INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #122 OF THE PROVIDER AGREEMENT.

	PROVIDER NA	ME:	TONY	IRELA	NA	0				
	ABN:		CYECAR 77/253	E OPER 36622	ATION S	PTY	-73			
	PRACTICE NAM	AE:					ETRISTS			
	PRIMARY PRA	CTICE ADDRESS:	SHOP 13	PH10	LIPCE	NTRE,	PRINCE	s fr		
a marc s	. 21. 44.8 (1996) 27.74(4) 286.1 (1914) 1.00(4)		ULLAD	ULLA	MEW	, 2539	····	N. M		
					,	,	147	14		
	TO:	VSP Global, In 3333 Quality I Rancho Cordo USA			*	Ĭ	*1			
	Attention: VSI	Australia Netv	work Administra	tlon	165	*				
	understand the	at VSP Global, In	on to participate nc. will be notify ty in relation to p	ng the Austra	llan Competiti	on and Consur	dent optometri ner Commission	lsts, we n (ACCC)		
	We further acknowledge and agree that the VSP Australia network and our participation in it is subject gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for the purpose, we confirm the following details:									
	Proposed cond	luct:	Discounted of participating h		rvices and e	yecare produ	cts for memb	pers of		
	Coverage:	223 2.71	Australla							
	TONY IRE		- A STATE TO A STATE OF THE STA							
EI	notification w	th the ACCC o	[Name of	respect of It	s participation	In the VSP A	lobal, Inc. to l iustralia netwo	odge a rk, and		
	authorises VSP	Global, increo	deal with any qu	eries from th	e ACCC on its p	ienair.				
ř.	Signature	/As an author	sed representati	 we for and he	half of fname	nf ontometour	/[antheru	22		
	Name	RAUlmi	mb FOR	RYESC	UE	or optomeny p	ractice]]			
	Title	EIBLEC			-					
	Date .		15m AZ=	RZNI	`					

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)

Tony Ireland

N96320 Eyecare Operations Pty Ltd dba Tony Ireland EyeQ Optometrists Shop 13, Phillip Centre, Princes Hwy Ulladulla, NSW 2539 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated	23	Novem	ber	20	12

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)



DIRECTIONS

- 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.
- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.

PROVIDER NAME:	SUZANNE EFRON	
ABN:	CYCCARE OPERATIONS PTYLTD	
PRACTICE NAME:	WOODS& EFRON EYEQ OPTOMETRIS	73
PRIMARY PRACTICE AD	MERMIAID BEIACH QUD 42-18	
	MERMINIO BEACH QUD 42-18	(197,4
4		
	bal, Inc.	
	uality Drive	
USA	Cordova, CA 95670	
Attention: VSP Austral	a Network Administration	
understand that VSP GI	rmation to participate in the VSP Australia network of Independent optometrists, obal, inc. will be notifying the Australian Competition and Consumer Commission (Annunity in relation to potential third line forcing conduct.	
	ge and agree that the VSP Australia network and our participation in it is subject prosecution for third line forcing. As part of the submission to the ACCC for e following details:	
Proposed conduct:	Discounted optometry services and eyecare products for members participating health funds	of
Coverage:	Pana Australia	
1610 10010 ME	TRISTS [Name of optometry practice] authorises VSP Global, Inc. to lodg	70 0
notification with the	CCC on its behalf in respect of its participation in the VSP Australia network, in the deal with any queries from the ACCC on its behalf.	and
Signature	authorised representative for and behalf of [name of optometry practice])	
Name (As an	1 MOWD FORTES CUE	

Title Date

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)

Suzanne Efron

N96321 Eyecare Operations Pty Ltd dba Woods & Efron EyeQ Optometrists Shop 3A, 2431 Gold Coast Hwy Mermaid Beach, QLD 4218 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Dated 23 November 2012

(Position in Organisation)

Partner

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street

Sydney NSW 2000

Signed by/on behalf	of the a	pplicant	
- Charles			
(Signature)			
Kon Stellios			
(Full Name)			
Allens (Organisation)			

AUST. COMPETITION & CONSUMER COMMISSION

2 3 NOV 2012

DIRECTIONS

- 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.
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- 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.
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- 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.
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Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

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Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

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VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

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Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

MSTRUCTIONS. PLEASE CO	SINFEET AND ACTOR
PROVIDER NAME:	Andrew Lehmann
ABN:	
PRACTICE NAME:	Eyecare Plus Bribie Island
PRIMARY PRACTICE ADDR	ESS: Stop 4 Portie Island S.C.
	Eyecare Plus Bribie Island Ess: Stop 4 Bribie Island S.C. Bribie Island 4507.
TO: VSP Globa	
3333 Qua Rancho Co	ordova, CA 95670
USA	
Attention: VSP Australia	letwork Administration
understand that VSP Glob	ation to participate in the VSP Australia network of independent optometrists, we al, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC) unity in relation to potential third line forcing conduct.
	and agree that the VSP Australia network and our participation in it is subject to rosecution for third line forcing. As part of the submission to the ACCC for this billowing details:
Proposed conduct:	Discounted optometry services and eyecare products for members of participating health funds
Coverage:	Australia
gerore Mes But	(Sew Name of optometry practice) authorises VSP Global, Inc. to lodge a
notification with the ACC	C on its behalf in respect of its participation in the VSP Australia network, and
authorises VSP Global, Inc.	to deal with any queries from the ACCC on its behalf.
Signature (As amout)	ngrised representative for and behalf of [name of optometry practice])
Name A	hey behin
Title Cycl	me hist
Date 14	-1(-12-

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)

Andrew Lehmann

N96322 A & J Lehmann Pty Ltd ATF A & J Lehmann Family Trust
Doing business as Eyecare Plus Bribrie Island
Shop 4 Bribrie Island S.C.
Bribrie Island QLD 4507
(the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.
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- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

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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)

N96323 Faye Woods

(Individual/Sole Trader, ABN 36 563 826 849) Trading as Eyecare Plus Karalee Shop 3, Karalee Shopping Village Chuwar, QLD 4306 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXUREA

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #22 OF THE PROVIDER AGREEMENT.

		Arm. Mahalol
PROVIDER N	AME:	11911911e1les
ABN:	· ·	62 082 671 97-6
PRACTICE NA	ME:	EYEDEAL VISION
PRIMARY PR	ACTICE ADDRESS:	138 BEAUDESERT PD
		MODRODUA WIOT
(9)	· ·	PRISBANE QUI)
то:	VSP Global, Inc. 3333 Quality Drive Rancho Cordova, CA USA	95670 AUSTPAZIA
Attention: VS	P Australia Network Ac	ministration
understand ti	hat VSP Global, Inc. will	articipate in the VSP Australia network of independent optometrists, we be notifying the Australian Competition and Consumer Commission (ACCC) lation to potential third line forcing conduct.
gaining immu		that the VSP Australia network and our participation in it is subject to for third line forcing. As part of the submission to the ACCC for this stails:
Proposed con	partic	unted optometry services and eyecare products for members of cloating health funds
Coverage:	AUSTRAL VISION	alia [Name of optomotry practice] authorises VSP Global, Inc. to lodge a
notification v	With the ACCC on Its b	ehalf in respect of its participation in the VSP Australia network, and
authorises VS	P Global, Inc. to deal will	th any queries from the ACCC on its behalf.
Signature	X	nulles
Name	(As an authorised rep	presentative for and behalf of (name of optometry practice))
Title Date	70	(1)
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VSP Vision Care Provider Agreement 24.10.12_FINAL -

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)

Harry Melides
N96324 Eyedeal Vision Pty Ltd
138 Beaudesert Road
Moorooka, QLD 4105 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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(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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 23 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

