



Australian
Competition &
Consumer
Commission

NEWS RELEASE

GPO Box 3131 Canberra ACT 2601
23 Marcus Clarke Street Canberra ACT
tel: (02) 6243 1111 fax: (02) 6243 1199
www.accc.gov.au

A.C.C.C. OPPOSES THE PROPOSED ACQUISITION OF KARABAR SUPERMARKET BY WOOLWORTHS LIMITED

The Australian Competition and Consumer Commission today announced that it intends to oppose the proposed acquisition of the Karabar Supermarket, in Queanbeyan, NSW, by Woolworths Limited.

"The ACCC concluded that the acquisition by Woolworths would be likely to substantially lessen competition in the local retail supermarket market surrounding the store," ACCC Chairman, Mr Graeme Samuel, said today.

"The ACCC had strong evidence to suggest that in the absence of the acquisition by Woolworths, the supermarket would instead be acquired by an independent operator, Supabarn, which has intentions to expand the supermarket to operate as a full-line supermarket in strong competition with Woolworths and other supermarket operators. The ACCC found that Supabarn supermarkets offer a different proposition to existing operators in the local market and considered that this would lead to increased consumer choice, as well as competition between supermarket operators on a number of factors including price, range, service, and product quality and freshness.

"The ACCC also noted that if the acquisition had proceeded, Woolworths would have owned three of the four full-line supermarkets in the Queanbeyan area, or three out of five if the smaller Aldi supermarket is also included."

A Public Competition Assessment will be available in due course on the ACCC's website under *Mergers*.

Media inquiries

Mr Graeme Samuel, Chairman, (02) 6243 1131 or mobile/pager 0408 335 555

Dr Stephen King, Commissioner, 0439 988 901

Ms Lin Enright, Director, Media Unit, (02) 6243 1108 or 0414 613 520

General inquiries

Infocentre: 1300 302 502

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