

Our ref: RPN10000457

RPN10000458

Contact officer: Alex Reed Contact phone: 02 6243 1364

08/02/2022

Dear Interested Party

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Resale Price Maintenance notification RPN10000457 and RPN10000458 submitted by 7-Eleven Australia Pty Limited and 7-Eleven Stores Pty Limited – interested party consultation

On 28 January 2022 the Australian Competition and Consumer Commission (the **ACCC**) received a notification from 7-Eleven Australia Pty Limited and 7-Eleven Stores Pty Limited (together, **7-Eleven**) proposing to engage in resale price maintenance (**RPM**).

The ACCC invites you to comment on the arrangements. You may forward this letter to any other party that may wish to make a submission.

RPM notification lodged by 7-Eleven

Under the notification, 7-Eleven proposes to specify the price at which operators of 7-Eleven branded stores must resell a product to a customer via an eCommerce platform (the **Notified Conduct**).

7-Eleven intends to initially engage in the Notified Conduct for a 'Pay & Go' service that enables customers to purchase one or more items on a mobile app used in store without going to the physical checkout in the store to pay for their purchase or otherwise interacting with any personnel in the store.

Other potential uses of the Notified Conduct include for in-store 'Digital Screen' self-service kiosks, fully automated 'Micro Market' stores, and click and collect/delivery via a 7-Eleven platform or third-party marketplace (for example, Door Dash, Uber Eats and the like).

A full copy of the notification is available on the ACCC's notifications public register.

Once a notification has been validly lodged with the ACCC, immunity from legal action in respect of the notified conduct commences automatically after 14 days after the notification was lodged, unless the ACCC issues a draft objection notice proposing to prevent the immunity from coming into effect.

In this case, immunity from legal action commences on 11 February 2022. However, 7-Eleven's notification states that the proposed conduct will commence if, and when, the Commission allows the notification to stand. That is, 7-Eleven will not engage in the Notified Conduct until the ACCC makes a decision about the notification.

Making a submission

The ACCC invites you to make a submission to provide information, evidence and views about the likely public benefits, effects on competition and any other public detriment that you consider will result from the Notified Conduct.

If you intend to provide a submission, please do so by **COB 22 February 2022**. If you wish to request an extension, please contact us as early as possible.

Please email your submission to exemptions@accc.gov.au with the subject 'RPN10000457 and RPN10000478 – 7-Eleven – submission'. If you would like to provide comments orally, please contact Alex Reed via the details at the end of this letter.

Your submission will be placed on the ACCC's <u>notifications public register</u> on the internet unless you make a request (with reasons) for us to exclude part or all of the submission from the public register (see <u>Guidelines for Excluding Information from the Public Register</u> for more information on how to make a request and how we assess requests).

Timetable

The ACCC will progress its assessment of the notification in a timely manner. An indicative timetable is set out below for your information.

Indicative date	Stage in assessment process
28 January 2022	Lodgement of RPM notification
8 February 2022	Public consultation
22 February 2022	Closing date for submissions from interested parties
March 2022	7-Eleven responds to issues raised in interested party submissions
March/April 2022	Expected timing for the ACCC decision to either allow the notification to stand or issue a draft objection notice.

Background: the RPM notification process

RPM refers to an arrangement where a supplier of goods or services (e.g. a manufacturer or wholesaler) specifies a minimum price below which a reseller must not on-sell, or advertise for sale, those goods or services.

RPM conduct is normally in breach of the Competition and Consumer Act 2010 (the Act), but parties can obtain immunity for certain forms of RPM conduct by lodging a notification with the ACCC. Businesses will do this if they consider the public benefits resulting from the proposed conduct are likely to outweigh the public detriments.

The ACCC may proceed to remove the immunity provided by an RPM notification where it is satisfied that the likely benefit to the public from the notified conduct will not outweigh the likely detriment to the public from the notified conduct.

Further information about the RPM notification process is provided in the ACCC's <u>Resale Price Maintenance notification guidelines</u>.

This letter has been placed on the ACCC's <u>notifications public register</u>. If you wish to discuss any aspect of this matter, please do not hesitate to contact Alex Reed on 02 6243 1364 or at <u>exemptions@accc.gov.au</u>

Yours sincerely

Gavin Jones Director

Competition Exemptions