

**FAB**  
Professional Cleaning

FILE No:

DOC:

MARS/PRISM:

17 December 2010

The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
GPO Box 3131  
Canberra ACT 2601



ENTREPRENEUR  
OF THE YEAR  
2005

ERNST & YOUNG  
Quality In Everything We Do

Dear Sir/Madam

FAB Cleaning Services  
Australia Pty Ltd

ABN 86 065 665 296

**NOTICE OF EXCLUSIVE DEALING**

I refer to the above matter and in particular the **enclosed** Form G.

National Administration

I confirm I am the Corporate Solicitor for FAB Cleaning Services Australia Pty Ltd ("FAB") and have care and conduct of this file. You will also find **enclosed** a cheque for \$100.

701 Port Road  
Woodville Park SA 5011

Tel: 08 8440 7700  
Fax: 08 8440 7722

I look forward to receiving a tax invoice for the cheque and also your decision on the Form G. If you have any further queries please do not hesitate to contact me.

Kind Regards

**Danielle Arnfield**  
Corporate Solicitor  
[darnfield@fabcleaning.com.au](mailto:darnfield@fabcleaning.com.au)



## Form G

Commonwealth of Australia  
*Trade Practices Act 1974 — subsection 93 (1)*

### NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Trade Practices Act 1974*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

#### 1. Applicant

- (a) Name of person giving notice:  
(Refer to direction 2)

N95222 FAB CLEANING SERVICES AUSTRALIA  
PTY LTD ACN 065 665 296

- (b) Short description of business carried on by that person:  
(Refer to direction 3)

FRANCHISING OF COMMERCIAL CLEANING

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

701 PORT RD  
WOODVILLE PK SA 5011

#### 2. Notified arrangement

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

INSURANCE POLICIES

- (b) Description of the conduct or proposed conduct:

RESTRICT FRANCHISEES TO ONLY  
USE THE INSURANCE BROKER  
INSTRUCTED BY THE FRANCHISOR.

(Refer to direction 4)

**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:

(Refer to direction 5)

- FRANCHISEES OF FAB CLEANING  
- OTHER INSURANCE BROKERS

- (b) Number of those persons:

- (i) At present time:

- Franchises of FAB - 112  
- Insurance Brokers - Don't have that data

- (ii) Estimated within the next year:

(Refer to direction 6)

- Franchises - 137 based on this year's  
growth & none terminating.

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

**4. Public benefit claims**

- (a) Arguments in support of notification:  
(Refer to direction 7)

Please see attached

- (b) Facts and evidence relied upon in support of these claims:

**5. Market definition**

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):  
(Refer to direction 8)

Other Insurance Brokers, however most of our franchisees go through our Broker anyway. It won't affect insurance companies as they deal directly with the Broker.

**6. Public detriments**

- (a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:  
(Refer to direction 9)

None. We will still shop around for the best broker who will provide competitive pricing & service & group discount incentives

- (b) Facts and evidence relevant to these detriments:



7. Further information

- (a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Danielle Annfield  
701 Port Rd  
Woodville VIC SA 5011  
08 8243 5803

Dated 17 December 2010

Signed by/on behalf of the applicant



(Signature)

BRADLEY DE LUCA

(Full Name)

FAB CLEANING SERVICES PTY LTD

(Organisation)

CEO

(Position in Organisation)

#### Question 4

FAB Cleaning Services Australia Pty Ltd believes the following benefits would arise from the grant of this notice:-

- Security – there are only two underwriters with the unique policies that FAB require and are currently offered by the insurance broker we currently use – Guardian Insurance
- Quality Assurance – we are able to ensure that our Franchisees are maintaining an insurance policy that is adequate for their needs
- Liability – FAB has previously been brought into Insurance Litigation unnecessarily due to Franchisees having insurance policies that list us. We have then had to fight litigation on numerous occasions because of this. By making sure Franchisees use the broker we have outlined we can ensure that this does not occur

Further more through other brokers all the franchisees and FAB have been put under one umbrella meaning if one franchisee was sued all franchisees and FAB could potentially be sued also. Having control of the broker ensures this does not happen and we can protect our franchisees.

- Record Keeping – If everybody is through our broker we can ensure everybody is covered for public liability insurance, a benefit surely to the public. At present we have to run an audit every 6 months to ensure everybody is covered, our broker instead send us a notification when a policy is no longer applicable or when a policy is approved.



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*"There are no degrees of clean. It either is or it isn't"*