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CONSUMER COMMISSION
3 1 JUL 2012

FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96886

Qube Logistics (Vic) Pty Ltd (ABN 72 092 352 228) (Qube Logistics (Vic))

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

Currently, Qube Logistics (Vic) operates the following empty container parks:

- Dynon Empty Park (Victoria); and
- Qube Victoria Dock Empty Park (Victoria).
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

2 Notified arrangement

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (Vic).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (Vic) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

- 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:

Container transport operators.

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

Substantially more than 50 but less than 150 for each of Qube Logistics (Vic)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (Vic)'s empty container parks.

In relation to this, Qube Logistics (Vic) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

4 Public benefit claims

(a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

CONSUMER COMPETITIONS ON CONSUMER COMMISSION 3 1 JUL 2012

Partner, Competition & Regulation. (Position in Organisation)

(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.
- 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 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 *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (Vic) Pty Ltd (ABN 72 092 352 228) operates the Dynon Empty Park (Victoria) and Qube Victoria Dock Empty Park (Victoria).

Qube Logistics (Vic) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (Vic) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (Vic) to pick up or drop off empty containers will be required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (Vic) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (Vic) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification, this fee is reviewed periodically.

The Carrier Access Arrangements for Qube Victoria Dock Empty Park is **attached**. There is currently no Carrier Access Arrangement available for Dynon Empty Park as Containerchain is yet to be rolled out to this container park.

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and
- road-based container transport services (provided by container transport operators).

¹ See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (Vic)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

5 Public benefits of the conduct

For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

A vehicle booking system is needed to enhance the efficiency and operation of Qube Logistics (Vic)'s facilities. Qube Logistics (Vic) has chosen an external provider rather than an in-house solution. The use of an external provider with the relevant experience and expertise allows the system to be provided at a lower cost and with greater potential efficiency gains for container transport operators using different facilities.

As the ACCC has previously stated, use of a single industry-wide vehicle booking system is likely to result in "greater consistency of data, fewer compatibility issues and less training expense" by Qube Logistics (Vic) and other empty container facility operators. Container transport operators will also be able to engage with one interface through a single corporate account. For example, integration through the Containerchain system enables empty container facilities to communicate any operational issues or container status changes with container transport operators who have impending bookings.

Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

² ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 8.

³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

Following its successful implementation at empty container facilities in Victoria, the Containerchain system has been implemented at several other facilities for the pick up and drop off of empty containers across Australia:

Victoria Allied Containers CC Containers CC Containers Chalmers Industries Container Logistics Container Logistics Melbourne Container Park Melbourne Container Park ANL Container Park ANL Container Park Qube Victorian Container Management ANL Container Park Qube Victorian Dock New South Wales Qube Port Botany Empty Container Park Tyne ACFS Port Botany Qubelink Port Botany Tyne MT Movements MCS Cooks River MCS Banksmeadow Western Australia Integrated Container Logistics (ICL 1 & 2) Intermodal Container Services Qube MCD
Chalmers Industries Patrick Port Logistics Coode Road Container Logistics Port Melbourne Containers Melbourne Container Park Victorian Container Management ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Tyne ACFS Port Botany Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia
Container Logistics Port Melbourne Containers Melbourne Container Park Victorian Container Management ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Tyne ACFS Port Botany Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia
Melbourne Container Park ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany Tyne ACFS Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia
ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia
New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia
Wales Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia
Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Integrated Container Logistics (ICL 1 & 2) Qube Irene Australia
MCS Banksmeadow Western Integrated Container Logistics (ICL 1 & 2) Qube Irene Australia
Western Integrated Container Logistics (ICL 1 & 2) Qube Irene Australia
Australia
Australia Intermodal Container Services Qube MCD
Qube Central Qube Tydeman
Sea Containers
Queensland Qube Brisbane Port Empty Park Tyne Brisbane
Chalmers Brisbane ECP

(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (Vic) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

(c) Data transparency and availability

The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

(d) Promotion of competition and efficient investment

Greater data visibility through use of the Containerchain system is also likely to trigger greater competition in the industry generally, which may also lead to more efficient investment. Facilities for empty container services are more likely to have improved performance, including through investment, where data is available about the performance of other empty container facilities and the industry generally. This is because it introduces a greater risk of losing business through the customer's ability to judge the comparative performance of each empty container service provider. Similarly, information regarding expected queues at relevant facilities may support a better understanding of the investment planning requirements of container transport operators in relation to their fleets.

6 Public detriments of the conduct

Qube Logistics (Vic) considers that no public detriments are occasioned by the notified conduct.

7 Public benefits significantly outweigh any public detriment

Given the benefits outlined above, and the lack of any discernible detriment, the benefits of the notified conduct far outweigh any potential detriment.

CARRIER ACCESS ARRANGEMENTS

QUBE VICTORIA DOCK EMPTY PARK

1. Overview

QUBE VICTORIA DOCK EMPTY PARK is committed to the highest principles and standards of safety, operational excellence, customer focus and continuous improvement.

2. Site Safety Requirements

QUBE VICTORIA DOCK EMPTY PARK places the utmost importance on site safety for all employees, contractors and visitors who access the park. We take a stance of zero tolerance to behaviours that contribute to workplace incidents which have a negative impact to the business.

Safety is a fundamental component of operations and it will be incorporated into all business relationships and processes.

3. Personal Protective Equipment (PPE) Requirements

- Drivers entering the park are required to wear steel cap boots
- Drivers entering the park are required to wear Hi Visibility Garments with a minimum being a vest to be worn as an outer layer of clothing (Compliant to Australian Standard AS 4602)

4. Traffic Management

- Truck drivers must adhere to traffic flow and follow any internal traffic signs.
- · Trucks must give way to pedestrians.
- Trucks must give way to forklifts operating in the depot.
- Truck drivers / Visitors must not wonder around the depot.
- Truck drivers must not walk behind or around forklifts while being loaded or unloaded.
- Pedestrians must use designated walkways at all times.
- Maximum speed limit in the park is 5 km/hr.
- · Truck driver is to remain in their vehicle whist being loaded or unloaded.
- Drivers are not permitted to perform maintenance or cleaning activities on any vehicle whilst in the park.
- Drivers must be licensed to operate the truck and its configurations.
- The truck must be registered, road worthy and maintained to a condition as per VicRoads / Manufacturers recommendations.

