

26 June 2014

Professor Ian Harper
Competition Policy Review Secretariat
The Treasury Langton Crescent
Parkes ACT 2600

Dear Professor,

Drakes Supermarkets are a privately family owned company operating 34 supermarkets in South Australia that trade under the marketing banners of Foodland and IGA and 20 supermarkets in Queensland that trade under the marketing banner of IGA.

We have been in business in South Australia for 40 years and are proud of the fact that we started with a very small deli-type supermarket and have expanded into the 30 stores we have today.

Our Head Office is based in Adelaide, with 5500 employees across both States, and we have developed our business over the last 40 years under the following principles:-

- providing quality customer service and support;
- targeting and promoting local South Australian manufactured brands of food and grocery products;
- promoting the largest range of Australian branded food and grocery products; and
- by leading the promotion of South Australian and Australian fresh meat, fresh fruit and vegetables.

We are a very competitive company and strongly support fair competition in the economy, however, today there are many instances of abuse of market power by the two major chains that need to be stopped.

I have attached a PDF noting many examples dating back to 2006 of misuse of market power by the duopoly which has impacted on our business. From these examples you will find predatory pricing, exclusive attack pricing in small areas, fuel docketing, individual submissions to ACCC, and the building of supermarkets where demand does not exist purely to reduce competition.

Predatory Pricing

I have attached examples of Coles and Woolworths targeting our stores with 10% discounts for 3 to 4 weeks and at same time offering fuel discounts up to 12 cents per litre. We had to compete and the cost and loss of customers was significant.

We believe this was a deliberate predatory act as only the 3 stores close to our stores had these specials. The rest of their stores in the State did not have same specials in the same period.

My concern is when we identify misuse of market power, the ACCC does not act quickly enough. It is my view, the majors carry out this practise knowing there will be considerable delay before the ACCC acts.

The last occasion I reported an abuse I received a three page questionnaire to answer that took hours to reply. Small businesses don't have the time to spend on this information gathering and consequently are unlikely to reply.

I believe the ACCC needs to recognise the difficulty of access for small business. The review should consider whether the Act either needs amending to improve this access or to make changes administratively so as to enable these matters to be quickly resolved.

Fuel Dockets

I have written on many occasions to the ACCC on this matter in the past two years.

This practise of cross subsidisation is a major abuse of market power by the majors with the sole intent of putting independent competitors out of the market.

As "Intent" is very difficult to prove a test that recognises "the effect" these decisions have on the market and particularly independent small businesses should be investigated and a remedy put in place.

Whilst I note some action has been taken by the ACCC, there are still examples of excessive fuel docket discounting in the market, and I believe that this use of cross subsidisation by companies that dominate the market should be outlawed.

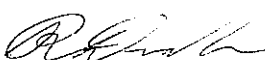
Expansion by the majors

It is my view that the majors are land banking in many parts of the state where existing competition already exists. They are applying for rezoning of industrial and or commercial land usually outside existing shopping zones with the intent to shift the market away from existing zones. They have created major problems in the Riverland, South East and Adelaide Hills by locating outside traditional main streets.

I believe this is a misuse of market power and the review should look at a remedy that controls market domination.

Finally, I am a member of the Master Grocers Association and Chairman of the Independent Supermarket Guild of South Australia; and I support their submissions and their recommendations.

Yours sincerely



Roger Drake
Managing Director
Drakes Supermarkets



File AECC

15 March 2006

Mr Graeme Samuel
Chairman
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2062

Re Woolworths One Day Fresh Sale Advertisement, 15 March 2006

Dear Mr Samuel

On Saturday 11 and Sunday 12 March 2006, Drake Foodmarkets circulated a catalogue to our consumers via letterbox distribution across the metropolitan area. The catalogue was advertising a One Day Sale to be held in our Foodland stores on Wednesday 15 March 2006. The clear majority of lines advertised were fresh food products which had been substantially reduced in price.

In today's Adelaide "Advertiser", Woolworths have advertised a One Day Fresh Sale via a two page colour advertisement. Seven out of the twelve lines advertised by Woolworths have undercut our pricing. Please review both advertisements enclosed to confirm this.

Although it was a public holiday in Adelaide on Monday 13 March 2006, one of our poultry suppliers has informed us that he was contacted on Monday by representatives of Woolworths from Sydney. The purpose of this communication was to source poultry suppliers who could supply Woolworths with skinless chicken breast fillets, to initiate "combat activity" against Drake Foodmarkets. This product appears at \$7.95 per kg in the Woolworths advertisement.

