

# 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)*

N98372 Australian Karting Association Ltd.

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

As of 1 September 2013, Australian Karting Association Ltd took over the administration and business of the Australian Karting Association Inc. In this notification, we have referred to the Australian Karting Association Ltd and the Australian Karting Association Inc. collectively as "AKA".

Formed in 1966, the AKA is a not-for-profit organisation appointed by the Federation Internationale de l'Automobile and the Confederation of Australian Motor Sport under a delegation agreement to administer and control the sport of kart racing in Australia.

The objects and purposes of the AKA are:

- to promote and protect the sport of Kart Racing;
- to encourage competition from a young age at appropriate levels so as to develop excellence and to increase participation in the sport of karting;
- to promote excellence and just and honourable practices in the sport and to suppress malpractice;
- to ensure that the sport of karting is conducted at all levels and in all places with a view to ensuring that competition is conducted in the safest possible environment and with integrity
- to do all such acts which, in the opinion of the AKA are for the general benefit of members or of Karting;
- to ensure that all motor sport in Australia is carried out in a manner which secures and enhances the safety of participants, officials, spectators and the public and which allows the sport to be competitive and fair;

- to develop, implement and vigilantly monitor a strategic plan, to ensure the best possible and safe outcome from karting of all stakeholders;
- to promote and be engaged in road safety and road education and the value of karting in developing road skills;
- to formulate or adopt and implement appropriate policies, including in relation to harassment, equal opportunity, privacy, equity, drugs in sport, health, safety, infectious diseases and such other matters as arise from time to time as issues to be addressed in motor sport.

The member associations of the AKA are the:

- Australian Karting Association (Tas) Inc.
- Australian (New South Wales) Inc.
- Australian Karting Association (QLD) Inc.
- Karting WA Inc.
- Australian Karting Association Northern Territory (Inc.) and
- Victorian Karting Association Inc.
- Australian Karting Association South Australia

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

Ian Simpson  
 Simpson & Partners Solicitors Pty Ltd  
 4 Mid Dural Road  
 Galston NSW 2159

## 2. Notified arrangement

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

The arrangement relates to the supply of kart racing tyres in Australia.

(b) Description of the conduct or proposed conduct:  
*(Refer to direction 4)*

The AKA proposes to, from time to time, provide kart racers with the ability to participate in certain classes of competition on condition that the kart racer uses a control tyre or tyres that have been approved for use in a particular class of competition.

Currently, 24 classes out of the 30 classes of competition administered by the AKA are subject to the proposed conduct, being:

- KA12, Cadet 9, Cadet 12, KA Junior, National (Junior and Senior) and TaG 100;
- KA1, Clubman (Junior and Senior), TaG Restricted and KF3;
- KA X30, KA TaG and X30; and
- TaG 125, KF2, KZ2 and KZ3

The AKA may enter into agreements in the future with further suppliers to be approved suppliers in respect of new classes of competition.

The use of Control Tyres and other control components is common, universal practice in most categories of motor sport in Australia and around the world.

**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 the administration of kart races, competition in kart races and the distribution and use of kart tyres.

- (b) Number of those persons:

- (i) At present time:

As at May 31, 2015 there were a total of 7610 AKA licenced drivers. Competition licences can be obtained from age 7 onwards.

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

It is estimated that there will be a similar number of AKA members and race participants within the next year.

- (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)*

***Quality and safety***

The proposed conduct allows the AKA to ensure the quality, reliability, performance and safety of the kart tyres used in its competitions. Only world brand names with the highest reputations for the manufacture of safe, effective and consistent competition race tyres, such as Dunlop, MG, Yokohama, VEGA, MOJO, Bridgestone etc are considered for use as a Control Tyre.

### ***International opportunities***

The proposed conduct increases the international opportunities available to AKA competitors through the Australian use of racing tyres that are commonly used in competition around the world.

### ***Promotion of karting as a sport in Australia***

The proposed conduct contributes greatly to the promotion of karting as a sport in Australia, as it gives racers the opportunity to participate in a class of competition that would otherwise not be available to them without the likes of MG, Dunlop, Mojo and others, the AKA would not offer certain classes of sponsor promoted racing.

