

Statewide Sports Pty.Ltd.

A.B.N. 73 010 421 440

AUSTRALIAN DISTRIBUTOR

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Mr P McLennan,



c/- Football Queensland

Brisbane

20/10/2011

Peter, it has come to my notice that the ACCC wants to close down the marketing scheme here in Queensland with Football Queensland. As a long standing supplier to the football market in Australia I think that this would be a huge negative step for the following reasons.

1. Quality- At present I am supplying the uhlsport product to various clubs around the state that is second to none in the quality department. Clubs would not purchase uhlsport product if it did not last several seasons. This applies to clothing, footballs and other accessories. If the license arrangement were to cease the standard of product in the above mentioned items would decrease considerably as this would allow "no name" brands into the market, there by cheapening the quality of product available to the football clubs. Cheap is not necessarily the best, especially with footballs. An example would be our uhlsport footballs which carry the FIFA quality logo, these balls are made to a standard, not a price, and they offer value for money to the consumer, they will last several seasons, saving the club money by not having to replace cheap and nasty footballs. By having the FIFA logos on our footballs, clubs can buy them with confidence, knowing that they are not going to fall apart in the first season, thereby saving money in the long term.

2. Range - For the last twenty nine years I have been delivering the range of uhlsport products to the football market here in Queensland, supplying the complete range to clubs and retailers. We offer a wide range of products, have a look on www.uhlsport.com, complete back up service, prompt delivery with competitive pricing and have developed many personal & business relationships within QLD, which in turn has lead to many sponsorship arrangements being made with clubs of FREE uhlsport product eg playing shirts, shorts, socks, footballs, jackets etc, product that these clubs did not have to outlay any money to purchase. Examples can be found all over the state with football clubs Rochedale Rovers, Taringa Rovers, Souths Utd, Redlands Utd, Palm Beach along with Zones from Wide Bay, Townsville, Cairns & Toowoomba. If we didn't have a license agreement to adhere to, this product would have to be purchased by these clubs/zones, putting more costs onto the clubs, which in this particular economic circumstances would be another burden for them that they do not need.

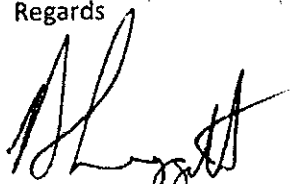
3. Product- By using the various factories locally here in Australia and from overseas, we specialize in the sportswear industry and can deliver consistency in pricing and reliable delivery times which is a must and keeping local people actively employed in the workforce. Since the FQ licensing program was started, we have kept our pricing very competitive for both the clubs and retailers and some of our products eg Team Kits (sets of shirts & shorts) have come down in price due to the popularity of this product in the market place as we have been able to obtain better buying prices from our suppliers and pass this saving on to our customers.



Peter, this idea of cancelling the licensing program hasn't been thought through properly as in the long run, football will be more costly to play for the individual player & club, our prices would NOT decrease should the license arrangement be cancelled, the product used will not be of the same quality as is currently being supplied and this will in fact increase the costs to football clubs as cheaper products do not last as long as the better branded products that are featured in the FQ licensing program.

Peter please keep me informed as to the outcome of this silly ACCC action.

Regards



Bruce Leggatt

Director