

ANZARUT & HOLM LAWYERS

Our ref: Narta001-PRH
Your ref:

9 November 2012

Imogen Hartcher-O'Brien
Director
Adjudication Branch
Australian Competition & Consumer Commission
Canberra ACT 2601

By email: Imogen.Hartcher-O'Brien@accc.gov.au>

Dear Imogen,

Narta International Pty Ltd Authorisation Application A91335

I refer to your letter requesting further information dated 3 October 2012.

My client's response to this information request is attached.

Please do not hesitate to call me to discuss.

Yours sincerely



Paul Holm
Director

Direct Line: (02) 9261 2702
Email: prh@anzarut.com.au

'1. In section 4 of Narta's submission in support of its application for authorisation dated 17 September 2012 (Submission), the Submission provides information about Narta's proposed minimum advertising price (MAP). Please provide specific details of each step of Narta's process for bargaining with suppliers in relation to the acquisition of goods to which the MAP, the subject of the application, will be applied.'

Major suppliers provide presentations to their customers of products at an international level, as part of an ongoing planning and product review process. Typically these presentations occur 12 – 18 months prior to the products that are being featured becoming available. The products being presented will include refreshed model ranges (a model range usually has about a 6-12 month life) as well as new or innovative products. Not all the products featured at these presentations will be made available to the Australian market and Narta (and other customers) will be asked by the supplier concerned to provide feedback on the product offerings and what would sell best in the Australian market.

As the regulatory approval process for a product to be marketed in Australia can be up to 9-10 months the supplier needs to make its decisions as to what products it intends to offer to the Australian market and will commonly do so at some time subsequent to having conducted these presentations. Subsequently there will be a further supplier organised planning session, at which time they will confirm what product is to be made available and negotiations will commence with the supplier for access to particular products and for the terms of that supply. This is an ongoing rolling process.

Where a supplier has a new and 'desirable' product they will commonly seek to maximise the retail life of that product by initially giving access to a limited range of retailers in a market. For example LG recently released a new french four door refrigerator and provided that 'exclusively' to a limited range of retailers in Australia. Despite Narta members (collectively) being one of the largest LG retailer by volume in Australia, Narta was however unable to negotiate access for its members to this product at launch and it was instead provided exclusivity to competitor buying groups/retailers.

The bargaining process is not structured in specific 'steps'. Narta representatives will attend supplier global presentations and identify products that are likely to be of interest to members. Once Narta is informed of the products that will be offered in Australia a Narta representative will approach the supplier and indicate the volume of product likely to be ordered and negotiate price and related terms. At this stage any period of exclusivity on launch of a new or innovative product would also be negotiated. Narta is, of course, only privy to its own negotiations with the supplier and simultaneously other Australian retailers will be negotiating with that supplier. Typically therefore the terms of supply to Narta will not be concluded immediately, as the suppliers evaluate the manner of product launch for each such market and the competing customer supply proposals. The terms of Narta's supply will typically be settled between 12 months and 3 months prior to the product arriving in Australia.

2. Please also provide specific details of each step of Narta's proposed process for setting/imposing the MAP, including how, and by whom, decisions will be made at each step of the process.

Narta has a Senior Category Manager for each product category (e.g. whitegoods, cooking, audio visual). That Senior Product Manager will be responsible for setting the MAP. The process would involve that person reviewing all relevant market considerations, which would include:

- competitor advertised pricing of substitutable products;
- the projected level consumer interest in the product;
- the duration of any product 'exclusivity';
- current market conditions;
- supplier recommended retail price.

Ultimately he/she would be aware that the MAP must be set at a price that will attract customers and generate sales for members, if it is set too high it is unlikely to generate sales and members may not actively support the product. Product wholesale pricing is partially volume dependant, so if Narta members fail to meet projected sales of the product, this will affect supplier rebates to

Narta and its members. Narta therefore has an incentive to set a competitive MAP to ensure projected volumes are met.

