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Our ref: N10000479
Contact officer: Luke Griffin
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12/06/2019

Alexandra Merrett Competition Lawyer

By email: <u>alexandramerrett@bigpond.com</u>

Dear Ms Merrett

N10000479 - Mustad Australia Pty Ltd - no further action

I refer to the exclusive dealing notification lodged with the Australian Competition and Consumer Commission (the **ACCC**) by Mustad Australia Pty Ltd (**Mustad**). The notification has been allocated the registration number N10000479.

Commencement of legal protection

Protection from legal action provided by this notification commenced automatically when it was validly lodged with the ACCC on 20 March 2019.

While the legal protection is in force, Mustad may engage in the conduct as described in the notification without the risk of breaching the exclusive dealing provisions of the *Competition and Consumer Act 2010* (Cth) (the **Act**).

The notified conduct

Under the notified conduct Mustad will supply hoofcare products to three Saddleworld stores that it has agreed to sell to EQ Saddleworld Pty Ltd and EQ Saddleworld will not acquire hoofcare products from competitors of Mustad.

ACCC assessment

The ACCC can only remove the protection provided by a notification if it is satisfied that the notified conduct:

- has the purpose, effect or likely effect of substantially lessening competition, and
- in all the circumstances, will not result in likely public benefit which would outweigh the likely public detriment.

On the basis of the information that you have provided, the ACCC considers that the notified conduct is not likely to have the purpose, effect or likely effect of substantially lessening competition. In particular:

- the notified conduct applies only to three Saddleworld stores, located in Geelong and Kilmore in Victoria and North Richmond in New South Wales
- customers in these areas will have other options for acquiring hoofcare products supplied by competitors of Mustad and other wholesalers of hoofcare products will have other options for distributing their products, and

 the notified conduct does not restrict Mustad supplying hoofcare products to third parties, including other retailers.

As such, the ACCC has decided to take no further action at the current time, which allows the legal protection provided by the notification to continue unless or until the ACCC revokes the notification or Mustad withdraws the notification.

If at any time circumstances change, or the ACCC receives further information, such that it is satisfied that the notified conduct has the purpose, effect or likely effect of substantially lessening competition <u>and</u> that the public benefits from the notified conduct do not outweigh the public detriments, the ACCC may take steps to remove the legal protection by revoking the notification.

The notification and a copy of this letter will be placed on the ACCC's <u>exclusive dealing</u> <u>notifications register</u>.

Please contact Luke Griffin on (02) 6243 1114 or by email to adjudication@accc.gov.au if you have any questions about this matter.

Yours sincerely

David Jones General Manager

Adjudication