



**Australian
Competition &
Consumer
Commission**

Our Ref: C2007/438
Contact Officer: Monica Bourke
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7 February 2007

Tamra Seaton
Partner
Deacons
GPO Box P1225
Perth WA 6000

Dear Ms Seaton,

Re: City Farmers Franchising Pty Ltd – Notification N92782

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 31 January 2007. The notification has been placed on the ACCC's public register.

City Farmers proposes that under the Franchise Agreement, in the operation of the franchised business, City Farmers Franchisees may only acquire Authorised Products for use or supply in the franchised business from City Farmers or from Approved Suppliers.

Legal immunity conferred by the notification will come into force on 14 February 2007.


On the basis of the information that you have provided, it is not intended that further action be taken in this matter at this stage.

As with any notification, please note that the ACCC may act to remove the immunity afforded by the notification at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

In addition, I bring to your attention the requirements under the Franchising Code of Conduct and in particular, the requirement for a franchisor to disclose in the Franchise Disclosure Document any commission or rebate received through an agreement with a third party supplier.

A copy of 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 Monica Bourke on (02) 6243 1351.

Yours sincerely


Scott Gregson
General Manager
Adjudication Branch

