

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 in 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.

1. Applicant

(a) Name of person giving notice:

N98147 Cellarmaster Wines Pty Limited. ABN 950 767 279 49

(b) Short description of business carried on by that person:

Cellarmaster Wines Pty Limited is an online retailer of wine and wine-related products.

Address in Australia for service of documents on that person in relation to this matter:

c/- Rose Owen

General Counsel

News Limited

2 Holt Street

Surry Hills NSW 2010

Phone: 02 9288 3107

email: rose.owen@news.com.au

2. Notified Arrangement

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

Cellarmaster Wines Pty Limited will offer a range of offers to +Rewards members which include wines at a special price, wines with a bonus gift or wine vouchers.

(b) Description of the conduct or proposed conduct:

News Corp Australia operates the +Rewards program which provides rewards and benefits to certain News Corp Australia digital news service subscribers.

Through the +Rewards program, Cellarmaster Wines Pty Limited will offer to supply discounted product to certain News Corp Australia digital news service subscribers.

Cellarmasters will be able to refuse to offer the bonus or discounted goods unless the offeree has acquired certain News Corp Australia digital news services.

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:
News Corp Australia digital news service subscribers
- (b) Number of those Persons:
- (i) At present time:
Substantially more than 50
- (ii) Estimated within the next year:
Substantially more than 50
- (c) Where number of persons stated in item 3(b)(i) is less than 50, their names and addresses:
Not applicable

4. Public benefit claims

There are a number of significant public benefits which result from the proposed conduct:

- (a) Certain News Corp Australia digital news service subscribers can obtain discounted goods;
- (b) The offer may encourage competitors of News Corp Australia, including other newspapers, magazines and online media, to offer their customers and subscribers similar promotions and loyalty programs; and
- (c) Other retail competitors of Cellarmaster Wines Pty Limited may be encouraged to offer customer discounts through various newspapers, magazines or in store.

5. Market definition

It is not necessary to precisely define the applicable relevant markets affected as even in the narrowest potential market the notified conduct will not result in any lessening of competition.

6. Public detriments

The notified conduct would not result in public detriment, anti-competitive or otherwise, for the following reasons.

- Many businesses promote their products through customer loyalty programmes to increase awareness of new products or encourage general brand awareness and loyalty.
- News Corp Australia subscribers would be under no obligation to accept the offers from Cellarmaster Wines Pty Limited;
- The general public would be free to acquire relevant goods or services from other providers without any obligation to acquire a News Corp Australia news service subscription.
- Similar products are offered in the market and are highly competitive.

- Rewards programs encourage loyalty by customers and increase competition.
- The proposed conduct:
 - in no way limits the genuine choice of customers in choosing a provider of the products described in section 2a;
 - will not lessen competition as customers will be under no obligation to register and/or acquire goods from the +Rewards program as described in 2b simply because they are a News Corp Australia digital news service subscriber, and similarly, non-subscribers will be free to acquire goods from other liquor retailers.


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/- Rose Owen
 General Counsel
 News Limited
 2 Holt Street Surry Hills, NSW 2010
 Phone: 02 9288 3107
 email: rose.owen@news.com.au

Dated: 23.02.2015

Signed by/on behalf of the applicant



(Signature)

Rose Anne Owen

(Full Name)

News Limited

(Organisation)

General Counsel

(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 that part of the business of the person giving the notice in the course of 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 effected 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.