

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)

N99247 Flight Centre Travel Group Limited trading as Flight Centre (ABN 25 003 377 188) (**Flight Centre**)

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

Flight Centre Travel Group is a travel retail company with its headquarters based in Brisbane Australia.

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

Attention: Peter Feros

General Counsel

Flight Centre Travel Group Limited

Level 5

545 Queen Street

Brisbane, 4000, Australia

2. Notified arrangement

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

1. Credit cards offered to retail customers by Australia and New Zealand Banking Group Limited ABN 11 005 357 522 (**ANZ**), being the ANZ Rewards Travel Adventures Credit Card (**ANZ Card**); and
2. Retail travel services sold by Flight Centre to eligible customers who have applied for the ANZ Card, been approved by ANZ and made an eligible purchase up to a required spend threshold on their ANZ Card (**Eligible ANZ Customers**).

(b) Description of the conduct or proposed conduct:

Flight Centre proposes to launch a promotional initiative in conjunction with ANZ in respect of the ANZ Card. Flight Centre will give or allow, or offer to give or allow, discounts to Eligible ANZ Customers.

Flight Centre, in conjunction with ANZ, may refuse to give or allow a discount to consumers who are not Eligible ANZ Customers.

The proposed conduct is similar to existing loyalty or reward programs offered by credit card issuers in the Australian marketplace and provides a benefit in return for holding and using a credit card issued by a particular card issuer.

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:

Eligible ANZ Customers.

Consumers of retail travel services.

(b) Number of those persons:

(i) At present time:

In excess of 50

(ii) Estimated within the next year:

In excess of 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

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

Flight Centre submits that the benefits to the public outweigh any detriment to the public likely to result from the notified conduct.

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

The notified conduct will be of benefit to the public due to the following:

- Promote competition in relevant markets by encouraging other providers of travel services to seek to offer similar promotional benefits.
- Provide consumers with the opportunity to obtain additional goods and services or additional goods and services at discounted prices in connection with the acquisition of goods or services from Flight Centre and ANZ.
- ANZ is only one of a number of providers of consumer credit cards, with other providers including the Commonwealth Bank of Australia, National Australia Bank, Westpac and GE Money. This market is likely to remain competitive for the foreseeable future. Accordingly, the notified conduct will not distort demand, create barriers to entry or otherwise harm competition in any relevant market.

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)

Flight Centre considers that the relevant markets for assessing this notification are:

- The retail travel services market.
- The retail market for financial products and services, specifically consumer credit cards. This market is highly competitive and characterised by relatively low levels of concentration, with a diverse range of services and continuing innovation and product development.

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)

Flight Centre submits that the notified conduct is unlikely to have any public detriment.

- (b) Facts and evidence relevant to these detriments:
There will be little to no public detriment in relation to the notified conduct due to the following:
- Customers of Flight Centre or ANZ are under no obligation to participate in any Flight Centre promotional offer;
 - Members of the public are free to acquire goods or services from Flight Centre without any obligation to acquire goods or services from ANZ;
 - The notified conduct would have no appreciable effect on competition between providers of retail travel services. In particular, Flight Centre competitors would be able to promote similar promotional offers;

The notified conduct would have no negative effect on competition between potential Flight Centre promotional partners. Competitors to ANZ would have a wide

variety of potential promotional arrangements to explore through other retailers, including other retailers of travel services.7. **Further information**

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

Scott Pratt

Legal Counsel, Flight Centre

Email: Scott_pratt@flightcentre.com

Level 5, 545 Queen Street

Brisbane, 4000, Australia

Telephone: 07 3170 7562

Dated 12/08/2016

Signed by/on behalf of the applicant



(Signature)

RACHAEL GREEN

(Full Name)

(Organisation) *FLIGHT CENTRE TRAVEL GROUP LTD.*

(Position in Organisation) *PARTNERSHIPS & GIFT CARDS
MANAGER.*

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.