3. In relation to the categories of goods listed at paragraph 4.7.1 to 4.7.3 of the Submission please provide:

a. the criteria that will be used to select which products/goods/brands the MAP is applied to;

The MAP is proposed as a vehicle to assist Narta in meeting the total brand value requirements of a supplier. It would form part of the negotiation arsenal, rather than being applied by Narta as part of an objective product assessment.

A house brand range of product – Narta is proposing to maintain Beko as an exclusive product to Narta members. It recently introduced this brand to the Australian market and was able to negotiate a period of exclusivity with the European manufacturer on the basis that it would be the initial proponent of this brand in the Australian market and would achieve certain minimum volumes. Narta would like to retain this exclusivity and considers that doing so in the medium to long term will require an ability to apply a MAP. All Beko branded product would therefore be subject to a MAP.

New release or premium product – A MAP could be proposed to a supplier where the ability to offer a consistent marketing message is necessary for Narta to obtain access to desirable products at launch. This would apply only to new release products for a determined period of time. The amount of the MAP would be determined unilaterally by Narta and when supply arrives in Australia and not at the time of negotiation of the supply terms.

Narta exclusives – having exclusive access to a particular model in a product range is a point of differentiation for a retailer and can be used to assist in a sales promotion. Narta would seek to access a model in a supplier’s range exclusivity for a period of time of not more than 6 months. A MAP would be proposed to a supplier only when it was necessary to obtain such an exclusive model.

b. the percentage (in terms of both value and volume of sales) of Narta’s member products/goods that will be subject to a MAP in each year for which Narta has applied for authorisation.

This is difficult to calculate. The following is however based upon a review of the last 12 months and hypothetically proposing what product we could have applied MAP.

Product	% value	%volume
Beko	Less than 2%	Less than 2%
New release	Less than 2%	Less than 2%
Narta exclusives	Less than 2%	Less than 2%

4. Please explain what is meant and covered by the term ‘supply of particular product, or supply on preferential terms’ in paragraph 4.7 of your Submission.

Traditionally Narta has had little interest and no involvement in the price at which Narta members advertise (or sell) product they have collectively purchased. Narta only proposes imposing a MAP where this is necessary as part of the negotiations with suppliers in order for it to either:

- Have access to new release product at launch;
- Qualify for a period of exclusivity or limited retailer distribution of new product at launch;
- Be able to negotiate an exclusive model for a promotional period; or
- access an exclusive ‘house brand’ (Beko).

As noted in the submission, currently Narta is frequently excluded from such access and therefore will only be offered supply of some products after the expiry of any exclusivity that has been agreed between a supplier and a Narta competitor. Typically this will be after the period of peak sales (peak demand) for such product.

5. Is the supply of goods to Narta members always acquired on preferential terms or only in limited circumstances? Please explain.

Narta exists to negotiate best possible terms of supply on behalf of its members. Through aggregation of member demand and the efficiencies flowing from offering a single point of contact for a supplier to its members, it is able to achieve better terms of supply than might be achieved by a member acting alone. To this extent Narta would see the terms it negotiates with suppliers as 'preferential'.

However competing buying groups and large retailers may negotiate even more favourable terms of supply. An example of this is competitor buying groups achieving exclusivity for new release product at launch, or having exclusive models for a promotional period. With the exception of these types of exclusive supply terms, Narta has no visibility of competitor's terms with suppliers, so it is not in a position to comment upon whether the terms it negotiates in a particular instance are 'preferential' or not when contrasted with the terms achieved by competitor buying groups or major department stores. Certainly in at least some instances they are not.

6. In its application and the Submission, Narta refers to a number of potentially relevant markets, including the retail supply of electrical goods and the retail supply of appliances and electrical goods (paragraph 1.2) and the wholesale acquisition of electrical goods (paragraph 2.1). The Submission also refers at paragraph 4.8 to a consumer market for electrical. Please clarify what Narta considers to be the relevant market(s) for the ACCC's consideration of its application.

