

24 August 2012

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TELEPHONE +61 8 8233 5555 FACSIMILE +61 8 8233 5556

General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Sirs

Notification of Collective Bargaining

We act for Remote Retail Services ACN 140 742 169.

Our client has instructed us to notify conduct under section 93AB(1) of the *Competition and Consumer Act 2010* (Cth) for itself and on behalf of the following community stores:

- Arlpuurrulam Community Store;
- Haasts Bluff Community Store;
- Papunya Community Store;
- Hermannsburg Community Store;
- Kintore Community Store; and
- Mt Liebig Community Store.

Our client seeks to collectively bargain on behalf of the six stores for the procurement of essential items to be sold by the stores to members of remote indigenous communities.

Please find **enclosed** four Form GA notifications. The four separate notifications are for our client to negotiate terms with nineteen separate suppliers (**Targets**). Not all stores expect to acquire goods or services from all Targets, so separate notifications have been prepared. The Targets operate within the same market or closely related markets as further described in the notifications.

MINTER ELLISON OFFICES

ADELAIDE AUCKLAND BEIJING BRISBANE CANBERRA DARWIN GOLD COAST HONG KONG
LONDON MELBOURNE PERTH SHANGHAI SYDNEY ULAANBAATAR WELLINGTON

It is submitted that a lodgement fee of \$1,000 is payable for the first notification and that the \$0 concessional fee applies to the three additional related notifications. We have enclosed a cheque for \$1,000.

Yours sincerely



Josh Simons
Partner

Contact: Josh Simons
Direct Phone: +61 8 8233 5428
Email: josh.simons@minterellison.com
Our reference: 84412/3 | LADD | NJB

Form GA

Commonwealth of Australia

Competition and Consumer Act 2010 — section 93AB

NOTIFICATION OF COLLECTIVE BARGAINING

This form is to be completed by applicants proposing to engage in collective bargaining arrangements.

In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission 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.

Protection provided by the notification extends only to the collective bargaining arrangements described in the form.

To the Australian Competition and Consumer Commission:

Notice is hereby given under section 93AB of the *Competition and Consumer Act 2010* of intention:

- to make, or to propose to make, a contract containing a provision of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to make, or to propose to make, a contract containing a provision of the kind referred to in paragraph 45 (2) (a) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in paragraph 45 (2) (b) of that Act.
(*Strike out if not applicable*)

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

Section A – general information

1. Applicant

- (a) Name of the applicant:
(refer to Direction 1)

Remote Retail Services Pty Ltd (**Remote Retail Services**)

ACN 140 742 169

- (b) Description of business carried on by the applicant:
(refer to Direction 2)

Remote Retail Services works with government and independent remote Indigenous stores to improve remote community stores to ensure stores are viable and sustainable over the long term.

CB00208
CB00209
CB00210
CB00211
CB00212
CB00213
CB00214
CB00215
CB00216

CB00217
CB00218
CB00219
CB00220
CB00221
CB00222
CB00223

Remote Retail Services undertakes projects that promote sustainability in Indigenous stores, and allowing them to be effectively and efficiently managed and operated by independent Indigenous community corporations and management.

Practically, Remote Retail Services provides appropriate skills training, store infrastructure and support. This includes supply chain infrastructure, business tools including policies and procedures, retail skills, and coaching and mentoring to deliver economic and social outcomes.

Often, remote Indigenous stores do not have the ability to effectively negotiate with suppliers to obtain efficient and cost effective access to groceries and other items required by members of remote communities. This problem is compounded by the remote location of stores, and difficulties in accessing affordable and high quality items.

Because the community store is the central supplier of goods and services to the remote community, issues relating to a store's management and operation, together with the diversity, quality and affordability of items sold, have a significant impact on the whole community.

To deal with supply chain issues, Remote Retail Services intends to bring together stores from across a range of different remote communities as part of a collective bargaining arrangement that will be managed by Remote Retail Services.

Remote Retail Services has received government support and funding for this initiative to be undertaken.

- (c) Is the representative of the applicant lodging the notice a trade union, an officer of a trade union or a person acting on the direction of a trade union?
(refer to Direction 3)

No.

- (d) Address in Australia for service of documents on the applicant:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

2. Lodged on behalf of

- (a) Provide names and addresses of all persons on whose behalf the notification is lodged and who propose to participate in the collective bargaining arrangements:
(refer to Direction 4)

Arlpurrurulam Community Store

PMB 23, Mt Isa. QLD 4825.

wartestore@activ8.net.au

Haasts Bluff Community Store

Ikuntji Community, Haasts Bluff. NT. 0872

kanparrkastoree@activ8.net.au

Papunya Community Store

Lot 219, Papunya Community

PMB 231, Papunya, via Alice Springs. 0871

papunya.store@activ8.net.au

Hermannsburg Community Store

PO Box 2126, Alice Springs. 0872

frmstore@bigpond.com

Kintore Community Store

PMB 94, via Alice Springs. 0872

1 Kintore Road, Kintore

kintorestore@activ8.net.au

Mt Liebig Community Store

Lot 96, Mount Liebig

PMB 210, Mount Liebig, via Alice Springs. 0871

(together, **Indigenous Stores**).

- (b) Provide proof of the consent of each of the persons listed at 2 (a) above agreeing to the lodgement of the notification on their behalf:
(refer to *Direction 5*)

Signed consents are attached at **Annexure C**.

- (c) Provide the following information relating to a notification:
- (i) Does this notification relate to a notification previously lodged with the Australian Competition and Consumer Commission and for which a concessional fee is claimed?

Yes. The notification is comprised of nineteen (19) separate targets.

Sixteen (16) targets are described in this form. The other targets are described in a further three (3) forms, as not all Indigenous Stores expect to make contracts with all nineteen (19) targets.

All notifications have been lodged under one cover letter, and relate to goods and services in the wholesale grocery, variety and petrol markets. It is submitted that each of these markets are closely related, and that the concessional fee should apply to all

eighteen targets.

- (ii) details of the first-mentioned notification, including but not limited to:
 - (A) the name of the applicant; and
 - (B) the date the notification was said to be lodged; and
 - (C) if known or applicable — the registration number allocated to that collective bargaining notification.

Remote Retail Services Pty Ltd

Unknown – lodged simultaneously

Section B – collective bargaining arrangements

3. Proposed collective bargaining arrangements

- (a) Provide: the name and address of the target; the name, position and telephone contact details of an appropriate contact at the target; and a description of the business carried on by the target:
(refer to direction 6)

Target details are attached at **Annexure A**.

- (b) Provide a description of the goods or services which the participants of the collective bargaining arrangements (listed at 2 (a) above) propose to supply to or acquire from the target:

Target details are attached at **Annexure A**.

- (c) Do the participants of the proposed collective bargaining arrangements (see 2 (a) above) reasonably expect to make one or more contracts with the target about the supply to or acquisition from the target of one or more of the goods or services (listed at 3 (b) above)?
(refer to direction 7)

Yes.

- (d) In relation to (c) above, provide details of the basis upon which that expectation is held including details of past contracts with the target:

Each of the Indigenous Stores already acquires and sells goods or services of the kinds described in this notification. They will continue to do so once the proposed collective bargaining conduct commences, albeit with the potential additional benefit of Remote Retail Services negotiating better supply terms or pricing on behalf of the collective bargaining group.

- (e) Do the participants of the collective bargaining arrangements (listed at 2 (a) above) reasonably expect that contractual payments between the target and each participant will not exceed \$3 million (or any other amount prescribed by regulation) in any 12 month period, and on what basis?
(refer to direction 8)

None of the Indigenous Stores believe that they will exceed \$3 million (or \$15 million for petrol retailing) in any 12 month period.

Each Indigenous Store has made reference to historical sales information, and none of the historical amounts are close to the relevant threshold.

Historically, remote community populations have remained relatively stable (or have decreased). Given the remote location of the Indigenous Stores, and the way in which each Indigenous Store serves its community, community population is directly relevant to the revenue of each Indigenous Store. No substantive revenue increase is expected.

- (f) In relation to (e) above provide an estimation of the contractual payments expected between the target and each participant in relation to the goods and services (listed at 2 (a) above):

See **Annexure B**.

- (g) Provide a description of the collective bargaining arrangements proposed including, but not limited to:
- (i) the process by which participants propose to undertake collective bargaining with the target; and
 - (ii) the type of terms and conditions expected to be negotiated in collective bargaining arrangements (for example: price; non-price conditions of supply such as contract periods etc); and
 - (iii) details of any dispute resolution procedure (if any) proposed between participants throughout the collective bargaining process; and
 - (iv) details of any dispute resolution procedure (if any) proposed between participants and the target throughout the collective bargaining process; and
 - (v) details of any dispute resolution procedure (if any) proposed to deal with disputes throughout the term of contracts entered into with the target; and
 - (vi) details of proposed commencement and duration of contracts to be negotiated with the target:
(refer to direction 9)

Under the collective bargaining arrangement, Remote Retail Services will negotiate with each Target on behalf of the participating Indigenous Stores.

Each Indigenous Store has signed a simple agreement under which Remote Retail Services has agreed to negotiate with nominated suppliers on behalf of that Indigenous Store. While the arrangement is 'non-exclusive' (in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Targets or another third party), it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Remote Retail Services expects to negotiate, as an advocate for the Indigenous Stores, all terms of supply with Targets, including but not limited to price, delivery charges, service levels (including quality of goods and services and timeliness of delivery), ordering procedures and other matters. Each Indigenous Store will enter into the negotiated contract directly with each Target.

