



Australian
Competition &
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Commission

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NEWS RELEASE

ACCC WILL NOT OPPOSE AUSTRALIAN PAPER'S PROPOSED ACQUISITION OF EDWARDS DUNLOP OFFICE PRODUCTS

The Australian Competition and Consumer Commission will not oppose Australian Paper's proposed acquisition of the Edwards Dunlop Office Products division (EDOP) of BJ Ball.

The ACCC review focused on the supply of copy paper in Australia and included market inquiries with a range of suppliers of copy paper, customers and buying groups, and including current and some potential competitors of Australian Paper

"Market participants expressed a range of views, including concerns from some that the removal of EDOP as a major distributor of copy paper in Australia would limit the options available to customers such as smaller stationery stores," ACCC Chairman Rod Sims said.

"However, despite the acquisition resulting in the removal of a close competitor, the majority of market participants considered that there were a number of potential alternative distributors of copy paper in Australia, and that importers of copy paper would be a strong constraint on Australian Paper," Mr Sims said.

The ACCC found copy paper from different manufacturers is very similar and that customers readily switch between manufacturers for supply.

"Copy paper is a low margin commodity product business. More than half of Australia's copy paper is currently imported into Australia. If Australian Paper attempted to increase prices after the acquisition, importers/distributors would face few significant barriers to entry or expansion," Mr Sims said.

Australian Paper has also committed not to include any exclusivity restriction in any proposed contract with EDOP's largest copy paper customer group, which should further facilitate competition.

Please see the ACCC's public register for more information.

Background

Australian Paper (also known as Australian Office) is the only Australian manufacturer of copy paper, including the Reflex brand. BJ Ball, through EDOP, imports and supplies copy paper to customers throughout Australia.

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