

31<sup>st</sup> October 2019

Ms Hannah Ransom  
Australian Competition & Consumer Commission  
GPO Box 3131  
Canberra ACT 2601

via: adjudication@acc.gov.au

Dear Ms Ransom

**RE: N1000505 -- Caravan Trade & Industries Association Queensland – Submission**

Caravan Industry Association of Australia welcomes the opportunity to provide a comment regarding an exclusive dealing application proposed by Caravan Trade & Industries Association Queensland (CTIAQ).

Caravan Industry Association of Australia believes the proposed arrangement is merely a loyalty program offered by CTIAQ to its members and the arrangement is highly unlikely to substantially lessen competition, nor provide any disadvantages to consumers.

The proposed arrangement does not, we believe, restrict any business from participating in any competitive event. Members are not obligated to take place in any loyalty program offered, and members are most welcome to participate in other non-CTIAQ organized events. These alternative events have popped up around the country in recent years and offer a very low entry pricing level to participate, which are appealing to many caravan retailers and manufacturers. Alternative events are certainly much cheaper to participate in and showcase products than CTIAQ activities. Therefore, by virtue of their business models these alternative caravan shows will always remain attractive to attend by many caravanning businesses as part of their sales and marketing activities.

CTIAQ in running highly organized shows are heavily promoted to not only encourage attendance but to inspire consumers to go caravanning and camping. CTIAQ shows conduct extensive compliance checks pre-show, and in some cases have large venue costs, and accordingly they do not share in the same cost base advantage that these competitive shows do. In addition, CTIAQ has the responsibility for broader industry improvement and education, which the proceeds of these shows are used towards. On the other hand which competitor organisers do not undertake the same responsibilities. It is therefore reasonable in the interests of consumer safety, and for the long term sustainability of the industry, that these industry run shows, themselves remain competitive in the market, and a pricing advantage to those businesses which strongly support CTIAQ organized events is a reasonable business strategy to embark on to reward such loyalty. Indeed many of the activities undertaken by CTIAQ (and industry associations more broadly) have directly contributed to the growth and safety of the caravanning and camping industry, which in itself has created a new business opportunity for other competitive consumer caravan shows to be developed and presented around the country.

The growth in the caravanning and camping industry is outstripping broader growth in the economy. Consumers who are looking at getting into the industry are presented with many opportunities to research, examine and even purchase caravanning and camping product. Caravan shows themselves (both CTIAQ and non-CTIAQ events) already compete heavily with manufacturer direct, retail distribution models, internet and online marketplaces, none of which are impacted by the Proposed Conduct.

In summary, Caravan Industry Association of Australia is fully supportive in CTIAQ's proposed loyalty program in that we see no restriction to participate in competitive caravan shows, and no public detriment with the proposed arrangement. Further, we see with stronger safety measures through compliance checks and education, as well as the opportunity for caravan retailers to reinvest any savings generated into either better pricing for consumers, and better product presentation, we consider that consumers are indeed likely to receive substantial benefit from such a loyalty program being introduced.

We look forward to the opportunity to contribute to this submission, and welcome further dialogue on the matter. We are welcome to discuss any of the above comments as you require.

Yours faithfully



Stuart Lamont  
Chief Executive Officer