

Wesfarmers General Insurance Limited
ABN 24 000 036 279

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Melbourne VIC 3000, AUSTRALIA
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www.wesfarmersinsurance.com.au

29 November 2013

Australian Competition & Consumer Commission
Level 35 The Tower
360 Elizabeth Street
Melbourne Central
MELBOURNE VIC 3000

FILE No:
DOC:
MARS/PRISM:

Dear Sir/Madam,

RE: Third Line Forcing Notification

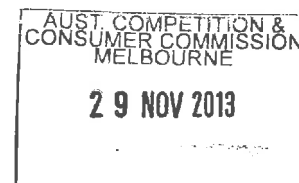
Please find enclosed with this letter a Third Line Forcing Notification by Wesfarmers General Insurance Limited (ABN 24 000 036 279) in accordance with section 93(1) of the *Competition and Consumer Act 2010* (Cth).

If you have any queries regarding this Notification please do not hesitate to contact me on (03) 9854 6805.

Yours faithfully



Effie Assimakopoulos
Risk & Compliance Manager
Wesfarmers Insurance – A&D



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)

N97130 **Wesfarmers General Insurance Limited ABN 24 000 036 279**
("Wesfarmers")

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

Wesfarmers is an insurance underwriter offering a range of insurance policies, including insurance policies branded "Coles Insurance". Wesfarmers offers a range of Coles Insurance branded home insurance policies and motor vehicle insurance policies.

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

**Christian Bauer
Wesfarmers Limited
Corporate Solicitors Office
11th Floor,
40 The Esplanade
Perth WA 6000**

2. Notified arrangement

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

This notice relates to Coles Insurance branded motor vehicle insurance products offered by Wesfarmers which are acquired by the general public ("Products").

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

Wesfarmers proposes to offer discounts on Products to some existing Product Holders and/or some prospective purchasers of Products ("Eligible Customers") on the condition that they are a member of One

Big Switch (“OBS” – see further details at Item 3 below) offered by One Big Switch Pty Ltd. The notified conduct will arise where Wesfarmers:

- (a) gives or allows, or offers to allow, a particular discount or allowance in relation to the Products to Eligible Customers on the condition that the Eligible Customer is a member of OBS (refer to Item 3 below), and so are acquiring services from OBS;**
- (b) refuses to give or allow, or offer to give or allow, a particular discount or allowance in relation to Products to Eligible Customers for the reason that the Eligible Customer is not a member of OBS and so have not agreed to acquire services from OBS.**

(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)

The conduct relates to persons who are or may become members of OBS . OBS is a generation consumer network operated by One Big Switch Pty Ltd which generates discount offers for its members from third party product/service providers.

- (b) Number of those persons:**

- (i) At present time:**

Unknown but significantly greater than 50.

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

Unknown but significantly greater than 50.

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

N/A .

4. Public benefit claims

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

Wesfarmers considers that the proposed conduct will provide the following benefits to the public:

- a consumer benefit by giving members of OBS the opportunity to obtain discounts on Products; and**

- **other motor vehicle insurance providers will be encouraged to develop similar offerings that compete with the Products offered by Wesfarmers.**

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

In addition to the benefits described above, it should be noted that:

- **at present, there is no cost in enrolling with OBS;**
- **there is no compulsion for members of OBS to purchase a Product from Wesfarmers;**
- **there is no compulsion for members of OBS to purchase motor vehicle insurance.**

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 relevant market is the retail market for motor vehicle insurance products in Australia. Wesfarmers would characterise this market as very competitive and notes that many competitors currently engage in conduct similar to that which Wesfarmers proposes to engage in.

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)

Wesfarmers considers that the proposed conduct will not give rise to any public detriments.

(b) Facts and evidence relevant to these detriments:

Wesfarmers submits that the proposed conduct will not result in any detriments to the public because:

- **Wesfarmers' arrangement with Eligible Customers will not be an exclusive arrangement conditional upon acquisition of services from OBS. Instead, Eligible Customers will be free to purchase Products from Wesfarmers at standard prices without acquiring services from OBS;**
- **Eligible Customers are free to enter into arrangement with other providers of motor vehicle insurance providers that compete with Wesfarmers Products; and**
- **Products will remain available for purchase from Wesfarmers to the market generally;**
- **There are many alternative providers of motor vehicle insurance products that OBS members may purchase products from.**

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 Effie Assimakopoulos

Wesfarmers General Insurance Limited

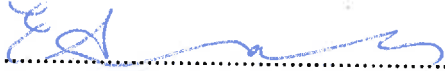
Level 4, 440 Collins Street

Melbourne VIC 3000

Tel: (03) 9854 6805

Dated..... 29/11/2013

Signed by/on behalf of the applicant


.....
(Signature)

EFFIE ASSIMAKOPOULOS
.....
(Full Name)

WESFARMERS INSURANCE
.....
(Organisation)

RISK & COMPLIANCE MGR - ASD
.....
(Position in Organisation)

