



Our ref: IM-72322
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Dear Interested Party

Re: Request for submissions – Endeavour’s proposed acquisition of the Prince Consort Hotel and attached bottle shop, Prince Cellars, in Fortitude Valley, Qld

The Australian Competition and Consumer Commission (**ACCC**) is seeking your views on the proposed acquisition of the Prince Consort Hotel and the attached bottle shop, Prince Cellars, located at 220-230 Wickham Street and 234 Wickham Street, Fortitude Valley, Queensland (the **proposed acquisition**) by Endeavour Group Limited (**Endeavour**).

Further details are provided at **Attachment A**.

Information from you or your business is one of the ACCC’s most valuable tools in assessing mergers. Your expertise in the hospitality and liquor industry, or your experience as a consumer, will help the ACCC understand the impact of the proposed acquisition, including how you or your business may be affected.

The ACCC’s investigation of the proposed acquisition is focused on the impact on competition. In particular, we are seeking your views on:

- how closely Endeavour’s bottle shops compete with the Prince Cellars bottle shop at the Prince Consort Hotel;
- the availability of other hotels and bottle shops in the area; and
- whether Endeavour’s increased size would impact the acquisition of liquor products at the wholesale level.

Further issues you may wish to address are set out in **Attachment B**. The legal test which the ACCC applies in considering the proposed acquisition is in section 50 of the *Competition and Consumer Act 2010* (Cth), which prohibits acquisitions that would have the effect, or be likely to have the effect, of substantially lessening competition in a market.

How to share your views

Please provide your written response by **27 October 2023** via email to mergers@acc.gov.au with the title: *Submission re: Endeavour’s proposed acquisition of the Prince Consort Hotel – attention Sophie Musker*. If you require more time to respond, please let us know.

Alternatively, if you would like to discuss the matter with ACCC officers, or have any questions, please call Sophie Musker on (03) 9658 6408 or Morgan Woodland on (02) 9230 9194.

This matter is public and you can forward this letter to anyone who may be interested.

Updates regarding the ACCC’s investigation will be available on the ACCC’s Public Mergers Register at ([ACCC mergers register](#)).

Confidentiality of submissions

The ACCC treats sensitive information it receives during a merger review as confidential and will not publish your submission. We will not disclose submissions to third parties (except our advisors/consultants) unless compelled by law (for example, under freedom of information legislation or during court proceedings) or in accordance with s155AAA of the *Competition and Consumer Act 2010*. Where the ACCC is required to disclose confidential information, we will notify you in advance where possible so that you have an opportunity to be heard. Therefore, please clearly indicate if any information you provide is confidential. Our [Informal Merger Review Process Guidelines](#) contain more information on confidentiality.

Yours sincerely



Daniel McCracken-Hewson
General Manager
Merger Investigations

Attachment A: Background

Prince Consort Hotel and Prince Cellars

The Prince Consort Hotel is located at 220-230 Wickham Street, Fortitude Valley in Queensland. The associated bottle shop, Prince Cellars, is located at 234 Wickham Street, Fortitude Valley.

The Prince Consort Hotel offers on-premises food and beverage consumption, live music and entertainment, gaming and wagering, and function services. The associated Prince Cellars bottle shop sells takeaway packaged liquor and operates under the 'Fleet Street' banner.

Fortitude Valley is a popular high-density urban nightlife district in central Brisbane, with a nightlife and entertainment precinct comprised of several bars, nightclubs, entertainment venues, restaurants and hotels.

Endeavour

Endeavour is a major Australian alcoholic drinks retailer and hotel operator that operates a portfolio of brands including BWS, Dan Murphy's, Jimmy Brings and Langton's. Endeavour also manages over 330 licensed hotels across Australia through its subsidiary, ALH Hotels.

Until 28 June 2021, Endeavour was a subsidiary of Woolworths Group (Woolworths). Endeavour separated from Woolworths via a demerger and is now a separately listed corporation on the ASX (ASX:EDV).

Endeavour currently operates 2 hotels within 2km of the Prince Consort Hotel:

- the Brunswick Hotel (approximately 837m from the Prince Consort Hotel on a straight-line basis); and
- Hello Gorgeous (approximately 833m away from the Prince Consort Hotel on a straight-line basis).

Endeavour currently operates 7 bottle shops within 2km of Prince Cellars:

- BWS Valley Central;
- BWS Fortitude Valley;
- BWS Emporium;
- BWS Brunswick;
- Dan Murphy's Newstead;
- BWS Teneriffe; and
- BWS Merthyr Road.

Attachment B: Questions

1. Please provide a brief description of you, your business or organisation and explain your interest in the proposed acquisition, including any commercial relationship(s) with **Endeavour** and/or the **Prince Consort Hotel**.

Questions for consumers and bottle shops

2. Identify any factors that you consider are important to, or valued by, bottle shop customers in Fortitude Valley. For example, the brand of the bottle shop, its range of products, product prices, service quality, whether the bottle shop is located near other retail stores, opening hours etc.
3. Which bottle shops in Fortitude Valley do you consider compete most closely with Prince Cellars (having regard to factors such as product range, price, quality (including service and site amenity) opening hours, location and promotional activity)? Please identify and describe these bottle shops, and why they compete closely with the Prince Cellars.
4. How closely do you consider Prince Cellars competes with (i) BWS Fortitude Valley and (ii) BWS Valley Central (having regard to factors such as product range, price, quality (including service and site amenity) opening hours, location and promotional activity)?
5. Outline the geographic area over which you generally source takeaway liquor in Fortitude Valley, including the likely form of transport, such as walking, driving or public transport.

Questions for bottle shops

6. Describe the ease or difficulty of establishing new bottle shops in the local area. In your answer, please have regard to any relevant factors, including cost, time, obtaining relevant regulatory approvals (e.g. liquor licences) and availability of appropriate sites.
7. Describe the impact (if any) of removing Prince Cellars on the strength of the Fleet Street brand. In your response, please consider the importance of having multiple locations in a region (such as the impact on brand awareness or economies of scale in relation to advertising).
8. Describe the geographic area over which customers in the local area generally source takeaway liquor and their ability to switch to alternative bottle shops in response to a reduction in product range or opening hours, or an increase in prices at Prince Cellars.
9. Describe the different types of "customer missions" for typical customers of bottle shops in Fortitude Valley (i.e. how many customers are "buying for now" e.g. to consume at a nearby venue, and how many customers are "buying for later" e.g. to consume at home).

Questions for consumers and hotels

10. Identify and discuss the hotels and/or other venues that compete with the Prince Consort Hotel in relation to hospitality services in the local area. In your response, please consider price, quality, location, and range of offering (including food and liquor offerings and live entertainment and gaming - including poker machines, lotteries, and network games).

Questions for wholesalers

11. Identify the impact (if any) of the proposed acquisition on the wholesale supply of liquor, either at the state or national level. For example, whether the removal of the Prince Cellars as an independent wholesale customer would impact the scale, competitiveness and/or efficiency of a wholesale supplier's offerings to other independent retailers.

Additional information

12. Describe the impact (if any) that replacing Prince Cellars with a BWS may have for customers or suppliers in Fortitude Valley.
13. Outline any other concerns you have about the likely competition effects of the proposed acquisition or comments you consider relevant to the ACCC's assessment, including your reasons.