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## 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)*

N97546

BAP Holdings Victoria Pty Ltd ACN 139 478 621 (BAP).

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

BAP carries on the business of developing residential land situated in Paragon at Point Cook Homestead Road, Point Cook, Victoria (Paragon).

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

c/- Cooper Grace Ward Lawyers

Attention: Marcus Ford

GPO Box 834

BRISBANE QLD 4001

### 2. Notified arrangement

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

The goods or services to which this notice relate is the proposed sale of seven residential home and land packages at Paragon.

The development at Paragon commenced in February 2011, and to date approximately 183 lots have been sold.

Upon completion, Paragon will comprise 381 residential lots. It is expected that Paragon will be developed in stages over the following 2 years.

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

BAP is the registered owner of land in Paragon.

BAP proposes to enter into an agreement with PDH Group Pty Ltd ACN 125 135 524 (**Porter Davis**) in which it intends to give Porter Davis the exclusive right to construct residential homes on a number of residential lots which form part of Paragon (“**proposed arrangement**”).

Under the proposed arrangement, a purchaser entering into a contract to purchase particular lots will do so on the basis that the purchaser also enters into a building contract with Porter Davis to construct their home on that lot.

*(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 persons likely to be affected by the proposed arrangement are consumers seeking to purchase residential land in Paragon between the dates of the date of authorisation by the ACCC until those lots are sold, and who require building services for that lot.

- (b) Number of those persons:

- (i) At present time:

Unknown, however the proposed arrangement is limited to seven lots in Paragon. Lots in Paragon are available to the general public.

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

Unknown. Lots in Paragon Estate are available to the general public.

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

Unknown at this stage.

#### 4. **Public benefit claims**

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

- Purchasers of specified lots will:
  - receive the benefit of obtaining a new home in a residential estate for a fixed price;
  - will not be required to expend further cost in obtaining separate services for design and construction of a residential dwelling;
- Porter Davis will not be required to pay duty on the purchase of the residential lot, as such, this cost will not be passed onto the purchaser.
- The proposed arrangement will provide Porter Davis with certainty of volume of work providing it with the opportunity to decrease its supply costs.
- Porter Davis has a proven track record, providing purchasers with certainty of quality of workmanship.

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

- There is no obligation on the purchaser to purchase land from BAP, nor to use Porter Davis for the construction of a home outside of specific Lots within Paragon.
- The proposed arrangement will not decrease competition in the relevant market as there are several other developers offering house and land packages in the relevant market.
- The Victorian Government offers duty concessions to purchasers who purchase house and land packages.

#### 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 market likely to be affected by the proposed arrangement is the market for residential homes in Point Cook, Victoria.

There are a number of suppliers in the market referred, with a number of developers and builders operating in Point Cook, Victoria. The other suppliers in this market offer strong competition to Paragon regarding the supply of residential house and land packages.

**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)*

BAP considers that there would be a negligible public detriment resulting from the proposed arrangement in the relevant market.

BAP does not consider that the proposed arrangement will have any negative effect on the prices of home and land packages in the notified market.

- (b) Facts and evidence relevant to these detriments:

- Porter Davis is a registered and licensed builder in the state of Victoria, with a proven track record.
- The proposed arrangement will have a negligible effect on competition because consumers will only be required to use Porter Davis to build their home at Paragon in relation to certain lots. Not all lots in Paragon will be sold on the condition that the purchaser uses Porter Davis.
- The proposed arrangement in no way limits the genuine choice of consumers as there are many other suppliers in the market from which consumers can choose to obtain building services for the building of their home at Paragon.
- Purchasers of the specified lots will avoid the uncertainty of overall costs for the construction of a home on their Lot through the purchase of a house and land package.

**7. Further information**

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

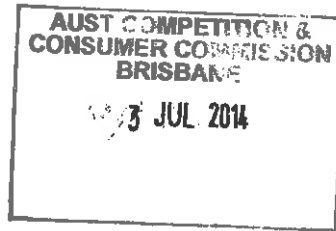
c/- Marcus Ford  
Cooper Grace Ward Lawyers  
Level 21 400 George Street,  
Brisbane QLD 4000

Dated..... 3 July 2014.....

Signed by/on behalf of the applicant

.....  
(Signature)

.....  
Marcus Ford  
Partner, Cooper Grace Ward Lawyers



## **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.

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