

Form G

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

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

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

N96943 (i) JB Hi-Fi Limited ABN 80 093 220 136;

N96944 (ii) JB Hi-Fi Group Pty Ltd ABN 37 093 114 286;

N96945 (iii) Clive Anthonys Pty Ltd ABN 94 073 359 010; and

N96946 (iv) Network Neighborhood Pty Ltd ABN 66 161 246 751.

JB Hi-Fi Group Pty Ltd and Clive Anthonys Pty Ltd are both wholly-owned subsidiaries of JB Hi-Fi Limited. JB Hi-Fi Limited holds 51% of the issued share capital in Network Neighborhood Pty Ltd. JB Hi-Fi Limited, JB Hi-Fi Group Pty Ltd, Clive Anthonys Pty Ltd and Network Neighborhood Pty Ltd are referred to in this notification collectively as **JB Hi-Fi**.

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

JB Hi-Fi Limited is an Australian retail company listed on the ASX. JB Hi-Fi sells consumer electronics products including televisions, audio equipment, computers, cameras, telecommunication products and services, software (CDs, DVDs, Blu-ray discs and games), musical instruments, whitegoods, cooking products, small appliances, digital content (music, books and video) and information technology and consulting services.

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

JB Hi-Fi Limited
Level 4, Office Tower 2
Chadstone Place, Chadstone Shopping Centre
1341 Dandenong Road
Chadstone VIC 3148

2. Notified arrangement

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

The proposed arrangement relates to the supply of:

- (i) consumer electronics and related accessories and services, including mobile phones, computers (including laptops, desktops and tablets) and televisions; and
- (ii) telecommunications services and pay television services.

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

It is proposed that, from time to time for limited promotional periods, JB Hi-Fi will offer:

- (i) consumer electronics products at a particular price or with a particular discount, allowance, credit or rebate; or
- (ii) gift cards, vouchers or entitlements to discounts/credits and/or free gifts with the purchase of consumer electronics products,

to certain JB Hi-Fi customers who acquire or agree to acquire specified telecommunications and/or pay TV services from Telstra Corporation Limited, its related bodies corporate or its joint venture entities (collectively referred to in this notification as **Telstra**)

For example, JB Hi-Fi may offer a discount on the purchase of a mobile phone to customers who acquire prepaid mobile services from Telstra, or JB Hi-Fi may offer a JB Hi-Fi gift card of a certain value to customers who purchase a mobile phone from JB Hi-Fi and acquire a Telstra mobile plan.
(Refer to direction 4)

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

- (a) Class or classes of persons to which the conduct relates:
(Refer to direction 5)

Current and future customers of JB Hi-Fi.

- (b) Number of those persons:

- (i) At present time:

Unknown (more than 50)

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

Unknown (more than 50)

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

Not applicable

4. Public benefit claims

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

The proposed conduct will be of benefit to the public as it will:

- (i) provide JB Hi-Fi customers with the opportunity to acquire the benefits referred to in item 2(b) when they purchase relevant goods or services; and
- (ii) promote competition in the relevant markets and prompt competitors of JB Hi-Fi to provide competitive offers to consumers. This should result in increased choice for consumers and increased competition for the goods and services the subject of the proposed arrangements.

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

JB Hi Fi refers to the matters at item 4(a) above.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2(a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):
(Refer to direction 8)

The markets most likely to be affected by the proposed arrangements are the markets for the supply of:

- (i) consumer electronics products, including mobile phones, computers (including laptops, desktops and tablets) and televisions;
- (ii) telecommunications services, including fixed voice, mobile, and fixed and wireless broadband services; and
- (iii) subscription television services.

6. Public detriments

- (a) Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:
(Refer to direction 9)

JB Hi-Fi does not believe that there will be any material public detriment resulting from the proposed arrangements.

- (i) consumers are under no obligation to acquire goods or services from JB Hi-Fi or Telstra. Rather, the proposed conduct will provide a benefit to consumers who choose to acquire goods or services from JB Hi-Fi and Telstra;
 - (ii) consumers will be able to acquire goods and services from JB Hi-Fi at their usual prices without any obligation to acquire goods or services from Telstra;
 - (iii) consumers will be able to acquire services from Telstra at their usual prices without any obligation to acquire goods or services from JB Hi-Fi;
 - (iv) consumers may acquire equivalent goods and services to those supplied by JB Hi-Fi and Telstra from a range of alternative suppliers; and
 - (v) competition in markets for the supply of consumer electronics and telecommunications services is very competitive. The proposed conduct is likely to promote competition in those markets, not lessen it.
- (b) Facts and evidence relevant to these detriments:
JB Hi-Fi refers to the matters at item 6(a) above.

7. Further information

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

Doug Smith
General Counsel
Level 4, Office Tower 2
Chadstone Place, Chadstone Shopping Centre
1341 Dandenong Road
Chadstone VIC 3148

Dated 3 September 2013

Signed by/on behalf of the applicant



(Signature)

Douglas Smith
(Full Name)

JB Hi-Fi Limited
(Organisation)

General Counsel
(Position in Organisation)

DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. Describe that part of the business of the person giving the notice in the course of the which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.