



# Accoutrement

31<sup>st</sup> August 2012

Re: Notification N95877 lodged by Peter McInnes Pty Ltd – interested party consultation

Attention: Megan Cunningham

We refer to the above mentioned notification of Peter McInnes Pty Ltd.

We refer also to a submission already lodged by The General Trader (Australia) Pty Ltd.

Accoutrement Pty Ltd has been in business for 30 years selling cookware including electrical appliances. The company was the first retailer to stock Kitchen Aid and associated products in Australia. It has been retailing those products for the last 13 years.

Our business in retailing kitchenware and electrical appliances is in all respects similar to the business conducted by The General Trader.

We have had the benefit of reading the detailed submission of Mr Robert Parker on behalf of Your Habitat and would make the following comments as per the headings in Mr Parker's submission.

## **Retailer of Kitchen Aid Appliances**

We agree and support these submissions. Our relationship with Peter McInnes and our retailing of the Kitchen Aid products has been virtually identical to Your Habitat. To our knowledge other bricks and mortar retailers have had similar relationships with Peter McInnes.

## **Brand Investment**

We support this submission. The brand Kitchen Aid has developed a reputation unequalled by similar products in the Australian market. This reputation has developed over the past 13 years and is a result of Peter McInnes's investment and commitment to the product from the point of sale to education and after sales service. We have developed this as part of our business in close association with Peter McInnes and can attest to the success of his brand and the very real added benefits to purchasers of the product.

## **Competition**

We agree with the submissions under this heading. We have for the last 13 years been active in retailing the brand as set out in Mr Parker's submission and have seen, as a result of these efforts, the brand attain a status as the leading product of its kind, both from a quality point of view, a relationship between retailer and customer, opportunity for demonstrations to customers

purchasing the product and the implementation of an efficient and fair after sales service. In our opinion, uncontrolled discounting whilst in the short term may provide some financial gain, will inevitably lead to a situation where the product will simply become one of the run of the mill products among its many competitors and will result in none of the after sales services presently provided by selected retailers being available to members of the public.

### **Market Premium vs Commodity Discounting**

We agree with Mr Parker's submissions under this heading. Again we emphasise that aggressive discounting on line will result in the loss of services to retail customers as described in this submission.

### **Public Benefit vs Public Detriment**

We support this submission. In addition to these submissions it is our view, taking into account our 30 years experience as a speciality retailer of cookware and associated electrical appliances, that the matters referred to in the submission of Mr Parker are creating a situation which is already starting to emerge. Short term financial gain is creating a retail market which ultimately will deprive the public of the benefits to be had from specialty retailers exercising their experience, product knowledge, teaching and after sales service presently available for Kitchen Aid products. It is not possible for bricks and mortar retailers to compete with aggressive on line discounting and provide the customer services presently available.

Indiscriminate on line discounting will also lead to loss employment opportunities in the retail industry generally for front line staff as the services available now for customers decrease.

Sue Jenkins  
Director  
Accoutrement Pty Ltd