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Allens Arthur Robinson



2 October 2007

Scott Gregson
General Manager – Adjudication
Australian Competition and Consumer Commission
PO Box 1199
Dickson ACT 2602

By post

Confidential

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Deutsche Bank Place
Corner Hunter and Phillip Streets
Sydney NSW 2000
Australia
Tel 61 2 9230 4000
Fax 61 2 9230 5333
Correspondence
GPO Box 50
Sydney NSW 2001
DX 105 Sydney
www.aar.com.au

Dear Mr Gregson

Sime Darby Automobiles Pty Limited – DriveAway cash back promotion

We act for Sime Darby Automobiles Pty Limited (trading as Peugeot Automobiles Australia) (*Sime Darby*) and enclose a completed Form G and a cheque for \$100 in respect of the notification of the above conduct under s93(1) of the *Trade Practices Act 1974* (Cth)(the **Act**).

Sime Darby proposes to enter into an arrangement with DriveAway Holidays Pty Limited (ABN 68 003 576 636) (*DriveAway*) under which Sime Darby will from time to time make special offers to consumers who have leased a Peugeot vehicle through DriveAway. Sime Darby will offer a cash back rebate to DriveAway customers and their immediate family should they wish to purchase a new Peugeot vehicle from an authorised Peugeot dealer. The first of these promotions will commence shortly. Other promotions in a similar form may be run subsequently.

It is possible that the DriveAway promotion may involve a contravention of s47(7) of the Act by Sime Darby. Sime Darby therefore lodges the attached notification pursuant to s93(1) of the Act with a cheque as payment of the applicable fee.

Sime Darby submits that the Commission should not issue a notice under s93(3A) of the Act given that:

- the proposed conduct will not adversely affect competition in the retail markets for the supply of rental car services, including short term car lease services or motor vehicles in Australia; and
- the proposed conduct will result in public benefits, namely, customers who have acquired car lease services from DriveAway will be given the opportunity to purchase a new Peugeot vehicle at a discount if they should wish to do so.

Please contact us if you would like to discuss.

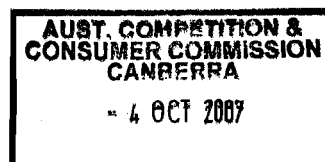
Yours sincerely


Carolyn Oddie

Partner
Carolyn.Oddie@aar.com.au
Tel 61 2 9230 4203

Our Ref FVCS:AQPS:205029645

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Bangkok
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Form G

Commonwealth of Australia

Trade Practices Act 1974 subsection 93(1)**NOTIFICATION OF EXCLUSIVE DEALING**

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

1. Applicant**(a) Name of person giving notice:**

Sime Darby Automobiles Pty Limited (trading as Peugeot Automobiles Australia)
(*Sime Darby*).

N93132

(b) Short description of business carried on by that person:

Sime Darby is the holder of a master franchise granted by Automobiles Peugeot, a company incorporated in France, pursuant to which Sime Darby has the right to import and distribute Peugeot motor vehicles in Australia and to appoint motor vehicle dealers within Australia for the purposes of promoting and selling new and used Peugeot motor vehicles and associated products.

(c) Address in Australia for service of documents on that person:

Allens Arthur Robinson
GPO Box 50
Sydney NSW 2001

2. Notified arrangement**(a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:**

This notice relates to the supply of:

- car lease services to retail customers travelling to Europe; and
- new motor vehicles to those customers upon their return to Australia.

(b) Description of the conduct or proposed conduct:

Sime Darby proposes from time to time to offer cash back rebates on the purchase of new Peugeot vehicles to customers who have leased a Peugeot vehicle through DriveAway Holidays Pty Limited (ABN 68 003 576 636) (*DriveAway*). The first of these promotions will commence shortly. Other promotions in a similar form may be run subsequently.

Sime Darby intends to issue flyers which will be given to DriveAway customers at the time they lease a Peugeot vehicle. A copy of the flyer proposed to be used in the first promotion is enclosed at Annexure A.

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

(a) Class or classes of persons to which the conduct relates:

Retail customers that:

- have travelled to Europe;
- have leased a Peugeot vehicle through DriveAway for use in Europe; and
- wish to purchase a Peugeot vehicle upon their return to Australia in accordance with the terms and conditions set out in the flyer.

(b) Number of those persons:

(i) At present time:

Nil.

(ii) Estimated within the next year:

6000 per year.

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

Not applicable.

4. Public benefit claims

(a) Arguments in support of notification:

The notified conduct, will not adversely affect competition in the markets for the supply of rental car services, including short term car lease services and retail motor vehicles or in any other market in Australia.

Rather, the notified conduct will result in a public benefit. Customers who have leased a car through DriveAway will be offered the opportunity to purchase a new Peugeot vehicle at a discount if they should wish to do so.

(b) Facts and evidence relied upon in support of these claims:

See Annexure A.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2(a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):

The goods and services are supplied in the retail markets for the supply of car hire services, including short term car lease services and new motor vehicles in Australia.

Both markets are highly competitive, with rental car and short term car lease providers offering a wide range of benefits including loyalty programs, member dedicated services and special offers to potential customers. There are a wide range of readily available substitutes for DriveAway car lease services and Peugeot motor vehicles.

Sime Darby submits that the notified conduct will enable it and DriveAway to offer competitive products in the relevant markets and is therefore pro-competitive.

6. Public detriments

(a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2(a) above and the prices of goods or services in other affected markets:

The notified conduct will not result in any public detriment. DriveAway customers are not obliged to accept Sime Darby's offer and non-DriveAway customers will not be affected by the notified conduct.

The notified conduct will result in public benefit in that certain DriveAway customers will be given the opportunity to receive a rebate should they wish to accept Sime Darby's offer.

(b) Facts and evidence relevant to these detriments:

Not applicable.


7. Further information

(a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Carolyn Oddie
Partner
GPO Box 50
Sydney NSW 2001
Ph: +61 2 9230 4203
Email: Carolyn.Oddie@aar.com.au

Dated 2 October 2007

Signed on behalf of Sime Darby:


Carolyn Qddie

Partner, Allens Arthur Robinson, solicitors for Sime Darby.

AUS

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 Peugeot Drive Services for Citroën, 4007 and 300 Citroën, 5298. For a vehicle's offer go to www.peugeot.com.au with my vehicle.
 For a list of dealers visit www.peugeot.com.au. Offer not available in some states and leased vehicles. For more information visit www.peugeot.com.au.
 *RRP includes delivery, and statutory charges. *MSRP includes freight, on-licence, and on-licence. www.peugeot.com.au*
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MODEL	RRP FROM	CASHBACK*	MODEL	RRP FROM	CASHBACK*

As you're touring the Continent, you'll find that some experiences are ingrained in your memory forever. Like Peugeot's stylish feline contours, luxurious and well appointed interiors, choice of exhilarating petrol and HDi diesel engines and class leading safety features. Oh, and Europe's pretty memorable, too.

To redeem this great offer, simply bring this flyer into your local Australian dealer. A full list of dealers is available at peugeot.com.au. So enjoy your extended Peugeot test drive across Europe and remember we're here to welcome you back to Australia with an unforgettable deal on a new Peugeot.