AUST. COMPETITION & CONSUMER COMMISSION
2 3 NOV 2012

DIRECTIONS

- 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.
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also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

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Public Benefits

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Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

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outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTION	AS: PLEASE COMPL	ETE ANNEXURE A BELOW AS OUTTINED IN THEN	M #12 OF THE PROVIDER AGREEMENT.		
PROVIDER NAME:		JASON TAT MING LEONG			
ABN:		32 904 674 281	4		
PRACTICE NAME:		EYEDESIGN EYEWEAR			
PRIMARY PRACTICE ADDRESS:		Shop 27 Bridgepoint Shopping Centre			
	.,	1-3 Brady St, Mosman NSW 2088			
	s	8			
TO:	VSP Global, Inc				
10.	3333 Quality D	S			
	Rancho Cordov				
	USA	a, CA 33070			
	0.5/1	261			
Accontion: V	SP Australia Natwa	ork Auministration			
understand t	that VSP Global, Inc	to participate in the VSP Australia network. Will be notifying the Australian Competition in relation to potential third line forcing controls.	on and Consumer Commission (ACC		
gaining imm		agree that the VSP Australia network and ution for third line forcing. As part of thing details:			
		Discounted aptometry services and ey	vecare products for members o		
Coverage:		Australia			
EYEDESIGN EY	YEWEAR .	[Name of optometry practice] author	orises VSP Global, Inc. to lodge :		
notification	with the ACCC on	its behalf in respect of its participation			
		al with any queries from the ACCC on its be			
Signature	gleng				
-	(As an authorise	d representative for and behalf of [name o	f optometry practice])		
Name	OPTOMETRIST	The state of the s			
Title .	8/11/12	TOTTICK			
Date	OFFIFE				

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)

N96325 Jason Leong
(Invidual/Sole Trader, ABN 32 904 674 281)
Eyedesign Eyewear
Shop 27 Bridgepoint Shopping Centre
1-3 Bradey Street
Mosman, NSW 2088 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.

PROVIDER NAME:	NATASHA BRINSNEW
ABN:	EYEQ PTY LTD 40 009 534 450
PRACTICE NAME:	EYEQ OPTOMETRISTS KARRINYUP
PRIMARY PRACTICE ADDRESS:	SHOP 144, LEVELI, KARRINYUP SHOPPING CENTRE
K1	PRRINYUPED, KARRINYUP.
TO: VSP Global, Inc.	
3393 Quality Di Rancho Cordov USA	
	and a distribution
Attention: VSP Australia Netwo	ork Administration .
understand that VSP Global, Inc	to participate in the VSP Australia network of independent optometrists, we will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct.
We further acknowledge and a gaining immunity from prosec purpose, we confirm the follow	agree that the VSP Australia network and our participation in it is subject to ution for third line forcing. As part of the submission to the ACCC for this ling details:
Proposed conduct:	Discounted optometry services and eyecare products for members of participating health funds
an to taber	Australia
EYEQ OPTOMETHIST	· · · · · · · · · · · · · · · · · · ·
KARRINYUA ACCC AN	
authorises VSP Global, Inc. 20 Al	ad with any queries from the ACCC on its behalf.
1. 11.	
Signature	
	ed representative for and behalf of [name of optometry practice]) UA FORTES CUE
Tale	

Date

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)

Natasha Brinsden

N96326 EyeQ Pty Ltd dba EyeQ Optometrists Karrinyup Shop 144, Level 1, Karrin Yup Shopping Centre Karrinyup Road Karrinyup WA 6018 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 23 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

CONSUMER COMMISSION
2 3 NOV 2012

DIRECTIONS

- 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.
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- 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.
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- 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.
- 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.
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Submission

Background

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also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

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Public Benefits

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Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

'ANNEXURE A

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINE	DINITEM #12 C	OF THE PROVIDE	R AGREEMENT.
PROVIDER NAME: John Jalowicki	<u> </u>		æ.
ARN. 5200.627.4620			*
7,000		٠.	
PRACTICE NAME: 5,05 On Corot	ond		*
PRIMARY PRACTICE ADDRESS: 8/600 Collei	5 54		
Melbourne	Ve 31	rere .	
	*		
TO: VSP Global, Inc.		7	
3333 Quality Drive			
Rancho Cordova, CA 95670			* . *
USA			
Attention: VSP Australia Network Administration	£		4 100
Attention: A25 Mastrana Metwork Administration			38.1
In relation to our confirmation to participate in the VSP Australia	network of i	ndependent op	tometrists, we
understand that VSP Global, Inc. will be notifying the Australian Co.		Consumer Con	imission (ACCC)
on our behalf to seek immunity in relation to potential third line for	reing conduct.	20 10 1141	
We further acknowledge and agree that the VSP Australia netwo	ack and our n	articination in i	it is subject to
gaining immunity from prosecution for third line forcingAs pa			
purpose, we confirm the following details:		7*	
Proposed conducts: Discounted optometry services	and eyecare	products for	members of
participating health funds Coverage: Australia	·		.*
Coverage.			
Eyes CN Westonel [Name of optometry practice	e] authorises	VSP Global, In	c. to lodge a
nbeffication with the ACCC opats, behalf in respect of its partic	ipation In the	VSP Australia	network, and
authorises VSP Global, Inc. today with any queries from the ACCC	on its behalf.		
Comptum . / Circle			
Signature [As an authorised representative for and behalf of [name of ontor	netry practice!	
Name Muthea Smits.	, - s. opto	L. L. Acresia)	
Title manage	5		
Date 2 (1/4)	3.		
		0.00	

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)

John Jalowicki
N96327 Westend Optical Services Pty Ltd.
Trading as Eyes on Westend
8/600 Collins St
Melbourne, VIC 3000 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.
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Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEUREA

INSTRUCTIONS PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.

PROMDER NAME:	ELEMENT CONSTITUTE OF
ABN:	15 103 AT AB
PRÁCTICENAME	KARINGER OPTIME
PRIMARY PRACTICE ADDRESS	39/370 CAABOLAY OD
	FAMILYSTON . VIC 3199.
TO: VSP Global, Inc. 3333 Quality Dri Rancho Condova	
USA Attention: VSP Australia Netwo	rk Administration
understand that VSP Global, inc. on our behalf to seek immunity i We further acknowledge and a	to participate in the VSP Australia network of Independent optometrists, we will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct. Gree that the VSP Australia network and our participation in it is subject to allow for third line forcing. As part of the submission to the ACCC for this ing details:
i i i	Discounted optometry services and eyecare products for members of participating health funds
	Australia
Agnature (As an authorise	o representative for and behalf of (name of optometry practice!)
Varne NAVID (Evening
Title HANA(
	*

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)

David Glennie

N96328 Eyewear Consultants Pty Ltd dba Karingal Optical 39/330 Cranbourne Road Frankston, VIC 3199 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAME: FIRST CENTRE PTYLTO
ABN: 481 382 52 838
PRACTICE NAME: MERRINGTON OPTOMETRY
PRIMARY PRACTICE ADDRESS: 429 KEILOR RD
MIDDRIE, VIC, 3642
TO: VSP Global, Inc. 3333 Quality Drive Rancho Cordova, CA 95670 USA
Attention: VSP Australia Network Administration
In relation to our confirmation to participate in the VSP Australia network of independent optometrists, we understand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC on our behalf to seek immunity in relation to potential third line forcing conduct.
We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:
Proposed conduct: Discounted optometry services and eyecare products for members of participating health funds Coverage: Australia
FIRST CENTRE PTTEM[Name of optometry practice] authorises VSP Global, Inc. to lodge a
notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and authorises VSP Global, inc. to deal with any queries from the ACCC on its behalf.
Signature (As an authorised representative for and behalf of [name of optometry practice])
Name VIAMES MERRIMYTON Title AR
Date [7.10.12

