



Our Ref: N96220 & N96221 Contact Officer: Imogen Hartcher-O'Brien Contact Number: (02) 6243 1049

GPO Box 3131 Canberra ACT 2601

8 November 2012

23 Marcus Clarke Street Canberra ACT 2601

Nicolas J. Taylor Partner Jones Day tel: (02) 6243 1111 fax: (02) 6243 1199

www.accc.gov.au

By email: NJTaylor@JonesDay.com

Dear Mr Taylor

<u>Third line forcing notifications N96220 & N96221 lodged by Adobe Systems Software</u> <u>Ireland Limited & Scholastic Australia Pty Ltd</u>

I refer to the above third line forcing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 24 October 2012. The notifications have been placed on the ACCC's public register.

Adobe Systems Software Ireland Limited (Adobe) proposes to require retailers selling Adobe software packages to install a Point of Sale Activation (POSA) system from an authorised POSA technology service provider to ensure that Adobe software packages with activation serial numbers will be ineffective until the point of sale.

At present, Adobe has authorised Epay Limited to perform POSA services in Australia. Adobe does not have an exclusive arrangement with Epay Ltd and may authorise other POSA technology service providers to supply their services to retailers if they meet Adobe requirements and there is a commercial case for it.

Scholastic Australia Pty Ltd (Scholastic) is a licensed distributor of Adobe's retail products. Like Adobe, Scholastic will require retailers that it supplies with Adobe software packages to install POSA systems from an authorised technology service provider.

Legal protection conferred by the notifications commenced on 7 November 2012.

On the basis of the information that you have provided it is not intended that further action be taken in this matter at this stage.

As with any notification, please note that the ACCC may act to remove the legal protection provided by the notifications at a later stage if it is satisfied that the likely benefit to the public from the conduct will not outweigh the likely detriment to the public from the conduct.

This assessment has been made on the basis that Adobe and Scholastic will disclose all relevant terms and conditions to prospective customers.

A copy of 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 Imogen Hartcher-O'Brien on (02) 6243 1049.

Yours sincerely

Dr Richard Chadwick General Manager

Adjudication Branch