Allens Deutsche Bank Place Corner Hunter & Phillip Streets Sydney NSW 2000 Australia T+61 2 9230 4000 F+61 2 9230 5333 www.allens.com.au

GPO Box 50 Sydney NSW 2001 Australia DX 105 Sydney

ABN 47 702 595 758

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12 July 2012

Mr Richard Chadwick General Manager, Adjudication Australian Competition and Consumer Commission **GPO Box 3131** Canberra ACT 2601

AUST. COMPETITION & CONSUMER COMMISSION SYDNEY 12 006 2012

FILE No:
DOC:
MARS/PRISM:

Dear Mr Chadwick

Sydney Airport Corporation Limited: exclusive dealing notification

We act for Sydney Airport Corporation (Sydney Airport).

On behalf of Sydney Airport and SSP Australia Catering Pty Limited (SSP) we enclose a Form G Notification of Exclusive Dealing in relation to third line forcing conduct. The proposed conduct is outlined in the enclosed notification.

Catherine Bembrick

Enclosed is a cheque for \$200 as payment of lodging fees for both Sydney Airport and SSP.

Yours sincerely

Kon Stellios Partner Aliens

Senior Associate Allens Kon.Stellios@allens.com.au Catherine.Bembrick@allens.com.au T+61 2 9230 4897 T +61 2 9230 5167

Our Ref KTSS:CHBS:120277805

chbs A0121852759v1 120277805

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Form G

Commonwealth of Australia Competition and Consumer Act 2010 — subsection 93 (1) NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

(a) Name of person giving notice: (Refer to direction 2)

-Sydney Airport Corporation Limited (Sydney Airport) (ACN 62 082 578-809). Indalia

N96011

SSP Australia Catering Pty Limited (SSP) (ACN 134 475 924).

(b) Short description of business carried on by that person: (Refer to direction 3)

Sydney Airport is the airport operator company of Sydney (Kingsford-Smith) Airport (*Airport*).

SSP operates Dank St Depot café Sydney Airport which markets and sells coffee, and associated food and beverages.

(c) Address in Australia for service of documents on that person:

Sydney Airport:

Elizabeth Henderson

Sydney Airport Corporation Limited

Locked Bag 5000

Sydney International Airport NSW 2020

SSP:

c/o Corrs Chambers Westgarth Lawyers

Level 33, Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

2. Notified arrangement

(a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

Motor vehicle parking at the Airport and the provision of coffee beverages at the Airport.

(b) Description of the conduct or proposed conduct:

This notice relates to the provision of free coffee to customers of the Airport's International terminal car park. Upon presentation of an Airport International terminal car parking ticket, SSP (Dank St Depot) will provide customers with one free coffee when that customer purchases another coffee from Dank St Depot (a 'buy one get one free offer').

The offer will only be available on the day of entry to the car park, and will run for a two week period in August 2012.

Sydney Airport will promote the offer inside the International terminal car park and inside the International terminal.

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

(a) Class or classes of persons to which the conduct relates: (Refer to direction 5)

Actual or potential members of the public who use the Airport's car park at the International terminal.

- (b) Number of those persons:
 - (i) At present time:

Approximately 21,000 per week.

(ii) Estimated within the next year: (Refer to direction 6)

Approximately 21,000 per week.

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

Not applicable.

4. Public benefit claims

(a) Arguments in support of notification: (Refer to direction 7)

The proposed conduct will result in significant benefits to the public including:

- enhanced competition in the relevant markets by encouraging competitors to offer similar benefits;
- goods or services that are more affordable and provide better value for consumers;
- reduced cost for consumers who may otherwise be unable to negotiate discounts or other benefits for similar goods or services;
 and
- greater convenience for consumers in dealing with Sydney Airport and SSP (Dank St Depot).
- (b) Facts and evidence relied upon in support of these claims:

Customers of the Airport International terminal car park will benefit from the proposed arrangement as they will obtain a lower price for goods or services, or receive additional goods or services for no extra payment.

Sydney Airport and SSP submit that, given there is no anti-competitive detriment arising from the proposed conduct, it is not necessary to demonstrate more than minimal public benefits.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions): (Refer to direction 8)

There are two relevant markets:

- the market for the provision of coffee beverages (and related food and beverage services), and
- the market for the provision of motor vehicle parking.

6. Public detriments

(a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:

(Refer to direction 9)

The proposed conduct will not result in any detriment to the public in either of the relevant markets. The proposed conduct will not have a detrimental effect on competition because:

- the parties will continue to compete against a number of existing vigorous and effective competitors. Competitors are free to develop competing offers;
- the offer is short term, running for a two week period in August 2012;
- consumers are able to acquire car parking services from Sydney Airport without acquiring free coffee from Dank St Depot;
- customers of Dank St Depot are able to acquire coffee from Dank St
 Depot at the usual price or using other special rates that may be
 available from time to time, without parking at the Airport
 International terminal car park;
- the arrangement between Sydney Airport and SSP is not exclusive and both parties are free to enter into similar arrangements with other suppliers; and
- the proposed conduct is similar to various other existing free/discount coffee offers.
- (b) Facts and evidence relevant to these detriments:

See above.

7. Further information

(a) Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:

Kon Stellios

Partner, Allens

GPO Box 50, Sydney NSW 2001

Telephone: 02 9230 4897

Dated 12 July 2012

Signed by/on behalf of the applicant(s)

AUST. COMPETITION & CONSUMER COMMISSION SYDNEY

1 2 JUL 2012 +

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

- 1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.
 - Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.
- 2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
- 3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
- 4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
- 5. Describe the business or consumers likely to be affected by the conduct.
- 6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
- 7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
- 8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
- 9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.