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)

James Merrington
First Centre Pty Ltd
Merrington Optometry
429 Keilor Rd
Niddrie, VIC 3042 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated	23	November 2012	
Dalcu	63.7	1 TO VCIII OCI ZOIZ	

Signed by/on behalf of the applicant

AUST. COMPETITION & CONSUMER COMMISSION POLICEME 2 3 NOV 2012

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

- 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.
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- 3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
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- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

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VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

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Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXUREA

INSTRUCTIONS: PLEASE COMPLE	TE ANNEXURE A BELOW AS OUTLINED IN ITEM \$12 OF THE PROVIDER AG	REEMENT.
PROVIDER NAME:	GREGOXY JOHN ROWE	
ABN:	35881392065	ę.
PRACTICE NAME:	FOCAL POINT EYELARE	
PRIMARY PRACTICE ADDRESS:	SHOP 3; 1376 ANDAC AVE	
	KALLANGUR.	

TO!

VSP Global, Inc. 3333 Quality Drive Rencho Cordova, CA 95670 USA

Attention: VSP Australia Network Administration

In relation to our confirmation to participate in the VSP Australia network of Independent optometrists, we understand that VSP Global, Inc., will be notifying the Australian Competition and Consumer Commission (ACCC) on our behalf to seek incountry in relation to potential third line forcing conduct.

We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the ollowing details:

. Proposed conduct:

Discounted optometry services and ayocare products for members of participating health funds

Coverage:

participating health funds
Australia

FOCAT: POWE [Name of optometry practice] authorises VSP Global, Inc. to lodge a notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and authorises VSP Global, Inc. to deal with any queries from the ACCC on its behalf.

Signature

an authorised representative for and behalf of [name of optometry practice])

Name Title motory Jam Row

Date

3/11/12

VSP Vision Care Provider Agreement 30,10.12_FINAL

10

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)

Gregory John Rowe

N96330 Parmist Pty Ltd ATF The GJ Rowe Family Trust
(ABN 35 881 392 065)

Focal Point Eyecare
Shop 3; 1376 Anzac Avenue
Kallangur, QLD 4503 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE	COMPLETE ANNEAURE A BECOM AS OBTENED IN THEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAME:	LISA PICCOLO
ABN:	FOCUS OPTICS PTY LTD 28 075 755 163
PRACTICE NAME:	EYER OPTOMETRISTS SPRINGHILL

113 WICKHAM TCE PRIMARY PRACTICE ADDRESS:

SPRING HILL QLD

TO:

Name Title Date

PRACTICE NAME:

VSP Global, Inc. 3333 Quality Drive

Rancho Cordova, CA 95670

USA

Attention: VSP Australia Network Administration

In relation to our confirmation to participate in the VSP Australia network of independent optometrists, we understand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC) on our behalf to seek immunity in relation to potential third line forcing conduct,

We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this we confirm the following details:

purpose, we common the	,	
Proposed conduct:	Discounted optometry services and eyecare products for member participating health funds	s of
Coverage:	Australia	
ELEQ OPTOMI	ETRISTS	
SPRING HILL	[Name of optometry practice] authorises VSP Global, Inc. to lod	ge a
notification with the AC	CC of its behalf in respect of its participation in the VSP Australia network	and
authorises VSP Global, In	c. to deal with any queries from the ACCC on its behalf.	
Signature	thorised representative for and behalf of [name of optometry practice])	

VSP Vision Care Provider Agreement 15.10.12

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)

Lisa Piccolo

N96331 Focus Optics Pty Ltd dba EyeQ Optometrists Springhill 113 Wickham Terrace Springhill, QLD 4000 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 23 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

AUST. COMPETITION & CONSUMER COMMISSION

2 3 NOV 2012

DIRECTIONS

- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: I	ease complete annexure a below as outlined in item #12 of the provider agreement.	i
PROVIDER NAME	JOY ENGHIH.	
ABN:	JA- 545 208 18P	
PRACTICE NAME:	PATAMOTER UNDER	
PRIMARY PRACTI	EADDRESS: 575 DEGNIST	
2 4	B-B187 3PHO	
r R	P Global, Inc. 99 Quality Drive ncho Cordova, CA 95670 A	
Attention: VSP At	stralia Network Administration	
understand that \	confirmation to participate in the VSP Australia network of Independent optometrists, with GP Global, Inc. will be notifying the Austrelian Competition and Consumer Commission (ACC) are immunity in relation to potential third line forcing conduct.	
gaining immunity	wladge and agree that the VSP Australia network and our participation in it is subject from prosecution for third line forcing. As part of the submission to the ACCC for the mither following details:	
Proposed conduct Coverage:	Discounted optometry services and eyecare products for members participating health funds Australia	of
notification with	TOWETRY [Name of optometry practice] authorises VSP Global, Inc. to lodge he ACCC on its behalf in respect of its participation in the VSP Australia network, are bal, inc. to deal with any queries from the ACCC on its behalf.	e br
Signature	The tollar	
Name	an authorized representative for and behalf of [name of optometry practice])	

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)

Joy English
N96332 Focus Optometry Pty Ltd.
575 Dean Street
Albury NSW 2640
(the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

Please refer to the attached submission.

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)

Please refer to the attached submission.

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(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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

Please refer to the attached submission.

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.
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Submission

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also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

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Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS	: PLEASE COMPL	ETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NA	ME:	Paul Salloum .
ABN:		20 105 662 799
PRACTICE NA	ME: .	Invision Essendon
PRIMARY PRACTICE ADDRESS:		259A Keilor Rd, Essendon, VIC 3040
TÒ:	VSP Global, Inc	
	3333 Quality D	
	Rancho Cordov USA	7a, CA 95670
Attention: VS	P Australia Netw	ork Administration
understand th	nat VSP Global, In	to participate in the VSP Australia network of independent optometrists, we c. will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct.
gaining immu	프리아이트 마다 그렇게 하다고 있다. 이 이 이 이 때문	agree that the VSP Australia network and our participation in it is subject to outlon for third line forcing. As part of the submission to the ACCC for this ring details:
Proposéd con	duct:	Discounted optometry services and eyecare products for members of participating health funds
Coverage: .		Australia
Invision Essenc	ion	[Name of optometry practice] authorises VSP Global, Inc. to lodge a
notification v	vith the ACCC or	ts behalf in respect of its participation in the VSP Australia network, and
		eal with any queries from the ACCC on its behalf,
*	())Onto	A .
Signature		
(10)	(As an authoris	ed representative for and behalf of (name of optometry practice))
Name	Paul Salloum	Ontomotylot
Title	Director/Owner	Optometrist
Date	31/10/12	

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)

Paul Salloum

N96333 Foresight Enterprises P/L T/A Invision Essendon 259A Keilor Road Essendon, VIC 3040 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

Please refer to the attached submission.

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

Please refer to the attached submission.