Further, under its agreements with approved suppliers, annual fees are payable to the AKA. The AKA is a not-for-profit organisation and uses this money to finance its activities and promote and develop karting as a sport in Australia.

### ***Cost savings***

As a result of the sales volume flowing from the proposed conduct, and the removal of the need to develop new and faster tyres so as to beat the opposition brand of tyre in a multiple tyre style of competition, approved suppliers are able to offer lower prices to consumers than they would otherwise be able to offer for the tyres.

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

The proposed conduct will allow members of the AKA to participate in events and gain opportunities, including international opportunities that would otherwise not be available to them.

In addition, the proposed conduct allows the quality, performance and safety of the tyres to be guaranteed and allows approved suppliers to capitalise on the sales volume flowing from the proposed conduct, resulting in lower prices for consumers.

It enables the AKA to conduct kart races on a 'level playing field' without the need for competitors to purchase and test multiple tyre brands at considerable additional cost so as to determine what may be the best tyre for a particular race on a particular race track

The proposed conduct also enables the AKA to increase its revenue which in turn allows it to fulfil its objectives and promote and develop the sport of karting in Australia.

## **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 distributors 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)*

For the purpose of this notification, the relevant markets are the markets for the supply of kart racing tyres in Australia and the market for the provision of kart racing competitions in Australia.

## **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)*

There is no significant competitive detriment

There are classes of competition run by the AKA that are not subject to the proposed conduct and the AKA does not propose to make these classes of competition subject to the proposed conduct.

In the classes of competition not subject to the proposed conduct, participants may purchase the required tyres from their supplier of choice.

For classes of competition that are subject to the proposed conduct, participants may be able to use these tyres in a number of other karting events.

Further, it is open to any supplier to apply to the AKA to be an approved supplier in respect of a new class of competition, the AKA will consider any such proposal on its merits.

The selection of the Control Tyre/s is determined through an open tender process.

For the reasons outlined above, the notified arrangement would not result in a significant competitive detriment.

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

There are currently 30 classes of competition run by the AKA. Currently only 24 of these classes are subject to the proposed conduct. This supports the view that participants currently have, and will always have, the opportunity to compete in a

number of AKA events in respect of which there is the option to purchase the required kart tyre from their supplier of choice.

**7. Further information**

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

Ian Simpson  
Simpson & Partners Solicitors Pty Ltd  
4 Mid Dural Road  
Galston NSW 2159

Dated: 7 July 2015

Signed ~~by~~ on behalf of the applicant

  
.....  
(Signature)

.....  
(Full Name)

Ian Simpson  
Solicitor

.....  
(Organisation)

4 Mid-Dural Rd  
Galston 2159

.....  
(Position in Organisation)

## 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 the part of the business of the person giving the notice in the course of which the conduct is engaged in.
4. If the 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.

## Australian Circuit Racing Control Tyre Requirements - 2015

### V8 Super Cars and V8 Supercars Development Series - Dunlop

#### 4. Wheels and Tyres

Part Name	Part No or Drawing No	Manufacturer	Supplier
18" V8 Supercar Wheel	Y063 81152-CL3	Rimstock	Racer Industries
18" Tyre - Soft		Dunlop	Dunlop
18" Tyre - Hard		Dunlop	Dunlop
Wheel Nut	V8SC-5-001	Team	