Remote Retail Services will play an active role in helping Indigenous Stores to understand the terms of supply agreements with Targets, including in relation to payment, default and other terms a Target may seek to impose (e.g. limitation of liability).

No specific dispute resolution mechanism is proposed with each Target, however, where possible, Remote Retail Services will seek to have Targets include dispute resolution clauses in their supply terms, and seek to have that dispute resolution clause extend to enabling Remote Retail Services to represent or assist the Indigenous Stores.

The Indigenous Stores have been asked to commit to participating in the Remote Retail Services program for two years, and they have each agreed to do so.

- (h) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to possible price agreements:

Remote Retail Services will seek to negotiate price (including payment terms, rebates or discounts) on behalf of each participating Indigenous Store for the acquisition of goods or services from the Targets for the purposes of enabling the Indigenous Stores to obtain an affordable, reliable and sustainable supply of various grocery, variety, petrol and related items.

- (i) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to a possible or proposed exclusionary provision(s), including but not limited to:

- (i) the nature of the proposed or possible exclusionary provision(s) (for example an agreement to withhold supply of the relevant goods or services to the target); and
 - (ii) the circumstances in which the collective bargaining participants would engage in the exclusionary provision(s), including but not limited to:
 - (A) details of the events that would trigger any such activity; and
 - (B) details of the process that would be followed in undertaking any such activity; and
 - (C) details of any proposed period of notice to be given to the target prior to the commencement of such activity; and
 - (D) details of any dispute resolution procedure to be applied or offered to the target prior to the commencement of such activity:
- (refer to direction 10)*

Not applicable. The collective bargaining arrangement is 'non-exclusive' in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Targets or another third party, it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Section C – public detriments

4. Market definition

Provide a description of the market(s) in which the goods or services described at 3 (b) 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 11)

Given the limited number of suppliers available, the Indigenous Stores theoretically compete, or could compete, for the acquisition of various grocery, variety, petrol and related items (such as transport to remote areas). Because of the remote location of the stores, and the way in which a community store operates to serve its community, the Indigenous Stores do not compete at a retail level.

The Targets are, generally, located in the Northern Territory (or have a distribution presence in the Northern Territory), however many are large national or international companies.

Given the above, the relevant markets are:

- the market in the Northern Territory for the wholesale supply of grocery and supermarket items (including such things as fresh fruit and vegetables, meat, bread, clothing and variety goods);
- the market in the Northern Territory for the wholesale supply of electrical goods and related merchandise (including such things as pre-paid mobile phones, CDs and DVDs);
- the market in the Northern Territory for the wholesale supply of petrol; and
- the market in the Northern Territory for commercial/industrial transport.

Substitutes for these items are generally limited to similar items from alternative suppliers. However, where an Indigenous Store cannot obtain affordable or efficient access to a particular item, it will usually not stock that item (as opposed to substituting an alternative item). This is to the detriment of community members who will usually shop for 'what is available' as opposed to what they might particularly want or need.

5. Public detriments

- (a) What will be the likely effect of the notified conduct on the prices of the goods or services described at 3 (b) above and the prices of goods or services in other affected markets? In answering this question please provide facts and information to support the claims made:

There is unlikely to be any public detriment. At the moment, the Indigenous Stores struggle to obtain affordable and/or efficient access to a diverse range of quality items. This, in turn, has a direct impact of the remote community, as the community store is, often, the only source of supply available to the members of the community.

In support of the submission that there is likely to be no material public detriment are the following factors:

- the arrangement applies to only 6 stores, all of which are remote community stores found in indigenous communities, and none of which compete in the retail supply market;
 - the Targets will all still have access to other wholesalers or consumers, including in major cities such as Alice Springs and Darwin (which market is vast when compared to the consumption of the Indigenous Stores);
 - the arrangement is not exclusive (and stores can access suppliers other than the Targets if a competitive alternative comes forward);
 - the arrangement will have no impact on consumers at a retail level and will, most likely, result in a direct decrease in prices charged to consumers and increase quality and diversity.
- (b) What other detriments may result from the notified conduct? In answering this question please provide facts and information to support the claims made:

Nil.

Section D – public benefits

6. Public benefit claims

- (a) Provide details of the public benefits resulting or likely to result from the proposed arrangement. In answering this question please provide facts and information to support the claims made:

Historically, each Indigenous Store has been independently operated and has suffered from a lack of access to a reliable, high quality, efficient and affordable supply chain. This, in turn, has led to the availability of items in remote communities being limited, of low quality and overly expensive. In most cases, there is no competition in remote communities meaning that the community store offering is a 'take it or leave it' proposition.

By bringing the Targets' understanding of community stores' needs a step closer, continuous access to fresh, nutritious and affordable food, including essential health items, will be created thereby fostering sustainable food security for members of the community.

The Indigenous Stores are not large consumers by any standard. The size of each operation is insignificant when compared to retailers in larger retail centres. In addition to size, the independence and location of the remote stores, and other difficulties that can be encountered in dealing with a remote store, means they are not, generally, a highly attractive target for wholesalers and other suppliers. As such, the bargaining power of each Indigenous Store is low.

In addition to other services Remote Retail Services will be providing to the Indigenous Stores (such as training and business mentoring), assisting to overcome these supply chain issues by seeking to negotiate on behalf of a number of remote stores will (at least):

- facilitate reliable access to items in remote locations;
- help to improve the quality of goods or services supplier, together with the diversity of items made available within the remote community; and

- help to achieve more efficient and affordable pricing for the supply of items which will, in turn, lead to better retail pricing for community members.

Section E – authority

7. Contact details

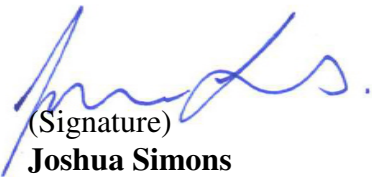
- (a) Name, contact telephone number and address of person authorised by the notifying parties to provide additional information in relation to this application:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

(refer to direction 12)

Dated: 24 August 2012

Signed on behalf of the applicant



(Signature)

Joshua Simons

(Full Name)

Minter Ellison Lawyers (Solicitors for the applicant)

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

1. Where 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 application and the application is to be signed by a person authorised by the corporation to do so.
2. Describe that part of the applicant's business relating to the subject matter of the contract, arrangement or understanding in respect of which notification is given.
3. A collective bargaining notification can not be lodged by a trade union or a trade union representative.
4. Where the applicant will be a participant in the collective bargaining arrangements (rather than a representative of participants) the name of the applicant must also be included. Where those persons are corporations, list the corporation's name and address.
5. The applicant, in lodging a notification on behalf of others, must obtain their consent to do so and provide proof of that consent.
6. Where the target is a corporation, provide the corporate name.
7. The collective bargaining notification process is only available to parties that reasonably expect to make one or more contracts with the target about the supply or acquisition of goods or services the subject of the notification.
8. The value of the contract to be collectively negotiated between the target and each participant is not to exceed \$3 million (or such other amount as is prescribed by the regulations) per participant in any twelve month period.
9. To the extent that the collective bargaining arrangements have been reduced to writing, provide a true copy of the arrangement. To the extent that the collective bargaining arrangements have not been reduced to writing, provide a full and correct description of the key terms that have not been reduced to writing.
10. In simple terms an exclusionary provision exists where the proposed contract, arrangement or understanding is made by businesses (at least two of whom are competitors) for the purpose of preventing, restricting or limiting the supply of services to particular persons or classes of persons by all or any of the parties to the contract, arrangement or understanding.

In the context of collective bargaining, an exclusionary provision(s) may include contracts, arrangements or understandings (whether currently in existence or to be made or arrived at during the term of the notification) between collective bargaining participants to limit or restrict their dealings with the target including contracts arrangements or understandings to:

- (a) withhold the supply of goods or services from the target; or
- (b) refuse or decline to acquire the goods or services of the target;

whether such conduct was absolute, limited or subject to certain terms or conditions. This is sometimes referred to as a collective boycott.

11. 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.
12. The notification must be signed by a person authorised by the applicant to do so.

ANNEXURE A

	Target name <small>(section 3(a) of Form GA)</small>	Target contact information <small>(section 3(a) of Form GA)</small>	Description of goods to be acquired by Independent Stores <small>(section 3(c) of Form GA)</small>
1.	Independent Grocers of Australia - IGA (Alice Springs)	Richard Blom (08) 8952-2766 / 0417 870 526 Richard.blom@metcash.com PO Box 1344, Alice Springs. NT. 0871	Groceries
2.	Smimac	Geoff Martin or Frank Branford (08) 8952 4111 0419 826 296 / 0417 804 230 PO Box 590, Alice Springs. NT. 0871	Groceries
3.	Central Fruit & Veg	Haydn Rodda (08) 8953-1872 / 0411 609 046 centralfruitveg@bigpond.com PO Box 2070, Alice Springs. NT. 0871	Fresh fruit and vegetables
4.	Coca Cola	Damian Ames 132 653 / 0400 578 680 damian.ames@ccamatil.com PO Box 3636, Winnellie. NT. 0821	Beverages (soft drinks and related beverages)

