



**Australian
Competition &
Consumer
Commission**

Our Ref: C2012/617; C2012/630
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5 November 2012

Damien Varnis
Company Secretary
McCain Foods (Aust) Pty Ltd

By email: Chris.Evans@ashurst.com

Dear Mr Varnis

The Victorian Potato Growers Council application for authorisation A91321 & the South East Potato Growers Association application for authorisation A91322 - draft determinations

The Australian Competition and Consumer Commission (the ACCC) has issued draft determinations in respect of the applications for authorisation lodged by the Victorian Potato Growers Council (VPGC) on 10 July 2012 and the South East Potato Growers Association (SEPGA) on 12 July 2012.

Please see the ACCC's publication [Authorisation process - the basics](#) for a summary of the authorisation process and how to make a submission to the ACCC.

VPGC and SEPGA are each seeking revocation of a previous authorisation and substitution of a new authorisation to allow present and future members of the VPGC and SEPGA respectively to collectively negotiate the terms and conditions of supply contracts with processors and other buyers, as well as establish a price recommendation for the supply of seed potatoes to other potato growers in Australia.

Draft determination

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to grant authorisation to VPGC and SEPGA for the collective bargaining arrangements for five years. However, the ACCC proposes to deny VPGC and SEPGA authorisation for the proposed price recommendations for seed potatoes.

Next steps

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **19 November 2012**.

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **19 November 2012**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication [Guidelines for excluding information from the public register](#).

Timetable

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

| Indicative date | Stage in assessment process |
|--------------------------------|-----------------------------------------------------------------------------------------------------------------------|
| 10 July 2012 12 July 2012 | Lodgement of VPGC application and supporting submission. Lodgement of SEPGA application and supporting submission. |
| July/August 2012 | Public consultation process. |
| 25 July 2012 23 August 2012 | ACCC granted interim authorisation to VPGC. ACCC granted interim authorisation to SEPGA. |
| 5 November 2012 | Draft determination on VPGC and SEPGA applications for re-authorisation. |
| 19 November 2012 | Deadline to lodge a submission on draft determination or call a pre-decision conference. |
| December 2012 | Final determination. |

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please do not hesitate to contact Tanya Hobbs on 02 6243 1029 or Jasmine Tan on 02 6243 1363.

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized initial 'R' followed by a long horizontal line.

Dr Richard Chadwick
General Manager
Adjudication Branch