF's application for authorisation to collectively negotiate the terms and conditions (including price) of dried vine fruit.

It is Sunbeam's intention to continue to support the consultative process set up in 2004 with the ADFA to promote fairness and confidence between Sunbeam and its growers.

Sunbeam will provide the ACCC with further submissions by 7 November 2007 and in the meantime if you have any questions please feel free to contact me.

Yours sincerely



Richard Findlay  
Chief Operating Officer

Mobile: 0418 449 550

Email: [richardfindlay@sunbeamfoods.com.au](mailto:richardfindlay@sunbeamfoods.com.au)