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23 July 2010

Australian Competition & Consumer Commission
Level 35, The Tower
360 Elizabeth Street
Melbourne Central
Melbourne Vic 3000

Dear Sir/Madam

Brabus PA Franchising Pty Ltd – Exclusive Dealing Notification

We act for Brabus PA Franchising Pty Ltd, the franchisor of the Price Attack franchise network.

We enclose the following:

1. Form G – Exclusive Dealing Notification for Brabus PA Franchising Pty Ltd in relation to the Price Attack franchise network;
2. our office cheque for \$100 made payable to the ACCC being the lodgement fee for the notification.

If you have any questions or require further information please do not hesitate to contact Warren Scott on 03 9605 0984 or wscott@millsoakley.com.au.

Yours faithfully


WARREN SCOTT
MILLS OAKLEY LAWYERS

Enc



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-section 47(2), (3), (4), (5), (6) or (7), or paragraph 47(8)(a), (b) or (c) or (9)(a), (b), (c) or (d) of that Act in which the person giving notice engages or proposes to engage.

1. (a) **Name of person giving notice**

N94870

Brabus PA Franchising Pty Ltd ACN 128 193 359 (**Price Attack**).

(b) **Short description of business carried on by that person**

Price Attack owns or licences a unique system for the retail sale of the hair care, body care, nail care, skin care, cosmetics and beauty products and accessories and the provision of various services such as hair cutting and colouring, eyebrow tinting, lip waxing and other beauty related services (**Price Attack business**).

(c) **Address in Australia for service of documents on that person**

c/- Warren Scott
Mills Oakley Lawyers
Level 6, 530 Collins Street
MELBOURNE VIC 3000

2. **Notified arrangement**

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

Hair care, styling and beauty products for resale and hair products used in providing in-salon services from L'Oreal Professional Products, a division of L'Oreal Australia Pty Ltd (ABN 40 004 191 673) of 564 St Kilda Road, Melbourne, VIC 3004 (**L'Oreal**).

(b) **Description of the conduct or proposed conduct**

The notification relates to the supply by Price Attack to the franchisees of the right to operate a Price Attack business on the condition that they acquire specified products including hair care, styling and beauty products for resale and hair products used in providing in-salon services from L'Oreal.

This will occur where a franchisee has agreed that Price Attack may oblige them to purchase specified products only from specified suppliers.

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

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

Price Attack franchisees.

(b) Number of those persons

(i) At present time

There are currently 126 Price Attack franchisees.

(ii) Estimated within the next year

There will be approximately 130 Price Attack franchisees.

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

Not applicable.

4. Public benefits claims

The purpose of the proposed conduct is to:

(a) provide the Price Attack franchisees with consistency of quality of products across all of the Price Attack retail stores as well as a consistent 'look and feel' across the stores; and

(b) consolidate the buying power of the Price Attack group to negotiate favourable arrangements with suppliers of products,

and as a result:

(c) customers will benefit from the consistency of quality between Price Attack stores;

(d) customers will be able to purchase the products as advertised (to the extent that the products are available for re-sale);

(e) customers may obtain a lower price for the products;

(f) Price Attack franchise network will acquire competitive advantages enabling them to compete with other hair salon businesses, supermarkets and department stores and thereby increase competition in the market; and

(g) rebates from suppliers reduce upward pressure on costs which ultimately can lead to lower prices for products at consumer level.

Competition between Price Attack and other providers of hair salon services and hair care and beauty products (including, without limitation, hair products used in providing in-salon services) is expected to continue, and

the notified conduct is expected to facilitate further pro-competitive responses from Price Attack's competitors, which will be of benefit to consumers.

5. Market definition

The markets that may be affected by the proposed conduct include:

- (a) the market for the supply of hair care and other hair and beauty products to retailers. In addition to L'Oreal, the significant suppliers in this market include:

Hair Product Suppliers	Beauty Product Suppliers
Well	Revlon
Sebastian	Australis
Deloroenzo	Neapoleon
Sabre Corporation	Ella Bache
Chemcorp	Estee Lauder
Goldwell/Kms	Clinique
Unity Agencies	Becca
M&U Imports	Dermalogica
Tigi	Clairns
Indola	Mac
Lushes	Max Factor
Juvena/Sally Hansen	Lancome
Creative Brands	
Schwarzkopf	
PPS	
Henkel	
Dateline	
Petra Haircare	

- (b) the market for the supply of hairdressing and hair treatment services to the public. The significant suppliers in this market include:
 - (i) Toni & Guy;
 - (ii) Hairhouse Warehouse; and
 - (iii) numerous independent operators.

6. Public detriments

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

- (i) in respect of the market for supply of hair care and other hair and beauty products to retailers:
- there is no impediment to other hairdressers obtaining L'Oreal products; and
 - there is a multiplicity of hair salons and providers of hair care and other hair and beauty products to whom competitors of L'Oreal will be able to offer goods; and
- (ii) in relation to the market for supply of hairdressing and hair treatment services to the public, again, there is a multiplicity of hair salons and providers of hair care and other hair and beauty products.

For the reasons set out in paragraphs 4 and 6, there is no significant detriment to the public as a result of the proposed conduct. Any minimal detriment is outweighed by the public benefits outlined above.

7. Further information

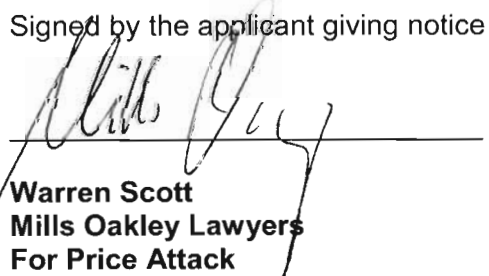
- (a) **Names and address of person authorised by the person giving this notice to provide additional information in relation to this notice**

c/- Warren Scott
Mills Oakley Lawyers
Level 6, 530 Collins Street
MELBOURNE VIC 3000

Telephone: 03 9605 0984
Facsimile: 03 9670 9111
Email: wscott@millsoakley.com.au

Dated: 23 July 2010

Signed by the applicant giving notice



Warren Scott
Mills Oakley Lawyers
For Price Attack