	Target name (section 3(a) of Form GA)	Target contact information (section 3(a) of Form GA)	Description of goods to be acquired by Independent Stores (section 3(c) of Form GA)
5.	G&R Wills	Ian Jesson or Mark Griffiths (08) 8984-2466 or (08) 8952 2222 ianj@grwills.com.au or markg@grwills.com.au PO Box 37970, Winnellie. NT. 0821	General Merchandise (clothing and variety goods)
6.	Harvery Norman (Alice Springs)	Dean Rackley (08) 8950 4070 / 0402 026 819 dean.rackley@au.harveynorman.com PO Box 4787, Alice Springs. NT 0871	Electrical goods and related merchandise
7.	Alice Quality Foods	Chris Nourse (08) 8953 1889 / 0419 806 327 alicequalityfoods@bigpond.com PO Box 1636, Alice Springs. NT. 0871	Groceries
8.	Parmalat	Patrick Pethick (08) 8980 2206 / 0417 253 859 patrick.pethick@parmalat.com.au PO Box 39346, Winnellie. NT. 0821	Milk products and juices

	Target name (section 3(a) of Form GA)	Target contact information (section 3(a) of Form GA)	Description of goods to be acquired by Independent Stores (section 3(c) of Form GA)
9.	Conway Burnval Wholesalers	Tim Cross (08) 8947 1971 / 0429 625 202 cbwdwn@cbw.com.au PO Box 36990, Winnellie. NT. 0821	General Merchandise
10.	Chelsea Wholesalers	Christine Eichner (08) 8395 0277 / 0402 422 924 chelseawholesalers@adam.com.au 36 Fomechon Crescent, Modbury North. SA. 5092	General Merchandise
11.	Goodman Fielder / Stuart Bakery	Darren Wright (08) 8997 0108 / 0408 527 206 darren.wright@gfmb.com.au PO Box 39646, Winnellie. NT. 0821	Bakery Products
12.	Sabadin Fuel	Nathan McGregor (08) 8952 6222 Nathan.mcgregor@sabadin.com PO Box 1021, Alice Springs. NT. 0870	Fuel

	Target name (section 3(a) of Form GA)	Target contact information (section 3(a) of Form GA)	Description of goods to be acquired by Independent Stores (section 3(c) of Form GA)
13.	J Comm	Brian Jewel (07) 5446 1388 / 0401 715 605 brian@simconnect.com.au PO Box 586, Coolum Beach. QLD. 4573	Prepaid airtime and mobile phones
14.	Kamparri	Michael Winter (08) 8262 9311 / 0400 266 413 sales@kamparri.com.au PO Box 540, Ingle Farm. SA. 5098	Music CD's and DVD's
15.	C Direct	Peter Ciliberto (03) 9499 7771 / 0414 759 543 peterc@c-direct.com.au PO Box 2974, East Ivanhoe. Victoria. 3079	Prepaid airtime and mobile phones
16.	Spar Australia	Lou Jardin Chief Executive Officer (07) 3715 3000 / 0417 279 176 jardilo@bigpond.com Locked Bag 30, Acacia Ridge, QLD. 4110	Groceries

ANNEXURE B

Section 3(f) of Form GA

Estimate of the contractual payments expected between the Targets and the Indigenous Stores in the next 12 months

Supplier Name	Arlpurrurulam	Haasts Bluff	Papunya	Hermannsburg	Kintore	Mt Liebig
IGA	\$915,000	\$185,000	\$690,000	\$470,000	\$1,250,000	\$302,000
Smimac	\$18,000	\$115,000	\$630,000	\$115,000	245,000	\$130,000
Central Fruit & Vege	\$71,000	\$35,000	\$85,000	\$68,000	\$110,000	\$31,500
Alice Quality Foods	\$10,000	\$6,800	\$4,300	\$6,000	\$10,000	\$7,516
Parmalat	\$25,000	\$15,000	\$30,000	\$10,000	\$16,000	\$13,000
Coca Cola	\$320,000	\$20,000	\$225,000	\$77,000	\$180,000	\$48,500
G&R Wills	\$75,000	\$20,000	\$75,000	\$29,000	\$130,000	\$19,500
CBW	\$10,000	\$14,000	\$40,000	\$18,000	\$10,000	\$29,500
Chelsea Wholesalers	\$40,000	\$21,000	\$210,000	\$10,000	\$12,000	\$10,000
Goodman Fielder / Stuart Bakery	\$106,000	\$15,000	\$30,000	\$61,000	\$55,000	\$33,500
Sabadin Fuel	up to \$200,000	\$87,000	\$300,000	up to \$200,000	\$270,000	\$130,000
J Comm	\$10,000	\$9,000	\$23,000	\$10,000	\$21,000	\$5,700
Kanparri	\$25,000	\$8,000	\$12,500	\$10,000	\$12,500	\$8,000
C Direct	\$45,000	\$9,000	\$23,000	\$40,000	\$21,000	\$6,000
H. Norman ASP	\$20,000	\$35,000	\$102,000	\$30,000	\$130,000	\$8,500
Spar Australia	\$275,000	\$55,000	\$205,000	\$140,000	\$375,000	\$90,000

ANNEXURE C

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of PAANYA STORE ABORIGINAL CORPORATION

Bruce Ross
Signature

Bruce Ross
Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

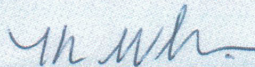
The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of Amundarraga Stone


Signature

Tim Wilkins
Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

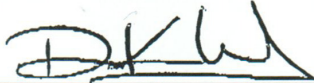
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- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of PULIKUTSARZA ABORIGINAL CORPORATION



Signature

ROBERT KOPPES

Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of FINKE RIVER MISSION

FINKE RIVER MISSION
POB 2129 ALICE SPRINGS 0871

Signature

S.R. Kloeden

Name (print)

S. R. KLOEDEN

15/06/12

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of KANPARRKA STORE



Signature

NICOLE HINES
Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

WARTE ALPARAYETYE
Signed by duly authorised representative
of WR WARTE ALPARAYETYE CORPORATION STORE
PMB 18
VIA MT ISA QLD 4825
PH: 07 4748 4860

Signature

Name (print)

GARRY KOPPEL

Form GA

Commonwealth of Australia

Competition and Consumer Act 2010 — section 93AB

NOTIFICATION OF COLLECTIVE BARGAINING

This form is to be completed by applicants proposing to engage in collective bargaining arrangements.

In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission 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.

Protection provided by the notification extends only to the collective bargaining arrangements described in the form.

To the Australian Competition and Consumer Commission:

Notice is hereby given under section 93AB of the *Competition and Consumer Act 2010* of intention:

- to make, or to propose to make, a contract containing a provision of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to make, or to propose to make, a contract containing a provision of the kind referred to in paragraph 45 (2) (a) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in paragraph 45 (2) (b) of that Act.
(*Strike out if not applicable*)

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

Section A – general information

1. Applicant

- (a) Name of the applicant:
(refer to Direction 1)

CB00224

Remote Retail Services Pty Ltd (**Remote Retail Services**)

ACN 140 742 169

- (b) Description of business carried on by the applicant:
(refer to Direction 2)

Remote Retail Services works with government and independent remote Indigenous stores to improve remote community stores to ensure stores are viable and sustainable over the long term.

Remote Retail Services undertakes projects that promote sustainability in Indigenous stores, and allowing them to be effectively and efficiently managed and operated by independent Indigenous community corporations and management.

Practically, Remote Retail Services provides appropriate skills training, store infrastructure and support. This includes supply chain infrastructure, business tools including policies and procedures, retail skills, and coaching and mentoring to deliver economic and social outcomes.

Often, remote Indigenous stores do not have the ability to effectively negotiate with suppliers to obtain efficient and cost effective access to groceries and other items required by members of remote communities. This problem is compounded by the remote location of stores, and difficulties in accessing affordable and high quality items.

Because the community store is the central supplier of goods and services to the remote community, issues relating to a store's management and operation, together with the diversity, quality and affordability of items sold, have a significant impact on the whole community.

To deal with supply chain issues, Remote Retail Services intends to bring together stores from across a range of different remote communities as part of a collective bargaining arrangement that will be managed by Remote Retail Services.

Remote Retail Services has received government support and funding for this initiative to be undertaken.

- (c) Is the representative of the applicant lodging the notice a trade union, an officer of a trade union or a person acting on the direction of a trade union?
(refer to Direction 3)

No.

- (d) Address in Australia for service of documents on the applicant:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

2. Lodged on behalf of

- (a) Provide names and addresses of all persons on whose behalf the notification is lodged and who propose to participate in the collective bargaining arrangements:
(refer to Direction 4)

Haasts Bluff Community Store

Ikuntji Community, Haasts Bluff. NT. 0872

kanparrkastoree@activ8.net.au

Papunya Community Store

Lot 219, Papunya Community

PMB 231, Papunya, via Alice Springs. 0871

papunya.store@activ8.net.au

(together, **Indigenous Stores**).

- (b) Provide proof of the consent of each of the persons listed at 2 (a) above agreeing to the lodgement of the notification on their behalf:
(refer to *Direction 5*)

Signed consents are attached at **Annexure C**.

- (c) Provide the following information relating to a notification:
- (i) Does this notification relate to a notification previously lodged with the Australian Competition and Consumer Commission and for which a concessional fee is claimed?

Yes. The notification is comprised of nineteen (19) separate targets.

One (1) target is described in this form. The other targets are described in a further three (3) forms, as not all Indigenous Stores expect to make contracts with all nineteen (19) targets.

All notifications have been lodged under one cover letter, and relate to goods and services in the wholesale grocery, variety and petrol markets. It is submitted that each of these markets are closely related, and that the concessional fee should apply to all eighteen targets.

- (ii) details of the first-mentioned notification, including but not limited to:
- (A) the name of the applicant; and
 - (B) the date the notification was said to be lodged; and
 - (C) if known or applicable — the registration number allocated to that collective bargaining notification.

