

25 July 2007

TO AUSTRALIAN COMPETITION & CONSUMER COMMISSION
Attention Molly Choucair

FROM Ross & Forrest YOUNG
G.A.YOUNG & SONS
PO Box 90 Kalangadoo SA 5278

RE South East of SA Potato Growers Association's application for authorisation A91057

Dear Sirs,

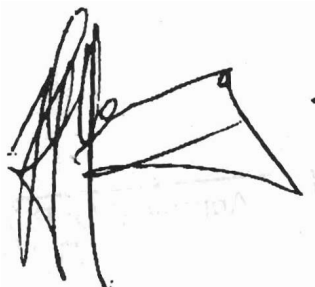
In supporting the above application we wish to draw your attention to the following factors;-

1. The potato varieties used for processing into frozen products are not ones that are readily known or able to be used in the fresh potato or crisp markets.
2. Farmers in our area , growing these varieties of potatoes , have no significant market other than McCain / Safries.
3. The Australian market for frozen processed potato products is mainly supplied by the McCain group and the Simplot / Edgell group, who are of similar capacity.
4. Imports are not restricted in any way, and form a significant force in the market place.

It is obvious that consumers are well protected by the competitive forces of two major and several small local processors together with significant actual and possible imports .

WE as growers having no alternative markets , know that the pricing pressure placed on McCain / Safries by other processors and imports severely limit the extent to which our prices can be improved . However, as small individuals supplying a major firm we are vulnerable to price exploitation .

IN summary, we contend that for a group of growers supplying a large processor in a competitive market place, our interests are better protected and simplified if we can negotiate as a group for general terms and conditions of supply that are then individually taken up .

A handwritten signature in black ink, appearing to be 'Ross & Forrest Young', written over a faint rectangular stamp or box.