

## **Market inquiries email – Pact Group Holdings Ltd’s proposed acquisition of Synergy Packaging Pty Ltd – 1 April 2022**

Dear interested party,

Pact Group Holdings Ltd (**Pact**) proposes to acquire Synergy Packaging Pty Ltd (**Synergy**). We are seeking your views on this proposal because we understand your business may be affected, or you may have insights into the relevant markets.

The Australian Competition and Consumer Commission (**ACCC**) is an independent statutory authority responsible for investigating whether mergers are likely to substantially lessen competition.

### **The parties**

Pact manufactures and supplies a wide range of plastic packaging products throughout Australia, including non-beverage polyethylene terephthalate (**PET**) containers. Pact is also involved in the supply of recycled PET (**rPET**) raw materials, with interests in the joint ventures Australian Recycled Plastic Pty Ltd, and Circular Plastics Australia (PET) Pty Ltd.

Synergy manufactures and supplies plastic packaging products from its facility in Tullamarine, Victoria. It primarily supplies non-beverage PET containers to customers in the beauty, cosmetics, pharmaceutical and food industries.

### **Information we are seeking**

Please provide a brief description of your business and the reasons for your interest in the proposed acquisition, including an explanation of any commercial relationship you have with either Pact or Synergy. This will help us to better understand your views.

1. How do suppliers of non-beverage PET containers compete for customers? What factors are important to customers when choosing a supplier?
2. How closely do Pact and Synergy compete? Please have regard to the factors listed above under question 1.
3. Who are each of Pact and Synergy’s main competitors in the supply of non-beverage PET containers? How do they compare in terms of the factors listed above under question 1?
4. How do customers purchase non-beverage PET containers from suppliers? For example, do they run a tender process, or do they seek out a supplier in the market? What factors influence the purchasing process?
5. How easily can customers of non-beverage PET containers switch suppliers? Please have regard to the costs and time involved, including when the supplier owns a relevant PET mould.
6. What is the likelihood of new entry into the manufacture of non-beverage PET containers? How easily can suppliers of other plastic products switch to produce PET products?
7. How easily can customers bypass local PET manufacturers, whether by making their own containers or importing containers themselves?
8. How important is access to rPET raw materials for PET manufacturers and are such materials readily available in Australia?

9. Do you have any concerns about the likely effect on competition of the proposed acquisition? Why/why not?

### **How you can engage**

Please provide responses to our specific questions above. Please also address any other issues you think are relevant. We would be happy to receive your response by email, or have a discussion with you over the phone or via Microsoft Teams.

This matter is public and you can forward this email to anybody who may be interested. Updates regarding the ACCC's investigation will be available on the ACCC's public mergers register [here](#).

If you would like to comment in writing, please do so by **21 April 2022** by return email. Alternatively, email or call me on (02) 6243 1027, or call Micaela Bassford on (02) 9102 4069, if you prefer to set up a time to discuss or if you need more time to respond.

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 s 155AAA 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.

Kind regards,

### **Owen Fischbein**

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The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.