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Form G

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

AUST. COMPETITION &
CONSUMER COMMISSION
MELBOURNE
29 NOV 2012

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:

N96387 **8 Star Homes Pty Ltd**

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

The business provides sales of residential building contracts via direct and indirect sales channels and arranges building material supply agreements for the provision of specified inclusions within the contracts sold.

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

Level 2, 391 St. Kilda Road, Melbourne VIC 3004

2. Notified arrangement

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

The supply of residential building contracts including the marketing and selling thereof constitutes the goods and services which are the subject of this notice.

- (b) Description of the conduct or proposed conduct:

8 Star Homes Pty Ltd proposes to supply building contracts contingent on the builder using 8 Star Homes nominated specification and nominated suppliers of the materials, services and labour.

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:

Registered Building Practitioners.

- (b) Number of those persons:

- (i) At present time:

5

- (ii) Estimated within the next year:

(Refer to direction 6)

10.

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

Bright Homes Constructions

(Registered Building Practitioner: Charlie Xuereb)

Factory 6/92 Rebecca Drive

Ravenhall VIC 3023

Citiwest Homes

(Registered Building Practitioner: Warren Gatt)

49 Keilor Park Drive

Keilor Park VIC 3042

Hallbury Homes North

(Registered Building Practitioner: Rohan Cumming)

PO BOX 4050

Mt Eliza VIC 3930

Guymer Lynneh

(Registered Building Practitioner: Shane Guymer)

Suite 105, 22-30 Wallace Avenue

Point Cook VIC 3030

AHB Australia
(Registered Building Practitioner: Pasquale Garofalo)
56 Barclay Road
Derrimut VIC 3030

4. Public benefit claims

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

Resulting from the application of the above conditions, 8 Star Homes will be able to achieve the following to benefit purchasers for the specified contract:

- 1. Larger purchasing volumes channelled through the suppliers will result in better pricing for the end purchaser.**
- 2. Our focus on better energy efficiency provides better more consistent housing for the public at a price that could not be achieved without volume**
- 3. By having control over materials used the purchasers receive more uniform delivery of the end product no matter which builder is available which means they receive the house quicker. This reduces wasted interest costs waiting for the home to complete.**
- 4. Having standardised inclusions also reduces wastage and landfill as extra materials can be used on the next property instead of being thrown away or left onsite.**

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

- 1. For all of the builders we require them to produce a Bill of Quantities for our design and specification and this is measured against our Bill of Quantities and invariably there are savings. This is passed on to the end purchaser.**
- 2. With the average industry construction time in Victoria to produce a turnkey single storey home sitting at 9 months and our average being 5-6 months the time benefit can be measured.**

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)

8 Star Homes provides contracts in North and West of Melbourne and potential to offer homes to other land around Australia. The builder may get contracts from other marketing channels including third parties, display home sales, or direct relationships within the same geographical area. 8 Star Homes agreement does not restrict any of these other channels to market their product.

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 very little detriments to the public that can be seen as a result of this notification there is potential that our energy efficient homes may put other builders under pressure to deliver similar properties and to compete on price. It is believed that this affect would be negligible based on the fact that there are already diverse product offerings in the market that service this demand.

7. Further information

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

Ross Martiensen
Level 2, 391 St Kilda Road
Melbourne VIC 3004
Mobile: 0415 958 629
Office: (03) 9868 7500

Dated 28/11/2012

Signed by/on behalf of the applicant



(Signature)

ROSS MARTIENSEN

(Full Name)

8 STAR HOME PTY LTD

(Organisation)

DIRECTOR

(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.