

# AHL AMALGAMATED HOLDINGS LIMITED

10 September 2013

Australian Competition & Consumer Commission  
Level 20, 175 Pitt Street  
**SYDNEY NSW 2000**

ATTN: General Manager  
Adjudication Branch (02) 9230 9133

Dear Sir/Madam

## **Notification under section 93(1) of the Competition and Consumer Act 2010**

Please find enclosed:

Form G Exclusive Dealing Notification in relation to potential third line forcing conduct by The Greater Union Organisation Pty Ltd (ABN 99 000 024 439) (**GUO**).

Payment made by way of Credit Card as follows:

GUO has entered into an agreement with MasterCard Asia/Pacific (Australia) Pty Ltd, a financial services company providing financial services and products to consumers. The agreement concerns a promotion offering MasterCard customers the opportunity to purchase Candy Bar Items using a MasterCard for the chance to win a Beyonce Travel Package to her Sydney Show 31 October 2013.

In addition, during the promotional period of 1 September 2013 to 24 April 2014 MasterCard customers will be entitled to purchase movie tickets at reduced prices.

The proposed promotion will result in clear benefits to the public. It will enable GUO and MasterCard customers who take advantage of the promotion to enjoy Event Cinema experiences during this promotional period. It may also encourage competing suppliers to offer customer discounts through similar promotions.

There will be no detriment to the public from the proposed conduct. Persons who take advantage during the promotional period will not be prevented from making purchases from or visiting other cinema complexes in Australia while members of the public who do not take advantage of the promotion will not be materially affected by this arrangement as they are free to purchase other movie tickets and or packages from Event Cinemas and or its related

**AMALGAMATED HOLDINGS LIMITED**

ACN 000 005 103

Level 20 227 Elizabeth Street Sydney NSW 2000 GPO Box 1609 Sydney NSW 2001 Australia Telephone 612 9373 6600

ENTERTAINMENT Event Cinemas • Greater Union Cinemas • Birch Carroll & Coyle Cinemas • Cinestar Cinemas • Moonlight Cinemas  
ENTERTAINMENT TECHNOLOGY Edge Digital Technology • Edge Digital Production • FilmLab Engineering • Cinesound Movietone Productions  
HOSPITALITY & LEISURE Rydges Hotels & Resorts • QT Hotels & Resorts • Art Series Hotels • Thredbo Alpine Resort • The State Theatre • Featherdale Wildlife Park



companies. The proposed conduct is not likely to adversely affect (increase) the prices of the goods or services in any markets.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Ben Arnall", is written over a horizontal line.

**Ben Arnall**  
Legal Counsel  
Amalgamated Holdings Limited  
Telephone: +61 2 9373 6722  
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Lodged via email: [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au)

**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:

N96957

The Greater Union Organisation Pty Ltd (ABN 99 000 024 439) (**GUO**)

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

GUO and its related companies own and operate cinemas in Australia. These cinemas trade under the names Event Cinemas, Greater Union, Birch Carroll & Coyle and Moonlight cinemas.

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

Ben Arnall  
Legal Counsel  
Amalgamated Holdings Limited  
Level 22, 227 Elizabeth Street  
SYDNEY NSW 2000

**2. Notified arrangement**

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

Provide a range of discounted tickets throughout the promotional period to MasterCard Customers who purchase movie tickets using their MasterCard PayPass and or any transaction at all Event Cinemas Candy Bar Locations.

(b) Description of the conduct or proposed conduct:

(i) GUO is offering for every MasterCard PayPass transaction between 12 September (9:00am AEST) – 2 October (11:00pm AEST) 2013 at all Event Cinemas Candy Bar locations across Australia will go into the draw to win a Beyoncé Travel Package experience to her Sydney show on October 31, 2013 as offered by Mastercard.

(ii) In addition, GUO is offering the following promotional offers commencing from 1 September 2013 up until 24 April 2014;

(A) Family movie pass offer, the terms of which are to be agreed by GUO and MasterCard;

- (B) Christmas movie gift card price offer or Christmas movie gift voucher package offer: (a) purchase a movie gift card at 10% off face value (online order only; standard postage and handling charges apply; valid for 12 months); OR (b) purchase a Gold Class movie gift package including two Gold Class movie vouchers and \$40 food and beverage credit for only \$100 (online order only; standard postage and handling charges apply; valid for 12 months; may also be redeemed at Village Cinemas);
- (C) Cinema ticket price, bring a friend or Vmax upgrade offer, on terms to be agreed by GUO and MasterCard.