Narta considers the relevant markets for the ACCC's consideration of its application to be:

- The wholesale market for acquisition of consumer electrical goods (wholesale market); and
- The retail market for sale of consumer electrical goods.

The wholesale market is that that exists between global manufacturer/suppliers and Australian buying groups/major retailers. In our view this is not a product specific market, as buying groups and major retailers need to source the full range of electrical products in order to meet their business needs and to a very real extent these products, irrespective of brand or model, are entirely substitutable.

The retail market is the Australian market for retail sale of the same range of electrical goods to consumers. Once again the issue for Narta members is having the necessary range of products to offer consumers, so the market is for electrical goods in a generic sense.

Please also provide further details about the relevant market(s) including:

a. what product categories are included in the market(s);

Electrical goods include:

1. Audio Visual
2. Whitegoods
3. Cooking Appliances
4. IT
5. Imaging
6. Seasonal Product
7. Small Appliances

These are the major categories and we have attached (Appendix 1.1) category listing from GfK showing the categories that are calculated in the market we operate in.

b. any product categories supplied by Narta members that are not included;

Narta is not involved in sourcing the following products, although some Narta members may retail some of these product categories:

1. Furniture
2. Gaming
3. Car Audio
4. Music
5. DVD Titles
6. Software
7. Musical Instruments

- 8. Bathroom - Toilets, Baths, Vanities
- 9. Commercial AV Equipment
- 10. Ducted Air Conditioning
- 11. Home Automation
- 12. Solar
- 13. Mobile Phone/Communications
- 14. Housewares

c. the value of retail sales of the market for the past three financial years;

The GfK Marketing Services only source to get an indication of Market Size. This is our only source as an industry guide. In the categories listed ONLY in 6a

2011/12	\$12.9b
2010/11	\$13.6b
2009/10	\$14.4b

d. key brands and suppliers for each of the products referred to in 6(a); and

There are over 200 brands in our market, however the brands listed below are generally classified as 'the major' brands in our market:

Major Appliances

Electrolux
Bosch
F&P
Miele
LG
Westinghouse
Samsung
Simpson
Kelvinator
Smeg

AV/IT Imaging

Panasonic
Sony
Samsung
LG
HP
Asus
Acer
Apple
Nikon
Canon

Toshiba

Small Appliances

Breville
Sunbeam
DeLonghi
Dyson

e. the market share of each product category referred to in 6(a) for each of the past three financial years.

As identified by GfK Marketing Services:

Value Market Share	2011/12	2011/10	2010/09
AV	30.30%	27.46%	25.50%
Whitegoods	16.10%	15.16%	15.50%
Cooking Appliances	18.32%	17.00%	16.27%
IT	28.77%	28.49%	25.68%
Imaging	35.22%	31.94%	30.30%
Seasonal Product	14.10%	13.36%	13.39%
Small Appliances**	9.89%	10.00%	11.31%

Source: GfK Business Manager Report, June 2012 & June 2011. (Note GfK Marketing Services is the only industry guide to retail sales volume and applicable market shares)

7. Please also indicate which Narta members stock each of the products referred to in 6(a) above. Where a Narta member stocks products that are not sold by other members, please identify that member and provide details of these products.

See Appendix 1.3

8. What share of the relevant markets do Narta members represent? Please provide supporting information.

Refer to 6 e.

9. What is Narta members' share of the sales value of each of the product categories identified in 6(a).

Refer to 6 e.

10. What share of the market will be accounted for by products for which Narta is likely to negotiate a supply arrangement that includes a MAP. Please provide supporting information.

By way of example:

BEKO Purchases for last 12 months are \$20million through Narta, in a market size of \$2.97billion at retail. Taking into account all possible models that could be included in the MAP program, it would be less than 1% of any of the retail product markets (as referenced in 6(a) above) in which Narta members operate.

