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Ms Susan Philp,
Director Adjudication Branch,
Australian Competition & Consumer Commission

Dear Ms Philp,

I refer to the Football QLD 3rd line forcing scheme and the various letters and submissions related to it.

It has been suggested to me that in the current review, the onus of proof may be reversed i.e. that the onus is on objectors to prove that FQ's immunity should be removed rather than FQ having to prove that their anti competitive scheme should be extended. This has prompted me to make this brief additional submission.

1. The original decision of the ACCC was made based on a very flimsy application. Few relevant details were provided by FQ at that time. In addition, neither FQ nor the ACCC obtained the views of the football clubs, the sports apparel industry or the players who ultimately pay for the costs of the scheme.

In the absence of that information, and with no apparent public interest in this matter, the ACCC approved the immunity. I believe that was in error. Indeed had a more complete investigation been undertaken at that time a different decision may have resulted.

2. The scheme is a very costly and inefficient means of raising funds for FQ. The actual increase in the cost of apparel is much greater than the income FQ receive. Suppliers' costs per player set of apparel are much greater than the fee received by FQ. It would be far more efficient and less costly for clubs and players if registration fees were increased by a small amount such as \$2-\$3.

3. The Australian Consumer and Competition Commission has an overriding responsibility to support competition, remove anticompetitive behaviour and protect consumers. The very first sentence on the ACCC's website says '*The ACCC promotes competition and fair trade in the market place to benefit consumers, businesses and the community.*' It is simply impossible to interpret the FQ scheme as promoting competition, fair trade or benefiting consumers, business and the community. At no point have FQ provided evidence that it does. They have not even argued that it does. Ample material has previously been provided expanding on this.

4. The clear purpose of the scheme, and arguably the only purpose for it, is to raise money for FQ. Earlier submissions from FQ support this view. That is not sufficient reason to approve a demonstrably anti-competitive scheme that is inefficient, costly for players and suppliers, and restricts choice for clubs.

5. FQ is in a very market privileged and powerful position. Perhaps by necessity and appropriately, it has monopoly control of the sport. The power derived from that is absolute. In deciding how the game is structured, who plays, in what competition they play, indeed whether they can play at all, and under what conditions they play are all powers customarily exercised by FQ. I think few people at a club level would see FQ as a consultative body. As a result, there is tendency to not openly challenge it. That culture makes the task of obtaining frank and forthright comments on matters of this kind more difficult.

6. The same dilemma confronts suppliers and potential suppliers who are made completely vulnerable to this monopolistic power by virtue of FQ's restrictive scheme. The scheme extends FQ's monopoly hold over the sport, to a monopoly hold over suppliers. How can this possibly be seen as promoting competition, fair trade or benefiting consumers, business and the community?

7. Finally, I submit that any claimed public benefit is overwhelmingly outweighed by the substantial detriments set out in a number of submissions.

It is time to restore a competitive market to sports apparel supply in Queensland football. Only the ACCC can do that. Only the ACCC has a responsibility to promote competition and fair trade and to protect consumers.

I trust that in 2011 competition, fair trade and consumer protection will be restored to the football community in Queensland.

Yours Sincerely

Hon Arch Bevis
9 June 2011