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Our Ref: N93439
Contact Officer: Jaime Martin
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8 September 2008

Mr Bill Keane Partner Corrs Chambers Westgarth 240 St Georges Terrace Perth WA 6000

Via email: bill.keane@corrs.com.au

hilary.shanks@corrs.com.au

Dear Mr Keane

Exclusive dealing notification N93439 lodged by Cooperative Bulk Handling Ltd – decision

I refer to the above exclusive dealing notification lodged with the Australian Competition and Consumer Commission (ACCC) by Cooperative Bulk Handling Ltd (CBH) on 11 June 2008.

The ACCC has completed its assessment of this notification concerning grain storage, handling and transportation arrangements in Western Australia ('Grain Express').

The ACCC considers there are likely to be significant efficiency benefits under Grain Express as a result of the central coordination of grain storage, handling and transportation in Western Australia.

As you are aware, section 93(3) of the *Trade Practices Act 1974* provides that the ACCC may revoke a notification for exclusive dealing (other than third line forcing) if it is satisfied that the conduct has the purpose, effect or likely effect of substantially lessening competition and the likely benefit to the public will not outweigh the detriment to the public from the lessening of competition.

On the information available, the ACCC is not satisfied that Grain Express will result in a substantial lessening of competition in the relevant markets. Accordingly, the ACCC proposes not to take any further action in respect of this notification at this time.

The ACCC's reasons are set out in the <u>attached</u> Decision. A copy of the Decision will also be made available at the ACCC website <u>www.accc.gov.au</u> (by following the 'Public registers', 'Authorisations and notifications registers' links).

Legal immunity conferred by notification N93439 commenced on 11 June 2008.

As with any notification, the ACCC can review the Grain Express notification at any time.

Finally, in accordance with Clause 9 of the revised Ring Fencing Policy under Grain Express, I note that CBH's compliance with the policy (and its related processes and procedures) will be independently audited within the first three months of its commencement and every 12 months thereafter. The ACCC would appreciate receiving a copy of the initial and annual audit reports for its information.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please contact Jaime Martin on (03) 9290 1477 or at (jaime.martin@accc.gov.au).

Yours sincerely

David Hatfield

A/g General Manager

Mattellie

Adjudication Branch