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Our Ref: C2008/505 Contact Officer: Monica Bourke Contact Number: 02 6243 1351

2 April 2008

Ms Joanne Daniels Partner Clayton Utz Level 18 333 Collins Street Melbourne VIC 3000

Dear Ms Daniels,

## Re: Monsanto Australia Limited - notification N93350

I refer to the above third line forcing notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 20 March 2008. The notification has been placed on the ACCC's public register.

Monsanto has identified a series of requirements based upon the contractual arrangements in respect of the distribution of ROUNDUP READY Canola. Two clauses identified as giving rise to potential third line forcing conduct by Monsanto are:

- (i) Monsanto licensing growers to use its patented technology on the condition that the grower acquire seeds containing Monsanto's patented technology only from authorised Technology Service Providers (TSPs)
- (ii) Monsanto licensing growers to use its patented technology on the condition that the grower deliver the grain produced using ROUNDUP READY Canola only to licensed seed companies for use as seed or authorised grain handlers, for crushing.

Legal protection conferred by the notification for this conduct (as set out above) will come into force on 3 April 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.

I note that a number of other contractual requirements are identified in the Form G. Please note protection provided by this notification does not extend to third line forcing conduct by parties other than Monsanto.

If you consider that parties in addition to Monsanto are at risk of engaging in conduct of the kind described in section 47 of the *Trade Practices Act 1974*, they may consider lodging notifications describing such conduct in those terms.

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.

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 Monica Bourke on (02) 6243 1351.

Yours sincerely

David Hatfield

Acting General Manager

Adjudication Branch

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