

Our Ref: C2007/744  
Contact Officer: Sharon Clancy  
Contact Number: (02) 6243 1217



Australian  
Competition &  
Consumer  
Commission

11 May 2007

Faxed 11/5/07

SC

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Dear Mr Lee

**Third line forcing notification lodged by The Flood Company Australia Pty Ltd (N92862)**

I refer to your letter received by the ACCC on 9 May 2007 concerning the above third line forcing notification.

Under the notified conduct, The Flood Company Australia Pty Ltd (the franchisor) will require its franchisees to purchase paints and surface-coating products from the franchisor and/or other approved suppliers.

In your letter, you advise that the franchisor has reviewed its business arrangements and as a result, the franchisor will not require franchisees to obtain any paint and surface coat products from any third party supplier.

To the extent that the franchisor's new arrangements may raise issues under section 47 of the *Trade Practices Act 1974* (the Act), they are not protected by notification N92862,

If the notified conduct is no longer proceeding, I seek your advice as to whether your client intends to withdraw the notification. Section 93(7C) of the Act provides that the legal protection conferred by the lodging of a third line forcing notification ceases to be in force when the notice is withdrawn. You may withdraw the notification by writing to the ACCC and advising that the notification is withdrawn. However, please note that section 93(10) of the Act limits that ability for the notification to be re-lodged at a later date.

I seek your response advising whether the notification will be withdrawn by 23 May 2007.

If you wish to discuss any aspect of this matter, please do not hesitate to contact Sharon Clancy on (02) 6243 1217.

Yours sincerely

Scott Gregson  
General Manager  
Adjudication Branch