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street

Sydney NSW 2000

-	-				-
Dated	23	Novem	her	201	2

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

AUST. COMPETITION & CONSUMER COMMISSION

2 3 NOV 2012

DIRECTIONS

- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

MATROCHON	IS: PLEASE COMPL	ETE ANNEXURE A BELOW A	IZ OO ITIMED IN L	1EM #12 OF 11	HE PROVIDER A	AGREEMENT.
PROVIDER N	AME:	Freshbay Pty Ltd		-	· .	
ABN:	*	22098982095			140	
PRACTICE NA	AME:	Medioptics		_	27	×
PŘIMARY PR	ACTICE ADDRESS:	N18 Centro Toormina		_		
		Toormina 2452		_		
			•	*(*)		
TO:	VSP Global, Inc					
	3833 Quality D					
	Rancho Cordov	a, CA 95670				12
	USA	*	4	v		

Attention: V	SP Australia Netwo	ork Administration				
understand t	hat VSP Global, Inc	to participate in the VS will be notifying the Au in relation to potential t	styallan Compet	tition and Co		
		agree that the VSP Aust ution for third line forci				
	confirm the follow		ing. As part o	the souths	sion to the A	ACCC TOT THIS
Proposed cor		Discounted optometry		eyecare pr	oducts for	members of
Coverage:		Australia		1027	,	
		Mas a dife		7.8		
Medioptics		[Name of optomet	try practice) au	thorises VSI	Global, Inc	to lodge a
notification v	with the ACCC on	its behalf in respect of				
		all with any queries from				•
	-Ollo	Ln.				
Signature	- ()				12	
	(As an authorise	ed representative for and	behalf of [name	e of optomet	ry practice])	
Name					1	
Title	Director					
Date	03/11/12	-			•	

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)

Greg Luke
N96334 Freshbay Pty Ltd
Medioptics
N18 Centro Toormina
Toormina, NSW 2452 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

Please refer to the attached submission.

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

Please refer to the attached submission.

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 23 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

AUST. COMPETITION & CONSUMER COMMISSION

2 3 NOV 2012

DIRECTIONS

- 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.
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- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE COMPLE	TE WINNEYOKE A BELOM AS DOLDINED IN LIEM #TX OF THE PROVIDER YERSEMENT
PROVIDER NAME:	
ABN:	
	James M. Brown
PRACTICE NAME;	Optometrist
	Futute Vision
PRIMARY PRACTICE ADDRESS:	145 Canning Hwy
	South Perth 6151 WA
	Phone/Fax-08 9367 4726
	226897JB
TO: VSP Global, Inc.	
3333 Quality Dri	ve
Rancho Cordova	
USA	
Attention: VSP Australia Netwo	rk Administration
understand that VSP Global, Inc. on our behalf to seek Immunity I	to participate in the VSP Australia network of independent optometrists, w will be notifying the Australian Competition and Consumer Commission (ACC in relation to potential third line forcing conduct.
	gree that the VSP Australia network and our participation in it is subject t
	tion for third line forcing. As part of the submission to the ACCC for thi
ourpose, we confirm the following	ng details:
, p	Discounted optometry services and eyecare products for members of varticipating health funds
FUTUES VISION A	ustralia
	[Name of optometry practice] authorises VSP Global, Inc. to lodge a
	its behalf in respect of its participation in the VSP Australia network, and
	al with any queries from the ACCC on its behalf.
addibibes voi Giobal inc. to dee	1
lignature	A
(As an authorised	representative for and behalf of [name of optometry practice])
lame Janiz	BRONN
	OMETRIST.
Date 3/1/2	0/2

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)

James M. Brown, Optometrist
N96335 Future Vision Unit Trust ITF
Future Vision
(ABN 95480681414)
145 Canning Hwy
South Perth 6151 WA (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

Please refer to the attached submission.

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

Please refer to the attached submission.

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

	INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.				
	PROVIDER NAME:	GREG BOWYER optomotrust			
	ABN:	78675095683			
	PRACTICE NAME:	GREG BONYER Exercar Soutique			
PRIMARY PRACTICE ADDRESS: SLUP 32 KENMORE SHOPPING Village					
		GREG BONYER Exercar Boutigne ESS: Slop 32 KENMORE SHOPPING Village Maggill Rd. KENMORE BRISBANE 4			
	TO				
	TO: VSP Globa				
	3333 Qual	ordova, CA 95670			
-	USA	ndova, ÇA 95670			
	V	<u> </u>			
Attention: VSP Australia Network Administration					
In relation to our confirmation to participate in the VSP Australia network of independent optometrists, understand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (Autonomour behalf to seek immunity in relation to potential third line forcing conduct.					
		and agree that the VSP Australia network and our participation in it is subject to osecution for third line forcing. As part of the submission to the ACCC for this illowing details:			
	Proposed conduct:	Discounted optometry services and eyecare products for members of participating health funds			
	Coverage:	Australia			
GIL	6. BOWYER - Exercia	2 Voutagal			
-, ,		Challe of changed by and the second to the second to			
		on its behalf in respect of its participation in the VSP Australia network, and otherwise with any queries from the ACCC on its behalf.			
	authorises var diodal, inc.	to deal with any queries from the Accounts bench.			
	Signature	Delye			
	(As an auth	orised representative for and behalf of [name of optometry practice])			
	Name GRE.Co.	BOWYER			
	Title PRINCI	Ale			
	Date	10/10/11			

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)

N96336 Bowyer Family Trust ATF
Greg Bowyer, Optometrist
doing business as Greg Bowyer Eyewear Boutique
(ABN 98 675 095 683)
Shop 32 Kenmore Shopping Village
Moggill Road
Kenmore Brisbane 4069 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

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VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

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Public Benefits

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Health fund members will receive:

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- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS:	PLEASE COMPL	ete annexure a below as outlined (n item #12 of the provider agreement.
PROVIDER NAME:		GT Conwell Pty Ltd
ABN:		51 010 648 227
PRACTICE NAME:		Eyecare Plus Jindalee
PRIMARY PRACTICE ADDRESS:		Shop 3, Windennere Village
		21 Goggs Road, Jindalee, QLD 4074
*	¥	90
TO:	VSP Global, Inc	
	3333 Quality D	TO DELICE AND EDUCATION AND ADMINISTRATION ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION AND ADMINISTRATION A
	Rancho Cordov USA	a, ÇA 95670
Attention: VSI	P Australia Netw	ork Administration
understand th	at VSP Global, Inc	n to participate in the VSP Australia network of Independent optometrists, we c. will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct.
gaining immu		agree that the VSP Australia network and our participation in it is subject to sution for third line forcing. As part of the submission to the ACCC for this ring details:
Proposed cond	luct:	Discounted optometry services and eyecare products for members of participating health funds
Coverage:		Australia
Eyecare Plus Jin	dalee	That a fundamental authority NCC Clabul has to Index a
notification w	ith the ACCC or	[Name of optometry practice] authorises VSP Global, Inc. to lodge a tits behalf in respect of its participation in the VSP Australia network, and
authorises VSP	Global, Inc. to d	eal with any queries from the ACCC on its behalf.
	5020	
Signature	(As an authoris	ed representative for and behalf of [name of optometry practice])
Name	Geoffrey Thom	as Conwell
Title	Director	
Date	14.11.04	10/02

Siz

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)

Geoffrey Conwell

N96337 GT Conwell Pty Ltd dba Eyecare Plus Jindalee Shop 3, Windermere Village 21 Goggs Road Jindalee, QLD 4074 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.
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Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

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Public Benefits

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Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

