



**Australian  
Competition &  
Consumer  
Commission**

Our Ref: C2008/678  
Contact Officer: Hew Atkin  
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23 June 2011

Mr Geoff Foster  
Chief Executive Officer  
Football Queensland Limited  
PO Box 748  
SUNNYBANK QLD 4109

Dear Mr Foster

**Football Queensland Limited – exclusive dealing notification N93402  
– information request**

I refer to the above notification lodged by Football Queensland Limited (FQ) and your letter of 10 June 2011 responding to the ACCC's questions.

The ACCC assesses third line forcing notifications by applying a public interest test outlined in section 93(3A) of the *Competition and Consumer Act 2010* (the Act). The ACCC may revoke a notification if it is satisfied that the likely public benefit will not outweigh the likely public detriment from the conduct.

As you are aware, the ACCC has recently contacted interested parties seeking their views on FQ's notified conduct. The ACCC has received a number of submissions which raise questions as to whether FQ's licence program is delivering a net public benefit. So that these matters may be considered further, the ACCC requests your response to the questions set out in **Attachment A**.

Please provide a response to these questions and any further supporting submission by **4 July 2011**.

Submissions from interested parties and other correspondence relating to this notification can be accessed via the ACCC's public register at: [www.accc.gov.au/ExclusiveDealingRegister](http://www.accc.gov.au/ExclusiveDealingRegister).

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 Hew Atkin on (02) 6243 4938.

Yours sincerely

A handwritten signature in black ink, appearing to be 'R. Chadwick', with a long horizontal flourish extending to the right.

Dr Richard Chadwick  
General Manager  
Adjudication Branch

**Football Queensland Ltd – exclusive dealing notification N93402 –  
information request**

1. The ACCC understands that FQ conducted a tender process for licensees in 2010 which included an assessment of products and the financial stability of licensees. Please provide the ‘request for tender’ documents and clarify whether FQ advertised publicly for expressions of interest.
2. Please provide a copy of the licence agreement and any related material signed by licensees as a result of the tender process in October 2010.
3. Please clarify whether FQ considered the prices and/or service offered by licensees as part its tender process.
4. Other than the tender process and the relevant clauses in the licence agreement, please describe any additional steps taken by FQ to ensure that licensees maintain the quality of Teamwear products.
5. The ACCC understands that some licensed suppliers sell Teamwear products directly to football clubs and also to retail outlets. Please describe the arrangements for distribution of Teamwear products in Queensland.
6. Please identify any regions in Queensland where football clubs and retail outlets have the choice of obtaining Teamwear products from more than one FQ licensed supplier.
7. Please provide FQ financial reports for 2008, 2009 and 2010. In particular, the ACCC would like to see FQ’s administrative costs, the costs of administering the Licensed Program and funding sources (other than the FQ licence program) for these periods.
8. You advise that revenues generated from the Licence Program have been spent on supplying equipment, providing coaching courses and administrative support to football clubs. For each year from 2008 to 2010, please provide specific details of these initiatives, including their cost and where and when the initiatives were provided.
9. How have any excess funds been used by FQ, in the event that revenues generated by the License Program exceeded the costs of delivering initiatives.
10. The ACCC understands that there are approximately 340 football clubs with 65 000 players in Queensland. You advise that it would not be possible to replace the FQ licence program with a player levy of one or two dollars. Has FQ ever considered introducing a player levy? If so, what factors influenced FQ’s decision not to introduce such a levy?

**Question 11**

Please provide a breakdown of revenues earned by Football Queensland from each of the 13 licensees under the Licence Program for 2008, 2009 and 2010. The table below provides a guide for the details requested.

Year	Total advance payments (e.g. \$20 000 per licensee)	Total royalties per licensee (5% royalty sales)	Total revenue from sale of Q logos per licensee	Total revenue from licence program
2008	1.			
	2.			
	3.			
	4.			
	5.			
	6.			
	7.			
	8.			
	9.			
	10.			
	11.			
	12.			
	13.			
2009	1.			
	2.			
	3.			
	4.			
	5.			
	6.			
	7.			
	8.			
	9.			
	10.			
	11.			
	12.			
	13.			
2010	1.			
	2.			
	3.			
	4.			
	5.			
	6.			
	7.			
	8.			
	9.			
	10.			
	11.			
	12.			
	13.			

**Question 12**

Please provide details of FQ player numbers and average playing fees per player for 2008, 2009 and 2010. The table below provides a guide for the details requested.

Year		Number of players participating in FQ competitions	Average fees payable per player	Total number of players in FQ competitions
2008	Junior			
	Senior Women			
	Senior Men			
2009	Junior			
	Senior Women			
	Senior Men			
2010	Junior			
	Senior Women			
	Senior Men			