- Drivers must secure the twistlocks on all four corners of the container(s) prior to departing the park.
- Drivers shall not access the top of trucks or containers (point of work) where a fall
 the potential of which is = or > than two meters exits.
- Drivers are not to walk under or drive under a suspended load.
- Container locating pins are to be painted in either fluorescent yellow or white.
- Drivers must ensure all container locking pins are in the ready position for container loading or unloading. Damage resulting from failure to correctly position container locking pins will be the responsibility of the driver
- All container locking pins for all four corners of each container must be present and in working condition.
- Side loader trailers must have contrasting hi visibility markings on the trailer arms.
- All skeletal trailers must be fitted with safety chains.
- Intoxicants, illegal narcotics and persons under the influence of are not permitted in the depot.
- Any plant or property damage must be reported immediately to the office.

5. Container Park Access

- Container Transport Operator (CTO) access to QUBE VICTORIA DOCK EMPTY PARK is by pre transacted "Notification" through containerchain.com
- CTO's will be required to have an active commercial account in containerchain.com in order to pre transact "Notifications".

Returning an Empty Container

- All containers being returned to QUBE VICTORIA DOCK EMPTY PARK will require a
 "Container Return Advice" transaction to be completed by the CTO in
 containerchain.com a minimum of 1 hour prior to the commencement of the nominated
 notification window.
- All "Container Return Advice" containers being returned to QUBE VICTORIA DOCK
 EMPTY PARK will require a "Notification" to be made by the CTO in containerchain.com
 a minimum of 1 hour prior to the commencement of the nominated notification
 window.
- It is a mandatory requirement for all notifications that the truck registration number is recorded by the CTO at the time the notification is made.

Picking Up an Empty Container

All containers being collected from QUBE VICTORIA DOCK EMPTY PARK will require a
 "Container Pick Up Advice" transaction to be completed by the CTO in
 containerchain.com a minimum of 1 hour prior to the commencement of the nominated
 notification window.

- All "Container Pick Up Advice" transactions will require a "Notification" to be made by the CTO in container chain.com a minimum of 1 hour prior to the commencement of the nominated notification window.
- It is a mandatory requirement for all notifications that the truck registration number is recorded by the CTO at the time the notification is made.

6. Notification Times information

- Notification times will be in 30 minute windows.
- Notifications will be made available for the remainder of the current day, and the entire next business day.
- Notifications are required to be made a minimum of 1 hour prior to the commencement of the nominated notification window.

7. Container Fees

- A Container Fee is applicable for each "Notification"
- The Container Fee applicable for QUBE VICTORIA DOCK EMPTY PARK is \$5.50 + GST Per container
- · The Container fee will be reviewed periodically.
- The Container Fee above is exclusive of GST.

8. Truck Arrival Procedure

- Based on Safety and operational considerations, QUBE VICTORIA DOCK EMPTY PARK
 have an expectation that trucks will arrive during the nominated "Notification Window".
- When a truck driver arrives at QUBE VICTORIA DOCK EMPTY PARK's container control
 office, the driver will be required to quote one of the following: truck registration
 number, notification number(s), release number or container number to the Container
 Controller. This information is used to identify and activate the transaction in the site
 operating system. Upon verification of a valid Notification, the truck driver will then be
 directed on how to proceed.
- If a truck arrives at QUBE VICTORIA DOCK EMPTY PARK earlier than the nominated "Notification Window", based on safety and operational considerations, QUBE VICTORIA

- DOCK EMPTY PARK may be required to request the driver to exit QUBE VICTORIA DOCK EMPTY PARK and return during the nominated "Notification Window".
- If a truck arrives at QUBE VICTORIA DOCK EMPTY PARK later than the nominated "Notification Window", based on safety and operational considerations, QUBE VICTORIA DOCK EMPTY PARK may be required to request the driver to exit QUBE VICTORIA DOCK EMPTY PARK and re notify for a subsequent "Notification Window". In this case further Container Fees will apply.
- If a truck is serviced during the nominated "Notification Window", the Containerchain system will indicate the performance of the CTO in respect of that "Notification" as "On Time".
- If a truck is serviced before the commencement of the nominated "Notification Window", the Containerchain system will indicate the performance of the CTO in respect of that "Notification" as "Early".
- If a truck is serviced after the expiration of the nominated "Notification Window", the Containerchain system will indicate the performance of the CTO in respect of that "Notification" as "Late"

9. Failure to Arrive for a Notification

- If a truck fails to arrive on the day of the "Notification", for reporting purposes, the
 performance of the CTO in respect of that "Notification" will be considered "Unutilised".
- "Unutilised Notifications" will be charged the "Container Fee"

10. Arrival Without a Notification

If a truck arrives at QUBE VICTORIA DOCK EMPTY PARK without a "Notification" QUBE
 VICTORIA DOCK EMPTY PARK will not be able to service the truck.