In my view this appears to be predatory pricing under section 46 of the Trade Practices Act. As a small independent supermarket operator, Drake Foodmarkets went to great effort and expense to produce a coloured catalogue. I believe that it is unfair that a major national grocery chain with substantial market power engaged in strategic price cuts for the purpose of damaging our potential sales and profit. Could you please advise me whether, in your view, this situation constitutes predatory pricing? I look forward to receiving your prompt response on this matter.

Yours sincerely

Roger Drake
Managing Director

Upper Level, 159 Henley Beach Road
Torrensville S.A. 5031
Tel (08) 8152 6100
Fax (08) 8352 7498
Mobile 0400 258 898



FOODLAND

SPECIALS IN THIS CATALOGUE ARE ONLY AVAILABLE AT THE STORES LISTED ON THE BACK PAGE

ONE DAY SALE!



FUEL DISCOUNT OFFER!
SAVE 4¢
ON ALL FUEL PURCHASES

Quality Meat

Aussie grown

FRESH SKINLESS CHICKEN BREAST FILLETS (1KG MIN)

7⁹⁹ KG

REDUCED BY 30%

Fruit & Veg

Aussie grown

SWEET JUICY WATER MELON

59¢ KG

ALL SPECIALS IN THIS CATALOGUE ARE AVAILABLE ON WEDNESDAY 15TH MARCH 2006 ONLY!

Bakery

ASSORTED LOOSE LUNCH ROLLS

15¢ EA

Delicatessen

NO SERVICE DELI AT PARA HILLS OR WALKLEY HEIGHTS

THAWED FOR YOUR CONVENIENCE

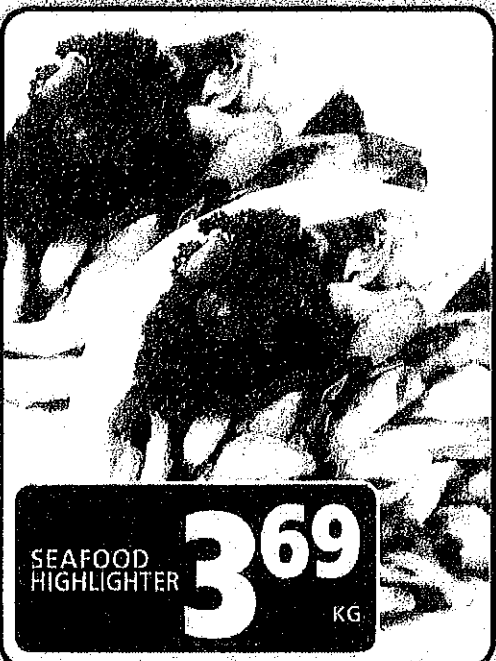
VANNAMEE PRAWNS

8⁹⁹ KG

DAY SALE!



CATALOGUE ARE AVAILABLE MARCH 2006 ONLY!



SPECIALS AVAILABLE ON WEDNESDAY 15/03/06 ONLY OR WHILE STOCKS LAST. PHOTOGRAPHS ARE FOR ILLUSTRATION PURPOSES ONLY.

DRAKE
We have you covered

FOODLAND



ONE

Quality Meat

Aussie Grown

BUDGET BEEF RUMP STEAK (1KG MIN)

6⁹⁹ KG

REDUCED BY 40%

Aussie Grown

QUALITY THIN BBQ SAUSAGES (1KG MIN)

2⁷⁹ KG

REDUCED BY 30%

Aussie Grown

PREMIUM ROASTING LEGS OF LAMB

5⁹⁹ KG

REDUCED BY 40%

ALL SPECIALS IN THIS C ON WEDNESDAY 15TH

Bakery

SLICED VIENNA 680G

1⁰⁰ LOAF

(2 FOR)