11. Please clarify the following aspects of Attachment 2 to Narta's Submission:

a. whether the share of the market held by “Online” (2.0%) refers to buying groups/retailers that operate online only.

Yes.

b. 10.2% of the market shown at Attachment 2 is occupied by “Dept/MM”. Please indicate which buying group/retailer this name represents.

Department Stores and MM (Mass Merchants) refers to:

1. K Mart
2. Target
3. Myer
4. Toys r Us; and
5. all discount stores eg Reject Shop, Go Lo

c. at 2.3 of Narta’s Submission, Narta indicates that the Woolworths Group and Wesfarmers are both large corporate retailers able to compete with Narta and other buying groups for the purchase of electrical goods. However, while Attachment 2 shows the Woolworths Group’s share of the major Australian buying groups/retailers of electrical goods, it does not show any market share for Wesfarmers. Please clarify whether Wesfarmers is part of the relevant market.

Wesfarmers operates in the same market through:

- Bunning's Warehouse, which is a major player in kitchen Appliances.
- Woolworths Group includes Big W, Masters and until recently Dick Smith

12. Please clarify the concept of “house” brands and the process by which these are acquired and supplied.

House Brands can be defined as:

- a) Exclusive brands to individual retailers from a traditional manufacturer and/or
- b) brands that are developed for a retailer through a new or traditional manufacturer.

They are used by retailers as a point of differentiation and, by offering suppliers a minimum guaranteed volume of sales, to negotiate best possible supply terms. In terms of ‘exclusive brand’ house brands a failure to meet minimum volumes will usually result in a loss of exclusivity.

13. Provide information about the advertised prices and the actual selling prices of the Beko brand of appliances for both bricks and mortar and online sales.

Narta launched with a corporate campaign for the BEKO brand with TVC, press and catalogue.

All mediums in the corporate campaign were branded only and there was no price offer on the launch campaign.

In addition to this members have individually advertised Beko product. Please see Appendix 1.2 for Actual sales results for various Narta members as an indication of the variance of actual sell prices.

14. Please explain how imposition of a MAP would achieve the claimed public benefits if there would be no restrictions on members’ actual selling prices for products subject to a MAP.

None of the public benefits referenced in the submission rely upon restricting member’s selling prices. The key factor for Narta and its members is the ability to access product from key suppliers by being able to offer them a consistent marketing message for their key products.

Increased retail competition – Narta and its members currently are at a competitive disadvantage, as they struggle to access exclusive product, either in relation to new launch product or short term promotional models. All other buying groups and the major retailers are able to access such product, due to their ability to offer consistent marketing of the product. Narta members are therefore not as effective in competing in the market as otherwise might be the case.

A recent example of this is that major competitors to Narta members have negotiated exclusive model(s) of Sony television for the Christmas retail period. Narta is the only major wholesaler who has been unable to negotiate an exclusive model for this key retail period. Sony's response to this was that Narta could not provide a coordinated marketing execution.

Increased consumer choice- Narta members are unable to offer the range of product that competitors are able to access due to its inability to offer consistent marketing of new release and promotional product models. Further Narta is unable to access models of product that might not otherwise be represented in Australia, because the supplier will not take the risk of supplying into Australia unless they have a degree of confidence as to how their product will be marketed. Narta being able to apply a MAP will allow its members to access this greater range of product.

Assisting to maintain the retail supply chain- Suppliers are seeking to protect their brands by opening company owned stores and appointing agencies. In both these instances a key driver is the ability to consistently market and advertise the products. If major retail groups, such as Narta members were able to offer a consistent marketing and promotional message for a supplier product this takes away some of this incentive and keeps independent retail (with point of sale price discretion) as a competitive force in the market.

Assisting the competitive process and increased consumer welfare – The ability to commit to a consistent advertised price would increase Narta's ability to obtain a larger range of products, on better supply terms, and ultimately to offer consumers an extended product range at competitive prices.

