



FOOTBALL CENTRAL QUEENSLAND INC.

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

Dear Mr Hatfield

Football Queensland Ltd-exclusive dealing notification N93402

Football Queensland has forwarded to me Draft Notice N93402 and having acknowledged my experience in the sports industry, have asked that I share with you my experiences in this regard. I have over ten years' employment in the sports industry and have held my current position being Manager/Club Support in Central Queensland since March this year. Prior to this appointment, previous engagements include;

- General Manager, Central Coast Football, NSW, having 13000 players and 23 affiliate Clubs
- General Manager, Football Brisbane with 28000 players and 72 affiliate Clubs
- Manager Junior Rugby Union for Queensland Rugby Union 1999 to 2005
- New Club Infrastructure Manager, Queensland Rugby Union 2005 to 2007

As a Manager in the sports industry, I have been the first port of call for many affiliate clubs and deal first hand with competitions, member rights, and associated challenges demanding procedural fairness. It could be said a significant part of my role requires dealing with issues which impact member satisfaction and we often joke that we are the informal complaints department. I am accessible to Members and feel that we can reasonably reflect on the frequency and veracity of complaints, and are therefore well positioned to give accurate feedback on matters of importance to the stakeholders. I do report there is understanding within the football community that revenues generated from the marketing program support the Objects of the game and directly benefit the participants.

Rather than respond by line to the Draft Notice, which is in itself quite comprehensive, I prefer to report on general satisfaction across several sports and schemes and share some observations.

The sport of football (soccer) does not attempt to regulate fees set by clubs. It also does not tell them how to manage their commercial operations. It does require adherence to State, National and FIFA Regulations which controls Rules of Competition including use of appropriate equipment and presentation. Clubs therefore present themselves differently to the community. Some will present

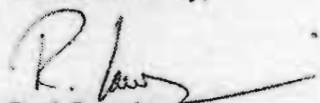
as budget operators with no frills registration packages while others will present as offering a more extensive range of services and prestige. Selection of playing apparel generally reflects the culture within a club which is why it is important that a variety of options, as the current marketing program offers, is available to clubs. A set of shorts and shirt can be purchased for as little as \$10 and top of the range sets can cost \$60. The current program guarantees the cheapest is still of a suitable quality so as not to devalue the integrity of the League, but suited to a small budget. To infer the program disadvantages clubs is factually incorrect and there exists an extensive range where the needs of all are met. In fact, my experience is that Clubs pay less today for equivalent quality balls and apparel than they did five years ago.

It appears the ACCC has given equal weighting to confidential submissions as it has those which have been offered for publication. That does not sit well when a submission is excluded from scrutiny and one can only speculate as to their motives in requesting confidentiality. In that regard, I am happy for this to be published.

As you will see with my previous employment, my last appointment was with Central Coast Football who affiliates to Football New South Wales. Their registration cost is higher than that applied by Football Queensland and interestingly, they do not have a marketing program as does Football Queensland.

The Draft Notification draws attention to the counterfactual and that no submissions have been received addressing the 'what if FQ removed the requirement to purchase team wear from licensed suppliers'. My view is that although alternate quality systems could be engaged, they would be expensive to deliver and maintain. There is also a push for exclusive supply agreements from several suppliers, including Veto, where there is the potential for no ongoing guarantee of quality, consistency of price, or timely supply. To remove the current immunity would expose member clubs, in particular the volunteers within the clubs, to potential exploitation which the current program protects against. The administrative costs of less than \$25K per year, (including the purchase of the Q logo), is extremely efficient and it is difficult to see that any alternate strategy would not add cost. Is it not obvious that Football Queensland, as governors of the sport in the State, are the appropriate regulators and to subject clubs to the profit driven commercial operators removes a significant level of protection for the game, the clubs and volunteers.

Yours sincerely,



Rod Cousins,
Manager/Club Support
Football Central Queensland