PLAIN WRAP FAMILY 7" APPLE OR APRICOT FRUIT PIES 450G

5⁰⁰

SPECIALS AVAILABLE ON WEDNESDAY 15/03/06 ONLY OR WHILE STOCKS LAST. PHOTOGRAPHS ARE FOR ILLUSTRATION PURPOSES ONLY

FRESH SALE

Save 9.00 kg
18.95
kg

*Imported Green
Prawn Culiets

Boil, Steam
or Bake
98c
kg

Washed Potatoes
2 kg P/P

Hot Price
58c
kg

Red Watermelon

Save 4.84 kg
5.95
kg

*Prime Quality
Lamb Leg Roast

Save 4.53 kg
4.95
kg

Bulk Buy 1.3 kg min
*Regular Beef Mince
1.5 kg min

Save 3.04 kg
5.95
kg

*Prime Quality Beef
Blade Steak Bone In

MELBOURNE 2006
OFFICIAL SPONSOR

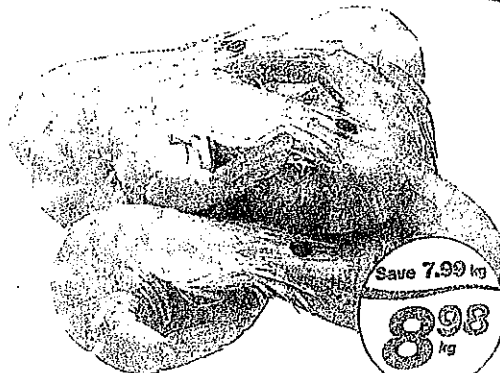
'The Fresh Food People'
WOOLWORTHS

On sale on Wednesday 15th March 2006 only, unless sold out earlier at Woolworths Aberlayne Park, Adelaide, Blackwood, Christies Beach, Colonnades, Cumberland Park, Elizabeth, Fildes, Findon, Gawler, Glass Plains, Glenelg, Golden Grove, Hackham, Hilltop, Holywood Plaza, Kilkenny, Marden, Marion, Marysville, Mawson Lakes, Mitcham, Murrumbidgee, Norwood, Para Hills, Port Adelaide, Regency Plaza, Rundle Mall, Stirling, Tea Tree Plaza, Unley, Virginia, West Lakes and Woodcroft only. Check your local store for opening details. *Made not supplied. Savings based on our Adelaide metropolitan self price. In some stores, some products may already be priced below the Adelaide metropolitan self price. Advertised savings may therefore vary in some stores. Specials not available at Coles Woolworths outlets. *Meat specials will not be available at Woolworths Aberlayne Park, Adelaide, Christies Beach, Colonnades, Fildes, Findon, Hackham, Marden, Mawson Lakes, Mitcham, Para Hills, Port Adelaide, Rundle Mall and Virginia.

GP13036SAJAP

WOOLWORTHS

ONE DAY

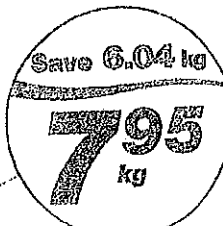


Save 7.99 kg

8.98
kg

*Imported Small Cooked Vannamee Prawns

THAT'S OVER 50% OFF

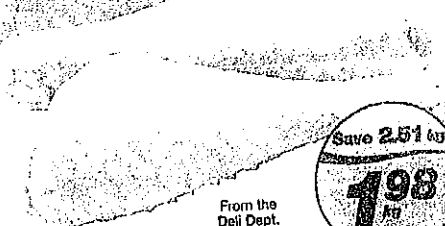


Save 6.04 kg

7.95
kg

From the Deli Dept.

Chicken Breast Fillets Skinless



Save 2.51 kg

1.98
kg

From the Deli Dept.

Chicken Drumsticks



FARMERS UNION

FARMERS UNION

TASTY

Save 2.50

5.99
ea

Farmers Union Block Cheese 1 kg

THAT'S OVER 50% OFF

BAKED FRESH EVERYDAY

THAT'S OVER 50% OFF

BAKED FRESH EVERYDAY



Save 90¢

85
ea

V-Sliced Crusty Vienna Bread



Save 1.10

85
ea

V-Soft or Crusty Bread Roll Varieties Pk 6



Save at Caltex Woolworths when you spend \$30 in one transaction.*

*These sealed fuel lines may not be available in all states.
*Excludes jumbo varieties. Only available when made in store.
*You must spend \$30 or more in a single transaction at any Woolworths Supermarket or Woolworths Liquor and Turf and/or your docket at any Caltex Woolworths outlet. Fuel discount valid for 28 days after your purchase. Fuel outlets not available in all areas.
Visit www.woolworths.com.au or call 1300 895 577 for fuel outlet locations and full terms and conditions. Discount is not available on purchases of LPG at designated Caltex Woolworths outlets or on any Caltex StarCard purchases.

GP120355A2

Our ref: 982547

3 December 2010

Mr Roger Drake
Managing Director
Drake Supermarkets
159 Henley Beach Road
TORRENSVILLE SA 5031



Australian
Competition &
Consumer
Commission

GPO Box 922
Adelaide SA 5001

Level 2
19 Grenfell Street
Adelaide SA 5000

ph (08) 8213 3444
fax (08) 8410 4155

www.accc.gov.au

Dear Mr Drake

Alleged Predatory Pricing by Coles

I write in relation to your letter dated 4 November 2010.

