

Form G

Commonwealth of Australia
Competition and Consumer Act 2010 — subsection 93 (1)
NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

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

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

- (a) Name of person giving notice:
(Refer to direction 2)

N96244

ACP Magazines Limited (ABN 18 053 273 546) (ACP)

- (b) Short description of business carried on by that person:
(Refer to direction 3)

ACP is a publisher of magazines and related media products. As part of its business ACP operates Magshop, an online magazine subscription store.

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

ACP Magazines Limited
54 Park Street,
Sydney, NSW, 2000, Australia

2. Notified arrangement

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

The proposed arrangement relates to magazine subscriptions available via Magshop, which may include magazine subscriptions to *4X4, Australian Dirt Bike, APC, Burke's Backyard, Cleo, Dolly, Good Food, House & Garden, Money, Motor, TechLife, Real Living, Recipes Plus, Rolling Stone, Street Machine, Wheels, Women's Fitness* and other magazines.

- (b) Description of the conduct or proposed conduct:
(Refer to direction 4)

As part of promotions being run by Samsung Electronics Australia Pty Limited, ACP will provide a 6 month magazine subscription via Magshop for certain magazines, on the condition that consumers purchase certain Samsung tablet devices or smart phones from any participating Australian

retail outlet. The value of these 6 month magazine subscriptions is generally between \$10 and \$50.

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:
(Refer to direction 5)

Purchasers and potential purchasers of the magazine subscriptions from Magshop.

- (b) Number of those persons:

- (i) At present time:

Substantially more than 50

- (ii) Estimated within the next year:
(Refer to direction 6)

Substantially more than 50

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

Not applicable.

4. Public benefit claims

- (a) Arguments in support of notification:
(Refer to direction 7)

The markets for tablet devices, smart phones and magazines are vibrant and highly competitive with a range of devices, manufacturers, suppliers and publishers.

Numerous manufacturers produce a range of devices that are supplied within the tablet and smart phone markets by numerous distributors. There are multiple tablet device and smart phone manufacturers, including Samsung, Apple, HTC, Acer, Motorola, Dell and Asus.

Competition within these markets is vigorous. Consumers in these markets are frequently offered promotions and packages of products and services, featuring a variety of benefits from a range of different suppliers. These arrangements provide additional value to consumers and facilitate competition in the relevant markets.

The proposed conduct will provide a benefit to consumers who purchase certain Samsung tablet devices or smart phones from a participating Australian retail outlet by providing them with a 6 month magazine subscription from Magshop.

Consumers can choose not to take advantage of the proposed offers. That is, the 6 month magazine subscription will be optional to purchasers of the Samsung tablet device or smart phone.

Members of the general public will continue to benefit from other ACP offers and promotions available, which will not be affected by the proposed conduct.

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

The proposed conduct will not have any negative impact on competition in relation to either the supply of magazines or the supply of tablet devices or smart phones to consumers.

Making available the magazine subscriptions to consumers will increase competition between tablet and smart phone suppliers and between magazine suppliers in Australia.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) 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 8)

The proposed conduct relates to the market in which magazines are supplied to consumers in Australia.

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:
(Refer to direction 9)

There are no known detriments, and considerable public benefits as outlined above. Consumers can choose not to take advantage of the proposed offers. That is, the 6 month magazine subscription will be optional to purchasers of the relevant Samsung tablet devices or smart phones.

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

The proposed conduct will not give rise to any detriments. The proposed conduct will allow certain consumers who choose to purchase certain Samsung tablet devices or smart phones from a participating Australian retail outlet to benefit from the subscription offers.

Other ACP promotions and offers will continue to be available to the general public and will not be affected by the proposed conduct.

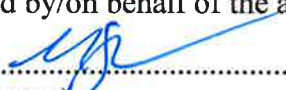
7. Further information

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

Adrian Goss
General Counsel
ACP Magazines Limited
54 Park Street,
Sydney, NSW, 2000, Australia
E: agoss@acpmagazines.com.au

Dated... 1 November 2012

Signed by/on behalf of the applicant


.....
(Signature)

MATTHEW STANTON
.....
(Full Name)

.....
ACP Magazines Limited

CEO
.....
(Position in Organisation)

DIRECTIONS

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

2. If 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 notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. 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.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.