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22 April 2016 Sent by email

Dear Sir/Madam

Property Media Group Pty Ltd applications for authorisation A91537 and A91538 – invitation to comment

The Australian Competition and Consumer Commission (the ACCC) has received applications for authorisation from Property Media Group Pty Ltd (PMG).

The ACCC invites you to comment on these applications. Please see the ACCC's online publication Authorisation process - the basics for a summary of the authorisation process and how to make a submission to the ACCC.

The applications for authorisation

PMG seeks authorisation to collectively bargain terms, conditions and fees on behalf of certain real estate agents and franchisors of real estate groups with online media and advertising businesses who operate on-line residential property listing websites (with related mobile apps). Operators of on-line residential property listing websites include, but are not limited to, REA Group Ltd which operates realestate.com.au and Fairfax Media Limited which operates domain.com.au.

Authorisation is also sought for collective boycotts in certain circumstances. PMG submits three situations which might trigger a boycott are:

- a refusal by REA Group and/or Domain to negotiate with PMG
- a refusal by REA Group and/or Domain to negotiate in regard to the price charged for specific packages outside the current discounts provided to 'contract for all products' on a certain price level and
- a refusal by REA Group and/or Domain to negotiate in regard to flexibility of packages offered by PMG to agents. This would include offering a suite of different showcasing options, rather than one package for all property offering within a suburb.

PMG advises that should the need for a collective boycott occur, it is likely to take the form from the following four options (as described in detail on page 25 of the PMG's supporting submission to the application):

- 'packaged' based boycott
- 'regional' boycott
- 'price' based boycott and/or
- 'group' based boycott.

PMG seeks authorisation for five years. A full copy of the application for authorisation is available on the ACCC's website www.accc.gov.au/AuthorisationsRegister.

Request for submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed collective bargaining and boycott arrangements. You are also free to comment on any other issue you consider relevant to the ACCC's assessment.

If you intend to provide a submission, please do so by **13 May 2016**. Submissions should be emailed to adjudication@accc.gov.au with the subject "A91537 and A91538 – Property Media Group – submission".

Alternatively, if you would like to provide comments orally, please contact Ms Jaime Martin on 03 9290 1477 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's online publication <u>Guidelines</u> for excluding information from the public register.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the applications.

Timetable

The ACCC will progress its assessment of the applications in a timely manner. An indicative timetable is set out below for your information.

18 April 2016	Lodgement of application and supporting submission.
22 April 2016	Public consultation process begins.
13 May 2016	Closing date for submissions from interested parties.
27 May 2016	Applicant responds to issues raised in the public consultation process.
July 2016	ACCC issues draft determination.
July / August 2016	Public consultation on draft determination including any conference if called.
September / October 2016	ACCC issues final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the applications at the draft and final determination stages. If you are able to, please provide a nominated contact email address for future correspondence.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Ms Jaime Martin on 03 9290 1477 or adjudication@accc.gov.au.

Yours sincerely

David Hatfield Director

Adjudication