15. Paragraph 5.8 of the Submission provides examples of products that have not been available to Narta or its members for an initial product launch. Please clarify whether Narta sought to obtain exclusive supply of each of these products. If yes, please explain why Narta was not able to negotiate exclusive supply.

The following products are examples where Narta sought to obtain supply at launch (not necessarily exclusive supply) or exclusive supply, but was not able to achieve this outcome:

- 3D TV Launch
- Electrolux Small Appliances
- LG Door in Door Fridge
- Kenwood KMix Kitchen Appliances
- Nespresso
- Panasonic camera exclusives in Dick Smith
- Samsung IT
Samsung refrigeration exclusives in Harvey Norman and Good Guys
- Windows 8 tablet by Asus
- Sony Panel TV

In all instances Narta was not given access because Narta was unable to provide coordinated marketing execution that delivers on the supplier's brand values.

16. Provide a list of products, or product models, that have been supplied exclusively to Narta members during the past three years, including the period of exclusivity. Indicate the sales value and volume of these products during the period of exclusivity.

Sony NX Range of Panel TV - 9,500 units sold, \$16.7m based on ASP reported weekly or 0.12% (units) and 0.61% (value) of the AV Market. Introduced April 2011 and phased out end of life to May 2012

Smeg Oven Range -Smeg exclusive oven range launched in Q1 2010 have generated 925 unit sales or \$1.56m in value sales or 0.11% of the units and 0.21% (value) of the Cooking Appliance Market.

Smeg Exclusive Dishwasher range [what are the sales results for dishwashers?] model has sold through 538 units at a value of \$867,000 which is less than 0.01% of the units or 0.02% of the value of the major appliance market.

Samsung Panel Exclusives - 5,129 units sold, \$8.5m based on ASP reported weekly or 0.06% (units) and 0.31% (value) of the AV Market. Introduced April 2012 and will be phased out end of life to May 2013

17. For the products identified in paragraph 14, provide information about the advertised price and the actual selling price of the products, or product models, during and after the period of exclusivity.

Narta does not monitor or collect member advertising of products. It could only source this information by engaging a third party to review members advertising and indent those which include the products listed. This is not possible in the timeframes given.

Narta does receive average selling price information for its members. An example of this is provided at Appendix 1.2 showing the variance between actual selling price by model (in this example for Beko product).

18. Narta has indicated that any MAP imposed on “Narta exclusives” and new release or premium products will generally be imposed for a limited period of time. Please indicate whether Narta is willing to specify that period of time and commit to ensuring that period is not exceeded. Please also provide details of how the relevant time period will be determined and whether the time period will vary from product to product.

Narta is willing to specify maximum periods for which a MAP may be imposed and proposes the following:

New release or premium product at launch – maximum 3 months. This period will be defined by the length of time before the product is released to the open market as we will need to remain competitive against all channels. This period could be as short as 2 or 3 weeks, however will not exceed 3 months.

1. Narta exclusive models – this will be up to 12 months. These are models within an existing product model range which are provided exclusively to a retailer and are used for retailer differentiation.

19. The ACCC notes that Narta has applied for authorisation for 10 years. Please demonstrate why authorisation for this period of time is necessary.

Narta does not anticipate any changes to the competitive landscape in the electrical goods space. It is likely to remain highly competitive and Narta, as the only major buying groups that does not operate as a franchise or under a single banner, will continue to be disadvantaged by the consequent inability to source product at release, access exclusive models or a house brand product.

Narta is conscious that the ACCC prefers to impose a finite period upon an authorisation and, while it might otherwise have proposed an indefinite period, has instead elected for a 10 year term.

20. The Submission refers to other buying groups at 2.1 to 2.3. Please provide information about how other buyer groups consisting of electrical goods retailers who do not trade under the same banner compete in the relevant areas of competition.