Remote Retail Services Pty Ltd

Unknown – lodged simultaneously

Section B – collective bargaining arrangements

3. Proposed collective bargaining arrangements

- (a) Provide: the name and address of the target; the name, position and telephone contact details of an appropriate contact at the target; and a description of the business carried on by the target:
(refer to *direction 6*)

Target details are attached at **Annexure A**.

- (b) Provide a description of the goods or services which the participants of the collective bargaining arrangements (listed at 2 (a) above) propose to supply to or acquire from the target:

Target details are attached at **Annexure A**.

- (c) Do the participants of the proposed collective bargaining arrangements (see 2 (a) above) reasonably expect to make one or more contracts with the target about the supply to or acquisition from the target of one or more of the goods or services (listed at 3 (b) above)?
(refer to direction 7)

Yes.

- (d) In relation to (c) above, provide details of the basis upon which that expectation is held including details of past contracts with the target:

Each of the Indigenous Stores already acquires and sells goods or services of the kinds described in this notification. They will continue to do so once the proposed collective bargaining conduct commences, albeit with the potential additional benefit of Remote Retail Services negotiating better supply terms or pricing on behalf of the collective bargaining group.

- (e) Do the participants of the collective bargaining arrangements (listed at 2 (a) above) reasonably expect that contractual payments between the target and each participant will not exceed \$3 million (or any other amount prescribed by regulation) in any 12 month period, and on what basis?
(refer to direction 8)

None of the Indigenous Stores believe that they will exceed \$3 million (or \$15 million for petrol retailing) in any 12 month period.

Each Indigenous Store has made reference to historical sales information, and none of the historical amounts are close to the relevant threshold.

Historically, remote community populations have remained relatively stable (or have decreased). Given the remote location of the Indigenous Stores, and the way in which each Indigenous Store serves its community, community population is directly relevant to the revenue of each Indigenous Store. No substantive revenue increase is expected.

- (f) In relation to (e) above provide an estimation of the contractual payments expected between the target and each participant in relation to the goods and services (listed at 2 (a) above):

See **Annexure B**.

- (g) Provide a description of the collective bargaining arrangements proposed including, but not limited to:

- (i) the process by which participants propose to undertake collective bargaining with the target; and
- (ii) the type of terms and conditions expected to be negotiated in collective bargaining arrangements (for example: price; non-price conditions of supply such as contract periods etc); and

- (iii) details of any dispute resolution procedure (if any) proposed between participants throughout the collective bargaining process; and
- (iv) details of any dispute resolution procedure (if any) proposed between participants and the target throughout the collective bargaining process; and
- (v) details of any dispute resolution procedure (if any) proposed to deal with disputes throughout the term of contracts entered into with the target; and
- (vi) details of proposed commencement and duration of contracts to be negotiated with the target:
(refer to direction 9)

Under the collective bargaining arrangement, Remote Retail Services will negotiate with each Target on behalf of the participating Indigenous Stores.

Each Indigenous Store has signed a simple agreement under which Remote Retail Services has agreed to negotiate with nominated suppliers on behalf of that Indigenous Store. While the arrangement is 'non-exclusive' (in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Target or another third party), it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Remote Retail Services expects to negotiate, as an advocate for the Indigenous Stores, all terms of supply with the Target, including but not limited to price, delivery charges, service levels (including quality of goods and services and timeliness of delivery), ordering procedures and other matters. Each Indigenous Store will enter into the negotiated contract directly with each Target.

Remote Retail Services will play an active role in helping Indigenous Stores to understand the terms of supply agreements with the Target, including in relation to payment, default and other terms the Target may seek to impose (e.g. limitation of liability).

No specific dispute resolution mechanism is proposed with each Target, however, where possible, Remote Retail Services will seek to have the Target include dispute resolution clauses in their supply terms, and seek to have that dispute resolution clause extend to enabling Remote Retail Services to represent or assist the Indigenous Stores.

The Indigenous Stores have been asked to commit to participating in the Remote Retail Services program for two years, and they have each agreed to do so.

- (h) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to possible price agreements:

Remote Retail Services will seek to negotiate price (including payment terms, rebates or discounts) on behalf of each participating Indigenous Store for the acquisition of goods or services from the Target for the purposes of enabling the Indigenous Stores to obtain an affordable, reliable and sustainable supply of various grocery, variety, petrol and related items.

- (i) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to a possible or proposed exclusionary provision(s), including but not limited to:
 - (i) the nature of the proposed or possible exclusionary provision(s) (for example an agreement to withhold supply of the relevant goods or services to the target); and
 - (ii) the circumstances in which the collective bargaining participants would engage in the exclusionary provision(s), including but not limited to:
 - (A) details of the events that would trigger any such activity; and
 - (B) details of the process that would be followed in undertaking any such activity; and
 - (C) details of any proposed period of notice to be given to the target prior to the commencement of such activity; and
 - (D) details of any dispute resolution procedure to be applied or offered to the target prior to the commencement of such activity:
- (refer to direction 10)*

Not applicable. The collective bargaining arrangement is 'non-exclusive' in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Target or another third party, it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Section C – public detriments

4. Market definition

Provide a description of the market(s) in which the goods or services described at 3 (b) 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 11)

Given the limited number of suppliers available, the Indigenous Stores theoretically compete, or could compete, for the acquisition of various grocery, variety, petrol and related items (such as transport to remote areas). Because of the remote location of the stores, and the way in which a community store operates to serve its community, the Indigenous Stores do not compete at a retail level.

While the Target is not located in the Northern Territory, it has a distribution presence in the Northern Territory, and is a large national company.

Given the above, the relevant markets are:

- the market in the Northern Territory for the wholesale supply of electrical goods and related merchandise (including such things as pre-paid mobile phones, CDs and DVDs); and
- the market in the Northern Territory for commercial/industrial transport.

Substitutes for these items are generally limited to similar items from alternative suppliers. However, where an Indigenous Store cannot obtain affordable or efficient access to a particular item, it will usually not stock that item (as opposed to substituting an alternative item). This is to the detriment of community members who will usually shop for 'what is available' as opposed to what they might particularly want or need.

5. Public detriments

- (a) What will be the likely effect of the notified conduct on the prices of the goods or services described at 3 (b) above and the prices of goods or services in other affected markets? In answering this question please provide facts and information to support the claims made:

There is unlikely to be any public detriment. At the moment, the Indigenous Stores struggle to obtain affordable and/or efficient access to a diverse range of quality items. This, in turn, has a direct impact of the remote community, as the community store is, often, the only source of supply available to the members of the community.

In support of the submission that there is likely to be no material public detriment are the following factors:

- the arrangement applies to only 2 stores, all of which are remote community stores found in indigenous communities, and none of which compete in the retail supply market;
- the Target will all still have access to other wholesalers or consumers, including in major cities such as Alice Springs and Darwin (which market is vast when compared to the consumption of the Indigenous Stores);
- the arrangement is not exclusive (and stores can access suppliers other than the Target if a competitive alternative comes forward);
- the arrangement will have no impact on consumers at a retail level and will, most likely, result in a direct decrease in prices charged to consumers and increase quality and diversity.

- (b) What other detriments may result from the notified conduct? In answering this question please provide facts and information to support the claims made:

Nil.

Section D – public benefits

6. Public benefit claims

- (a) Provide details of the public benefits resulting or likely to result from the proposed arrangement. In answering this question please provide facts and information to support the claims made:

Historically, each Indigenous Store has been independently operated and has suffered from a lack of access to a reliable, high quality, efficient and affordable supply chain. This, in turn, has led to the availability of items in remote communities being limited, of low

quality and overly expensive. In most cases, there is no competition in remote communities meaning that the community store offering is a 'take it or leave it' proposition.

The Indigenous Stores are not large consumers by any standard. The size of each operation is insignificant when compared to retailers in larger retail centres. In addition to size, the independence and location of the remote stores, and other difficulties that can be encountered in dealing with a remote store, means they are not, generally, a highly attractive target for wholesalers and other suppliers. As such, the bargaining power of each Indigenous Store is low.

In addition to other services Remote Retail Services will be providing to the Indigenous Stores (such as training and business mentoring), assisting to overcome these supply chain issues by seeking to negotiate on behalf of a number of remote stores will (at least):

- facilitate reliable access to items in remote locations;
- help to improve the quality of goods or services supplier, together with the diversity of items made available within the remote community; and
- help to achieve more efficient and affordable pricing for the supply of items which will, in turn, lead to better retail pricing for community members.

Section E – authority

7. Contact details

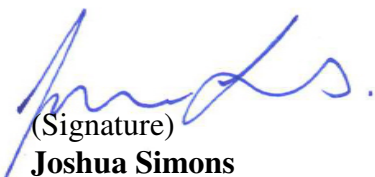
- (a) Name, contact telephone number and address of person authorised by the notifying parties to provide additional information in relation to this application:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

(refer to direction 12)

Dated: 24 August 2012

Signed on behalf of the applicant



(Signature)

Joshua Simons

(Full Name)

Minter Ellison Lawyers (Solicitors for the applicant)

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

1. Where 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 application and the application is to be signed by a person authorised by the corporation to do so.
2. Describe that part of the applicant's business relating to the subject matter of the contract, arrangement or understanding in respect of which notification is given.
3. A collective bargaining notification can not be lodged by a trade union or a trade union representative.
4. Where the applicant will be a participant in the collective bargaining arrangements (rather than a representative of participants) the name of the applicant must also be included. Where those persons are corporations, list the corporation's name and address.
5. The applicant, in lodging a notification on behalf of others, must obtain their consent to do so and provide proof of that consent.
6. Where the target is a corporation, provide the corporate name.
7. The collective bargaining notification process is only available to parties that reasonably expect to make one or more contracts with the target about the supply or acquisition of goods or services the subject of the notification.
8. The value of the contract to be collectively negotiated between the target and each participant is not to exceed \$3 million (or such other amount as is prescribed by the regulations) per participant in any twelve month period.
9. To the extent that the collective bargaining arrangements have been reduced to writing, provide a true copy of the arrangement. To the extent that the collective bargaining arrangements have not been reduced to writing, provide a full and correct description of the key terms that have not been reduced to writing.
10. In simple terms an exclusionary provision exists where the proposed contract, arrangement or understanding is made by businesses (at least two of whom are competitors) for the purpose of preventing, restricting or limiting the supply of services to particular persons or classes of persons by all or any of the parties to the contract, arrangement or understanding.

