

19th September 2016

The General Manager
Adjudication Branch
ACCC
GPO BOX 3131
CANBERRA ACT 2601

via email: adjudication@accc.gov.au

Re: A91550-British American Tobacco Australia Ltd and ORS - submission

Dear Ms Ransom,

I am the CEO and Director of Ritchies Stores Pty Ltd, a leading Independent supermarket and liquor business based in Carrum Downs, Melbourne. We operate in excess of 80 supermarkets and liquor stores across the East Coast of Australia, with the majority of our stores based in Victoria. Our company is 146 years old.

My single purpose in writing this letter, is to confirm with the ACCC, our company's complete endorsement of the cigarette tobacco companies' application, whereby as a joint strategy by the three tobacco companies, they intend to work together to identify, issues warning notices and if warning notices are not heeded, suspend or cease supply of their tobacco products to retailers and wholesalers who sell illicit tobacco products.

In simple terms, about time I say! We are sick to death of hearing and reading stories of these tobacco retailers who sell illicit substances such as chop chop and other illegal tobacco items. We need the three key manufacturers and government to take a very strong and aggressive stance. One warning is satisfactory and then no supply is the ultimate answer.

Furthermore, this action will help support and endorse the action taken by legal legitimate retailers trying to do the right thing, in selling tobacco and associated products.

With the illicit and illegal tobacco items, there must be health concerns within society and by acting decisively and stamping out these retailers, we do alleviate some of the concerns, as to what the consumer is actually inhaling into their body from the retail of illegal products.

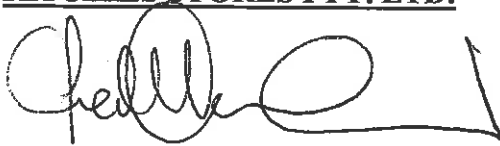
Our belief is that illicit trade makes up approximately 14% of tobacco sales as detailed in the 2015 KPMG report and this number has been steadily growing over the years. Furthermore, it has cost the government approximately \$24 billion in lost taxes. Not only will genuine retailers benefit from this decisive action but so too government coffers.

Ritchies does not consider that this application would encourage anti-competitive conduct and those who engage in criminal activity should not be protected by the provisions in the Competition and Consumer Act 2010. Ritchies also considers it would be unreasonable to expect the Applicants to continue trading with those individuals or businesses who support the illicit trade and which is harming our business. We have a strong working relationship with the three major tobacco companies and we fully support and endorse their strategy and ask the ACCC to do likewise.

Should you require and further information or clarification, please do not hesitate to contact the undersigned.

Yours faithfully,

RITCHIES STORES PTY. LTD.

A handwritten signature in black ink, appearing to read 'Fred Harrison', with a large circular flourish and a long horizontal stroke extending to the right.

FRED HARRISON
Chief Executive Officer