



Australian Competition & Consumer Commission

FILE No:
DOC:
MARS/PRISM:

WOODSTOCK TIMBER TOOLS  
AND MACHINERY PTY LTD

T/AS CARBA-TEC (WA)

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ACN 144 521 139

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Attn : Darrell Channing, Mark Basile

GPO Box 3131

CANBERRA ACT 2601

REF: Tooltechnic Systems (Aust) Pty Ltd 54966



Dear Sirs,

Woodstock Timber Tools & Machinery Pty Ltd T/A Carba-Tec WA is a retailer of Festool power tools sourced from Tooltechnic Systems (Aust).

We support the application from Tooltechnic Systems Proposed Arrangement.

Festool products are high quality power tools with an extensive and unique product support base which ensures purchasers of the product have the best quality tools and ancillary accessories to ensure that they achieve the advertised results obtainable using the Festool product.

The Festool buying public are generally very demanding of local dealers to support their power tool purchases with the extensive range of accessories. They generally will not compromise the potential of their Festool power tools by buying generic brand product...for example, the Festool power saw owner will almost always insist on a Festool Brand circular saw blade, a Festool Jigsaw owner will generally insist on Festool Jigsaw Blades. There are unique power tools in the Festool range which require extensive stock lines to support purchasers

As a dealer, we are required to stock a significant range of these tools and their accessories to properly support our customer requirements. There is a significant investment by us in this stock holding, which we are pleased to do to meet customer expectations. We are actively encouraged by Tooltechnics (Aust) as 'Partners' in servicing Festool customer's requirements

There are holding costs which are justified by the certainty that Festool customers require access to tools and accessories which are displayed for easy inspection in a dedicated display area of significant size, and backed up by extensive sales staff knowledge.. This business contributes financially to an extensive Festool training programme designed to properly equip our sales people with the knowledge to recommend the right tool or accessory for the customer. Festool customers expect this support.

Festool publishes an extensive catalogue of product which is available to customers as a print edition, or able to be referenced on-line which gives them information about the product and states the recommended retail price. There is great certainty in a customer's mind therefore by the time the

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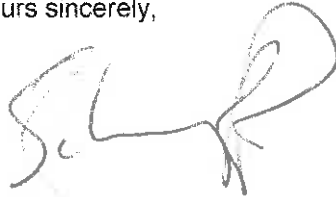
customer enters the store. Our task is to review the customer's expectations and ensure that the right product is available to them at the expected price point.

Tooltechnics (Aust) provides us with access to technical assistance during the trading day which is often called upon by my staff to clarify customer's technical questions outside of our experience.

Festool products offer great benefits to our customers which we are pleased to support from 8:30pm-5:00pm six days a week. Festool customers like certainty. We are pleased to support this expectation.

The Festool customer benefits greatly from this deliberate and well planned process and provided it remains economically viable for us to continue to offer this product range in a traditional retail setting, we will continue to service this brand. Based on such certainty, it should become more attractive to Festool Partners to extend their offering of Festool products, making a better offer available to the consumer.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Geoffrey C Schupp', with a large, stylized flourish at the end.

Geoffrey C Schupp

Proprietor/General Manager

July 11, 2014