



Bernie Ripoll MP
FEDERAL MEMBER FOR OXLEY



23 June 2011

Mr Graeme Samuel
Chairman
Australian Competition & Consumer Commission

RE: Football Queensland Licensing Scheme

Dear Mr Samuel

I write to bring my concerns about the Football Queensland (FQ) Licensing Scheme to the attention of the ACCC.

The FQ scheme requires apparel manufactures wishing to be suppliers to clubs affiliated with FQ to pay an annual Licensing Fee of \$20 000 and become a Licensed Supplier in order to sell Licensed Product. All Licensed Product must display FQ's 'Q Logo'.

In addition all Licensed Suppliers must pay FQ royalties of 5% of all sales from Licensed Products.

FQ also dictates to Licensed Suppliers, under threat of revocation of their status as a Licensed Supplier, which supplier they must source the 'Q Logos' from, despite these being available at cheaper rates from alternative suppliers. This behavior I believe is also anti-competitive.

I believe that the FQ Licensing Scheme is anti-competitive because it:

- (a) Excludes smaller and new apparel manufacturers who cannot afford to pay the annual fee from the market
- (b) Increases costs for clubs and players as Licensed Suppliers pass on the cost of the License Fee and 'Q Logo' to consumers
- (c) Forces clubs to purchase what some regard as inferior and expensive products as FQ strictly enforces penalties against clubs that wear apparel from Non-Licensed Suppliers in competitive matches
- (d) Increases cost for regional clubs as manufacturers large enough to pay the Licensing Fee are based in the large population centres, not in the regions
- (e) Protects Licensed Suppliers from true competition as there is only a limited number of Licensed Suppliers and most are aware of each others prices

It is my view that the current immunity from prosecution to FQ granted by the ACCC has been instrumental in allowing FQ to conduct this anti-competitive behaviour.



Bernie Ripoll MP

FEDERAL MEMBER FOR OXLEY

I ask that you reconsider the current immunity from prosecution granted to FQ. I believe if this is allowed to continue a precedent will be set for other sporting administration bodies within Australia to instigate similar uncompetitive Licensing Schemes.

I would like to request a briefing from the ACCC on the status of the FQ Licensing Scheme.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'B. Ripoll'.

BERNIE RIPOLL

Cc: Ms Susan Philp