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Our Ref: N95662 and 96663 Contact Officer: Tanya Hobbs Contact Phone: (02) 6243 1029

7 February 2012

Justin Jones Senior Associate Blake Dawson

By email: justin.jones@blakedawson.com

Dear Mr Jones

## Notifications N95662 lodged by RAC Motoring Pty Ltd & N95663 lodged by Club Assist Pty Ltd – decision

I refer to the above exclusive dealing notifications lodged with the Australian Competition and Consumer Commission (the ACCC) on 23 December 2012. The notifications have been placed on the ACCC's public register.

RAC Motoring Pty Ltd (RACM) and Club Assist Pty Ltd (Club Assist) have entered a Battery Supply Agreement for a period of two years with automatic rolling two year extensions unless terminated with six months notice. Batteries are defined as batteries for automotive passenger vehicles, light trucks and commercial vehicles, motor cycles and marine and deep cycles. RACM will give Club Assist a licence to permit Club Assist to use RACM's intellectual property for the sole purpose of supplying batteries to it under the Battery Supply Agreement.

N95663 - Club Assist Pty Ltd

Under the Battery Supply Agreement, Club Assist proposes to supply batteries that are marked as RAC Batteries to RACM on condition that RACM does not acquire batteries from any other person.

N95662 -RAC Motoring Pty Ltd

Under the Battery Supply Agreement referred to above, RACM will acquire batteries that are marked as RAC batteries from Club Assist on the condition that Club Assist does not supply batteries to any retail business without RACM's prior written approval. A retail business is defined as a person who acquires or wishes to acquire a battery for the purpose of on-selling the battery to another person in Western Australia.

Legal immunity conferred by the notifications commenced on the lodgement date, 23 December 2011.

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

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

This assessment has been made on the basis that RACM and Club Assist will disclose all relevant terms and conditions to prospective clients.

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Tanya Hobbs on (02) 6243 1029.

Yours sincerely

**David Jones** 

A/G General Manager Adjudication Branch