11. Cancelled Notifications

- A "Notification" can be cancelled by a CTO up to 2 hours prior to the commencement of a "Notification Window" and the "Container Fee" will not be charged.
- If a "Notification" is cancelled by a CTO after this time the "Container Fee" will still be charged.
- QUBE VICTORIA DOCK EMPTY PARK may also be required to cancel a "Notification" on behalf of a CTO due to internal operational issues. If this occurs the CTO will be advised by email and the corresponding "Container Fee" will not be charged

12. Invoicing

- Container Fees will be invoiced to CTO's by containerchain.com
- Invoices are raised weekly and represent all activity for the preceding week.
- Invoice payment terms are fourteen days from invoice
- Outstanding invoices will result in a CTOs Containerchain account being suspended
- Reconnection of a suspended account will attract a reconnection fee of \$100.00 + GST

13. Dispute Resolution

- If a Notification is not serviced due to a contributing factor from QUBE VICTORIA DOCK EMPTY PARK, the CTO is required to log the issue with the Containerchain Support Team within 60 minutes of the truck departing QUBE VICTORIA DOCK EMPTY PARK. This is to enable any potential invoice dispute regarding the "Notification" to be addressed.
- Disputed invoices are to be raised with the Containerchain Support Team.

14. Liability and Indemnity

The carrier must indemnify and keep indemnified QUBE VICTORIA DOCK EMPTY PARK in respect of any loss or damage or death or injury to any person as a consequence of:

- (a) any breach of this arrangement by the carrier, its drivers, agents or contractors;
- (b) any negligent act or omission or wilful misconduct of the carrier, its drivers, agents or contractors; and
- (c) any damage to QUBE VICTORIA DOCK EMPTY PARK property where such damage is the fault of the carrier, its drivers, agents or contractors,

Except to the extent that such loss or damage is caused by a breach of this arrangement or an act or omission constituting negligence or wilful misconduct by QUBE VICTORIA DOCK EMPTY PARK, QUBE VICTORIA DOCK EMPTY PARK must indemnify and keep indemnified the carrier in respect of and loss or damage or death or injury to any person as a consequence of:

- (a) any breach of this arrangement by QUBE VICTORIA DOCK EMPTY PARK;
- (b) any negligent act or omission or wilful misconduct of QUBE VICTORIA DOCK EMPTY PARK; and
 - (c) any damage to the carrier's property where such damage is the fault of QUBE VICTORIA DOCK EMPTY PARK.

except to the extent that such loss or damage is caused by a breach of this arrangement or an act or omission constituting negligence or wilful misconduct by the carrier, its drivers, agents or contractors.

15. Fatigue Management

- Carriers are required by law to ensure drivers do not exceed their maximum regulated hours for driving and working. QUBE VICTORIA DOCK EMPTY PARK will assist in every way to notify carriers of current and possible delays. These notifications will be sent via our Broadcast Alert system, which sends emails and SMS messages to registered CTO's.
- All carriers are responsible for managing their drivers' hours and carriers must change over drivers who have worked their maximum number of hours. If the carrier is unable to change drivers then the carrier must withdraw and move the truck away from QUBE VICTORIA DOCK EMPTY PARK

16. Depot Opening Hours

Monday to Friday 7am to 4pm.

17. Alterations to these Carrier Access Arrangements

- QUBE VICTORIA DOCK EMPTY PARK reserves the right to alter these Carrier Access Arrangements.
- CTO's will be advised of alterations to this arrangement by email and all alterations will be posted on the Containerchain website.

CONSUMER COMMISSION
3 1 JUL 2012

FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96887

Qube Logistics (SA) Pty Ltd (ABN 43 087 193 299) (Qube Logistics (SA))

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

Currently, Qube Logistics (SA) operates the following empty container parks:

- Outer Harbor Empty Park (South Australia).
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

Notified arrangement

2

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (SA).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (SA) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

- 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:

Container transport operators.

(b) Number of those persons:

(i) At present time:

Substantially more than 50 but less than 150 for each of Qube Logistics (SA)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (SA)'s empty container parks.

In relation to this, Qube Logistics (SA) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

4 Public benefit claims

(a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

Dated31/07/13			
Signed by/on behalf of the applicant			
Dool - S			
(Signature)			
Luke Woodward(Full Name)			
Gilbert + Tobin(Organisation)			
Partner, Competition & Regulation. (Position in Organisation)			

AUST COMPETITION CONSUMER COMMISSION SYDNEY

3 1 JUL 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.
- 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 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 *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (SA) Pty Ltd (ABN 43 087 193 299) operates the Outer Harbor Empty Park (South Australia).

Qube Logistics (SA) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (SA) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (SA) to pick up or drop off empty containers will be required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (SA) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (SA) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification; this fee is reviewed periodically.

The Carrier Access Arrangement applicable to Qube Logistics (SA)'s empty container park has not yet been provided to the ACCC as Containerchain has yet to be rolled out in South Australia.

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities owned or operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and
- road-based container transport services (provided by container transport operators).

See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (SA)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

5 Public benefits of the conduct

For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

A vehicle booking system is needed to enhance the efficiency and operation of Qube Logistics (SA)'s facilities. Qube Logistics (SA) has chosen an external provider rather than an in-house solution. The use of an external provider with the relevant experience and expertise allows the system to be provided at a lower cost and with greater potential efficiency gains for container transport operators using different facilities.

As the ACCC has previously stated, use of a single industry-wide vehicle booking system is likely to result in "greater consistency of data, fewer compatibility issues and less training expense" by Qube Logistics (SA) and other empty container facility operators. Container transport operators will also be able to engage with one interface through a single corporate account. For example, integration through the Containerchain system enables empty container facilities to communicate any operational issues or container status changes with container transport operators who have impending bookings.

Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

² ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 8.