In the context of collective bargaining, an exclusionary provision(s) may include contracts, arrangements or understandings (whether currently in existence or to be made or arrived at during the term of the notification) between collective bargaining participants to limit or restrict their dealings with the target including contracts arrangements or understandings to:

- (a) withhold the supply of goods or services from the target; or
- (b) refuse or decline to acquire the goods or services of the target;

whether such conduct was absolute, limited or subject to certain terms or conditions. This is sometimes referred to as a collective boycott.

11. 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.
12. The notification must be signed by a person authorised by the applicant to do so.

ANNEXURE A

	Target name (section 3(a) of Form GA)	Target contact information (section 3(a) of Form GA)	Description of goods to be acquired by Independent Stores (section 3(c) of Form GA)
1.	Impulse Entertainment	Neil Mollemhauer (07) 3279 1500 neil@impulseentertainment.com.au PO Box 650, Mount Ommaney, QLD. 4074	Music CD's and DVD's

ANNEXURE B

Section 3(f) of Form GA

Estimate of the contractual payments expected between the Target and the Indigenous Stores in the next 12 months

Supplier Name	Haasts Bluff	Papunya
Impulse Entertainment	\$2,000	\$32,000

ANNEXURE C

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of KAMPARRKA STORE



Signature

NICOLE HINES

Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of

PAUNYA STORE ABORIGINAL CORPORATION

Signature

Name (print)

Bruce Ross

Bruce Ross

Form GA

Commonwealth of Australia

Competition and Consumer Act 2010 — section 93AB

NOTIFICATION OF COLLECTIVE BARGAINING

This form is to be completed by applicants proposing to engage in collective bargaining arrangements.

In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission 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.

Protection provided by the notification extends only to the collective bargaining arrangements described in the form.

To the Australian Competition and Consumer Commission:

Notice is hereby given under section 93AB of the *Competition and Consumer Act 2010* of intention:

- to make, or to propose to make, a contract containing a provision of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to make, or to propose to make, a contract containing a provision of the kind referred to in paragraph 45 (2) (a) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in paragraph 45 (2) (b) of that Act.
(*Strike out if not applicable*)

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

Section A – general information

1. Applicant

- (a) Name of the applicant:
(refer to Direction 1)

Remote Retail Services Pty Ltd (**Remote Retail Services**)

ACN 140 742 169

- (b) Description of business carried on by the applicant:
(refer to Direction 2)

Remote Retail Services works with government and independent remote Indigenous stores to improve remote community stores to ensure stores are viable and sustainable over the long term.

CB00225

Remote Retail Services undertakes projects that promote sustainability in Indigenous stores, and allowing them to be effectively and efficiently managed and operated by independent Indigenous community corporations and management.

Practically, Remote Retail Services provides appropriate skills training, store infrastructure and support. This includes supply chain infrastructure, business tools including policies and procedures, retail skills, and coaching and mentoring to deliver economic and social outcomes.

Often, remote Indigenous stores do not have the ability to effectively negotiate with suppliers to obtain efficient and cost effective access to groceries and other items required by members of remote communities. This problem is compounded by the remote location of stores, and difficulties in accessing affordable and high quality items.

Because the community store is the central supplier of goods and services to the remote community, issues relating to a store's management and operation, together with the diversity, quality and affordability of items sold, have a significant impact on the whole community.

To deal with supply chain issues, Remote Retail Services intends to bring together stores from across a range of different remote communities as part of a collective bargaining arrangement that will be managed by Remote Retail Services.

Remote Retail Services has received government support and funding for this initiative to be undertaken.

- (c) Is the representative of the applicant lodging the notice a trade union, an officer of a trade union or a person acting on the direction of a trade union?
(refer to Direction 3)

No.

- (d) Address in Australia for service of documents on the applicant:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

2. Lodged on behalf of

- (a) Provide names and addresses of all persons on whose behalf the notification is lodged and who propose to participate in the collective bargaining arrangements:
(refer to Direction 4)

Arlpurrurulam Community Store

PMB 23, Mt Isa. QLD 4825.

wartestore@activ8.net.au

Haasts Bluff Community Store

Ikuntji Community, Haasts Bluff. NT. 0872

kanparrkastoree@activ8.net.au

Papunya Community Store

Lot 219, Papunya Community

PMB 231, Papunya, via Alice Springs. 0871

papunya.store@activ8.net.au

Kintore Community Store

PMB 94, via Alice Springs. 0872

1 Kintore Road, Kintore

kintorestore@activ8.net.au

Mt Liebig Community Store

Lot 96, Mount Liebig

PMB 210, Mount Liebig, via Alice Springs. 0871

(together, **Indigenous Stores**).

- (b) Provide proof of the consent of each of the persons listed at 2 (a) above agreeing to the lodgement of the notification on their behalf:
(refer to *Direction 5*)

Signed consents are attached at **Annexure C**.

- (c) Provide the following information relating to a notification:
- (i) Does this notification relate to a notification previously lodged with the Australian Competition and Consumer Commission and for which a concessional fee is claimed?

Yes. The notification is comprised of nineteen (19) separate targets.

One (1) target is described in this form. The other targets are described in a further three (3) forms, as not all Indigenous Stores expect to make contracts with all nineteen (19) targets.

All notifications have been lodged under one cover letter, and relate to goods and services in the wholesale grocery, variety and petrol markets. It is submitted that each of these markets are closely related, and that the concessional fee should apply to all eighteen targets.

- (ii) details of the first-mentioned notification, including but not limited to:
- (A) the name of the applicant; and

- (B) the date the notification was said to be lodged; and
- (C) if known or applicable — the registration number allocated to that collective bargaining notification.

Remote Retail Services Pty Ltd

Unknown – lodged simultaneously

Section B – collective bargaining arrangements

3. Proposed collective bargaining arrangements

- (a) Provide: the name and address of the target; the name, position and telephone contact details of an appropriate contact at the target; and a description of the business carried on by the target:
(refer to direction 6)

Target details are attached at **Annexure A**.

- (b) Provide a description of the goods or services which the participants of the collective bargaining arrangements (listed at 2 (a) above) propose to supply to or acquire from the target:

Target details are attached at **Annexure A**.

- (c) Do the participants of the proposed collective bargaining arrangements (see 2 (a) above) reasonably expect to make one or more contracts with the target about the supply to or acquisition from the target of one or more of the goods or services (listed at 3 (b) above)?
(refer to direction 7)

Yes.

- (d) In relation to (c) above, provide details of the basis upon which that expectation is held including details of past contracts with the target:

Each of the Indigenous Stores already acquires and sells goods or services of the kinds described in this notification. They will continue to do so once the proposed collective bargaining conduct commences, albeit with the potential additional benefit of Remote Retail Services negotiating better supply terms or pricing on behalf of the collective bargaining group.

- (e) Do the participants of the collective bargaining arrangements (listed at 2 (a) above) reasonably expect that contractual payments between the target and each participant will not exceed \$3 million (or any other amount prescribed by regulation) in any 12 month period, and on what basis?
(refer to direction 8)

None of the Indigenous Stores believe that they will exceed \$3 million (or \$15 million for petrol retailing) in any 12 month period.

Each Indigenous Store has made reference to historical sales information, and none of the historical amounts are close to the relevant threshold.

Historically, remote community populations have remained relatively stable (or have decreased). Given the remote location of the Indigenous Stores, and the way in which each Indigenous Store serves its community, community population is directly relevant to the revenue of each Indigenous Store. No substantive revenue increase is expected.

- (f) In relation to (e) above provide an estimation of the contractual payments expected between the target and each participant in relation to the goods and services (listed at 2 (a) above):

See **Annexure B**.

- (g) Provide a description of the collective bargaining arrangements proposed including, but not limited to:
- (i) the process by which participants propose to undertake collective bargaining with the target; and
 - (ii) the type of terms and conditions expected to be negotiated in collective bargaining arrangements (for example: price; non-price conditions of supply such as contract periods etc); and
 - (iii) details of any dispute resolution procedure (if any) proposed between participants throughout the collective bargaining process; and
 - (iv) details of any dispute resolution procedure (if any) proposed between participants and the target throughout the collective bargaining process; and
 - (v) details of any dispute resolution procedure (if any) proposed to deal with disputes throughout the term of contracts entered into with the target; and
 - (vi) details of proposed commencement and duration of contracts to be negotiated with the target:
(refer to direction 9)

Under the collective bargaining arrangement, Remote Retail Services will negotiate with each Target on behalf of the participating Indigenous Stores.

Each Indigenous Store has signed a simple agreement under which Remote Retail Services has agreed to negotiate with nominated suppliers on behalf of that Indigenous Store. While the arrangement is 'non-exclusive' (in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Target or another third party), it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Remote Retail Services expects to negotiate, as an advocate for the Indigenous Stores, all terms of supply with Target, including but not limited to price, delivery charges, service levels (including quality of goods and services and timeliness of delivery), ordering procedures and other matters. Each Indigenous Store will enter into the negotiated contract directly with each Target.

