# **CLAYTON UTZ**

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AUST. COMPETITION & CONSUMER COMMISSION SYDNEY

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Lawyers Levels 19-35 No. 1 O'Connell Street Sydney NSW 2000

Australia

Clayton Utz

PO Box H3 Australia Square Sydney NSW 1215 DX 370 Sydney

T +61 2 9353 4000 F +61 2 8220 6700 www.claytonutz.com

21 December 2007 **By Hand** 

Mr Scott Gregson The General Manager Adjudication Branch

Australian Competition and Consumer Commission

Level 7, Angel Place 123 Pitt Street Sydney NSW 2000

Our reference: 187/14602/00003333

FILE No

DOC:

MARS/PROS

Dear Mr Gregson

# Third Line Forcing Notification - AMP Capital Office and Industrial Pty Ltd ("O&I")

Please find enclosed:

- a notification under section 93(1) of the Trade Practices Act 1974 prepared on behalf of O&I; and
- a cheque in the amount of \$100 representing the lodgement fee.

If you have any questions concerning this notification, please do not hesitate to contact us.

Yours sincerely

Michael Corrigan, Partner

+61 2 9353 4187/

mcorrigan@claytonutz.com

Contact: Emily Hawcroft, Solicitor

+61 2 9353 5813

ehawcroft@claytonutz.com

Enclosure



# 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.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

## 1. Applicant

(a) Name of person giving notice: (Refer to direction 2)

N93260

AMP Capital Office and Industrial Pty Ltd ABN 44 099 105 094 ("O&I") (for and on behalf of itself and AMP Capital Investors Limited ABN 59 001 777 591 ("ACI")).

(b) Short description of business carried on by that person: (Refer to direction 3)

ACI is a specialist investment manager, providing specialist investment opportunities to suit our clients' individual needs. O&I is one of the industry's largest in-house asset, property and development management teams, bringing specialist skills and extensive experience to the management of ACI's Australian property portfolio. O&I manages a portfolio of more than 1.2 million square metres over 86 properties including Sydney's Angel Place. O&I manages property for investors including superannuation companies.

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

Clayton Utz Solicitors Levels 19 - 35 No. 1 O'Connell Street Sydney NSW 2000

Telephone: (02) 9353 4000 Fax: (02) 8220 6700

Attention: Michael Corrigan / Emily Hawcroft

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## 2. Notified arrangement

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

The services to which this notice relates is the acquisition by O&I, on behalf of ACI, of property maintenance services from contractors such as plumbers and electricians for the various properties managed by ACI.

(b) Description of the conduct or proposed conduct:

O&I will engage contractors to provide property maintenance services for the ACI portfolio on the condition that the contractors become members of The International Compliance Information Exchange ("iCiX") and establish their own business site within iCiX ("Conduct"). iCiX is an online application for the exchange of compliance documentation between O&I and its contractors on an ongoing basis.

(Refer to direction 4)

# 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: (Refer to direction 5)

Contractors providing property maintenance services.

- (b) Number of those persons:
  - (i) At present time:

331.

(ii) Estimated within the next year:

(Refer to direction 6)

Not expected to be materially different to the number at present time.

(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: (Refer to direction 7)

The main benefit in having contractors as members of iCiX is that it enables a more robust register of contractor insurance and any relevant trade licences and greatly reduces any risk of contractors who do not have adequate insurance cover from working on various properties managed by ACI. iCiX enables O&I to check that contractors have current public

liability, workers compensation, professional indemnity and other relevant insurances. The expected benefits arising out of the Conduct are passed on to tenants and visitors to ACI's buildings. As controller of premises (under the *Occupational Health & Safety Act 2000* (NSW) and other state based legislation), the Conduct assists in ACI's risk management approach to protect ACI's tenants and visitors to ACI's buildings, and ultimately benefits investors across Australia.

In the future the system is intended to be utilised for other compliance information such as 'Contractor Inductions' as required by various state legislation. By utilising the iCiX systems ACI will benefit from a more efficient online system when engaging existing contractors and for checking of insurances for new contractors.

Moreover, the Conduct will encourage competition both amongst contractors to improve and maintain standards and compliance.

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

None in addition to those facts already described 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): (Refer to direction 8)

#### The markets

- the markets for the acquisition of property maintenance services from contractors; and
- the market in which the services described in 2(a) above are supplied.

#### 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:

(Refer to direction 9)

The public benefits described in 4(a) above outweigh any perceived public detriments. A contractor who does not wish to be a member of iCiX is free to operate as a contractor for other property managers. There will continue to be vigorous and effective competition in the relevant markets. The Conduct will have negligible, if any, impact on competition in those markets.

O&I notes the small number of contractors, relative to the overall size of the market for the provision of these services, affected by the Conduct and their choice as to whether to supply their services to O&I.

(b) Facts and evidence relevant to these detriments:

None in addition to those facts already described above.

#### 7. Further information

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

Clayton Utz Solicitors Levels 19 - 35

No. 1 O'Connell Street

Sydney NSW 2000

Telephone: (02) 9353 4000 Fax: (02) 8220 6700

Attention: Michael Corrigan / Emily Hawcroft

Dated. 2 1 12 67

Dated. Signed by/on behalf of the applicant

(Signature) CANTON OTZ

(Organisation) PATNER

(Position in Organisation)

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#### **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.