



**Australian  
Competition &  
Consumer  
Commission**

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Our Ref: 34373  
Contact Officer: Kristy Randall  
Contact Number: (02) 6243 1061

19 November 2008

Mr Bruce Heal  
C/- HPS Pharmacies  
5 Greenhill Road  
Wayville SA 5034

Dear Mr Heal

**Exclusive dealing notifications N93592-N93594 lodged by Janene Lea Garde,  
Megan Farnsworth and Bruce Heal trading as HPS Pharmacies**

I refer to the above exclusive dealing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 26 September 2008. The notifications have been placed on the ACCC's public register.

You advise that Janene Lea Garde, Megan Farnsworth and Bruce Heal trading as HPS Pharmacies (HPS):

Has entered into an agreement with Calvary Health Care Adelaide Limited (CHCA) whereby HPS will supply pharmaceutical services to CHCA at its Hospitals (Agreement). The term of the Agreement is five years with an option to renew for a further five years. HPS will, during the initial term of the Agreement, pay to CHCA \$2,600,000 in exchange for the right to exclusively provide the pharmaceutical services and CHCA will pay HPS fees for those services, which fees will be calculated in accordance with the Agreement. For the term of the Agreement, CHCA will be bound to obtain all the Hospitals' pharmaceutical needs from HPS. However, the Hospitals' patients will still retain the right to choose their own pharmacist and fill their prescriptions where they want.

Legal immunity conferred by the notifications commenced on 26 September 2008.

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 these notifications at a later stage if it is satisfied that the under section 93(3) of the *Trade Practices Act 1974* (the Act), the conduct has the purpose, effect or likely effect of substantially lessening competition within the meaning of section 47.

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 Kristy Randall on (02) 6243 1061.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'R' followed by a horizontal line extending to the right.

Dr Richard Chadwick  
General Manager  
Adjudication Branch