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Our Ref: C2007/14670 Contact Officer: Gina D'Ettorre Contact Phone: 03 9290 1483

9 August 2007

BY EMAIL

Dear Sir/Madam

Application for authorisation A91058 lodged by Office Choice Limited, Office National Limited and Office Products Depot Limited (collectively the Office Group) – draft determination and request for interim authorisation

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation lodged by the Office Group on 12 July 2007.

The Office Group is seeking authorisation to collectively bargain, and/or appoint a representative to collectively bargain on their behalf, the terms and conditions on which office products are sold by suppliers to them and their present and future franchisees and members.

Having considered the application and submissions from the Office Group and interested parties, the ACCC proposes to grant authorisation for six years. A copy of the draft determination is attached.

Interim authorisation

The ACCC has also decided to grant interim authorisation to the Office Group to allow them to commence collective negotiations with office products suppliers for the 2008-09 supply year.

In making this decision, the ACCC was influenced by the voluntary nature of the arrangements, the absence of collective boycotts and the assurance by the Office Group that should the ACCC deny authorisation any agreements entered into during the interim period will not be binding on the parties.

Interim authorisation protects the arrangements for which authorisation is sought from legal action under the relevant provisions of the *Trade Practices Act 1974* until the ACCC issues a determination in this matter (unless circumstances warrant revocation or amendment of the interim authorisation at an earlier stage).

Next steps

Once the ACCC issues a draft determination, the Office Group or any interested party who may be dissatisfied with the ACCC's draft determination may request that the ACCC convene a 'pre-decision conference'. A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Under the *Trade Practices Act 1974*, the ACCC must set a date within 14 days of which any pre-decision conference must be requested. Accordingly, if you wish the ACCC to hold a pre-decision conference in relation to the draft determination, you must notify the ACCC in writing by close of business Wednesday, 22 August 2007. Conferences are conducted informally, without the participation of legal or other professional advisers.

Alternatively, you are also invited to make a written submission in response to the ACCC's draft determination. Written submissions should be lodged by Wednesday, 29 August 2007 at the following address:

The General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Submissions can also be lodged by e-mail to <u>adjudication@accc.gov.au</u> or by facsimile on 02 6243 1211.

Persons lodging a submission with the ACCC may request that information included in the submission be excluded from the public register in certain circumstances. Submissions which are excluded from the public register may still be taken into account by the ACCC when conducting its assessment of an authorisation application. Guidelines for seeking exclusion from the public register are attached for your information.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-determination conference be called, and will then release a final determination in relation to the Office Group's application.

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 Gina D'Ettorre on 03 920 1483.

Yours faithfully

Gavin Jones

Adjudication Branch

Interested Parties

Acco Aust

Avery Dennison Office Products

Bantex Pty Ltd

BIC Australia Pty Ltd

Dalton Packaging Pty Ltd

Proctor and Gamble

Esselte Australia Pty Ltd

Fellowes Manufacturing P/L

Imation

Mitsubishi Pencil Australia

Jasco P/L

Pelikan Artline

Pentel Australia

Sanford Australia

PaperlinX Office

Staedtler (Pacific) Pty Ltd

3M Australia Pty Limited

Office Max Australia Pty Ltd

Corporate Express Australia Limited

Officeworks Superstores Pty Ltd

Australian Newsagents Federation Limited

Woolworths Ltd