Remote Retail Services will play an active role in helping Indigenous Stores to understand the terms of supply agreements with Target, including in relation to payment, default and other terms a Target may seek to impose (e.g. limitation of liability).

No specific dispute resolution mechanism is proposed with each Target, however, where possible, Remote Retail Services will seek to have Target include dispute resolution clauses in their supply terms, and seek to have that dispute resolution clause extend to enabling Remote Retail Services to represent or assist the Indigenous Stores.

The Indigenous Stores have been asked to commit to participating in the Remote Retail Services program for two years, and they have each agreed to do so.

- (h) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to possible price agreements:

Remote Retail Services will seek to negotiate price (including payment terms, rebates or discounts) on behalf of each participating Indigenous Store for the acquisition of goods or services from the Target for the purposes of enabling the Indigenous Stores to obtain an affordable, reliable and sustainable supply of various grocery, variety, petrol and related items.

- (i) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to a possible or proposed exclusionary provision(s), including but not limited to:

- (i) the nature of the proposed or possible exclusionary provision(s) (for example an agreement to withhold supply of the relevant goods or services to the target); and

- (ii) the circumstances in which the collective bargaining participants would engage in the exclusionary provision(s), including but not limited to:

(A) details of the events that would trigger any such activity; and

(B) details of the process that would be followed in undertaking any such activity; and

(C) details of any proposed period of notice to be given to the target prior to the commencement of such activity; and

(D) details of any dispute resolution procedure to be applied or offered to the target prior to the commencement of such activity:

(refer to direction 10)

Not applicable. The collective bargaining arrangement is 'non-exclusive' in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Target or another third party, it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Section C – public detriments

4. Market definition

Provide a description of the market(s) in which the goods or services described at 3 (b) 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 11)

Given the limited number of suppliers available, the Indigenous Stores theoretically compete, or could compete, for the acquisition of various grocery, variety, petrol and related items (such as transport to remote areas). Because of the remote location of the stores, and the way in which a community store operates to serve its community, the Indigenous Stores do not compete at a retail level.

The Target is located in the Northern Territory (and has a distribution presence in the Northern Territory).

Given the above, the relevant markets are:

- the market in the Northern Territory for the wholesale supply of grocery and supermarket items (including such things as fresh fruit and vegetables, meat, bread, clothing and variety goods); and
- the market in the Northern Territory for commercial/industrial transport.

Substitutes for these items are generally limited to similar items from alternative suppliers. However, where an Indigenous Store cannot obtain affordable or efficient access to a particular item, it will usually not stock that item (as opposed to substituting an alternative item). This is to the detriment of community members who will usually shop for 'what is available' as opposed to what they might particularly want or need.

5. Public detriments

- (a) What will be the likely effect of the notified conduct on the prices of the goods or services described at 3 (b) above and the prices of goods or services in other affected markets? In answering this question please provide facts and information to support the claims made:

There is unlikely to be any public detriment. At the moment, the Indigenous Stores struggle to obtain affordable and/or efficient access to a diverse range of quality items. This, in turn, has a direct impact of the remote community, as the community store is, often, the only source of supply available to the members of the community.

In support of the submission that there is likely to be no material public detriment are the following factors:

- the arrangement applies to only 5 stores, all of which are remote community stores found in indigenous communities, and none of which compete in the retail supply market;
- the Target will all still have access to other wholesalers or consumers, including in major cities such as Alice Springs and Darwin (which market is vast when compared to the consumption of the Indigenous Stores);

- the arrangement is not exclusive (and stores can access suppliers other than the Target if a competitive alternative comes forward);
 - the arrangement will have no impact on consumers at a retail level and will, most likely, result in a direct decrease in prices charged to consumers and increase quality and diversity.
- (b) What other detriments may result from the notified conduct? In answering this question please provide facts and information to support the claims made:
- Nil.

Section D – public benefits

6. Public benefit claims

- (a) Provide details of the public benefits resulting or likely to result from the proposed arrangement. In answering this question please provide facts and information to support the claims made:

Historically, each Indigenous Store has been independently operated and has suffered from a lack of access to a reliable, high quality, efficient and affordable supply chain. This, in turn, has led to the availability of items in remote communities being limited, of low quality and overly expensive. In most cases, there is no competition in remote communities meaning that the community store offering is a 'take it or leave it' proposition.

By bringing the Target's understanding of community stores' needs a step closer, continuous access to fresh, nutritious and affordable food, including essential health items, will be created thereby fostering sustainable food security for members of the community.

The Indigenous Stores are not large consumers by any standard. The size of each operation is insignificant when compared to retailers in larger retail centres. In addition to size, the independence and location of the remote stores, and other difficulties that can be encountered in dealing with a remote store, means they are not, generally, a highly attractive target for wholesalers and other suppliers. As such, the bargaining power of each Indigenous Store is low.

In addition to other services Remote Retail Services will be providing to the Indigenous Stores (such as training and business mentoring), assisting to overcome these supply chain issues by seeking to negotiate on behalf of a number of remote stores will (at least):

- facilitate reliable access to items in remote locations;
- help to improve the quality of goods or services supplier, together with the diversity of items made available within the remote community; and
- help to achieve more efficient and affordable pricing for the supply of items which will, in turn, lead to better retail pricing for community members.

Section E – authority

7. Contact details

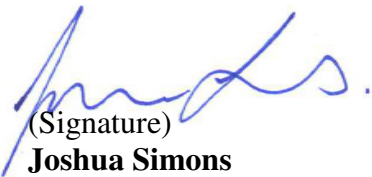
- (a) Name, contact telephone number and address of person authorised by the notifying parties to provide additional information in relation to this application:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

(refer to direction 12)

Dated: 24 August 2012

Signed on behalf of the applicant



(Signature)

Joshua Simons

(Full Name)

Minter Ellison Lawyers (Solicitors for the applicant)

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

1. Where 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 application and the application is to be signed by a person authorised by the corporation to do so.
2. Describe that part of the applicant's business relating to the subject matter of the contract, arrangement or understanding in respect of which notification is given.
3. A collective bargaining notification can not be lodged by a trade union or a trade union representative.
4. Where the applicant will be a participant in the collective bargaining arrangements (rather than a representative of participants) the name of the applicant must also be included. Where those persons are corporations, list the corporation's name and address.
5. The applicant, in lodging a notification on behalf of others, must obtain their consent to do so and provide proof of that consent.
6. Where the target is a corporation, provide the corporate name.
7. The collective bargaining notification process is only available to parties that reasonably expect to make one or more contracts with the target about the supply or acquisition of goods or services the subject of the notification.
8. The value of the contract to be collectively negotiated between the target and each participant is not to exceed \$3 million (or such other amount as is prescribed by the regulations) per participant in any twelve month period.
9. To the extent that the collective bargaining arrangements have been reduced to writing, provide a true copy of the arrangement. To the extent that the collective bargaining arrangements have not been reduced to writing, provide a full and correct description of the key terms that have not been reduced to writing.
10. In simple terms an exclusionary provision exists where the proposed contract, arrangement or understanding is made by businesses (at least two of whom are competitors) for the purpose of preventing, restricting or limiting the supply of services to particular persons or classes of persons by all or any of the parties to the contract, arrangement or understanding.

In the context of collective bargaining, an exclusionary provision(s) may include contracts, arrangements or understandings (whether currently in existence or to be made or arrived at during the term of the notification) between collective bargaining participants to limit or restrict their dealings with the target including contracts arrangements or understandings to:

- (a) withhold the supply of goods or services from the target; or
- (b) refuse or decline to acquire the goods or services of the target;

whether such conduct was absolute, limited or subject to certain terms or conditions. This is sometimes referred to as a collective boycott.

11. 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.
12. The notification must be signed by a person authorised by the applicant to do so.

ANNEXURE A

	Target name (section 3(a) of Form GA)	Target contact information (section 3(a) of Form GA)	Description of goods to be acquired by Independent Stores (section 3(c) of Form GA)
1.	Prime Cut Meats	Roger Oakden W) (08) 8953 5907 F) (08) 8953 5917 M) 0420 104 394 Email) primecut@bigpond.com.au Email) bla4860@bigpond.net.au PO Box 9014, Alice Springs. NT. 0871	Meat products

ANNEXURE B

Section 3(f) of Form GA

Estimate of the contractual payments expected between the Target and the Indigenous Stores in the next 12 months

Supplier Name	Arlpurrurulam	Haasts Bluff	Papunya	Kintore	Mt Liebig
Prime Cut Meats	\$230,000	\$37,000	\$160,000	\$180,000	\$76,500

ANNEXURE C

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of PAANYA STORE ABORIGINAL CORPORATION

Signature

Bruce Ross

Name (print)

Bruce Ross

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

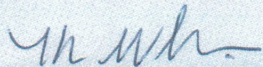
The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of Amundarra nga Stone


Signature

Tim Wilkins
Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of PULIKUTSARZA ABORIGINAL CORPORATION



Signature

ROBERT KOPPES

Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of KANPARRKA STORE



Signature

NICOLE HINES
Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:


- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

WARTE ALPARAYETYE
Signed by duly authorised representative
of WR WARTE ALPARAYETYE CORPORATION STORE
PMB 18
VIA MT ISA QLD 4825
PH: 07 4748 4860

Signature

Name (print)


GARRY KOPPES

Form GA

Commonwealth of Australia

Competition and Consumer Act 2010 — section 93AB

NOTIFICATION OF COLLECTIVE BARGAINING

This form is to be completed by applicants proposing to engage in collective bargaining arrangements.