#### 5. Brake System

Part Name	Part No or Drawing No	Manufacturer	Supplier
Brake Caliper Front Right	CP6268-2S7L V8SC	AP Racing	Competition Friction
Brake Caliper Front Left	CP6268-3S7L V8SC	AP Racing	Competition Friction
Brake Caliper Rear Right	CP6267-2S0L V8SC	AP Racing	Competition Friction
Brake Caliper Rear Left	CP6267-3S0L V8SC	AP Racing	Competition Friction
Brake Disc Front Right	CP6272-108GC V8SC	AP Racing	Competition Friction
Brake Disc Front Left	CP6272-109GC V8SC	AP Racing	Competition Friction
Brake Disc Rear Right	CP6372-102GE V8SC	AP Racing	Competition Friction
Brake Disc Rear Left	CP6372-103GE V8SC	AP Racing	Competition Friction
Brake Moulding Bell Rear	CP2549-2547 V8SC	AP Racing	Competition Friction
Brake Bobbins	CP4135-107FR	AP Racing	Competition Friction
Brake Pad Front	CP6268D62	AP Racing	Competition Friction
Brake Pad Front-Option 1	Project Mu H16-03	AP Racing	Competition Friction
Brake Pad Front-Option 2	Ferodo DSUno	AP Racing	Competition Friction
Brake Pad Front-Option 3	PFC 01	AP Racing	Competition Friction
Brake Pad Rear	CP6267D50	AP Racing	Competition Friction
Brake Pad Rear-Option 1	Pagid RS4-4	AP Racing	Competition Friction
Brake Pad Rear-Option 2	Ferodo DS3000E	AP Racing	Competition Friction
Brake Pad Rear-Option 3	PFC 97	AP Racing	Competition Friction

### Formula 3 - Kumho

#### S13 TYRES

##### S13.1 Tyre Regulations

- (a) Each automobile must only be fitted with the tyres supplied by Kumho Tyre Australia Pty Ltd as detailed below at all times during a meeting. With the exception of wear resulting from normal usage, each tyre must remain unmodified.

Dry Tyres	Front	200/550R13	Kumho Ecsta	S700 Slick Tyre
	Rear	240/570R13	Kumho Ecsta	S700 Slick Tyre
Wet Tyres	Front	180/550R13	Kumho Ecsta	W700 Wet Racing Tyre
	Rear	240/570R13	Kumho Ecsta	W700 Wet Racing Tyre

Please note: Each tyre must be marked AUSF3

### Aussie Racing Cars - Yokohama



#### S13 TYRES

Each automobile must only be fitted with Yokohama Advan A048R tyres at all times during each round of the Series

With the exception of the shoulders of a tyre at no time prior to the commencement of any race, practice or qualifying session may any tread wear indicator be exposed and the original tread pattern must always remain visible on any tyre that is fitted to any automobile



## Australian GT Championship - Pirelli



### S14 TYRES

- (a) At all times during a round of the Championship, each automobile must only be fitted with approved tyres in accordance with the Category Tyre List that shall detail each tyre size and compound permitted to be used on each make/model. See Appendix 3 for Issue 1 of the Category Tyre List
- (b) The Category Tyre List may be amended by the CM, subject to the approval of CAMS. Any resulting changes shall be advised to each Competitor by the CM and shall take effect from the date as shown on the List. Each automobile must only use tyres supplied by the following supplier

Pirelli/Trofeo Motorsport

## V8 Touring Car Championship - Kumho



**T48.5** Each automobile are required to have fitted a driver's side window net, and where any automobile is used to carry a passenger while on the racetrack, the automobile must be fitted with a passenger's side window net. All window nets must comply with Schedule I of the CAMS Manual of Motor Sport

**T48.6** Each automobile must be fitted with roll over (safety cage) protection

### T49 TYRES

Only the controlled Kumho 280/680R17 - S700 K91 slick tyre and 280/680R17 - W700 K21 wet weather tyre may be used.

## Formula 4 - Hancock Tyres

**43.3** CAMS has the exclusive rights to negotiate sponsors for the following categories;

- a) Championship Naming Rights
- b) Engine partner
- c) Oil partner
- d) Tyre partner
- e) Brake partner
- f) Shock absorbers and dampers partner

## Australian Sports Racer Series

### S13 TYRES

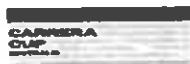
- (a) Automobiles must only use the specified control tyre brand approved by CM
- (b) Unless stated otherwise in the event Supplementary or Further Supplementary Regulations, a maximum of four (4) new dry tyres (2 front & 2 rear) shall be marked for each automobile for each Round of the Series. With the exception of treaded tyres used

## Australian Sport Sedan Series - Dunlop

### S13 TYRES

- (a) Each automobile that is eligible for the Series must only be fitted with tyres as supplied by an Australian Dunlop distributor.

## Australian Porsche Carrera Cup - Michelin



### S13 TYRES

#### S13.1 Tyre Regulations

- (a) Only the control tyres listed below, complete with barcode identification, are permitted for use in the Championship.