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outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTI	IUNSI PLEASE COMPLE	TE ANNEXURE A BELOW	AS OUTLINED IN IT	EM #12 OF THE PROVIDER AGREEMENT.
PROVIDER	R NAME:	DANH KIN	1. Hq	
ABN:		92 105 725	8.44	
PRACTICE	NAME:	497 VISCON CONTRE		
PRIMARY	PRACTICE ADDRESS:	14 MAIN	BARLETT	
	э	BUCCOOWN		
TO:	VSP Global, Inc. 3333 Quality Dri Rancho Cordova USA			*
Attention:	VSP Australia Networ	k Administration		8
		o participate in the VS will be notifying the Au relation to potential t		ork of Independent optometrists, we ion and Consumer Commission (ACCC anduct.
We further	acknowledge and ap	ree that the VSP Aust		d our participation in it is subject to the submission to the ACCC for this
Proposed co		scounted optometry	services and e	yecare products for members of
Coverage:		rticipating health fund Istralia	\$	
H7 notification authorises V	with the ACCC on it.	(Name of optomet s behalf in respect of with any queries from	ry practice] auth Its participation the ACCC on his ba	orises VSP Global, Inc. to lodge a In the VSP Australia network, and
Signature	(Sturk	1/.		
Name Title	(As an authorised of OKN)H Kim	epresentative for and	hehalf of [name o	f optometry practice])
Date	7/1/1/12			8

VSP Vision Care Provider Agreement 15.10.12

Form G

Commonwealth of Australia
Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

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PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

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

Oanh Kim Ha

N96338 Ha Developments Pty Ltd.
doing business as H7 Vision Centre
14 Main Street
Blacktown, NSW 2148 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS. PECASE COMPE	LIL ANNEXONE A BELOW AS COTCINED IN THEM, #12 OF THE PROVIDER AGREEMENT,			
PROVIDER NAME:	HERBERT TJIONG			
ABN:	49 619 710 802			
PRACTICE NAME:	HERBERT TJIONG OPTOM			
PRIMARY PRACTICE ADDRESS:	G07 / 10 EDGEWORTH DAVID AVE			
	HORNSBY NSW 2077			
TO: P Global, Inc 3333 Quality D Rancho Cordov USA	rive			
Attention: VSP Australia Netw	ork Administration			
understand that VSP Global, Inc	to participate in the VSP Australia network of independent optometrists, we c. will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct.			
	agree that the VSP Australia network and our participation in it is subject to tution for third line forcing. As part of the submission to the ACCC for this ring details:			
Proposed conduct:	Discounted optometry services and eyecare products for members of participating health funds			
Coverage: HERBERT TJIONG	Australia			
notification with the ACCC on	[Name of optometry practice] authorises VSP Global, Inc. to lodge a its behalf in respect of its participation in the VSP Australia network, and eal with any queries from the ACCC on its behalf.			
Signatur dali				
Name HERBERT TJIO	ed representative for and behalf of [name of optometry practice]) NG			
Title _MR				
Date 05 NOV 2017				

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)

Herbert Tjiong

N96339 Herbert Tjiong Optometrist
(Individual/Sole Trader, ANB 48 619 710 802)

G07 / 10 Edgeworth David Ave.
Hornsby, NSW 2077 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

Dated 28 November 2012
Signed by/on behalf of the applicant
- Company of the comp
(Signature)
Kon Stellios
(Full Name)
Allens
(Organisation)
Partner
(Position in Organisation)

DIRECTIONS

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Submission

Background

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Notified Conduct

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also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

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Public Benefits

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Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

Markochona	r Franc Colvier	ETE ANNEXONE A BELOW	ke OO LEWED IIA	ILLIAI STE OF THE LY	OVIDER AGREEMENT.	
PROVIDER NAME:		JASON TEH	- :			
ABN:		16080140190	,	_		
PRACTICE NAME: PRIMARY PRACTICE ADDRESS:		IN2EYES OPTOMETRY				
		511 WHITEHORSE ROAD				
		SURREY HILLS 3127				
				790		
	*					
TO:	VSP Global, Inc					
	3333 Quality D		147			
	Rancho Cordov					
	USA	.,				
Attention: VS	P Australia Netw	ork Administration				
Acception. Yo	i Adama itery	ork Manninga digit				
understand th	at VSP Global, Inc	to participate in the V will be notifying the Air In relation to potential	ustralian Compe	etition and Consum		
gaining. Immu		agree that the VSP Aus aution for third line for ring details:				
Proposed con		Discounted optometry		eyecare produc	ts for members of	
Coverage:		Australia			*	
INZEYES OPTO	METRY	Name of entone	atiny involutióal is	of thaties VSP Gla	obal, Inc. to lodge a	
		its behalt in respect of	of its participat	tion in the VSP A		
2.	X	Section 1	-			
Signature				one of the second second second	POSTER STORE II	
	(As an authoris	ed representative for an	d behalf of (nan	ne of optometry pr	actice])	
Name	JASON TEH					
Title	MR:				1.5	
Dáte ·	16/11/2012	* not on one of the				

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)

Jason Teh

N96340 In2Eyes Pty Ltd.
doing business as In2Eyes Optometry
51 Whitehorse Road
Surrey Hills 3127

(the Participant).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

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VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

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(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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

Dated 28 November 2012
Signed by/on behalf of the applicant
- Jako
(Signature)
Kon Stellios
(Full Name)
Allens
(Organisation)
Partner
(Position in Organisation)

DIRECTIONS

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Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

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also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.

PROVIDER NA	AME:	Kien word
ABN:		84806174027
PRACTICE NA	ME:	winks eyelang
PRIMARY PRACTICE ADDRESS:		2/7 41604 ST
	_	Bannockburn VIC 3331
TO:	VSP Global, Inc.	w ×
10.	3333 Quality Drive Rancho Cordova, C. USA	A 95670
Attention: VS	SP Australia Network	Administration
on our behalf We further a gaining immu	to seek immunity in recknowledge and agre	Il be notifying the Australian Competition and Consumer Commission (ACCC elation to potential third line forcing conduct. e that the VSP Australia network and our participation in it is subject to a for third line forcing. As part of the submission to the ACCC for this details:
Proposed con	part	ounted optometry services and eyecare products for members of icipating health funds
Coverage:		
notification w		[Name of optometry practice] authorises VSP Global, Inc. to lodge a behalf in respect of its participation in the VSP Australia network, and rith any queries from the ACCC on its behalf.
Signature	San Marian	
lame Title	Ken	t and the same of
ate		18 12

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)

Kien Wong
N96341 Insight Optical P/L dba Winks Eyecare
2/7 High Street
Bonnockburn, VIC 3331 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 23 November 2012

(Position in Organisation)

Signed by/on behalf of the applicant

(Signature)

Kon Stellios
(Full Name)

Allens
(Organisation)

Partner

AUST, COMPETITION & CONSUMER COMMISSION

DIRECTIONS

- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAME: GOLDON KENNENY
ABN: 17461608247
PRACTICE NAME: 1 SYTE OR ON ZTIZISTS
PRIMARY PRACTICE ADDRESS: BOILDING 6, ECU
JOONDALUP DRIVE JOONDALUP, WA 6027
JOONDALUP, WA 6027
TO: VSP Global, Inc. 3333 Quality Drive
Rancho Cordova, CA 95670 USA
Attention: VSP Australia Network Administration
In relation to our confirmation to participate in the VSP Australia network of independent optometrists, we understand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC on our behalf to seek immunity in relation to potential third line forcing conduct.
We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:
Proposed conduct: Discounted optometry services and eyecare products for members of participating health funds
Coverage: Australia 1 SYTE OF OMETRISTS [Name of optometry practice] authorises VSP Global Inc. to lodge a
1) YTE ONO MER (1891) [Name of optometry practice] authorises VSP Global, Inc. to lodge a notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and authorises VSP Global, Inc. to deal with any queries from the ACCC on its behalf.
Signature Charles
(As an authorised representative for and behalf of (name of optometry practice)) Name (As an authorised representative for and behalf of (name of optometry practice))
Title $\frac{D1NECT5N}{07/i1/2012}$
· · · · · · · · · · · · · · · · · · ·

VSP Vision Care Provider Agreement 24.10.12_FINAL

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)

