



**Australian  
Competition &  
Consumer  
Commission**

GPO Box 3131  
Canberra ACT 2601  
23 Marcus Clarke Street  
Canberra ACT 2601  
tel: (02) 6243 1111  
fax: (02) 6243 1199  
[www.accc.gov.au](http://www.accc.gov.au)

Contact Officer: Monica Bourke  
Contact Phone: 02 6243 1351

28 May 2008

Dear

*This letter - with  
attachments -  
was sent to IP's  
on 28 May 08.  
(interested party list is  
attached)*

**Dairy Farmers Milk Co-operative Limited and Australian Co-operative Foods Limited  
application for authorisation  
- interested party consultation**

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from Dairy Farmers Milk Co-operative Limited (DFMC) and Australian Co-operative Foods Limited (ACF). The ACCC invites you to comment on the application. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

DFMC and ACF are seeking authorisation for:

the amendment of the Milk Supply Agreement (MSA) prior to the completion of any sale of ACF to provide for the continuation of the back to back pricing and back to back milk purchasing policies provisions, contained in clauses 4.4 and 5.6 of the MSA and

in the event that authorisation is denied for the conduct above, implementation of the back to back pricing and back to back milk purchasing policies by DFMC in its dealings with farmers for the supply of milk to ACF.

A full copy of the application for authorisation and attachments are available on the ACCC's website <[www.accc.gov.au](http://www.accc.gov.au)>. Alternatively, you can contact Monica Bourke on (02) 6243 1351 to obtain a hard copy of the application and submission.

**Interim authorisation**

DFMC and ACF have sought interim authorisation to continue to engage in the conduct described above.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result

of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including harm to the applicant and other parties if interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

### **Request for submissions**

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements.

If you intend to provide a submission in relation to DFMC and ACF's application for authorisation, please do so by **20 June 2008**. Submissions in relation to interim authorisation should be provided by **6 June 2008**.

Alternatively, if you would like to provide comments orally, please contact Monica Bourke on (02) 6243 1351 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

### **Timetable**

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information.

<b>22 May 2008</b>	Lodgement of application and supporting submission.
<b>28 May 2008</b>	Public consultation process begins.
<b>9 June 2008</b>	Closing date for submissions on interim authorisation.
<b>June 2008</b>	ACCC decision regarding interim authorisation.
<b>27 June 2008</b>	Closing date for submissions from interested parties on substantive application.
<b>July 2008</b>	Applicant responds to issues raised in the public consultation process.
<b>August 2008</b>	Draft determination.

<b>September 2008</b>	Public consultation on draft determination including any conference if called.
<b>October/November 2008</b>	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If you are able to please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

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

Dr Richard Chadwick  
General Manager  
Adjudication Branch

**Interested parties consulted**

Attiki Dairy Products  
Bega  
Brancourts  
Challenge Dairy Co-Operative  
Coca Cola Amatil  
Fonterra Group Co-Op  
Harvey Fresh  
Jalna  
Kraft  
Murray Goulburn  
Nestle  
Norco  
Nudie  
Parmalat  
Regal Dairies (Bulla)  
Sanitarium  
Tatura  
United Dairy Power  
Warrnambool Cheese and Butter Company  
NSW Farmers Association Dairy  
Progressive Collective Bargaining Group (Qld)  
Queensland Dairyfarmers' Organisation Ltd  
South Australian Collective Bargaining group  
South Australian Dairy Association  
Southern Collective Bargaining group  
Taree Collective Bargaining Group  
United Dairy Farmers of Victoria  
7-11  
ALDI  
Bidvest  
Coles  
McDonalds  
Metcash Trading Limited Australasia  
Mobil  
PFD  
Starbucks  
Woolworths  
Australian Dairy Farmers  
Australian Dairy Products Federation  
Cadbury  
Department of Primary Industries  
Department of Primary Industries and Fisheries  
Department of Primary Industries and Resources  
Department of Primary Industries Water and Environment  
Food and Agriculture Division  
Department of Agriculture, Fisheries and Forestry  
National Foods  
ABARE