Conduct of concern

Your letter alleges that Coles Group Ltd (**Coles**) have implemented a 10% discount offer targeted at customers of Drake Supermarkets in the Aldinga Beach and McLaren Vale area (**the Offer**). A copy of a voucher promoting the Offer was provided with your letter. It appears to have been published in a news publication entitled '*The Victor Harbor Times – On The Coast*' in early November.

I note that you have raised concerns with the Australian Competition and Consumer Commission (**ACCC**) previously over similar conduct by Coles in Queensland (**the Previous Offer**). This Office conducted an assessment of that matter as outlined in my letter of 5 July 2010. In assessing the current complaint, the Previous Offer by Coles will be further taken into account in terms of establishing any possible pattern of conduct.

Information requested

I would like to understand better the market in which the Drake Supermarkets at Caboolture and Aldinga Beach operate as well as the detriment Drakes has suffered as a result of the alleged conduct. Accordingly, I would appreciate your response to the following questions:

Drake Supermarket, Aldinga Beach

1. State whether you are aware of the Offer being promoted by means other than in the publication mentioned above. If yes, explain the other means by which the Offer was promoted;
2. List all traders who you consider are competitors of the Drake Supermarket at Aldinga Beach;
3. Specify the floor size of the Drake Supermarket at Aldinga Beach;



4. State the date upon which the Drake Supermarket at Aldinga Beach started trading;
5. State the turnover of the Drake Supermarket at Aldinga Beach for each week from the commencement of trading for the store through to the end of the week ending 3 December 2010;
6. State the average net margin on groceries for the Drake Supermarket at Aldinga Beach for the period since the start of trade through to 3 December 2010;
7. State whether Drake Supermarkets ran any promotions to coincide with the opening of the Drake Supermarket at Aldinga Beach. If yes, specify the details of each promotion including its duration and the type of advertising used;
8. State the effect of the Offer on:
 - a) Drake Supermarkets;
 - b) Drake Supermarket at Aldinga Beach; and
 - c) competition in the market generally.

Drake Supermarket, Caboolture

9. State whether you are aware of the Previous Offer being promoted by means other than flyers distributed in the car park of the Caboolture store. If yes, explain the other means by which the Previous Offer was promoted;
10. List all traders who you consider are competitors of the Drake Supermarket at Caboolture;
11. Specify the floor size of the Drake Supermarket at Caboolture;
12. State the date upon which the Drake Supermarket at Caboolture started trading;
13. State the turnover of the Drake Supermarket at Caboolture for each week for:
 - a) the period of the Previous Offer; and
 - b) the four week period following the Previous Offer;
14. State the average net margin on groceries for the Drake Supermarket at Caboolture for the period of the duration of the Previous Offer;
15. State whether Drake Supermarkets ran any promotions to coincide with the opening of the Drake Supermarket at Caboolture. If yes, specify the details of each promotion including its duration and the type of advertising used;

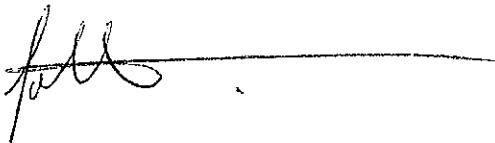
16. State the effect of the Previous Offer on:
- a) Drake Supermarkets;
 - b) Drake Supermarket at Caboolture; and
 - c) competition in the market generally.

General information

17. State the net margin on groceries for Drake Supermarkets for the financial year 2009/2010;
18. Aside from the Coles offers which related to the opening of the Drake's Supermarkets in Caboolture and Aldinga Beach, state whether Coles has promoted similar offers in circumstances where you have opened other Drake Supermarket stores. If yes, provide details;
19. State whether you are aware of Coles engaging in identical or similar conduct in any other circumstances. If yes, provide details;
20. State whether any person purporting to represent Coles has ever communicated reasons for engaging in conduct such as the Offer to staff of Drake Supermarkets. If yes, provide details and any relevant documents.

Should you wish to meet to discuss your response to the above questions please contact Ms Carmen Labbozzetta to arrange a suitable time. Otherwise, I would appreciate your response to the above questions by **20 December 2010**. If you have any other queries please contact Ms Carmen Labbozzetta on (08) 8213 3415 or by email carmen.labbozzetta@accc.gov.au.