Gordon Kennedy

N96342 The Woodfield Unit Trust ITF
iSyte Optometrists
(ABN 17 461 608 247)
Building G, ECU
270 Joondalup Drive
Joondalup, WA 6027 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

Dated 28 November 2012
Signed by/on behalf of the applicant
- Company of the comp
(Signature)
Kon Stellios
(Full Name)
Allens
(Organisation)
Partner
(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

INISTRUCTIONES PLEASE	complete annexure a below as outlined in item h	12 OF THE PROVIDER AGRÉE	alent.
PROVIDER NAME:	Jim GORGACIONIS		
Alles:	85 006 439 385	1.00 E E E E E E E E E E E E E E E E E E	
PRACTICE NAME:	JUARGALIBALS PTY LTD	(NONTHINE	OPTICAL
PRIMARY PRACTICE ADD	RESS: Care in his hor million that the Sight to a comparation with	*	*
	NORTHWOLL 7075		
		128	

to:

VSP Global, loc. 3333 Costily Orige Hancha Cordova, CA 95070 USA

Attention: VSP Australia Network Administration

in relation to por confirmation to participate in the VSP Australia network of Ledependent autometrists, we understand that VSP Globat, inc. will be notifying the Austrelian Competition and Consumer Commission (ACCC) one was behalf to seek knowlinky in relation to percential third line forcing conduct.

We further acknowledge and berea that the WSP Australia network and our participation in it is subject to is long immunity from presecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:

Proposed conduct:

Discountly optimitive services and evolute products for members of participating books funds

Coverage:

Australia

Gradical covers fit 270 Interes of openineary practicel authorises VSP Glabal, Inc., to today a notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and aumorises VSP Global, Inc. to deal with any queries from the ACCC on its bouds.

Sighacure

(his an authorised representative for and behalf of frame of optometry practice))

· Nisepup YIBR

Date

7/10/12

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)

N96343 Jim Gargalionis

J. Gargalionis Pty Ltd dba Northcote Optical 276 High Street Northcote, VIC 3070 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated	23	Novem	har	20	1.0
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Signed by/on behalf of the applicant

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(Signature)
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Kon Stellios
(Full Name)
Allens
AND DESCRIPTION OF THE PROPERTY OF THE PROPERT
(Organisation)
Partner
(Position in Organisation)

AUST, COMPETITION & CONSUMER COMMISSION MEI POLITINE
2 3 NOV 2012

DIRECTIONS

- 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.
- 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.
- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXUBE A

INSTRUCTIONS:	PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.

PROVIDER NAME:

PAUL HARVEY

ABN:

34741609566

PRACTICE NAME:

PAUL HARVEY OPTOMETRY

PRIMARY PRACTICE ADDRESS: Shop 20 Tamwort

· TO:

VSP Global, Inc.

3333 Quality Drive

Rancho Cordova, CA 95670

Attention: VSP Australia Network Administration

In relation to our confirmation to participate in the VSP Australia network of independent optometrists, we understand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC) on our behalf to seek immunity in relation to potential third line forcing conduct.

We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:

Proposed conduct:

Discounted optometry services and eyecare products for members of

participating health funds

Coverage:

Australia

PAUL HARVEY OPTONETRY [Name of optometry practice] authorises VSP Global, Inc. to lodge a notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and authorises VSP Global, Inc. to deal with any queries from the ACCC on its behalf.

(As an authorised representative for and behalf of [name of optometry practice])

Name

PAUL HARVEY

Title

DIRECTOR

Date

29 10 12

VSP Vision Care Provider Agreement 16.10.12

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)

Paul Harvey

N96344 Jalage Pty Ltd as Trustee for PMH Optical Discretionary Trust dba Paul Harvey Optometry
Shop 20 Tamworth Shopping World
Denne St.
Tamworth, NSW 2340 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

6. **Public detriments**

Detriments to the public resulting or likely to result from the notification, in (a) 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 public detriments from the notification - please refer to the attached submission.

Facts and evidence relevant to these detriments: (b)

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street

Dated 23 November 2012

Signed by/on behalf of the applicant

Sydney NSW 2000

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

CONSUMER COMMISSION
REPROPERTIES

2 3 NOV 2012

DIRECTIONS

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- 5. Describe the business or consumers likely to be affected by the conduct.
- 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.
- Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

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VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

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Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

Confidential letterhead of Independent optometrist)

VSP Global, Inc. 3333 Quality Drive: Rancho Cordova, CA 95670 USA.

Attention: VSP Australia Network Administration

In relation to our confirmation to participate in the VSP Australia network of Independent optometrists, we understand that VSP Global; Inc. will be notifying the Australian Competition and Consumer Commission (ACCC) on our behalf to seek immunity in relation to potential third line forcing conduct. 15.000 2.000 2

We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:

Business details: Proposed conduct:

EUFCAR

Discounted optometry services and 'eyecare products for members of

participating health funds Australia

Coverage:

authorises VSP Global, Inc. to lodge a notification with the ACCC on its behalf in-Name of Optometry Practice respect of its participation in the VSP Australia network, and authorises VSP Global, Inc. to deal with any . queries from the ACCC on its Vehalf.

Signature

forised representative for and behalf of

Name of Optometry Practice

Name

Title

Date

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)

Jan Coetzee

N96345 Jalamec Pty Ltd ATF The Jalamec Trust dba EyeCare Plus Indooroopilly 80 Stamford Road Indooroopilly, QLD 4068 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street

Sydney NSW 2000

Dated	23 November 2012	2

Signed by/on behalf of the applicant

(Signature)

Kon Stellios

(Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

AUST, COMPETITION & CONSUMER COMMISSION MEI POURNE

2 3 NOV 2012

DIRECTIONS

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also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

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- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

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outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

AN VEXURE A

INSTRUCTIONS	S: PLEASE COMPI	ETE ANNEXURE A BE	LO'N AS OUTLINED IN	TEM #12 OF THE F	PROVIDER AGREEMENT.
PROVIDER NA	ME:	JOHN B	YRNES	_	
ABN:		69 092	2 309 290	<u>)</u>	
PRACTICE NAI	ME:	JOHN & CA	RMEN BYRN	US OPTI	OMETRISTS
PRIMARY PRA	CTICE ADDRESS:	6 DRM	IUZ AVE	NUE	
		CALOUI	NDRA, 4	[]/	#S
TO:	VSP Global, Inc				
10:	3333 Quality D Rancho Cordov USA	rive			
Attentlon: V\$I	P Australia Netw	ork Administration			
understand th	at VSP Global, Inc	. will be notifying the	he: VSP Australia net he Australian Compet ht al third line forcing	tition and Consul	ndent optometrists, we mer Commission (ACC
gaining immur	knowledge and a nity from prosec onfirm the follow	ution for third line	Australia network a forcing. As part o	nd our participa f the submission	ation in it is subject to n to the ACCC for this
Proposed cond		Discounted optom participating health		eyecare produ	cts for members of
Coverage:		Australia	•		
TOHN STRA	VEC BPTOME	- Raisant of opt	(creetry practice) au	ithorises VSP G	lobal, inc. to lodge a
					Australia network, and
uthonses VSP	Global, Inc. to de	eal with any queries	from the ACCC on its	behalf.	
Ignature	- K	1 10			
	(As an outhorise	ed representative to	r and behalf of [name	e of optometry p	ractice])
lame Title	- Junik				2)
Date	7/11	42	20	2.5	
	v /				

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)

John Byrnes

N96346 John Byrnes Optometrist Pty Ltd.

