



Australian
Competition &
Consumer
Commission

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

NEWS RELEASE

ACCC OPPOSES AUSTRALIAN LEISURE AND HOSPITALITY'S PROPOSED ACQUISITION OF CERTAIN LIQUOR ASSETS IN NSW

The Australian Competition and Consumer Commission today announced that it considered that the proposed acquisition by Australian Leisure and Hospitality Group (ALH) of five takeaway packaged liquor retailers in NSW (three of which are attached to hotels) would be likely to have the effect of substantially lessening competition in the relevant local markets.

Woolworths Limited has a direct 75 per cent interest in ALH.

The takeaway packaged liquor retailers are the Chittaway Tavern in Chittaway Bay; the Albion Park Hotel in Albion Park; and the Ocean Beach Hotel and Umina Foodtown, both of which are located in Umina Beach. The Ocean Beach Hotel also includes the Ocean Beach Cellars, which trades under the same liquor licence.

In relation to the proposed acquisition of the remaining 28 hotels (some of which incorporate takeaway packaged liquor retailers) in related transactions, the ACCC formed the view that ALH's acquisition of these sites was unlikely to substantially lessen competition.

"The ACCC considered that the proposed acquisition of the five takeaway packaged liquor retailers by ALH would lead to a significant increase in concentration and loss of competitive tension between takeaway packaged liquor retailers in the Chittaway Bay, Umina Beach and Albion Park areas," ACCC commissioner Jill Walker said today.

"The ACCC also concluded that the acquisitions would result in a loss of choice for customers in the relevant local markets, as the differentiated offering of the targets, including their promotional offers, would be eliminated," Dr Walker said.

The ACCC has advised ALH that if ALH completes the proposed acquisitions of the sites in Chittaway Bay, Albion Park, and Umina Beach, then the ACCC reserves its rights to apply to the Federal Court for appropriate orders.

Section 50 of the *Competition and Consumer Act 2010* prohibits mergers and acquisitions that would have the effect, or be likely to have the effect, of substantially lessening competition in a market.

The basis upon which the ACCC has reached its decision will be outlined in a Public Competition Assessment, available in due course on the ACCC's website, www.accc.gov.au, through Public Competition Assessments.

In a related matter, the ACCC is continuing to review the proposed acquisition of the Caringbah Hotel by ALH. Information regarding this review can be found in the Mergers Register on the ACCC's website.

Media inquiries

Mr Brent Rebecca, media, (02) 6243 1317 or 0408 995 408

General inquiries

Infocentre: 1300 302 502

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