³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

Following its successful implementation at empty container facilities in Victoria, the Containerchain system has been implemented at several other facilities for the pick up and drop off of empty containers across Australia:

Victoria Allied Containers CC Containers CC Containers Chalmers Industries Container Logistics Container Logistics Patrick Port Logistics Coode Road Port Melbourne Containers Melbourne Containers Melbourne Containers Melbourne Container Park Victorian Container Management ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany Tyne ACFS Port Botany Tyne MT Movements Tyne St Peters MCS Cooks River MCS Banksmeadow Western Australia Integrated Container Logistics (ICL 1 & 2) Qube Irene Qube MCD Qube Central Qube Containers Qube Brisbane Port Empty Park Tyne Brisbane Chalmers Brisbane ECD			
Chalmers Industries Patrick Port Logistics Coode Road Container Logistics Port Melbourne Containers Melbourne Container Park Victorian Container Management ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Tyne ACFS Port Botany Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia Integrated Container Logistics (ICL 1 & 2) Qube Irene Intermodal Container Services Qube MCD Qube Central Qube Tydeman Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane	Victoria	Allied Containers	Melbourne Reefer Services
Container Logistics Port Melbourne Containers Melbourne Container Park Victorian Container Management ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Tyne ACFS Port Botany Qubelink Port Botany Tyne MT Movements MCS Cooks River Tyne St Peters MCS Banksmeadow Western Australia Integrated Container Logistics (ICL 1 & 2) Qube Irene Intermodal Container Services Qube MCD Qube Central Qube Tydeman Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane		CC Containers	Oceania Container Services
Melbourne Container Park ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany MCS Cooks River MCS Banksmeadow Tyne MT Movements Tyne St Peters MCS Banksmeadow Integrated Container Logistics (ICL 1 & 2) Qube Irene Intermodal Container Services Qube MCD Qube Central Qube Containers Qube Brisbane Port Empty Park Tyne Brisbane		Chalmers Industries	Patrick Port Logistics Coode Road
ANL Container Park Qube Victoria Dock New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany Tyne ACFS Port Botany Tyne MT Movements Tyne St Peters MCS Cooks River MCS Banksmeadow Western Australia Integrated Container Logistics (ICL 1 & 2) Qube Irene Intermodal Container Services Qube MCD Qube Central Qube Central Sea Containers Qube Brisbane Port Empty Park Tyne Brisbane		Container Logistics	Port Melbourne Containers
New South Wales Qube Port Botany Empty Container Park Qubelink Port Botany Tyne MT Movements Tyne St Peters MCS Cooks River MCS Banksmeadow Integrated Container Logistics (ICL 1 & 2) Intermodal Container Services Qube MCD Qube Central Qube Containers Qube Brisbane Port Empty Park Tyne ACFS Port Botany Tyne MT Movements Qube Heres Qube Irene Qube MCD Qube Tydeman Sea Containers		Melbourne Container Park	Victorian Container Management
Wales Qubelink Port Botany MCS Cooks River MCS Banksmeadow Tyne St Peters MCS Banksmeadow Integrated Container Logistics (ICL 1 & 2) Qube Irene Intermodal Container Services Qube MCD Qube Central Qube Central Sea Containers Qube Brisbane Port Empty Park Tyne Brisbane		ANL Container Park	Qube Victoria Dock
Qubelink Port Botany MCS Cooks River MCS Banksmeadow Integrated Container Logistics (ICL 1 & 2) Intermodal Container Services Qube MCD Qube Central Qube Central Sea Containers Qube Brisbane Port Empty Park Tyne MT Movements Tyne MT Movements Tyne St Peters Qube Irene Qube Irene Qube MCD Qube Tydeman Tyne Brisbane		Qube Port Botany Empty Container Park	Tyne ACFS Port Botany
MCS Banksmeadow Integrated Container Logistics (ICL 1 & 2) Qube Irene Australia Intermodal Container Services Qube MCD Qube Central Qube Tydeman Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane		Qubelink Port Botany	Tyne MT Movements
Western Australia Integrated Container Logistics (ICL 1 & 2) Qube Irene Intermodal Container Services Qube MCD Qube Central Qube Tydeman Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane		MCS Cooks River	Tyne St Peters
Australia Intermodal Container Services Qube MCD Qube Central Qube Tydeman Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane		MCS Banksmeadow	
Intermodal Container Services Qube MCD Qube Central Qube Tydeman Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane		Integrated Container Logistics (ICL 1 & 2)	Qube Irene
Sea Containers Queensland Qube Brisbane Port Empty Park Tyne Brisbane		Intermodal Container Services	Qube MCD
Queensland Qube Brisbane Port Empty Park Tyne Brisbane		Qube Central	Qube Tydeman
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		Sea Containers	
Chalmara Brighana ECD	Queensland	Qube Brisbane Port Empty Park	Tyne Brisbane
Chairleis Brisbarie ECP		Chalmers Brisbane ECP	

(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (SA) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

(c) Data transparency and availability

The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

(d) Promotion of competition and efficient investment

Greater data visibility through use of the Containerchain system is also likely to trigger greater competition in the industry generally, which may also lead to more efficient investment. Facilities for empty container services are more likely to have improved performance, including through investment, where data is available about the performance of other empty container facilities and the industry generally. This is because it introduces a greater risk of losing business through the customer's ability to judge the comparative performance of each empty container service provider. Similarly, information regarding expected queues at relevant facilities may support a better understanding of the investment planning requirements of container transport operators in relation to their fleets.

6 Public detriments of the conduct

Qube Logistics (SA) considers that no public detriments are occasioned by the notified conduct.

7 Public benefits significantly outweigh any public detriment

Given the benefits outlined above, and the lack of any discernible detriment, the benefits of the notified conduct far outweigh any potential detriment.

CONSUMER COMMISSION SYDNEY 3 1 JUL 2012

FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96888

Qube Logistics (Qld) Pty Ltd (ABN 21 009 677 383) (Qube Logistics (Qld))

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

Currently, Qube Logistics (Qld) operates the following empty container parks:

- Brisbane Port Empty Park (Queensland).
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

2 Notified arrangement

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (Qld).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (Qld) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

- 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:

Container transport operators.

(b) Number of those persons:

(i) At present time:

Substantially more than 50 but less than 150 for each of Qube Logistics (Qld)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (Qld)'s empty container parks.

In relation to this, Qube Logistics (Qld) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

4 Public benefit claims

(a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

Dated ... 31/07/13.....

