

Customer Service
Email customercare_au@zuji.com
T 1300 888 180
F 1300 888 716
www.zuji.com.au



A TRAVELOCITY COMPANY
Your online travel guru

FILE NO:
DOC:
MARS/PRISM:

Australian Competition and Consumer Commission
23 Marcus Clarke Street
Canberra ACT 2601

April 11, 2008

Re: Notification of Exclusive Dealing

Please find enclosed Exclusive Dealing Notification submission and lodgement fee (\$100).

If require further information, please contact either myself or our Managing Director, Mr Peter Smith, on 02 8404 3500.

Thank you.

Yours Sincerely,

Anthony Middonte
Manager – Media Sales and Partnerships
ZUJI Pty Ltd

anthony.middonte@zuji.com



FORM G

Commonwealth of Australia

Trade Practices Act 1974 - Sub-section 93(1)

EXCLUSIVE DEALING NOTIFICATION

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with sub-section 93(1) of the Trade Practices Act 1974, of particulars of conduct, or of proposed conduct, of a kind referred to in sub sections 47(6) and (7) of that Act in which the person giving notice proposes to engage.

1. (a) Name of persons giving notice:

N93390 (i) Zuji Pty Ltd (Zuji)

~~(ii) Visa International Service Association (VISA)~~ BB 17.4.08

(b) Short description of businesses carried on by those persons:

(i) Zuji

Zuji is an online travel company offering accommodation, flights, cruises, car hire and travel packages to destinations globally.

(ii) Visa International Service Association (VISA)

VISA is an association of financial institutions which operates a world-wide payment system in which member financial institutions offer a wide range of card-based and non-card-based payment products and services to consumers and other entities, and payment acceptance capabilities to merchants, all of which utilise VISA payment processing systems.

(c) Address in Australia for service of documents on those persons:

Mr Peter Smith
General Manager
Zuji Pty Limited
Ground Floor
15 Blue Street
North Sydney NSW 2060

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

Zuji will make a number of offers to individuals who are holders (Cardholders) of a payment card (either a debit card or a credit card) bearing the VISA acceptance mark (VISA Card). Cardholders wishing to take advantage of the offers must use their VISA Card. The offers currently contemplated are:

(i) Discounts/rebates on selected flights and hotels for VISA Platinum Cardholders from Australia to a selection of domestic and international destinations.

(ii) Special holiday packages consisting of flights, hotels and/or activities for VISA Cardholders

Background

Zuji and VISA have established a marketing relationship in Australia to jointly promote the Zuji Offers, to provide benefits to consumers holding VISA Cards.

Proposed conduct

Under this arrangement, VISA will enter into an arrangement with Zuji whereby VISA Cardholders have the opportunity to take advantage of the Zuji Offers by purchasing the relevant products or services using their VISA Card.

Access to the Zuji Offers will usually be via a VISA-hosted website or the Zuji website on condition that the Cardholder pays for the Zuji Offers using his or her VISA Card. The purchase price of the products or services will be debited by the member financial institution that issued the relevant card to the Cardholder's account with that financial institution.

There are about 7.5 million VISA credit cards on issue in Australia. 4.2 million individuals in Australia hold VISA-branded debit cards.

The proposed Zuji Offers may constitute third line forcing pursuant to sections 47(6) and/or 47(7) of the Trade Practices Act (Cth). This is because it may be argued that the Zuji Offers will only be available to consumers if the consumers acquire the payment services of VISA.

(b) Effects of the proposed conduct

The effect of any third line forcing will be insignificant for the following reasons:

- (i) 7.5 million individuals in Australia hold a VISA credit card and 4.2 million individuals in Australia hold a VISA debit card. The proposed conduct will provide these VISA Cardholders with a benefit if they choose to take advantage of the Zuji Offers; and
- (ii) Each Zuji Offer is expected to run for a relatively short period of time;
- (iii) The general public not holding VISA Cards will continue to have access to tickets to each of the Zuji Offers and will not be precluded from subscribing by reason of any exclusive Zuji Offer.
- (iv) Zuji is free to offer similar discounts and offers through different channels (for example online) but not to VISA's direct competitors.
- (v) Zuji experiences strong competition from a range of online and retail providers of travel and as a result there is unlikely to be any detriment to consumers as a result of the Zuji Offers.

(c) Benefits of the proposed conduct:

The proposed Zuji Offers will provide VISA Cardholders, who are not an insubstantial percentage of the public and a high proportion of Cardholders generally, with discounts on various Zuji products and services only available when purchased with their VISA Card.

For the reasons above, there is no significant detriment to the public as a result of the proposed conduct. Any minimal detriment is substantially outweighed by the public benefits outlined above.

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

VISA Cardholders.

(b) Number of those persons:

(i) At present time:

3.

7.5 million cardholders hold a VISA credit card. When added to the number of VISA debit card holders, there are approx 12 million VISA cards on issue in Australia.

(ii) Estimated within the next year:

The number of VISA Cardholders is estimated to grow by 6.9% in the next year.

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

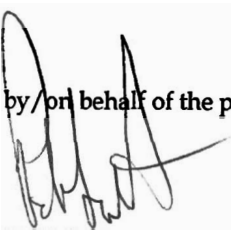
Not applicable.

4. Name and address of persons authorised by the person giving this notice to provide additional information in relation to this notice:

Not applicable.

Dated:

Signed by/on behalf of the person giving this notice


..... 8/4/08

(Signature)

Mr Peter Smith
General Manager
Zuji Pty Limited