

**Form G**  
Commonwealth of Australia  
*Competition and Consumer Act 2010 – sub-section 93(1)*



**EXCLUSIVE DEALING NOTIFICATION**

To the Australian Competition and Consumer Commission:

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

**1. Applicant**

**(a) Name of person giving notice**

N95681 CLA Trading Pty Ltd (ACN 082 220 399) (**CLA Trading**) and  
N95682 Eurofleet Pty Ltd (ACN 090 257 837) (**Eurofleet**) (together,  
**Europcar**).

**(b) Short description of business carried on by that person**

CLA Trading operates vehicle rental businesses specialising in the rental of cars, four wheel drive vehicles, prestige motor vehicles, trucks and buses.

Eurofleet, acting as franchisor, operates a vehicle rental franchise network of businesses that specialise in the rental of cars, four wheel drive vehicles, prestige motor vehicles, trucks and buses. These franchised businesses are substantially the same as the businesses operated by CLA Trading.

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

c/- Warren Scott  
Mills Oakley Lawyers  
Level 6, 530 Collins Street  
MELBOURNE VIC 3000

**2. Notified arrangement**

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

Vehicle rental services offered by Europcar which includes the rental of cars, four wheel drive vehicles, prestige motor vehicles, trucks and buses to consumers.

**(b) Description of the conduct or proposed conduct**

This notice relates to the provision of vehicle rental services by Europcar to consumers at a particular discounted price (or with an allowance, rebate or credit) on the condition that the consumers have also acquired goods or services of a particular kind or description, directly or indirectly from another (unrelated) company. These unrelated companies include Europcar's loyalty partners such as airlines, hotel chains or other businesses (**Loyalty Partner**).

For example, where consumers have purchased goods and services in the form of membership with a Loyalty Partner such as the Carlton Football Club, Europcar offers a discount on its vehicle rental services to those members.

Some of the Loyalty Partners offer points based rewards programs to their members based on the purchases of goods and services made by its members. An example of this is the "Velocity" rewards program associated with the Virgin Australia Group. Under such arrangements, customers may redeem their accrued Loyalty Partner rewards points with Europcar in exchange for a discount on vehicle rental services. Europcar then pays the Loyalty Partner commissions for each customer that is referred to it by the Loyalty Partner where Europcar provides those vehicle rental services.

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

**(a) Class or classes of persons to which the conduct relates**

All customers or potential customers of Europcar and all members or potential members of the Loyalty Partners.

**(b) Number of those persons**

(i) At present time

This conduct could potentially relate to all consumers.

(ii) Estimated within the next year

This conduct could potentially relate to all consumers.

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

Not applicable

**4. Public benefits claims**

**(a) Arguments in support of notification; and**

**(b) Facts and evidence relied upon in support of these claims:**

The purpose of the proposed conduct is to reward consumers for their loyalty to the Loyalty Partners and Europcar. It also provides consumers with assistance in their choice of services in that they can rely on a certain standard from companies that are a part of the Europcar/Loyalty Partner program. Consumers can therefore benefit from the standard and consistency expected of Europcar by the Loyalty Partners (and vice versa) and obtain a discount or rebate for their loyalty and participation.

Competition between Europcar and other providers of vehicle rental services is expected to continue and the notified conduct is expected to facilitate further pro-competitive responses from Europcar's competitors, which will be of benefit to consumers.

## **5. Market definition**

**Provide a description of the market(s) in which the goods or services described in 2(a) are supplied or acquired and other affected markets including: significant supplier and acquires; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services:**

The market that may be affected by the proposed conduct includes the market for the provision of vehicle rental services. Without limitation, the significant suppliers in this market include:

- Thrifty Car Rental
- Budget Car Rental
- Avis Australia
- Hertz
- Red Spot
- Vroomvroomvroom

## **6. Public detriments**

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

**(b) Facts and evidence relevant to these detriments:**

The effect of the proposed third line forcing will be insignificant. That is, for consumers, the anti-competitive effect will be negligible as the conduct proposed by Europcar will not ultimately prohibit consumers from comparing prices for services.

Further, while the suppliers of goods and services that offer loyalty programs that have not been nominated by Europcar as Loyalty Partners will not be able to offer consumers the same benefits proposed by this conduct, the conduct proposed does not hinder the ability of Europcar's competitors to

develop similar loyalty partner relationships with third parties. Further, the anti-competitive effect on such suppliers will be insignificant given the number of vehicle rental services in the Australia available to consumers.

**7. Further information**

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

c/- Warren Scott  
Mills Oakley Lawyers  
Level 6,530 Collins Street  
MELBOURNE VIC 3000



Telephone: 03 9605 0984  
Facsimile: 03 9670 9111  
Email: [wscott@millssoakley.com.au](mailto:wscott@millssoakley.com.au)

Dated: 17 January 2012

Signed by the applicant giving notice

A handwritten signature in blue ink, appearing to be "W. Scott", written over a horizontal line.

**Warren Scott**  
**Mills Oakley Lawyers**  
**For Europcar**