Signed by/on behalf of the applicant

(Signature)

Luke Woodward.....(Full Name)

Gilbert + Tobin.....(Organisation)

Partner, Competition & Regulation. (Position in Organisation)

AUST COMPETITION & CONSUMER COMMISSION SYDNEY

3 1 JUL 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.
- 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 which the conduct is engaged in.
- If particulars of a condition or of a reason of the type referred to in section 47 of the *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (Qld) Pty Ltd (ABN 21 009 677 383) operates the Brisbane Port Empty Park (Queensland).

Qube Logistics (Qld) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (Qld) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (Qld) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (Qld) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (Qld) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification, this fee is reviewed periodically.

The Carrier Access Arrangements applicable to each of Qube Logistics (Qld)'s empty container parks that have implemented the Containerchain system were provided with the notification form originally lodged for Qube Logistics (Aust) Pty Limited (and related bodies corporate).

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and
- road-based container transport services (provided by container transport operators).

¹ See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (Qld)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

5 Public benefits of the conduct

For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

A vehicle booking system is needed to enhance the efficiency and operation of Qube Logistics (Qld)'s facilities. Qube Logistics (Qld) has chosen an external provider rather than an in-house solution. The use of an external provider with the relevant experience and expertise allows the system to be provided at a lower cost and with greater potential efficiency gains for container transport operators using different facilities.

As the ACCC has previously stated, use of a single industry-wide vehicle booking system is likely to result in "greater consistency of data, fewer compatibility issues and less training expense" by Qube Logistics (Qld) and other empty container facility operators. Container transport operators will also be able to engage with one interface through a single corporate account. For example, integration through the Containerchain system enables empty container facilities to communicate any operational issues or container status changes with container transport operators who have impending bookings.

Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

² ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 8.

³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

Following its successful implementation at empty container facilities in Victoria, the Containerchain system has been implemented at several other facilities for the pick up and drop off of empty containers across Australia:

Victoria	Allied Containers	Melbourne Reefer Services
	CC Containers	Oceania Container Services
	Chalmers Industries	Patrick Port Logistics Coode Road
	Container Logistics	Port Melbourne Containers
	Melbourne Container Park	Victorian Container Management
	ANL Container Park	Qube Victoria Dock
New South Wales	Qube Port Botany Empty Container Park	Tyne ACFS Port Botany
	Qubelink Port Botany	Tyne MT Movements
	MCS Cooks River	Tyne St Peters
	MCS Banksmeadow	
Western Australia	Integrated Container Logistics (ICL 1 & 2)	Qube Irene
	Intermodal Container Services	Qube MCD
	Qube Central	Qube Tydeman
	Sea Containers	
Queensland	Qube Brisbane Port Empty Park	Tyne Brisbane
	Chalmers Brisbane ECP	
L	***	

(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (Qld) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

(c) Data transparency and availability

The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

(d) Promotion of competition and efficient investment

Greater data visibility through use of the Containerchain system is also likely to trigger greater competition in the industry generally, which may also lead to more efficient investment. Facilities for empty container services are more likely to have improved performance, including through investment, where data is available about the performance of other empty container facilities and the industry generally. This is because it introduces a greater risk of losing business through the customer's ability to judge the comparative performance of each empty container service provider. Similarly, information regarding expected queues at relevant facilities may support a better understanding of the investment planning requirements of container transport operators in relation to their fleets.

6 Public detriments of the conduct

Qube Logistics (Qld) considers that no public detriments are occasioned by the notified conduct.

7 Public benefits significantly outweigh any public detriment

Given the benefits outlined above, and the lack of any discernible detriment, the benefits of the notified conduct far outweigh any potential detriment.

côusumer commission Sydney 3 1 JUL 2012

FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96889

Qube Logistics (SB) Pty Ltd (ABN 83 003 307 319) (Qube Logistics (SB))

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

Currently, Qube Logistics (SB) operates the following empty container parks:

- Qubelink Port Botany (New South Wales) empty container park.
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

2 Notified arrangement

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (SB).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (SB) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (Containerchain).

- 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:

Container transport operators.

(b) Number of those persons:

(i) At present time:

Substantially more than 50 but less than 150 for each of Qube Logistics (SB)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (SB)'s empty container parks.

In relation to this, Qube Logistics (SB) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

4 Public benefit claims

(a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

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Signed by/on behalf of the applicant		
Das en L		
(Signature)	AUST COMPET	
Luke Woodward(Full Name)	construction confidence of the	
Gilbert + Tobin(Organisation)		

Partner, Competition & Regulation. (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.
- 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 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 *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (SB) Pty Ltd (ABN 83 003 307 319) operates the Qubelink Port Botany (New South Wales) empty container park.

Qube Logistics (SB) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (SB) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (SB) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (SB) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (SB) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification, this fee is reviewed periodically.

The Carrier Access Arrangements applicable to each of Qube Logistics (SB)'s empty container parks that have implemented the Containerchain system were provided with the notification form originally lodged for Qube Logistics (Aust) Pty Limited (and related bodies corporate).

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and
- road-based container transport services (provided by container transport operators).

See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (SB)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

5 Public benefits of the conduct

For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

A vehicle booking system is needed to enhance the efficiency and operation of Qube Logistics (SB)'s facilities. Qube Logistics (SB) has chosen an external provider rather than an in-house solution. The use of an external provider with the relevant experience and expertise allows the system to be provided at a lower cost and with greater potential efficiency gains for container transport operators using different facilities.

As the ACCC has previously stated, use of a single industry-wide vehicle booking system is likely to result in "greater consistency of data, fewer compatibility issues and less training expense" by Qube Logistics (SB) and other empty container facility operators. Container transport operators will also be able to engage with one interface through a single corporate account. For example, integration through the Containerchain system enables empty container facilities to communicate any operational issues or container status changes with container transport operators who have impending bookings.

Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

² ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 8.