In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission 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.

Protection provided by the notification extends only to the collective bargaining arrangements described in the form.

To the Australian Competition and Consumer Commission:

Notice is hereby given under section 93AB of the *Competition and Consumer Act 2010* of intention:

- to make, or to propose to make, a contract containing a provision of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in subsection 44ZZRD (2) or paragraph 44ZZRD (3) (a) or (b) of that Act.
- to make, or to propose to make, a contract containing a provision of the kind referred to in paragraph 45 (2) (a) of that Act.
- to give effect to a provision of a contract where the provision is of the kind referred to in paragraph 45 (2) (b) of that Act.
(*Strike out if not applicable*)

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

Section A – general information

1. Applicant

- (a) Name of the applicant:
(refer to Direction 1)

CB00226

Remote Retail Services Pty Ltd (**Remote Retail Services**)

ACN 140 742 169

- (b) Description of business carried on by the applicant:
(refer to Direction 2)

Remote Retail Services works with government and independent remote Indigenous stores to improve remote community stores to ensure stores are viable and sustainable over the long term.

Remote Retail Services undertakes projects that promote sustainability in Indigenous stores, and allowing them to be effectively and efficiently managed and operated by independent Indigenous community corporations and management.

Practically, Remote Retail Services provides appropriate skills training, store infrastructure and support. This includes supply chain infrastructure, business tools including policies and procedures, retail skills, and coaching and mentoring to deliver economic and social outcomes.

Often, remote Indigenous stores do not have the ability to effectively negotiate with suppliers to obtain efficient and cost effective access to groceries and other items required by members of remote communities. This problem is compounded by the remote location of stores, and difficulties in accessing affordable and high quality items.

Because the community store is the central supplier of goods and services to the remote community, issues relating to a store's management and operation, together with the diversity, quality and affordability of items sold, have a significant impact on the whole community.

To deal with supply chain issues, Remote Retail Services intends to bring together stores from across a range of different remote communities as part of a collective bargaining arrangement that will be managed by Remote Retail Services.

Remote Retail Services has received government support and funding for this initiative to be undertaken.

- (c) Is the representative of the applicant lodging the notice a trade union, an officer of a trade union or a person acting on the direction of a trade union?
(refer to Direction 3)

No.

- (d) Address in Australia for service of documents on the applicant:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

2. Lodged on behalf of

- (a) Provide names and addresses of all persons on whose behalf the notification is lodged and who propose to participate in the collective bargaining arrangements:
(refer to Direction 4)

Arlpurrurulam Community Store

PMB 23, Mt Isa. QLD 4825.

wartestore@activ8.net.au

Kintore Community Store

PMB 94, via Alice Springs. 0872

1 Kintore Road, Kintore

kintorestore@activ8.net.au

Mt Liebig Community Store

Lot 96, Mount Liebig

PMB 210, Mount Liebig, via Alice Springs. 0871

(together, **Indigenous Stores**).

- (b) Provide proof of the consent of each of the persons listed at 2 (a) above agreeing to the lodgement of the notification on their behalf:
(refer to *Direction 5*)

Signed consents are attached at **Annexure C**.

- (c) Provide the following information relating to a notification:
- (i) Does this notification relate to a notification previously lodged with the Australian Competition and Consumer Commission and for which a concessional fee is claimed?

Yes. The notification is comprised of nineteen (19) separate targets.

One (1) target is described in this form. The other targets are described in a further three (3) forms, as not all Indigenous Stores expect to make contracts with all nineteen (19) targets.

All notifications have been lodged under one cover letter, and relate to goods and services in the wholesale grocery, variety and petrol markets. It is submitted that each of these markets are closely related, and that the concessional fee should apply to all eighteen targets.

- (ii) details of the first-mentioned notification, including but not limited to:
- (A) the name of the applicant; and
- (B) the date the notification was said to be lodged; and
- (C) if known or applicable — the registration number allocated to that collective bargaining notification.

Remote Retail Services Pty Ltd

Unknown – lodged simultaneously

Section B – collective bargaining arrangements

3. Proposed collective bargaining arrangements

- (a) Provide: the name and address of the target; the name, position and telephone contact details of an appropriate contact at the target; and a description of the business carried on by the target:
(refer to direction 6)

Target details are attached at **Annexure A**.

- (b) Provide a description of the goods or services which the participants of the collective bargaining arrangements (listed at 2 (a) above) propose to supply to or acquire from the target:

Target details are attached at **Annexure A**.

- (c) Do the participants of the proposed collective bargaining arrangements (see 2 (a) above) reasonably expect to make one or more contracts with the target about the supply to or acquisition from the target of one or more of the goods or services (listed at 3 (b) above)?
(refer to direction 7)

Yes.

- (d) In relation to (c) above, provide details of the basis upon which that expectation is held including details of past contracts with the target:

Each of the Indigenous Stores already acquires services of the kind described in this notification. They will continue to do so once the proposed collective bargaining conduct commences, albeit with the potential additional benefit of Remote Retail Services negotiating better supply terms or pricing on behalf of the collective bargaining group.

- (e) Do the participants of the collective bargaining arrangements (listed at 2 (a) above) reasonably expect that contractual payments between the target and each participant will not exceed \$3 million (or any other amount prescribed by regulation) in any 12 month period, and on what basis?
(refer to direction 8)

None of the Indigenous Stores believe that they will exceed \$3 million (or \$15 million for petrol retailing) in any 12 month period.

Each Indigenous Store has made reference to historical sales information, and none of the historical amounts are close to the relevant threshold.

Historically, remote community populations have remained relatively stable (or have decreased). Given the remote location of the Indigenous Stores, and the way in which each Indigenous Store serves its community, community population is directly relevant to the revenue of each Indigenous Store. No substantive revenue increase is expected.

- (f) In relation to (e) above provide an estimation of the contractual payments expected between the target and each participant in relation to the goods and services (listed at 2 (a) above):

See **Annexure B**.

- (g) Provide a description of the collective bargaining arrangements proposed including, but not limited to:
- (i) the process by which participants propose to undertake collective bargaining with the target; and
 - (ii) the type of terms and conditions expected to be negotiated in collective bargaining arrangements (for example: price; non-price conditions of supply such as contract periods etc); and
 - (iii) details of any dispute resolution procedure (if any) proposed between participants throughout the collective bargaining process; and
 - (iv) details of any dispute resolution procedure (if any) proposed between participants and the target throughout the collective bargaining process; and
 - (v) details of any dispute resolution procedure (if any) proposed to deal with disputes throughout the term of contracts entered into with the target; and
 - (vi) details of proposed commencement and duration of contracts to be negotiated with the target:
(refer to direction 9)

Under the collective bargaining arrangement, Remote Retail Services will negotiate with each Target on behalf of the participating Indigenous Stores.

Each Indigenous Store has signed a simple agreement under which Remote Retail Services has agreed to negotiate with nominated suppliers on behalf of that Indigenous Store. While the arrangement is 'non-exclusive' (in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Target or another third party), it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Remote Retail Services expects to negotiate, as an advocate for the Indigenous Stores, all terms of supply with Target, including but not limited to price, delivery charges, service levels (including quality of goods and services and timeliness of delivery), ordering procedures and other matters. Each Indigenous Store will enter into the negotiated contract directly with each Target.

Remote Retail Services will play an active role in helping Indigenous Stores to understand the terms of supply agreements with Target, including in relation to payment, default and other terms a Target may seek to impose (e.g. limitation of liability).

No specific dispute resolution mechanism is proposed with each Target, however, where possible, Remote Retail Services will seek to have Target include dispute resolution clauses in their supply terms, and seek to have that dispute resolution clause extend to enabling Remote Retail Services to represent or assist the Indigenous Stores.

The Indigenous Stores have been asked to commit to participating in the Remote Retail Services program for two years, and they have each agreed to do so.

- (h) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to possible price agreements:

Remote Retail Services will seek to negotiate price (including payment terms, rebates or discounts) on behalf of each participating Indigenous Store for the acquisition of goods or services from the Target for the purposes of enabling the Indigenous Stores to obtain an affordable, reliable and sustainable supply of various grocery, variety, petrol and related items.

- (i) Identify any parts of the proposed collective arrangements described in 3 (g) which relate to a possible or proposed exclusionary provision(s), including but not limited to:

- (i) the nature of the proposed or possible exclusionary provision(s) (for example an agreement to withhold supply of the relevant goods or services to the target); and

- (ii) the circumstances in which the collective bargaining participants would engage in the exclusionary provision(s), including but not limited to:

(A) details of the events that would trigger any such activity; and

(B) details of the process that would be followed in undertaking any such activity; and

(C) details of any proposed period of notice to be given to the target prior to the commencement of such activity; and

(D) details of any dispute resolution procedure to be applied or offered to the target prior to the commencement of such activity:

(refer to direction 10)

Not applicable. The collective bargaining arrangement is 'non-exclusive' in that each individual Indigenous Store is free to continue sourcing their own goods or services from the Target or another third party, it is not expected that the Indigenous Stores will do so. Negotiating with suppliers is a time consuming and difficult activity, and one that the Indigenous Stores have welcomed the opportunity to outsource.

Section C – public detriments

4. Market definition

Provide a description of the market(s) in which the goods or services described at 3 (b) 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 11)

Given the limited number of suppliers available, the Indigenous Stores theoretically compete, or could compete, for the acquisition of various grocery, variety, petrol and related items (such as transport to remote areas). Because of the remote location of the stores, and the way in which a community store operates to serve its community, the Indigenous Stores do not compete at a retail level.