#### Dry weather tyres

- Front: Michelin slick tyre - 27/65-18 Porsche Cup N2#
- Rear: Michelin slick tyre - 31/71-18 Porsche Cup N2

#### Wet weather tyres

- Front: Michelin wet tyre - 27/65-18 P2G
- Rear: Michelin wet tyre - 31/71-18 P2G

- (b) Only tyres supplied by the following supplier may be used:

**European Technique**  
338 Swan Street  
Richmond VIC 3121

## Touring Car Masters - Hoosier

### S13 TYRES

- (a) Each automobile must only be fitted with Hoosier tyres in compliance with the maximum tyre sizes stated in Appendix B of these regulations and as detailed in the following tables

Dry Tyres		
Size	Type	Wheel diameter
205/60-13	DOT Radial	13"
225/45-13	DOT Radial	13"

The tyres detailed on the list above must only be supplied by the TCM Series tyre supplier and/or their approved agent

*Hoosier Racing Tire Australia (Max Dumesny Motorsport)*

*17 Blind Road,*

*Nelson NSW 2765*

## Porsche GT3 Cup - Pirelli

### S13 TYRES

#### S13.1 General

Each automobile must only be fitted with tyres as detailed below

#### (a) Dry Weather Tyres

	Class A	All Other Classes
Front	Pirelli 205-645-18 DH Medium/Hard compound	Pirelli 245-645-18 DH Medium compound
Rear	Pirelli 315-680-18 DH Medium/Hard compound	Pirelli 305-680-18 DH Medium/Hard compound

#### (b) Wet Weather Tyres

	Class A	All Other Classes
Front	Pirelli 205-645-18 WH Medium/Hard compound	Pirelli 245-645-18 WH Medium compound
Rear	Pirelli 315-680-18 WH Medium/Hard compound	Pirelli 305-680-18 WH Medium/Hard compound



#### (c) Each automobile must only use tyres supplied by the following supplier

Trofeo Motorsport  
18 Technology Circuit, Hallam  
VIC 3803

## Australian GT Championship - Pirelli

### S14 TYRES

- (a) At all times during a round of the Championship, each automobile must only be fitted with approved tyres in accordance with the Category Tyre List that shall detail each tyre size and compound permitted to be used on each make/model. See Appendix 3 for Issue 1 of the Category Tyre List
- (b) The Category Tyre List may be amended by the CM, subject to the approval of CAMS. Any resulting changes shall be advised to each Competitor by the CM and shall take effect from the date as shown on the List. Each automobile must only use tyres supplied by the following supplier

Pirelli/Trofeo Motorsport

## Australian Manufacturers Championship - Hancock

- (b) Each automobile must only be fitted with Hancock Z221 tyres of size and compound listed below.

Size	Compound
195/55R15	Medium
215/45R17	Medium
225/45R17	Medium
235/45R17	Medium
235/40R18	Medium
245/40R18	Medium
265/35R18	Medium
285/30R18	Medium
295/30R18	Medium

- (c) Each tyre must be purchased from the control tyre supplier listed below or a Hancock tyre distributor approved by the CM

Gary's Motorsport Tyres

**V8 Ute Racing Championship - Yokohama****T7 TYRES**

(a) During each Round, each automobile must only use the following tyres:

Manufacturer: Yokohama  
 Model: ADVAN A048 YTA  
 Size: 235/40R18  
 Specification: MH Compound

**Radical Australia Cup - Dunlop****S13 TYRES**

(a) Each automobile must only be fitted with Dunlop tyres marked with the Radical trademark as supplied by Radical Australia (or a supplier nominated by the CM) at all times during a meeting

	Dry tyres		Wet tyres	
	Front	Rear	Front	Rear
Size	200/580 R15	265/605 R16	200/580 R15	265/605 R16
Compound	C29D	E40D	A22W	A22W

**HQ Nationals – Kenda Klever****S13 TYRES**

a) Each automobile must only be fitted with tyres as detailed below at all times during the event:

(i) Kenda Klever H/P KR 15 P235/60R1496H

**Australian Formula Ford Championship – Avon Tyres**