

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:
N98296 The Hoyts Corporation Pty Ltd ABN 31 006 082 551 of 680 George Street
Sydney NSW (Applicant)
- (b) Short description of business carried on by that person:
Hoyts Australia and New Zealand owns and operates 43 cinemas with over 400 screens and more than 75,000 seats. Hoyts cinemas are located in New South Wales, Victoria, Australian Capital Territory, South Australia, Western Australia and New Zealand.
- c) 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:
Applicant will offer a discount or value add redeemable at Hoyts Cinemas to people who have acquired certain digital news services and/or newspapers of News Limited and/or its related bodies corporate. (together, News Corp Australia).
- (b) Description of the conduct or proposed conduct:
Applicant will offer to supply free or discounted goods to people who have acquired certain News Corp Australia digital news services and/or newspapers.

Applicant will be able to refuse to supply to a person the free or discounted goods unless the person has acquired certain News Corp Australia digital news services and/or newspapers.

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 and/or newspaper purchasers/subscribers and purchasers of cinema tickets from Applicant.

(b) Number of those Persons:

(i) At present time:

Substantially more than 50

(ii) Estimated within the next year:

Substantially more than 50

(a) 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 is a number of significant public benefits which result from the proposed conduct:

- a) Certain News Corp Australia digital news subscribers and newspaper purchasers/subscribers can obtain free or discounted goods and services from Applicant;
- 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
- c) The service being provided by News Corp Australia and Hoyts will have no impact on the price of competing entertainment options.
- d) All competitors have the ability to introduce a range of different value-added services at their discretion that meet the needs of customers

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.

- As there are other cinema brands in the market and alternative loyalty programs, there is opportunity for two alternative parties to create a value-added service that is similar in nature to the service that will be provided by the Applicant and News Corp Australia.
- News Corp Australia digital news subscribers and subscribers/purchasers of newspapers would be under no obligation to accept the offers from Applicant;
- The general public would be free to acquire relevant goods or services from the Applicant without any obligation to acquire a News Corp Australia news service/product.

Many printed newspapers, magazines and online media services in Australia offer discount coupons or promotions to third parties' goods and services. This is to encourage loyalty to the publication or online service by customers and advertisers and increases competition between newspapers, media and online media services.

The notified conduct would have no appreciable effect on competition between providers of news and information services.

The notified conduct would have no appreciable effect on competition between entertainment providers.

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: 1.6.15

Signed by/on behalf of the Applicant



Rose Anne Owen

News Limited

General Counsel

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.
8. 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.
9. Describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
10. 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.
11. Describe the business or consumers likely to be affected by the conduct.
12. 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.
13. 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.
14. 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.
15. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.