Trading as John & Carmen Byrnes Optometrists

6 Ormuz Avenue

Caloundra, Brisbane 4551 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street

Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles

and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

Dated 28 November 2012
Signed by/on behalf of the applicant
- Company of the comp
(Signature)
Kon Stellios
(Full Name)
Allens
(Organisation)
Partner
(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXUREA

Instructions: Please complete annexure a below as dutlined in Item #22 of the provider agreement.
PROVIDER NAME: John Halpin
ABN:
PRACTICE NAME: John Halpin (Eyecare Plus)
PRIMARY PRACTICE ADDRESS: 5 President Avenue
Caringbah 2229
TO: VSP Global, Inc.
3993 Quality Drive Rancho Cordova, CA 95670 USA
Attention: VSP Australia Network Administration
In relation to our confirmation to participate in the VSP Australia network of independent optometrists, we understand that VSP Global, inc. will be notifying the Australian Competition and Consumer Commission (ACCC on our behalf to seek immunity in relation to potential third line forcing conduct.
We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:
Proposed conduct: Discounted optometry services and system products for members of participating health funds
Coverage: Australia .
OHN HALPIN (EXECUTE PLUS) [Name of optometry practice] authorises VSP Global, Inc. to ludge a
notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and
authorises VSP Global, Inc. to deal with pny queries from the ACCC on its behalf.
Signature Law Market
(As an authorised representative for and behalf of [name of optometry practice])
Name John Halpin
Title Mr. Date 16.11. 20171

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)

N96347 John Halpin

(Individual/Sole Trader, ABN 45 413 376 831) Trading as Eyecare Plus 5 President Avenue Caringbah NSW 2229 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

Dated 28 November 2012
Signed by/on behalf of the applicant
- Charles
(Signature)
Kon Stellios
(Full Name)
Allens
(Organisation)
Partner
(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.
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- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

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VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

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Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network;
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS	; PLEASE COMPLI	ETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAME:		Mr. Stacey Pedler
ABN:		45 506 404 318
PANE TO CONTROL OF THE PA		
PRACTICE NAME:		Kalamunda Optical
PRIMARY PRACTICE ADDRESS:		3C Barbarry Square, Kalmaunda WA 6076
		*
TO:	VSP Global, Inc.	. 8
	3333 Quality Dr	
	Rancho Cordov USA	a, CA 95670
Attention: VSI	P Australia Netwo	ork Administration
understand th	at VSP Global, Inc	to participate in the VSP Australia network of independent optometrists, we will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct.
gaining Immu		ngree that the VSP Australia network and our participation in it is subject to ution for third line forcing. As part of the submission to the ACCC for this ing details:
Proposed cond		Discounted optometry services and eyecare products for members of participating health funds
Coverage:		Australia
Kalamunda Opti	cal	[Name of optometry practice] authorises VSP Global, Inc. to lodge a
notification w	ith the ACCC on	Its behalf in respect of its participation in the VSP Australia network, and
authorises VSP	Global, Inc. to @	al with any queries from the ACCC on its behalf.
Ct	1.4	And C
Signature	(As an authorise	d representative for and behalf of [name of optometry practice])
Name	Stacey Pedler	a representative for and senat or frante or optomeny practice!)
Title	Owner	
Date	31/10/2012	

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)

Mr. Stacey Pedler

N96348 Kazac Pty Ltd. ATF Kazac Family Trust
Trading as Kalamunda Optical
3C Barberry Square
Kalamunda, WA 6076 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

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- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAME: STUART MIJNNES
ABN: 9312983140]
PRACTICE NAME: LAKE EYEWEAR OTY LTO
PRIMARY PRACTICE ADDRESS: 12.17 HOWITT ST
WENDOUREE, VIC, 3355
TO: VSP Global, Inc.
3333 Quality Orive
Rancho Cordova, CA 95670
USA
Attention: VSP Australia Network Administration
In relation to our confirmation to participate in the VSP Australia network of independent optometrists, wunderstand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACC on our behalf to seek immunity in relation to potential third line forcing conduct.
We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for the purpose, we confirm the following details:
Proposed conduct: Discounted optometry services and eyecare products for members of participating health funds
Coverage: Australia
AKG EYEWEAR PTO LTO [Name of optometry practice] authorises VSP Global, Inc. to lodge
notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, an
authorises VSP Global, Inc. to deal with any queries from the ACCC on its behalf.
Signature
(As an authorised representative for and behalf of [name of optometry practice])
Name STUART MINNES
Title DIRECTOR
Date 26-10-12

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)

Stuart McInnes
N96349 Lake Eyewear Pty Ltd.
1217 Howitt St
Wendouree, VIC 3355 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios

Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 23 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios
(Full Name)

Allens
(Organisation)

Partner
(Position in Organisation)

AUST. COMPETITION & CONSUMER COMMISSION POLICIES 2 3 NOV 2012

DIRECTIONS

- 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.
- 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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS:	PLEASE COMPLETE ANNEXURE A BELOW AS OUTUNED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAM	E: Loan Quach
ABN:	55 083 219 407
PRACTICE NAME	: Loan Buach Optimetris t
PRIMARY PRACT	TICE ADDRESS: 22 Windgo AM
	Springvale 317/11/C
ž.	VSP Global, Inc. 3333 Quality Orive Rancho Cordova, CA 95670 USA
Attention: VSP	Australia Network Administration
understand that	or confirmation to participate in the VSP Australia network of independent optometrists, we VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC) seek immunity in relation to potential third line forcing conduct.
gaining immuni	nowledge and agree that the VSP Australia network and our participation in it is subject to try from prosecution for third line forcing. As part of the submission to the ACCC for this firm the following details:
Proposed condu	ct: Discounted optometry services and eyecare products for members of participating health funds
Coverage:	Australia
notification with	tch ()Port () (Name of optometry practice) authorises VSP Global, Inc. to lodge a the ACCC on its behalf in respect of its participation in the VSP Australia network, and Global, Inc. to deal with any queries from the ACCC on its behalf.
Signature	Letter -
Name Title Date	(As an authorised representative for and behalf of [name of optometry practice]) MG LOAN QUACH ATTOMICK ST 874/13

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)

N96350 Loan Quach Pty Ltd.

Trading as Loan Quach Optometrist
22 Windsor Ave
Springvale, VIC 3171 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

Please refer to the attached submission.

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

0362243989

ANNEXUREA

AL PROPERTY CALL.	PLEASE COMPLETE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
INSTRUCTIONS:	PLEASE LOWIFLE IE ANNEXUME A DELUMY AS OUTLINED IN HEMITIZ OF THE PROVIDER AURCEWICKT.

PROVIDER NAME:

LOOK OF AUSTRALIA.

ABN:

PRACTICE NAME:

PRIMARY PRACTICE ADDRESS:

TO:

VSP Global, Inc. 3333 Quality Drive

Rancho Cordova, CA 95670

USA

Attention: VSP Australia Network Administration

In relation to our confirmation to participate in the VSP Australia network of independent optometrists, we understand that VSP Global, Inc. will be notifying the Australian Competition and Consumer Commission (ACCC) on our behalf to seek immunity in relation to potential third line forcing conduct.

We further acknowledge and agree that the VSP Australia network and our participation in it is subject to gaining immunity from prosecution for third line forcing. As part of the submission to the ACCC for this purpose, we confirm the following details:

Proposed conduct:

Discounted optometry services and eyecare products for members of

participating health funds

Coverage:

Australla

[Name of optometry practice] authorises VSP Global, inc. to lodge a notification with the ACCC on its behalf in respect of its participation in the VSP Australia network, and authorises VSP Global, Inc. to deal with any queries from the ACCC on its behalf.