The Target is located in the Northern Territory (and has a distribution presence in the Northern Territory).

Given the above, the relevant market is the market in the Northern Territory for commercial/industrial transport.

Substitutes for these services are generally limited to similar services from alternative suppliers. However, given the remote location of each Indigenous Store, the road freight services are not substitutable for air or rail transport.

5. Public detriments

- (a) What will be the likely effect of the notified conduct on the prices of the goods or services described at 3 (b) above and the prices of goods or services in other affected markets? In answering this question please provide facts and information to support the claims made:

There is unlikely to be any public detriment. At the moment, the Indigenous Stores struggle to obtain affordable and/or efficient access to a diverse range of quality items. This, in turn, has a direct impact of the remote community, as the community store is, often, the only source of supply available to the members of the community.

In support of the submission that there is likely to be no material public detriment are the following factors:

- the arrangement applies to only 3 stores, all of which are remote community stores found in indigenous communities, and none of which compete in the retail supply market;
- the Target will all still have access to other wholesalers or consumers, including in major cities such as Alice Springs and Darwin (which market is vast when compared to the consumption of the Indigenous Stores);
- the arrangement is not exclusive (and stores can access suppliers other than the Target if a competitive alternative comes forward);
- the arrangement will have no impact on consumers at a retail level and will, most likely, result in a direct decrease in prices charged to consumers and increase quality and diversity.

- (b) What other detriments may result from the notified conduct? In answering this question please provide facts and information to support the claims made:

Nil.

Section D – public benefits

6. Public benefit claims

- (a) Provide details of the public benefits resulting or likely to result from the proposed arrangement. In answering this question please provide facts and information to support the claims made:

Historically, each Indigenous Store has been independently operated and has suffered from a lack of access to a reliable, high quality, efficient and affordable supply chain. This,

in turn, has led to the availability of items in remote communities being limited, of low quality and overly expensive. In most cases, there is no competition in remote communities meaning that the community store offering is a 'take it or leave it' proposition.

The Indigenous Stores are not large consumers by any standard. The size of each operation is insignificant when compared to retailers in larger retail centres. In addition to size, the independence and location of the remote stores, and other difficulties that can be encountered in dealing with a remote store, means they are not, generally, a highly attractive target for wholesalers and other suppliers. As such, the bargaining power of each Indigenous Store is low.

In addition to other services Remote Retail Services will be providing to the Indigenous Stores (such as training and business mentoring), assisting to overcome these supply chain issues by seeking to negotiate on behalf of a number of remote stores will (at least):

- facilitate reliable access to items in remote locations;
- help to improve the quality of goods or services supplier, together with the diversity of items made available within the remote community; and
- help to achieve more efficient and affordable pricing for the supply of items which will, in turn, lead to better retail pricing for community members.

Section E – authority

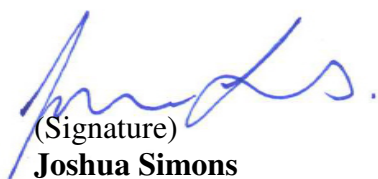
7. Contact details

- (a) Name, contact telephone number and address of person authorised by the notifying parties to provide additional information in relation to this application:

Josh Simons
Partner, Minter Ellison Lawyers
Solicitor for Remote Retail Services
GPO Box 1272
Adelaide SA 5001

Dated: 24 August 2012

Signed on behalf of the applicant



(Signature)

Joshua Simons

(Full Name)

Minter Ellison Lawyers (Solicitors for the applicant)

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

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3. A collective bargaining notification can not be lodged by a trade union or a trade union representative.
4. Where the applicant will be a participant in the collective bargaining arrangements (rather than a representative of participants) the name of the applicant must also be included. Where those persons are corporations, list the corporation's name and address.
5. The applicant, in lodging a notification on behalf of others, must obtain their consent to do so and provide proof of that consent.
6. Where the target is a corporation, provide the corporate name.
7. The collective bargaining notification process is only available to parties that reasonably expect to make one or more contracts with the target about the supply or acquisition of goods or services the subject of the notification.
8. The value of the contract to be collectively negotiated between the target and each participant is not to exceed \$3 million (or such other amount as is prescribed by the regulations) per participant in any twelve month period.
9. To the extent that the collective bargaining arrangements have been reduced to writing, provide a true copy of the arrangement. To the extent that the collective bargaining arrangements have not been reduced to writing, provide a full and correct description of the key terms that have not been reduced to writing.
10. In simple terms an exclusionary provision exists where the proposed contract, arrangement or understanding is made by businesses (at least two of whom are competitors) for the purpose of preventing, restricting or limiting the supply of services to particular persons or classes of persons by all or any of the parties to the contract, arrangement or understanding.

In the context of collective bargaining, an exclusionary provision(s) may include contracts, arrangements or understandings (whether currently in existence or to be made or arrived at during the term of the notification) between collective bargaining participants to limit or restrict their dealings with the target including contracts arrangements or understandings to:

- (a) withhold the supply of goods or services from the target; or
- (b) refuse or decline to acquire the goods or services of the target;

whether such conduct was absolute, limited or subject to certain terms or conditions. This is sometimes referred to as a collective boycott.

11. 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.
12. The notification must be signed by a person authorised by the applicant to do so.

ANNEXURE A

	Target name (section 3(a) of Form GA)	Target contact information (section 3(a) of Form GA)	Description of goods to be acquired by Independent Stores (section 3(c) of Form GA)
1.	ABC Transport Pty Ltd	Brian Cogan (08) 8952 7717 / 0437 183 693 adelaide@abctransport.com.au PO Box 2905, Alice Springs. NT. 0871	Freight transport

ANNEXURE B

Section 3(f) of Form GA

Estimate of the contractual payments expected between the Target and the Indigenous Stores in the next 12 months

Supplier Name	Arlpurrurulam	Kintore	Mt Liebig
ABC Transport	\$180,000	\$170,000	\$53,700

ANNEXURE C

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

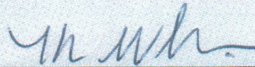
The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of Amandarraga Stone



Signature

Tim Wilkins

Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

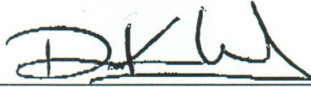
The undersigned consents to:

- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

Signed by a duly authorised representative

of PULIKUTSARZA ABORIGINAL CORPORATION



Signature

ROBERT KOPPES

Name (print)

CONSENT

To: Remote Retail Services Pty Ltd and/or The Australian Competition and Consumer Commission

Notification of Collective Bargaining under Section 93AB(1) of the Competition and Consumer Act 2010 by Remote Retail Services Pty Ltd

The undersigned consents to:


- being named as a participant in the above notification;
- the above notification being lodged on its behalf under Section 93AB(1) of the *Competition and Consumer Act 2010*; and
- Remote Retail Services conducting negotiations on its behalf with the target supplier described in the above notification.

Dated:

WARTE ALPARAYETYE
Signed by duly authorised representative
of WR WARRINGTON CORPORATION STORE
PMB 18
VIA MT ISA QLD 4825
PH: 07 4748 4860

Signature

Name (print)


GARRY KOPPES

Blanch, Belinda

From: Macrae, Tess
Sent: Thursday, 30 August 2012 2:00 PM
To: Blanch, Belinda
Subject: FW: Remote Retail Services - Further Information [OUR REF: L.FID1567076]
[SEC=UNCLASSIFIED]

Security Classification:
UNCLASSIFIED

From: Liam Gaunt
Sent: Thursday, 30 August 2012 12:57 PM
To: Macrae, Tess
Cc: Josh Simons
Subject: Remote Retail Services - Further Information [OUR REF: L.FID1567076]

Dear Tess

I refer to our telephone conversation yesterday in relation to the collective bargaining notifications filed by our client, Remote Retail Services Pty Ltd.

You have asked for the following additional information/clarification:

- confirmation of which entity has signed which consent;
- confirmation of the legal status of each entity;
- an email address or fax number for Smimac (one of the targets); and
- an email address or fax number for the Mt Liebig Store.

The requested information is set out below:

1. Consents and legal status

Warte Alparayete Aboriginal Corporation ICN 569
Arpurrurulam Community Store

Kanparrka Store Aboriginal Corporation ICN 7517
Haasts Bluff Community Store

Pulikutjarra Aboriginal Corporation ICN 2999
Kintore Community Store

Amundurrngu Mt Liebig Community Store Aboriginal Corporation ICN 563
Mt Liebig Community Store

Papunya Store Aboriginal Corporation ICN 7466
Papunya Community Store

Finke River Mission Store
Incorporated Association - Lutheran Church of Australia Incorporated (SA 7746)
Hermannsburg Community Store

2. Further contact details for Smimac (target)

Smimac
Geoff Martin or Frank Branford
(08) 8952 4111
0419 826 296 / 0417 804 230
PO Box 590, Alice Springs. NT. 0871
Email: gsmimac@bigpond.net.au

2. Further contact details for Mt Liebig Community Store

The community store does not have access to email at present. However, the landline number of (08) 8956 8591 is a telephone/facsimile and can receive fax communication.

Please do not hesitate to contact us if you require any further information.

Kind regards

Liam Gaunt Senior Associate

t +61 8 8233 5602 **f** +61 8 8233 5556

Minter Ellison Lawyers 25 Grenfell Street • Adelaide • SA 5000
liam.gaunt@minterellison.com www.minterellison.com



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