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Our ref SHS:1003363

AUST. COMPETITION & CONSUMER COMMISSION SYDNEY
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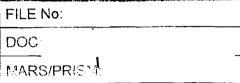


LAWYERS

#### 20 December 2007

## By hand

Scott Gregson
General Manager, Adjudication
Australian Competition and Consumer Commission
C/- Level 7
Angel Place
123 Pitt Street
SYDNEY NSW 2000



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Dear Mr Gregson,

# **Notification of Exclusive Dealing**

Please find enclosed a notification on behalf of Vodafone Pty Limited under s 93(1) of the *Trade Practices Act.* 

We enclose a cheque in the amount of \$100, being the required filing fee.

Please do not hesitate to contact me if you would like to discuss this notification.

Yours sincerely

Simon Snow

Partner

T +61 2 9263 4246 ssnow@gtlaw.com.au

International associate



#### Form G

## Commonwealth of Australia

Trade Practices Act 1974 — subsection 93 (1)

## NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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.

#### Please follow directions on back of this form

- 1 Applicant
- (a) Name of person giving notice:

N93254

Vodafone Pty Limited, ACN 062 954 554 (Vodafone).

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

The supply of mobile telecommunications goods and services.

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

Simon Snow Partner Gilbert + Tobin Level 37, 2 Park Street Sydney NSW 2000

## 2 Notified arrangement

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

The supply of mobile telecommunications goods and services.

(b) Description of the conduct or proposed conduct:

See Attachment A.

- 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:

Persons who are:

members of the Housing Industry Association (HIA);

- · employees of the HIA; or
- employees of members of the HIA,

and who acquire or will acquire mobile telecommunications services from Vodafone.

- (b) Number of those persons:
  - (i) At present time:
  - (ii) Estimated within the next year:
    - (A) the number of employees of HIA and of HIA members is approximately 50,000;
    - (B) estimated within the next year: as above.
- (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:

See Attachment A.

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

See Attachment A.

#### 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):

See Attachment A.

### 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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

#### 7 Further information

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

Simon Snow Partner Gilbert + Tobin Level 37, 2 Park Street Sydney NSW 2000 T +61 2 9263 4246

Dated 20 Decembr 2007

Signed on behalf of the applicant

AUST. COMPETITION & CONSUMER COMMISSION
SYDNEY
2 0 DEC 2007

Simon Snow Gilbert + Tobin

Partner

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#### DIRECTIONS

- 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.
- 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.
- 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.
- 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.
- 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.
- 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.

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#### Attachment A

# 1 Notifying party

## Vodafone Pty Limited (ACN 062 954 554).

Vodafone Pty Limited (**Vodafone**) is a telecommunications company that supplies mobile telecommunications goods and services to customers in Australia.

# 2 The proposed conduct

Vodafone proposes to offer:

- members of the Housing Industry Association (HIA) (ACN 004 631 752);
- employees of the HIA; and
- employees of member companies of the HIA,

eligible to join the HIA closed user group (**Members**), benefits in connection with the supply of Vodafone goods and/or services (**proposed conduct**). The benefits may include offering goods and/or services at a discount or offering an allowance, rebate or credit in relation to the supply of those goods and/or services.

The proposed conduct will include, but is not limited to, offering free telephone calls to other Members and other telephone calls at a reduced rate.

Vodafone may refuse to offer the benefits to people who are not Members.

Vodafone proposes to engage in the proposed conduct until further notice.

There is an argument, which is not necessarily accepted by Vodafone, that the conduct may amount to contraventions of s 47(6) or s 47(7) of the *Trade Practices Act 1974*.

# 3 Public benefits/public detriment

The proposed conduct will generate public benefits as it will:

- provide customers with substantial savings on the cost of telecommunications services generally, and those services specifically offered by Vodafone; and
- promote competition in the relevant markets by encouraging competitors of Vodafone to offer similar benefits.

Vodafone also considers that the proposed conduct will not result in any lessening of competition because:

- the customer is free at all times to acquire mobile telecommunications services from other suppliers; and
- the customer is free at all times to acquire mobile telecommunications services from Vodafone at normal rates.

The proposed conduct provides a tangible benefit and no detriment to the consumer. Further, it causes no detriment to any competitor of Vodafone beyond legitimate competitive conduct.

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# 4 Markets affected

The relevant markets in which to consider Vodafone's proposed conduct are the markets in which mobile telecommunications goods and services and membership in the HIA are supplied.

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