

Digital Platform Services Inquiry
March 2022 Report on general online retail marketplaces
Issues Paper
Australian Competition and Consumer Commission

Email: digitalmonitoring@acc.gov.au

Dear Sir/Madam,

Accord is pleased to provide this submission to *Digital Platform Services Inquiry – March 2022, Report on general online retail marketplaces* (the Issues Paper).

Accord is the peak national industry association representing the manufacturers and marketers of formulated hygiene, personal care and specialty products, their raw material suppliers, and service providers. Accord member companies make and/or market broad range of consumer and commercial goods that play integral roles in safeguarding public health, promoting personal hygiene, boosting confidence and emotional wellbeing, maintaining comfortable homes and enhancing quality of life, as well as keeping the wheels of commerce and industry moving. Member companies include large global manufacturers as well as small dynamic Australian and family-owned businesses. A list of Accord member companies is available on our website: <http://accord.asn.au/about/members>.

Headline statistics¹ for our industry's economic footprint include:

- Accord's membership is approximately 100 companies.
- Collectively, Accord member companies directly contribute more than 12,000 full-time equivalent jobs.
- Nationally, more than 175 offices and more than 65 manufacturing sites are operated by Accord member companies.
- 80% of member companies export products overseas.

Member products that are relevant for this Issues Paper include all types of cosmetic and personal care products and formulated household cleaning and hygiene products.

Accord welcomes the consideration of general online retail marketplaces as a retail channel that may significantly impact on competition and consumer rights now and into the future. Our interests lie in ensuring that regulation of such retail channels is current, efficient and effective to allow fair competition.

The Issues Paper does not clearly define 'general online marketplaces'. While we note that the intent is to consider online platforms that facilitate direct trade between the sellers of goods and consumers, it is unclear whether physical stores that have created an online presence reflecting their existing commercial arrangements are also captured e.g. department stores and other multi-product outlets.

With greater clarity, we would hope to avoid any unintended consequences of the ACCC final recommendations arising from the Inquiry.

¹ Results from Accord Industry Size and Scale Survey 2018

At this stage, Accord would raise the following issues and/or experiences that may be relevant for further consideration by the Inquiry:

1. Lack of clarity of the regulatory status and/or regulatory obligations of products being supplied directly from overseas to the consumer via online marketplaces e.g. where it may not be apparent that Australia has very different regulatory requirements to that of overseas economies,
2. Somewhat related to the above point, online marketplaces hosting sellers of non-compliant and/or counterfeit products that may inappropriately use brand logos and product images without authorisation from that of the legitimate brand owner/image owner, and
3. Product manufacturers/suppliers being automatically expected to bear the cost of shipping of the goods if the purchase is made online, in addition to paying the retailer for hosting the product, when the product may already be available in the retailers physical stores and then added to their online marketplace.

Thank you for this opportunity to provide these comments. If any further details are required for any of the points raised above, please feel free to contact me.

Yours sincerely,

Unsigned for electronic transmission

Bronwyn Capanna
Executive Director

19 August 2021