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# LE MAX GROUP

## S U P E R M A R K E T S



INCORPORATING



17<sup>th</sup> April, 2007

The General Manager  
 Adjudication Branch  
 Australian Competition and Consumer Commission  
 P.O. Box 1199  
 Dickson A.C.T. 2602

Dear Sir,

**Notification Number 92852 lodged by Metcash Trading Ltd (Metcash)**

Thank you for the invitation to comment on the above mentioned matter.

We operate five supermarkets under two brands, Leo's Fine Food & Wine and Maxi Foods. Both these operations cater for the extreme ends of their market place. To simplify our head office and administration functions we use the name Le Max Group.

The following table simplifies a breakdown of our operation for your interest.

Brand	Location	Lanes per store
Maxi Foods	Blackburn North	18
Maxi Foods	Carrum Downs	18
Maxi Foods	Upper Ferntree Gully	19
Leo's Fine Food & Wine	Heidelberg	20
Leo's Fine Food & Wine	Kew	15
Total		90

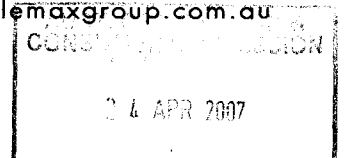
In addition to the above, we are currently developing two new stores which are over 3,200sq.m that we expect to be operational prior to the Metcash request to eliminate Fujitsu as a preferred supplier of the Point of Sale maintenance. The new stores will add an additional 36 lanes to our operation.

Since the introduction of scanning into Australia, we have used Fujitsu equipment, both hardware and software. We continue to use this equipment because it is reliable, simple to use and its functioning is familiar to all our staff. All our staff training manuals make reference to the Fujitsu systems.

**1 3 3 B U R G U N D Y S T R E E T H E I D E L B E R G V I C T O R I A 3 0 8 4**

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Upon receiving your correspondence suggesting that Metcash did not include Fujitsu as a preferred supplier, I was confused but not surprised.

Fujitsu is one of the largest suppliers of scanning equipment. Their brand is used by the chain stores in Australia as well as throughout the world. There are a considerable number of multi store and single store independent operators in Australia who use their systems.

I requested from Metcash what our position would be relating to P.O.S. equipment if Fujitsu were not a preferred supplier and have enclosed a number of emailed responses which are from different addresses but relate to the same matter.

I estimate if we have to change the hardware and software plus modify all our training modules and retrain all our staff, the cost to us would be in excess of \$2 million dollars, which is a cost we could not justify. Additionally, there are of course many other operators who use the Fujitsu system.

In conclusion, I do not have a problem with Metcash limiting the number of host companies they wish to support providing they look after the mainstream operators. I strongly urge the A.C.C.C. to insist that Fujitsu be one of the preferred suppliers to the Metcash P.O.S. systems.

Yours faithfully,

A handwritten signature in cursive script that reads "Leo W. Blake". The signature is written in dark ink and is positioned above the typed name and title.

Leo W. Blake  
Director