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Office of the
Director-General

Department of
**Local Government, Planning,
Sport and Recreation**

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Ms Joanne Palisi
Director, Adjudication Branch
Australian Competition and Consumer Commission
PO Box 1199
Dickson ACT 2602

Dear Joanne

Thank you for your letter of 13 December 2006 advising of the final determination for the Coalition of Major Professional Sports (COMPS) application for authorisation.

My Department supports the Australian Competition and Consumer Commission's (ACCC) judgement relating to the COMPS application.

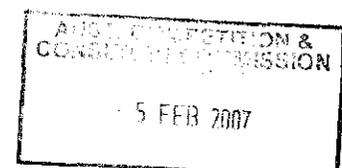
However, the Department's initial submission has been misinterpreted and I request correction of the draft and final ACCC determination documents in quoting the Department's position.

I draw to your attention Section 3.21 of the final determination document which states that:

"Queensland's Local Government, Planning, Sport and Recreation department states that as state-based teams and individuals also contribute to the production of sporting intellectual property, they should also be entitled to a share of any revenue obtained by COMPS members."

This has never been the position of the Department. The submission provided by this Department on 1 August 2006, requested the ACCC and COMPS consider:

- the possibility that State sporting organisations and State level athletes may claim revenue entitlement based on the same rationale as COMPS; and
- what measures should be in place to fairly assess claims of revenue entitlement and further implications.



It is imperative that the Department's position be correctly stated in public documents and I request Section 3.21 of both the draft and final determination documents are rectified to state:

"Queensland's Local Government, Planning, Sport and Recreation department states that since state-based teams and individuals may also consider themselves as 'creator(s) or author(s) of a product', there is potential that they may also claim entitlement to a share of any revenue obtained by COMPS members. COMPS and the ACCC should consider measures to fairly assess claims of revenue entitlement and further implications such as equity in distribution of revenue and accountability processes."

I also request that this correction be communicated to all interested parties, including COMPS themselves, through the ACCC's website.

I understand that this amendment will not affect the ACCC's final determination in any way and trust that the Department's concerns will be addressed by the independent body proposed by COMPS responsible for assessing claims, distributing revenue and integrity management.

If you wish to discuss this matter further, please contact Ms Dianne Farmer, A/Executive Manager, Industry and Sector Development of the Department on 323 93399.

Thank you for your understanding and I look forward to the speedy correction of the ACCC determination.

Yours sincerely



Michael Kinnane ESM FAIM
Director-General