Signature

(As an authorised representative for and behalf of [name of optometry practice])

Name Title

BARRIE ESHMAN

MANAGER OWNER

Date

VSP Vision Caro Provider Agreement 30.10.12_FINAL

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)

Barrie Eshman

N96351 Peyper Family Trust & Eshman Family Trust
Trading as Look of Australia (Tasmania)
(ABN 76597803225)
160 Collins St
Hobart TAS 7000
(the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(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.

Submission

Background

VSP is a vision benefits company based in the United States, which was founded by a group of optometrists in 1955. It offers a range of products and services to eyecare professionals, employers and more than 56 million members.

VSP proposes to expand into Australia, to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECP*s) within Australia. This will assist IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. VSP proposes to enter into arrangements with major Australian health funds for IECPs who are part of the VSP network to be promoted as Members' Choice providers, and for health fund members to receive discounts from these IECPs.

Notified Conduct

In order to establish the VSP network, VSP will enter into arrangements with participating health funds, who will agree to promote the VSP network (and IECP members within the network) to their members as preferred Members' Choice providers. At the current time, other optometry chains such as Specsavers and Luxxotica are promoted by health funds in a similar manner. No fees or other payments will be payable between VSP and the health funds.

The Participant and other IECPs in the VSP network will provide a discount on the prices that they offer to members of participating health funds. The discount will also be offered to employees of the participating health fund, and immediate family members of those employees.

The Participant and other IECPs will also stock several ranges of 'no-gap' spectacles, which will allow health fund members to acquire spectacles without any 'out of pocket' expenses under their health plans. Claims for the costs of these spectacles and services will be processed through the HICAPS system, which will make claims from VSP network IECPs easy for health fund members. This will increase the volume of customers for IECPs in the VSP network.

VSP has already entered into the arrangements described above with Medibank, which has about 3.8 million members. Those members will receive the benefit of the VSP proposal. VSP may enter into similar arrangements with other health funds in future.

VSP expects that approximately 250 IECPs will, from time to time, be part of the VSP network. Initially, VSP anticipates that participating IECPs will comprise approximately 4 % of the optometry services and eyecare products market by volume and 5.6% by number of outlets. VSP expects that over time, as the VSP network gains traction within Australia, more IECPs will join the network. Some IECPs may

also choose to leave the network at or before the expiry of their arrangements with VSP.

Competition Issues

In Australia, the main suppliers of optometry services and the supply of spectacles to consumers are Specsavers and Luxxotica, which VSP estimates have a national share of supply of around 50% by volume and 30% by number of locations. There are also other small-to-medium sized chains such as The Optical Superstore, Big W Vision, Blink Optical and 1001 Optical. These participants are generally vertically integrated, operating as both retail suppliers as well as engaging in the wholesale manufacture and supply of lenses, frames and lens finishing services. This provides these chains with substantial cost savings through economies of scale.

In addition, the major health funds in Australia (BUPA, Medibank and NIB) promote and actively encourage its members to use the main suppliers, including Specsavers and/or Luxxotica, as preferred outlets. In the optometry industry, health fund members' annual entitlements under their extras cover drive a significant proportion of demand.

The remainder of the industry is made up of IECPs, who are independent optometrists and eyecare professionals, most of whom provide both optometry services and have a small retail optical dispensing business. IECPs occupy about 54% of the outlets in the optometry market, but only comprise 43% of the volume of sales. In addition to having less public exposure than the retail chains (due to the lack of promotion by health funds), these independent operators do not have vertically integrated operations, and operate with higher costs. Some IECPs participate in buying groups for upstream goods and services, which partially offsets their cost disadvantage.

Public Benefits

The VSP network will increase the exposure of IECPs to the public, assisting them to compete with major players like Specsavers and Luxxotica. This will increase the effectiveness of competition in the retail supply of optometry services and eye care products.

Health fund members will receive:

- easier access to alternative optometry services and spectacle providers from the big chains;
- discounts for optometry services and spectacles from IECPs within the VSP network:
- a greater range of spectacles that are 'no-gap' under their health plans.

This gives greater consumer choice to health fund members.

Public Detriments

There are no public detriments from the conduct. Health fund members are free to choose to take up the discount offer from VSP network IECPs, or from the other retail

outlets, including those with which health funds have other relationships. Members are free to go to any optometrist and retail optical dispensing outlet that they choose.

Conclusion

For the reasons set out above, we submit that the Commission should not serve a notice under section 93(3A) of the Competition and Consumer Act in respect of the attached notification.

ANNEXURE A

INSTRUCTIONS: PL	EASE COMPLE	TE ANNEXURE A BELOW AS OUTLINED IN ITEM #12 OF THE PROVIDER AGREEMENT.
PROVIDER NAME:		mark eiseon
ABN:		93 445 561 009
PRACTICE NAME:		MARK GBGON OPTOMETRIGT
PRIMARY PRACTICE ADDRESS:		8/667 OXLEY RO
		CORINDA 0124075
	P Global, Inc.	Last A
	33 Quality Dr ncho Cordova	a, CA 95670
US	A	
Attention: VSP Aus	stralia Netwo	rk Administration
understand that VS	SP Global, Inc	to participate in the VSP Australia network of Independent optometrists, we will be notifying the Australian Competition and Consumer Commission (ACCC) in relation to potential third line forcing conduct.
We further acknow gaining immunity to purpose, we confirm	from prosecu	igree that the VSP Australia network and our participation in it is subject to ition for third line forcing. As part of the submission to the ACCC for this ing details:
Proposed conduct:		Discounted optometry services and eyecare products for members of participating health lunds
Coverage:		Australia
notification with t	he ACCC on	NET [Name of optometry practice] authorises VSP Global, Inc. to lodge a lts behalf in respect of its participation in the VSP Australia network, and
authorises var Glor	bal, inc. to de	al with any queries from the ACCC on its behalf.
Signature	m ly	d representative for and behalf of [name of optometry practice])
Name n	TARK G	(\$500)
Author of	JULIA.	
	7	

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)

N96352 Mark Gibson

(Individual/Sole Trader, ABN 93 445 561 009) Mark Gibson Optometrist 8/667 Oxley Road Corinda, QLD 4075 (the *Participant*).

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

VSP Global, Inc (ARBN 161 014 651) (*VSP*) plans to establish, maintain and promote a network of independent optometrists and eyecare professionals (together, *IECPs*) within Australia, which will assist the Participant and other IECPs to compete against the major optometry services chains such as Specsavers and Luxxotica. This will include arrangements with major Australian health funds to promote VSP network IECPs as Members' Choice providers.

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place 126 Phillip Street Sydney NSW 2000

2. Notified arrangement

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

The Participant within the VSP network will offer a discount on the supply of optometry services and related products (such as completed spectacles and contact lenses) to customers who are members of participating health funds, or the employees of the participating health funds.

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

Please refer to attached submission.

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)

Members of participating health funds. Employees of participating health funds and immediate family members of those employees.

- (b) Number of those persons:
 - (i) At present time:

VSP has entered into an agreement with Medibank, which has approximately 3.8 million members.

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

Approximately 3.8 million.

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

N/A

4. Public benefit claims

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

Please refer to the attached submission.

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

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)

Please refer to the attached submission.

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(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 public detriments from the notification - please refer to the attached submission.

(b) Facts and evidence relevant to these detriments:

7. Further information

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

Allens

Attention: Kon Stellios Level 28, Deutsche Bank Place

126 Phillip Street Sydney NSW 2000

Dated 28 November 2012

Signed by/on behalf of the applicant

(Signature)

Kon Stellios (Full Name)

Allens

(Organisation)

Partner

(Position in Organisation)

DIRECTIONS

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Conclusion

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