



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2007/1661
Contact Officer: Hew Atkin
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5 September 2007

Ms Kate Haddock
Partner
Banki Haddock Fiora Lawyers
Level 10, 179 Elizabeth St
Sydney NSW 2000

Dear Ms Haddock

Third line forcing notification No. N93103 lodged by Nestlé Australia Limited

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (ACCC) on 27 August 2007. The notification has been placed on the ACCC's public register.

I also note your conversation of 28 August 2007, with David Hatfield of this office, in which you confirmed that the notified conduct did not extend to a requirement on franchisees to purchase products from Nestlé Australia Limited.

Accordingly, the notified conduct is described as follows:

Nestlé Australia Limited, as franchisor of Antica Gelateria Del Corso in Australia, will require its franchisees to acquire products from Approved Suppliers on the Approved Suppliers' then current terms (Clause 7.3 of the Franchise Agreement).

Legal immunity conferred by the notification will commence on 10 September 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.

I note that in promoting the Antica Gelateria Del Corso arrangements, franchisees should be made aware of the above requirements and receive all relevant disclosure documents under the *Franchising Code of Conduct*.

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 Hew Atkin on (02) 6243 1363.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a long horizontal flourish extending to the right.

Scott Gregson
General Manager
Adjudication Branch