**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:
  - (i) All MasterCard customers who purchase items from an Event Cinemas Candy Bar using their MasterCard between 12 September 2013 and 2 October 2013 will be in the draw to win Beyoncé Travel Package experience to her Sydney show on October 31, 2013 as offered by MasterCard.
- (b) Number of those persons:
  - (i) At present time:  
Not applicable.
  - (ii) Estimated within the next year:  
It is difficult to estimate the number of people who will be affected by the proposed conduct, but it may be more than 1,000.
- (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:
  - (i) provide MasterCard customers who take advantage of the promotions with the benefit as set out above.
  - (i) add to competition in the supply of visual entertainment by making attendance at Event, Greater Union, and BCC Cinemas more competitive during the promotion period; and
  - (i) potentially encourage competing supplies to offer customer discounts through similar promotions.
- (b) Facts and evidence relied upon in support of these claims:
  - (ii) Customers who take advantage of the promotion will obtain the benefit of receiving an entry in to the competition, therefore a chance to win a Beyoncé Travel Package to her Sydney show on October 31, 2013 and also discounted movie tickets.

- (i) Other members of the public (that is cinema attendees who do not take advantage of the promotion) will not be materially affected by this arrangement as they are free to purchase movie tickets in the normal manner at the usual price.
- (ii) The proposed conduct may increase competition in the supply of movie tickets, by making a visit to Event, Greater Union and Birch Carroll & Coyle Cinemas more competitive during the promotion period.
- (iii) The promotion may encourage competitors to offer similar discounted movie tickets (or other discounted substitutes in entertainment such as DVD's, theatre or sports tickets) promoting competition in the visual entertainment market.

For the reasons above, the promotion will provide benefits to the public as described, and it is submitted the promotion will result in no significant detriment to the public. Any detriment is substantially outweighed by the public benefits outlined 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):**

GUO considers that cinemas compete not only with other cinemas (eg. Hoyts, AMC, Dendy, Reading) but also other forms of visual entertainment, including modes of supply of movies such as DVD sale and rental, streaming services which allow movies to be downloaded via a broadband internet connection, online film rental subscription services and video on demand services such as FOXTEL Box Office.

GUO is subject to significant competitive constraint from other forms of visual entertainment, GUO considers that the relevant market is wide than cinema exhibition.

#### 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:

There is no detriment to members of the public as a result of the notified conduct.

The notified conduct is not likely to adversely affect (increase) the prices of the goods or services described at 2(a) above or prices in other markets.

- (b) Facts and evidence relevant to these detriments:
  - a) The promotion period is for a period of 34 weeks.
  - b) Persons who purchase movie tickets are free to purchase movie tickets at Event, Greater Union and Birch Carroll & Coyle cinemas at the usual price during the promotion period.
  - c) Persons who purchase promotional movie tickets are not prevented from seeing movies at a cinema other than Event, Greater Union and or Birch Carroll & Coyle cinemas during the promotion period.
  - d) Other members of the public (this is cinema attendees who do not take advantage of the promotion) will not be materially affected by this

arrangement as they are free to purchase movie tickets in the normal manner and at the usual price.

- e) The proposed conduct will likely have little or no effect on the prices of movie tickets in Australia generally. However, the proposed conduct may increase competition in the supply of movie tickets, by making a visit to Event, Greater Union and Birch Carroll & Coyle cinemas more competitive during the promotion period.

The benefits associated with the proposed conduct are likely to outweigh any public detriments.

In these circumstances, the Applicant submits that the Commission should allow the notification to stand.

**7. Further information**

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

Attention: Ben Arnall  
Legal Counsel  
Amalgamated Holdings Limited  
Level 22, 227 Elizabeth Street  
SYDNEY NSW 2000

Dated:  
Signed by/on behalf of the applicant



.....  
(Signature)

## **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.