As noted at paragraph 2.2 of the Submission, ‘Narta is unique in the large buying group space, in that its members are all independent retailers who trade under distinct trading names, making distinct retail offerings.’ There is no other significant group of retailers trading under their own names who operate as a buying group.

21. We note that you have provided a Narta Principals List at Attachment 1 to the application for authorisation. Please explain the term “Narta Principals”. Please also explain whether the proposed MAP is intended to apply only to these Narta Principal members?

The 'Narta Principals' are the principals of the members listed, being either the owner or Managing Director of that member business. Any MAP would apply equally to all Narta members.

22. If there are secondary or other Narta members, please provide a list of all of these members and explain how the MAP would apply to these members.

There are no 'secondary or other' Narta members at this time.

23. Please indicate the extent to which Narta members operate their businesses online (including where these members have an online presence and bricks and mortar store(s)) and/or control other businesses that operate online.

All Narta members have a presence online defined as a website for marketing their bricks and mortar business. The following Narta members also transact on their websites:

2nds World	http://www.2ndsworld.com.au/
Appliances Online	http://www.appliancesonline.com.au/
Betta	http://www.betta.com.au/
Bi Rite	http://www.birite.com.au/
Bing Lee	http://www.binglee.com.au/
David Jones	http://www.davidjones.com.au/
Diamonds	http://www.diamondscamera.com.au/
Downtown Duty Free	http://www.dutyfree.com.au/index.html
E&S Trading	http://www.estrading.com.au/
Electrical Discounters	http://www.electricaldiscounters.com.au/store/
JB HiFi	http://www.jbhifi.com.au/
Kambos	http://www.kambos.com.au/
Ted's Cameras	http://www.teds.com.au/
Videopro	http://www.videopro.com.au/
Warehouse Sales	http://www.warehousesales.com.au/
Whitfords	http://www.whitfordshomeappliances.com.au/

The following Members transact online either separate to or in addition to their existing website as above:

- Winning Appliances as appliancesonline.com.au & bigbrownbox.com.au
- 2nds World as savvyappliances.com.au
- Betta as pricepirate.com.au
- Camberwell Electrics as webprice.com.au
- BiRite Electrical –
- theelectricaldiscounter.com.au
- JB HiFi as soniq.com.au

24. Please provide a map or maps of the geographic areas in which Narta members have a presence (bricks and mortar) indicating the location of those stores and the location of competitor stores.

See Appendix 1.4. With the significantly large numbers of retailers in the industry and their geographical proximity, we have provided a listing of the number of store fronts by key retailer type, such as department store, independent retailer, as defined by GfK Marketing Services.

25. Please provide information about how Narta will apply the MAP to members that are bricks and mortar only and to those members who have both bricks and mortar and online sales channels. If there are Narta members who operate online stores only, please also provide information about how the MAP will apply to these members.

The MAP will apply to all advertised mediums. The retailers still have the ability to negotiate in store and/or online as well as provide value add thru offers, such as extended warranty or free delivery. Narta would have no control or input into the actual sale price.

26. Please provide a full copy of the current Narta Code of Conduct.

This is a commercially sensitive document and will be provided separately in confidence.

