

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)

N99569 Kingmill Pty Limited ABN 58 003 966 649 trading as Thrifty (**Thrifty**)

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

Thrifty is a large car rental company in Australia and supplies a wide range of motor vehicles for hire to its customers. The range of passenger vehicles available ranges from small, economy cars to 8 seater people movers. Other vehicles available nationally include trucks and 4 wheel drive vehicles.

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

Lena Banoob
Corporate Lawyer
National Roads and Motorist's Association Limited
Level 1, 9 George Street
North Strathfield NSW 2137

2. Notified arrangement

- (a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:
(Refer to direction 4)

The relevant goods and services are:

- the provision of hire cars by Thrifty; and
- the provision of motor insurance by Insurance Australia Limited.

- (b) Description of the conduct or proposed conduct:

Thrifty proposes to Offer IAG Customers, who accept, the following benefit:

- 15% discount off daily rates of their car rental with Thrifty (Collectively referred to as **Offer**).

In order to minimise the risk of contravening sections 47(6) and / or 47(7) of the *Competition and Consumer Act 2010 (CCA)*, Thrifty and NRMA wish to notify the conduct under section 93(1) of the CCA.

For clarity, we note that whilst the ultimate parent company of Kingmill (being National Roads and Motorists' Association or NRMA) and IAL were previously under common ownership, IAL and NRMA are separate entities which resulted from a demutualisation which occurred several years ago (approved by the Court in 2000). Accordingly, neither NRMA nor Kingmill is currently a related body corporate of IAL.

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:¹
(Refer to direction 5)

The conduct relates to all IAL Customers (**Customers**).

- (b) Number of those persons:

- (i) At present time:

IAG currently has 400,000 number of customers.

We estimate that the number of Customers who are likely to take up the Offer of a discounted hire car is approximately 2% of the total number of Customers. This equates to approximately 8000 Customers.

- (ii) Estimated within the next year:
(Refer to direction 6)

We estimate that the numbers of Customers in the next year will be similar to that specified above.

- (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)

The proposed conduct will give rise to a public benefit by providing Customers with a discount/saving on the price of car hire where the Customer elects to take up the Offer.

The proposed conduct may also stimulate competitive responses from other hire car companies and motor insurance providers.

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

The notified conduct offers benefits to Customers by giving them an offer at Thrifty.

The notified conduct does not compel Customers to acquire anything from Thrifty pursuant to the Offer.

The notified conduct will not result in any restriction or limitation on the ability for Customers or any other consumer from purchasing motor insurance and similar services from other providers in the motoring insurance industry or purchasing car rental services from providers in the car rental industry.

The notified conduct will not result in increased prices to consumers generally.

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)

The relevant markets are:

- the market for motor insurance products; and
- the market for hire cars.

The market for motor insurance products is national. There are many other competitors in this market, including major suppliers like Suncorp/Promina, Allianz and QBE.

Thrifty is a national hire car provider and the proposed conduct will be offered on a national basis. Thrifty competes with a number of other national hire car providers including Avis, Budget, Europcar and Hertz. Thrifty notes that the market for the supply of hire cars may be sometimes limited by availability of stock and hire car providers depending on particular geographic regions.

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)

The proposed conduct will not have any material anti-competitive impact on consumers or consumer choice because:

- there is no compulsion on Customers to take advantage of this Offer. Any Claimant who wishes to hire a car is free to do so from any hire car company; and
- consumers who are not Customers will remain free to hire cars from Thrifty.

(b) Facts and evidence relevant to these detriments:

Not applicable.


7. Further information

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

Lena Banoob
 Corporate Lawyer,
 NRMA
 Level 1, 9 George Street
 North Strathfield NSW 2137

Dated 10 February 2017

Signed by/on behalf of the applicant


 (Signature)

LENA BANOOB.....
 (Full Name)

NATIONAL ROADS AND MOTORISTS'
 ASSOCIATION.....
 (Organisation)

CORPORATE LAWYER.....
 (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 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.

From: Lena Banoob
Sent: Tuesday, 14 February 2017 11:21 AM
To: Kelly, Theo
Subject: TRIM; RE: ACCC - Exclusive dealing notification - Thrifty-IAL [SEC=UNCLASSIFIED]
Attachments: 170210 Thrifty Form G IAG.PDF

HP TRIM Record Number: D17/18533

Hi Theo

Thanks you for your email.

This is to clarify that the conduct described in the Form G (copy attached) is an offer for any Insurance Australia Limited (trading as NRMA Insurance) customer to receive a 15% discount off their car rental from Thrifty.

Kind regards

Lena Banoob
Corporate Lawyer
at the NRMA