³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

Following its successful implementation at empty container facilities in Victoria, the Containerchain system has been implemented at several other facilities for the pick up and drop off of empty containers across Australia:

Victoria	Allied Containers	Melbourne Reefer Services
	CC Containers	Oceania Container Services
	Chalmers Industries	Patrick Port Logistics Coode Road
	Container Logistics	Port Melbourne Containers
	Melbourne Container Park	Victorian Container Management
	ANL Container Park	Qube Victoria Dock
New South	Qube Port Botany Empty Container Park	Tyne ACFS Port Botany
Wales	Qubelink Port Botany	Tyne MT Movements
	MCS Cooks River	Tyne St Peters
	MCS Banksmeadow	
Western	Integrated Container Logistics (ICL 1 & 2)	Qube Irene
Australia	Intermodal Container Services	Qube MCD
	Qube Central	Qube Tydeman
	Sea Containers	
Queensland	Qube Brisbane Port Empty Park	Tyne Brisbane
	Chalmers Brisbane ECP	

(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (SB) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

(c) Data transparency and availability

The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

(d) Promotion of competition and efficient investment

Greater data visibility through use of the Containerchain system is also likely to trigger greater competition in the industry generally, which may also lead to more efficient investment. Facilities for empty container services are more likely to have improved performance, including through investment, where data is available about the performance of other empty container facilities and the industry generally. This is because it introduces a greater risk of losing business through the customer's ability to judge the comparative performance of each empty container service provider. Similarly, information regarding expected queues at relevant facilities may support a better understanding of the investment planning requirements of container transport operators in relation to their fleets.

6 Public detriments of the conduct

Qube Logistics (SB) considers that no public detriments are occasioned by the notified conduct.

7 Public benefits significantly outweigh any public detriment

Given the benefits outlined above, and the lack of any discernible detriment, the benefits of the notified conduct far outweigh any potential detriment.



FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96890

Qube Logistics (NSW) Pty Ltd (ABN 99 123 022 588) (Qube Logistics (NSW))

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

Currently, Qube Logistics (NSW) operates the following empty container parks:

- Qube Port Botany empty container park.
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

2 Notified arrangement

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (NSW).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (NSW) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (Containerchain).

- 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:

Container transport operators.

(b) Number of those persons:

(i) At present time:

Substantially more than 50 but less than 150 for each of Qube Logistics (NSW)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (NSW)'s empty container parks.

In relation to this, Qube Logistics (NSW) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

4 Public benefit claims

(a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

Dated ...31/07/13.....

Signed by/on behalf of the applicant

(Signature)

Luke Woodward.....(Full Name)

Gilbert + Tobin.....(Organisation)

Partner, Competition & Regulation. (Position in Organisation)

AUST COMPETITION & CONSUMER COMMISSION SYDNEY

3 1 JUL 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.
- 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 which the conduct is engaged in.
- If particulars of a condition or of a reason of the type referred to in section 47 of the *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (NSW) Pty Ltd (ABN 99 123 022 588) operates the Qube Port Botany empty container park.

Qube Logistics (NSW) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (NSW) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (NSW) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (Containerchain).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (NSW) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (NSW) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification, this fee is reviewed periodically.

The Carrier Access Arrangements applicable to each of Qube Logistics (NSW)'s empty container parks that have implemented the Containerchain system were provided with the notification form originally lodged for Qube Logistics (Aust) Pty Limited (and related bodies corporate).

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- · storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and

¹ See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

road-based container transport services (provided by container transport operators).

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (NSW)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

5 Public benefits of the conduct

For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

A vehicle booking system is needed to enhance the efficiency and operation of Qube Logistics (NSW)'s facilities. Qube Logistics (NSW) has chosen an external provider rather than an inhouse solution. The use of an external provider with the relevant experience and expertise allows the system to be provided at a lower cost and with greater potential efficiency gains for container transport operators using different facilities.

As the ACCC has previously stated, use of a single industry-wide vehicle booking system is likely to result in "greater consistency of data, fewer compatibility issues and less training expense" by Qube Logistics (NSW) and other empty container facility operators. Container transport operators will also be able to engage with one interface through a single corporate account. For example, integration through the Containerchain system enables empty container facilities to communicate any operational issues or container status changes with container transport operators who have impending bookings.

Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

² ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 8.

³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

Following its successful implementation at empty container facilities in Victoria, the Containerchain system has been implemented at several other facilities for the pick up and drop off of empty containers across Australia:

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Victoria	Allied Containers	Melbourne Reefer Services
	CC Containers	Oceania Container Services
	Chalmers Industries	Patrick Port Logistics Coode Road
	Container Logistics	Port Melbourne Containers
	Melbourne Container Park	Victorian Container Management
	ANL Container Park	Qube Victoria Dock
New South Wales	Qube Port Botany Empty Container Park	Tyne ACFS Port Botany
	Qubelink Port Botany	Tyne MT Movements
	MCS Cooks River	Tyne St Peters
	MCS Banksmeadow	
Western Australia	Integrated Container Logistics (ICL 1 & 2)	Qube Irene
	Intermodal Container Services	Qube MCD
	Qube Central	Qube Tydeman
	Sea Containers	
Queensland	Qube Brisbane Port Empty Park	Tyne Brisbane
	Chalmers Brisbane ECP	

(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (NSW) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

(c) Data transparency and availability

The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

(d) Promotion of competition and efficient investment

Greater data visibility through use of the Containerchain system is also likely to trigger greater competition in the industry generally, which may also lead to more efficient investment. Facilities for empty container services are more likely to have improved performance, including through investment, where data is available about the performance of other empty container facilities and the industry generally. This is because it introduces a greater risk of losing business through the customer's ability to judge the comparative performance of each empty container service provider. Similarly, information regarding expected queues at relevant facilities may support a better understanding of the investment planning requirements of container transport operators in relation to their fleets.

6 Public detriments of the conduct

Qube Logistics (NSW) considers that no public detriments are occasioned by the notified conduct.

7 Public benefits significantly outweigh any public detriment

Given the benefits outlined above, and the lack of any discernible detriment, the benefits of the notified conduct far outweigh any potential detriment.



FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96891

Qube Logistics (WA) Pty Ltd (ABN 68 087 193 342) (Qube Logistics (WA))

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

Currently, Qube Logistics (WA) operates the following empty container park:

- Qube Irene (Western Australia).
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

2 Notified arrangement

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (WA).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (WA) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

- 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:

Container transport operators.

(b) Number of those persons:

(i) At present time:

Substantially more than 50 but less than 150 for each of Qube Logistics (WA)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (WA)'s empty container parks.

In relation to this, Qube Logistics (WA) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

4 Public benefit claims

(a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

Dated ...31/07/13.....

Signed by/on behalf of the applicant

(Signature)

Luke Woodward.....(Full Name)

Gilbert + Tobin....(Organisation)

Partner, Competition & Regulation. (Position in Organisation)

AUST. COMPETITION CONSUMER COMMISSIC SYDNEY

3 1 JUL 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.
- 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 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 *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (WA) Pty Ltd (ABN 68 087 193 342) operates the Qube Irene (Western Australia).

Qube Logistics (WA) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (WA) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (WA) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (**Containerchain**).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (WA) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (WA) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification, this fee is reviewed periodically.

The Carrier Access Arrangements applicable to each of Qube Logistics (WA)'s empty container parks that have implemented the Containerchain system were provided with the notification form originally lodged for Qube Logistics (Aust) Pty Limited (and related bodies corporate).

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and
- road-based container transport services (provided by container transport operators).

¹ See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (WA)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

5 Public benefits of the conduct

For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

A vehicle booking system is needed to enhance the efficiency and operation of Qube Logistics (WA)'s facilities. Qube Logistics (WA) has chosen an external provider rather than an in-house solution. The use of an external provider with the relevant experience and expertise allows the system to be provided at a lower cost and with greater potential efficiency gains for container transport operators using different facilities.

As the ACCC has previously stated, use of a single industry-wide vehicle booking system is likely to result in "greater consistency of data, fewer compatibility issues and less training expense" by Qube Logistics (WA) and other empty container facility operators. Container transport operators will also be able to engage with one interface through a single corporate account. For example, integration through the Containerchain system enables empty container facilities to communicate any operational issues or container status changes with container transport operators who have impending bookings.

Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

² ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 8.

³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

Following its successful implementation at empty container facilities in Victoria, the Containerchain system has been implemented at several other facilities for the pick up and drop off of empty containers across Australia:

Victoria	Allied Containers	Melbourne Reefer Services
	CC Containers	Oceania Container Services
	Chalmers Industries	Patrick Port Logistics Coode Road
	Container Logistics	Port Melbourne Containers
	Melbourne Container Park	Victorian Container Management
	ANL Container Park	Qube Victoria Dock
New South Wales	Qube Port Botany Empty Container Park	Tyne ACFS Port Botany
	Qubelink Port Botany	Tyne MT Movements
	MCS Cooks River	Tyne St Peters
	MCS Banksmeadow	
Western Australia	Integrated Container Logistics (ICL 1 & 2)	Qube Irene
	Intermodal Container Services	Qube MCD
	Qube Central	Qube Tydeman
	Sea Containers	
Queensland	Qube Brisbane Port Empty Park	Tyne Brisbane
	Chalmers Brisbane ECP	

(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (WA) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

(c) Data transparency and availability

The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

(d) Promotion of competition and efficient investment

Greater data visibility through use of the Containerchain system is also likely to trigger greater competition in the industry generally, which may also lead to more efficient investment. Facilities for empty container services are more likely to have improved performance, including through investment, where data is available about the performance of other empty container facilities and the industry generally. This is because it introduces a greater risk of losing business through the customer's ability to judge the comparative performance of each empty container service provider. Similarly, information regarding expected queues at relevant facilities may support a better understanding of the investment planning requirements of container transport operators in relation to their fleets.

6 Public detriments of the conduct

Qube Logistics (WA) considers that no public detriments are occasioned by the notified conduct.

7 Public benefits significantly outweigh any public detriment

Given the benefits outlined above, and the lack of any discernible detriment, the benefits of the notified conduct far outweigh any potential detriment.



FORM G

Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 93 (1)

NOTIFICATION OF EXCLUSIVE DEALING

(Regulation 71)

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 in 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.

1 Applicant

(a) Name of person giving notice:

N96892 Qube Logistics (WA1) Pty Ltd (ABN 65 093 981 134) (Qube Logistics (WA1))

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

Currently, Qube Logistics (WA1) operates the following empty container parks in Western Australia:

- Qube Central
- Qube MCD; and
- · Qube Tydeman.
- (c) Address in Australia for service of documents on that person:

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

2 Notified arrangement

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

The notification relates to the storage and movement of empty shipping containers to and from facilities operated by Qube Logistics (WA1).

(b) Description of the conduct or proposed conduct:

Container transport operators seeking to access any facility operated by Qube Logistics (WA1) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (Containerchain).

- 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:

Container transport operators.

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

Substantially more than 50 but less than 150 for each of Qube Logistics (WA1)'s empty container parks.

(ii) Estimated within the next year:

Substantially more than 50 but less than 150 for each of Qube Logistics (WA1)'s empty container parks.

In relation to this, Qube Logistics (WA1) notes that there are currently around 1150 transporters registered with Containerchain across Australia (300 are in New South Wales, 158 are in Queensland, 489 are in Victoria and 203 are in Western Australia). Containerchain is yet to be implemented in South Australia.

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

Not applicable as the number of persons is not less than 50.

- 4 Public benefit claims
- (a) Arguments in support of notification:

See Attachment A.

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

See Attachment A.

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):

See Attachment A.

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:

See Attachment A.

(b) Facts and evidence relevant to these detriments:

See Attachment A.