Appendix1.1

3D ACCESSORIES	ELECTRIC KNIVES	PRINTER - OTHER
AIR CONDITIONERS WITH INVERTER	ELECTRIC TOOTHBRUSHES	PROJECTORS
AIR CONDITIONERS WITHOUT INVERTER	FACSIMILE MACHINES	PVR
BARBECUES/OPEN GRILLS	FANS	RADIORECORDERS
BLU-RAY PLAYER	FOOD STEAMERS	RANGEHOOD - CHIMNEY
BLU-RAY RECORDER	FOODPREPARATION	RANGEHOOD - OTHER
BREAD MAKERS	FREESTANDING COOKER - DUAL FUEL	RANGEHOOD - STANDARD
BUILT IN OVENS - ELECTRIC CATALYTIC	FREESTANDING COOKER - ELECTRIC	RANGEHOOD - TELESCOPIC
BUILT IN OVENS - ELECTRIC NON-SELF CLEAN	FREESTANDING COOKER - GAS	RECEIVERS
BUILT IN OVENS - ELECTRIC PYRO	FREEZERS	REF - ALL REFRIGERATOR
BUILT IN OVENS - GAS	FRYPANS	REF - BOTTOM MOUNT
CAMCORDER	FUN COOKING - NOVELTY	REF - DRAWER FRIDGE
CAN OPENERS	GAS HEATERS	REF - FRENCH DOOR
CAR NAVIGATION	HAIR CLIPPERS	REF - MINI BAR
CLOCK RADIOS	HAIR DRYERS	REF - SIDE BY SIDE
COATED INKJET PAPER	HAIR STYLERS	REF - TOP MOUNT
COFFEE GRINDERS	HANDSET TELEPHONES	RICE COOKERS
COMM. CARDS	HEADPHONES + MOB.HEADSETS ST.	SANDW/WAF/GRILL
COOKTOPS - DUAL FUEL	HEADSETS - OTHER	SCANNERS
COOKTOPS - ELECTRIC(CERAMIC INDUCTION)	HOT BEVERAGE MAKER	SET TOP BOXES
COOKTOPS - ELECTRIC(CERAMIC/GLASS)	INK CARTRIDGES	SHAVERS
COOKTOPS - ELECTRIC(OTHERS)	INTERCHA.LENSES	SLOW COOKERS
COOKTOPS - ELECTRIC(SEALED)	IRONS	SOUND SYSTEMS - DVD HTS
COOKTOPS - GAS	JUICERS	SOUND SYSTEMS - FULL
CORDLESS TELEPHONES	KETTLES	SOUND SYSTEMS - MICRO
CTV - CRT	KEYBOARDS	SOUND SYSTEMS - MIDI
CTV - LCD	MEMORY CARDS	SOUND SYSTEMS - MINI
CTV - PLASMA	MICE	STORAGE- EXTERNAL DESKTOP
DEEP FRYERS	MICROWAVE OVEN	STORAGE- EXTERNAL OTHERS
DESKTOP COMPUTER	MINI OVENS	STORAGE- EXTERNAL PORTABLE
DESKTOPS (KBD & MOUSE BUNDLE)	MINI SPEAKERS	STORAGE- INTERNAL
DESS./YOG. MAKER	MOBILE COMPUTER - NETBOOK	TOASTERS
DIGITAL PHOTO FRAMES	MOBILE COMPUTER - NOTEBOOK	UNIVERSAL REMOTE CONTROL
DIGITAL STILL CAMERAS-COMPACT	MONITORS	USB MEMORY
DIGITAL STILL CAMERAS-MIRRORLESS	MULTIFUNCTION DEVICES	VACUUM CLEANERS
DIGITAL STILL CAMERAS-SLR	MULTIMEDIA CAMERAS	VACUUM PACKAGING SYSTEMS
DISHWASHERS	NETWORKING - OTHERS	VISUAL WEB CAMS
DRY BATTERIES	NETWORKING - ROUTERS	WATER FILTERS
DRYERS	NETWORKING - ROUTERS 3G/4G	WEBBOOKS
DVD PLAYER	NON-GAMES SOFTWARE	WELL-BEING
DVD RECORDER	PERSONAL SCALES	WM - DOUBLE TUB
E-ASSISTANTS	PORTABLE MEDIA PLAYER	WM - FRONT LOADING
EGG COOKERS	PORTABLE RADIO	WM - SINGLE TUB
ELEC TOOTHBRUSH REFILL	PRESSURE COOKERS	WM - WASHER/DRYER
ELECTRIC BLANKETS	PRINTER - INKJET	WOKS
ELECTRIC HEATERS	PRINTER - LASER/LED	

