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21 October 2014

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Dear Sir/Madam

## Tooltechnic Systems (Aust) Pty Ltd application for authorisation A91433–draft determination

The Australian Competition and Consumer Commission (ACCC) has issued a draft determination in respect of the application for authorisation lodged by Tooltechnic Systems (Aust) Pty Ltd (Tooltechnic) on 20 June 2014.

Please see the ACCC's publication <u>Authorisation process - the basics</u> for a summary of the authorisation process and how to make a submission to the ACCC.

Tooltechnic is seeking authorisation to set minimum retail prices, a practice known as resale price maintenance, for Festool products for five years.

## **Draft determination**

A copy of the ACCC's draft determination and summary of its reasons is attached.

For the reasons set out in its draft determination, the ACCC proposes to grant conditional authorisation to Tooltechnic to engage in resale price maintenance for three years.

The ACCC proposes to impose conditions which require Tooltechnic to provide the ACCC with certain information during the period of authorisation. This will allow the ACCC to monitor the impacts of resale price maintenance over that time and will inform consideration of any future application for reauthorisation by Tooltechnic.

## **Next steps**

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **7 November 2014**. Submissions should be emailed to <a href="mailto:adjudication@accc.gov.au">adjudication@accc.gov.au</a> with the subject "A91433 – Tooltechnic – submission".

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and

while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **7 November 2014**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to the application.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication <u>Guidelines for excluding information from the public register</u>.

## **Timetable**

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

Indicative date	Stage in assessment process
20 June 2014	Lodgement of application and supporting submission
9 July 2014	Public consultation process begins
21 October 2014	Draft determination
November 2014	Public consultation on draft determination including any conference if called
December 2014	Final determination

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please do not hesitate to contact Darrell Channing on (02) 6243 4925 or Hien Le on (02) 6243 1192 or <a href="mailto:adjudication@accc.gov.au">adjudication@accc.gov.au</a>.

Yours sincerely

Dr Richard Chadwick General Manager Adjudication Branch

2