7 Further information

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

Luke Woodward Gilbert + Tobin 2 Park Street SYDNEY NSW 2000 Phone: 02 9263 4014

Dated	31/07/13

Signed by/on behalf of the applicant

(Signature)

Luke Woodward.....(Full Name)

Gilbert + Tobin.....(Organisation)

Partner, Competition & Regulation. (Position in Organisation)

AUST COMPETITION & CONSUMER COMMISSION SYDNEY

13 1 JUL 2013

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.
- 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 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 *Trade Practices Act 1974* 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.
- 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.

ATTACHMENT A

1 The Applicant

Qube Logistics (WA1) Pty Ltd (ABN 65 093 981 134) operates the Qube Central, Qube MCD, Qube Tydeman empty container parks (Western Australia).

Qube Logistics (WA1) provides handling, cleaning, and maintenance and storage services for the empty containers of shipping lines and provides access to container transport operators picking up or dropping off empty containers at Qube Logistics (WA1) operated facilities.

2 Description of the notified conduct

Container transport operators seeking to access any facility operated by Qube Logistics (WA1) to pick up or drop off empty containers are required to lodge a prior notification using a booking system administered by Containerchain Pty Limited (Containerchain).

Containerchain are an independent provider of a web-based portal booking system that allows participants to view and transact empty container movements. To improve the current sub-optimal efficiency of container movements and to reduce costs, Qube Logistics (WA1) wanted to implement a booking system at facilities it owns or operates. Qube Logistics (WA1) has chosen Containerchain as the service provider with the experience and expertise to achieve a more efficient logistics supply chain for all participants.

The Containerchain system requires container transport operators to have an active commercial account with Containerchain in order to be able to lodge a notification through the Containerchain website (www.containerchain.com) prior to pick up or drop off of containers at a facility. A container fee is applicable for each notification, this fee is reviewed periodically.

The Carrier Access Arrangements applicable to each of Qube Logistics (WA1)'s empty container parks that have implemented the Containerchain system were provided with the notification form originally lodged for Qube Logistics (Aust) Pty Limited (and related bodies corporate).

We understand that the ACCC has previously considered the introduction by empty container park operators of the Containerchain booking system in Port Melbourne. The ACCC found that the likely public benefit would outweigh the likely detriment and decided not to take any further action. As outlined below, we consider that similarly, the use of the booking system administered by Containerchain at facilities operated by Qube Logistics across Australia will result in public benefits that outweigh any likely detriment.

3 Market definition

The ACCC did not consider it necessary to conclusively define the relevant markets in its assessment of notifications made by empty container park operators in Port Melbourne in relation to the use of the Containerchain system. However, the ACCC did identify three relevant areas of competition, being those associated with the supply of:

- storage, cleaning and maintenance of shipping containers;
- logistics software including IT applications for billing, communication and time management; and

¹ See, ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011.

road-based container transport services (provided by container transport operators).

In relation to this notification, rail-based container transport services (provided by container transport operators) will also possibly be relevant.

4 Sub-optimal efficiency in the operation of facilities for empty container services

In Qube Logistics (WA1)'s experience, bottlenecks and capacity constraints are key challenges for the operation of empty container storage, maintenance, and pick up and drop off facilities. These challenges are exacerbated by the surge in container imports/exports and the absence of an effective mechanism to efficiently allocate capacity or reduce the risk of congestion (including by being able to match the gate and yard capacity of a facility at any given point in time). Queues can form at any time of the day, so facility operators typically do not know during which periods they will face congestion and/or reach capacity.

The inefficiency is further added to by the lack of information visibility of container transport operators. Without an appropriate mechanism to efficiently allocate capacity and reduce the risk of congestion, container transport operators are typically left unaware of congestion periods at the relevant facilities and face truck underutilisation and/or risk fatigue-related accidents due to the extended waiting periods in queues at the facilities.

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For the reasons noted below, the impact of the notified conduct is not such that, under the test in section 93(3A)(b) of the *Competition and Consumer Act* 2010, the likely benefit to the public will be outweighed by the likely detriment to the public.

(a) Industry-wide benefits through single vehicle booking system

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Implementation of an industry-wide system also means better integration with the supply chain more broadly. As the ACCC has noted, the Containerchain system draws on data through the shipping lines as it is collected from vessels.³ Similarly, facilities for the pick up and drop off of empty containers will be able to provide more accurate information through the Containerchain system concerning container stocks.

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³ ACCC, Statement of Reasons in respect of notification lodged by Port Melbourne Containers Pty Ltd, Victorian Container Management Pty Ltd, Raftnet Pty Ltd T/A Container Logistics, Chalmers Industries Pty Ltd, Allied Container Services Pty Ltd, Dundas Ridge Pty Ltd T/A Melbourne Reefer Services, Ocean & Air Cargo Services Pty Ltd T/A, Oceania Container Services, Murcott Pty Ltd, CC Container Pty Ltd, 26 August 2011, p 15

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i.	MCS Cooks River	Tyne St Peters
	MCS Banksmeadow	
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(b) Increased throughput capacity

Implementation of the Containerchain system at facilities operated by Qube Logistics (WA1) for empty container storage, maintenance, pick up and drop off will enable container truck arrivals to be managed more efficiently, reducing queues and congestion by "leveling" throughput and spreading truck arrivals more evenly throughout the day. Specifically, managing queues is possible through the Containerchain system by matching gate capacity to yard capacity at any given time, which makes scheduling generally more predictable. The notification system provided by Containerchain will enable the facility operators or owners to know and plan for what is coming and enable the container transport operators know and plan the operation of their fleet such that empty container services can be provided effectively and efficiently.

Absent a notification system like that provided by Containerchain, a mismatch between the schedules of empty container facilities and those of container transport operators would continue, resulting in congestion and delays.

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The data made available through the Containerchain system is likely to improve the operation of the supply chain generally, including the operation of empty container parks and facilities, container transport operators, and shipping lines. For example, Fremantle Ports has mentioned the efficiency gains that could be obtained in the provision of container related services if the relevant facilities had information of industry needs in advance.

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