


Restriction of Publication of Part Claimed**Clarification to Notification lodged on 16 July 2019
by HP PPS Australia Pty Ltd****Background**

- HP PPS Australia Pty Ltd (HP) is of the view that the further information provided below amounts to a clarification of the wording in the Notification (which previously may have not clearly acknowledged the complete operation of the HP Online Store), rather than an amendment to the scope of the Proposed Conduct in the Notification.
- The clarification below is made for the purposes of:
 - HP ensuring that it is fully transparent with the ACCC, including by providing the ACCC with complete and non-ambiguous information upon which the ACCC can make its assessment of the Notification; and
 - HP obtaining greater clarity about the scope of the immunity granted by the ACCC, should the ACCC allow the Notification to stand.

Clarification to Notification

1. The HP Online Store is defined on page 10 of the Notification as being "one of the means by which HP sells direct to customers" which occurs "through its public and private online stores". Below this definition, HP provides details about the current public and private stores that HP has in place and the current URLs by which customers may access these stores.

HP notes that the URLs stated in the Notification may change from time to time. For example, the www.hpshopping.com.au URL (used for marketing purposes and for the convenience of customers) automatically redirects customers to the URL of '<https://h20386.www2.hp.com/AustraliaStore/Merch/Default.aspx>'. 

 Using the new eCommerce platform, HP would be able to freely select different URLs for the public and private stores, with or without relying on webpage redirections.

Additionally, HP notes that it may choose to offer additional or different public or private stores in the future (for example, based on customer segment, industry or product type), beyond the current public and private stores identified (the latter on a confidential basis) in the Notification.

2. It is commonplace for e-commerce stores to have multiple avenues by which customers can place orders. The HP Online Store (as defined in the Notification) is no different. Customers of the public and private HP Online Stores have the option of placing orders themselves through the web interface, or alternatively by undertaking searches for

products, including in respect to specifications and pricing, and then using the online chat function or calling the HP call centre (the contact numbers for the various parts of the HP Online Store are available in numerous places on the HP Online Store webpages, including on the foot of the store pages and at <https://h20386.www2.hp.com/AustraliaStore/Merch/Offer.aspx?p=contact-us>).

While orders placed via the call centre were implicit in HP's explanation of the operation of the HP Online Store in the Notification, this alternative purchasing pathway was not explicitly referred to in the Notification. HP therefore makes this point of clarification to resolve any ambiguity and to make clear that the Proposed Conduct extends to customers who may choose to purchase products on the HP Online Store over the phone or by online chat using the call centre. The contact methods for the call centres are predominantly advertised or made available on the HP Online Store webpages. There may also be marketing materials sent via email that contain promotions for products on the HP Online Store which contain the call centre contact details.

Importantly, HP notes that most of the public benefit arguments identified in Section 6 of the Notification are equally applicable to customers who choose to make a purchase on the HP Online Store via the call centre. As stated above, in HP's experience, customers who make orders via phone generally start the purchasing process by browsing the HP Online Store webpages. Customers will therefore still benefit from the enhanced user experience that will result from the proposed model for the HP Online Store including improved page load times, website search functionality and product comparison functionality.

For customers that do not browse the HP Online Store webpages prior to making an order by phone (this is more likely to be the case for small-to-medium (**SMB**) customers who require a higher level of consultation prior to purchase as will be detailed in Item 3 below), under the proposed model for the HP Online Store, these customers will still benefit from the improved functionality of the proposed model for the HP Online Store. For example, these customers will have the ability to access their account and purchasing history and can utilise SMB loyalty programs and special online pricing after online log-in verification. Regardless of the method of ordering products from the HP Online Store, all customers will benefit from a wider range of delivery options that will be available to customers under the proposed model for the HP Online Store.

Under the proposed model for the HP Online Store, orders placed by customers over the phone or by online chat will equally be dependent on the use of the new eCommerce platform, which as identified in the Notification, necessarily requires the cooperation of the T1 Distributor. From the back end, HP call centre agents that process HP Online Store orders on behalf of customers over the phone or by online chat will enter the order details into the 'admin' layer of the new eCommerce platform and the payment and order details will flow directly into the T1 Distributor's back end systems.

