

AUST COMPETITION &  
CONSUMER COMMISSION  
BRISBANE

23 NOV 2007

**BY HAND**

Australian Competition & Consumer Commission  
Level 3  
500 Queen Street  
BRISBANE QLD 4000

23 November 2007

Dear Sir/Madam

FILE No:

DOC:

MARS/PRISM:



ACN 003 377 188

Level 13, 316 Adelaide St  
Brisbane Qld 4000

Tel +61 7 3032 9063

Fax +61 7 3032 9051

vicki.tzimas@legal.flightcentre.com

**RE: NOTIFICATION – FORM G**

Flight Centre Limited ("FCL") seeks confirmation from the Australian Competition & Consumer Commission that certain conduct that FCL proposes to undertake will not offend the third line forcing provisions of the *Trade Practices Act 1974* (Cth).

Please find **enclosed** a:

- Form G
- cheque for \$100 as payment of the applicable filing fee

on behalf of Flight Centre Limited.

We look forward to hearing from you.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Vicki Tzimas", written over a light blue horizontal line.

Vicki Tzimas  
Legal Counsel

# Form G

Commonwealth of Australia  
*Trade Practices Act 1974 — subsection 93 (1)*

## NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

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

### 1. Applicant

- (a) Name of person giving notice:

Flight Centre Limited, ABN 25 003 377 188 *NA 3231*

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

Travel agency services

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

Suite 10, Level 13, 316 Adelaide Street, Brisbane, Queensland, 4000

### 2. Notified arrangement

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

Transaction settlement system / payment gateway provided by Moneydirect Pty Ltd

- (b) Description of the conduct or proposed conduct:

Flight Centre Limited (FCL) proposes to require suppliers (other than airlines) to use a nominated transaction settlement system.

### 3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

- (a) Class or classes of persons to which the conduct relates:

Suppliers of travel goods and services other than airlines or those with whom FCL's transaction value is sufficiently low that FCL is willing to accept the financial risk posed by not using a nominated payment gateway.

- (b) Number of those persons:

- (i) At present time:

Between 65 and 80 suppliers.

- (ii) Estimated within the next year:  
(Refer to direction 6)

FCL expects this figure to remain within the range nominated in 3(b)(i).

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

Not applicable.

#### 4. Public benefit claims

- (a) Arguments in support of notification:

**1. Efficiency:** The use of a single nominated transaction settlement system is more efficient than the use of several systems for several reasons including that it requires less internal resources within FCL than would be required to administer several systems. This benefits shareholders of the company, who are members of the public, by reducing FCL's overheads and may also benefit consumers to the extent that less costs are passed on.

**2. Accurate record keeping:** Use of the nominated payment gateway system would enable FCL to better audit commissions paid to it. This is because such a system would offer a common reservations record from which commission calculations could be derived. This would benefit shareholders of FCL, who are members of the public, by helping to ensure commissions are paid in full.

**3. Security:** The electronic exchange of funds is more secure as funds cannot be physically removed from Flight Centre Limited's premises.

**4. Booking confirmation:** Many suppliers require receipt of payment before confirming reservations. In some cases, a customer may fail to secure a reservation if funds are not processed within a prescribed time frame. The transmission of electronic payment improves a customer's prospects of securing a reservation. Once suppliers receive payment, a booking number is provided to FCL which FCL, in turn, can provide to the customer to provide them certainty about their planned journey.

- (b) Facts and evidence relied upon in support of these claims:

Please contact the persons nominated below if you require further facts in support of the above.

#### 5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including:

significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):

The market in which the services are supplied or acquired is the market for electronic payment settlement systems. FCL understands that the use of such systems is very common in commerce.

## 6. Public detriments

- (a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:

Not applicable.

- (b) Facts and evidence relevant to these detriments:

Not applicable.

## 7. Further information

- (a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Greg Pringle Company Secretary Flight Centre Limited Suite 10, Level 13 316 Adelaide Street Brisbane QLD 4000 Fax: 07 3032 9051	Vicki Tzimas Legal Counsel Flight Centre Limited Suite 10, Level 13 316 Adelaide Street Brisbane QLD 4000 Fax: 07 3032 9051
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Dated.....23 November 2007.....

Signed by/on behalf of the applicant

  
.....  
(Signature)

GREGORY PETER PRINGLE  
.....  
(Full Name)

FLIGHT CENTRE LIMITED  
.....  
(Organisation)

COMPANY SECRETARY  
.....  
(Position in Organisation)



## DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

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. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 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. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.