Appendix 1.2

	RRP	2ND	BLE	BSR	DJS	EST	JBH	KAM	MAB	RRL	WHS	WIN
DNE25020	\$679	\$432	\$456	\$444	\$487	\$464	\$477	\$495	\$485	\$400	\$513	\$473
WMB651241L	\$799		\$497	\$532	\$599	\$541	\$535	\$468		\$589	\$569	
DN143120	\$1099	\$734	\$720	\$715			\$746		\$700	\$849	\$859	\$793
WMB81241LC	\$999	\$685	\$663	\$817			\$679	\$630				\$560
DN143120X	\$1249	\$866	\$813	\$964			\$840		\$865	\$934		
DV6120X	\$599	\$380	\$356	\$374			\$396	\$317		\$449		\$435
DFN1503	\$679		\$480	\$470		\$447	\$478			\$486	\$535	
WMB751241	\$929	\$599	\$608	\$604	\$670	\$599	\$630				\$695	\$699
DFN1503X	\$749	\$499	\$495	\$461	\$549		\$515	\$487	\$484			\$545
DN133020	\$949			\$682		\$613	\$699			\$577		

Weekly Average sell Prices as reported for Week 39 2013.

Appendix 1.3

	AV	Whitegoods	Cooking Appliances	IT	Imaging	Seasonal Product	Small Appliances
2NDS World	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bing Lee	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Bi-Rite	Yes	Yes	Yes	Yes	Yes	Yes	Yes
BSR Franchising	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Camberwell Electrics	Yes	Yes	Yes			Yes	Yes
Carlson Marketing / Aimia	Yes			Yes	Yes		Yes
Coogans	Yes	Yes	Yes	Yes	Yes	Yes	Yes
David Jones Ltd	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Diamonds Camera Video & Digital					Yes		
E&S Trading		Yes	Yes			Yes	Yes
Elite Appliances		Yes	Yes				Yes
JBH Total / Clive Anthony's	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kambo's	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Kitchen HQ		Yes	Yes				Yes
Michaels Appliances		Yes	Yes				
Michaels Cameras					Yes		
Mitchell And Brown	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Nuance	Yes			Yes	Yes		
Radio Rentals SA	Yes	Yes	Yes	Yes	Yes	Yes	Yes
RT Edwards Trading	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Spartan Total	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Status Plus		Yes	Yes			Yes	Yes
Ted's Camera Stores					Yes		
Thorn	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Video Pro	Yes			Yes	Yes		
Warehouse Sales	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Whitfords of Five Dock	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Whyalla Electrical Discounters	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Wills The Quadrant	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Winnings Appliances	Yes	Yes	Yes		Yes	Yes	Yes

Appendix 1.4

Universe by Channel (use as a guide only)

Universe by Channel (use as a guide only)		2012 (Update 1210)
Fusion	Channel	
Mass Merchandisers		2,949
Department Stores/Variety Stores		1,119
	Department Stores	153
	Variety Stores	966
Food Retailers	Supermarkets	1,830
Consumer Electronic Stores		2,418
Electrical Retailers (ES)		2,179
	Traditional Independents	560
	Traditional Buying Groups	398
	Technical Superstores + Chains	1,221
Photo Retailers		239
	Photo Specialists	239
Computershops	Computerhardware-Shops	1,629
Cons. Spec. / Office Eqp. Ret. / Telecom Retailers		3,086
Office Equipment Retailers		1,458
	Office Equipment Specialists	382
	Stationers	1,076
Telecom Retailers		1,628
	Mobile Phone Specialists	893
	Telecommunication Specialists / Installers	735
Entertainment / Media Stores		1,546
Home Entertainment Specialists	Home Entertainment Specialists	426
Video Software Specialists	Video Software Specialists	911
Book Stores	Book Stores	209
Automotive Trade		
Car Audio & Accessories	Car Accessories Specialists	1037
TOTAL		12,665

*Note: Universe Store count vary continuously. The above table is a snapshot of store movement captured so far, as at Oct 12