Yours sincerely



John Rothwell
Assistant Director
South Australia

ACCC

COPY

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



17th December 2010

Mr John Rothwell
Assistant Director, South Australia
Australian Competition and Consumer Commission
PO Box 922
ADELAIDE SA 5001

Re Coles Predatory pricing

Dear Mr Rothwell

I write in reply to your letter dated 3 December 2010 relating to our concerns that the Coles Group is targeting small businesses in the form of predatory pricing, and in particular, in recent times our Caboolture & Aldinga stores.

Please see below our response to your questions raised in this letter:-

Drake Supermarkets, Aldinga Beach

1. *State whether you are aware of the Offer being promoted by means other than in the publication mentioned above. If yes, explain the other means by which the Offer was promoted:*

In addition to the publication mentioned Coles published the offer in their weekly catalogue.

2. *List all traders who you consider are competitors of the Drake Supermarket at Aldinga Beach.*

Coles Aldinga Beach & Coles McLaren Vale

3. *Specify the floor size of the Drake Supermarket at Aldinga Beach.*

The Drake Supermarket at Aldinga Beach has a selling floor space of 2,600sqm

4. *State the date upon which the Drake Supermarket at Aldinga Beach started trading.*

Monday, 15th November 2010

5. *State the turnover of the Drake Supermarket at Aldinga Beach for each week from the commencement of trading for the store through to the end of the week ending 3 December 2010.*

**Week commencing 15th November 2010 = \$858,368
Week commencing 22nd November 2010 = \$642,172
Week commencing 29th November 2010 = \$548,981
Week commencing 6th December 2010 = \$520,168**

6. State the average net margin on groceries for the Drake Supermarket at Aldinga Beach for the period since the start of trade through to 3 December 2010.

Week commencing 15th November 2010 = 0.18%

Week commencing 22nd November 2010 = 8.07%

Week commencing 29th November 2010 = 12.88%

Week commencing 6th December 2010 = 10.55%

7. State whether Drake Supermarkets ran any promotions to coincide with the opening of the Drake Supermarket at Aldinga Beach. If yes, specify the details of each promotion including its duration and the type of advertising used.

We ran a store opening campaign. Commencing in January 2010, we ran a monthly local newspaper campaign asking the consumers to offer ideas/suggestions to be incorporated into the new store, and this ran for 10 months. We also conducted local paper and local catalogue advertising with line and price specials, and advertised on the State 102.3 Radio station.

8. State the effect of the Offer on:-
- a) Drake Supermarkets
 - b) Drake Supermarket at Aldinga Beach, and
 - c) Competition in the market generally.

The effect of the offer on Drake Supermarkets in totality is hard to measure given the extremely competitive market where both Coles & Woolworths are offering 8 cents per litre off petrol, continually advertizing their loyalty rewards schemes, half price catalogues that are bigger than books each week, and more mainstream press advertising in a week than we spend in 12 months.

Add to this a 10% off offer on groceries, how can we tell what the effect on the total business is?

The effect on Aldinga Beach, by Coles starting the offer 2 weeks prior to our opening they effectively drew customer spend and we estimate based on a similar opening in another store we lost about \$200,000 in the opening week with a percentage in the remaining weeks.

In addition, in response to the Coles 12 cents per litre petrol offer, we were forced to also offer 12 cents per litre off petrol at our own expense and sharpen up the opening catalogue specials, resulting in trading the first week with a 0.18% grocery gross profit.

The 4 weeks post opening we still offered 12 cents per litre petrol to be competitive, and while grocery GP has recovered, we are still spending a lot of money to maintain the sales.

The real test will be the average weeks sales post Christmas.

16. State the effect of the Previous Offer on:-

- a) Drake Supermarkets;
 - b) Drake Supermarket at Caboolture; and
 - c) Competition in the market generally.
-
- a) First week of the offer, week commencing 24th May 2010, sales fell from \$814,400 to \$622,567.
 - b) Second week of the offer, week commencing 31st May 2010, sales fell to \$566,249.
 - c) No effect on any other Drake Supermarket store. It would have further decimated the other smaller stores (IGA / SPAR) although have no data to support this.

General Information

17. State the net margin on groceries for Drake Supermarkets for the financial year 2009/2010.

Not relevant to this issue.

18. Aside from the Coles offers which related to the opening of the Drake's Supermarkets in Caboolture & Aldinga Beach, state whether Coles has promoted similar offers in circumstances where you have opened other Drake Supermarket stores. If yes, provide details:

We are unaware of whether Coles have promoted similar offers.

19. State whether you are aware of Coles engaging in identical or similar conduct in any other circumstances. If yes, provide details:


We are unaware of whether Coles have engaged in an identical or similar conduct.

20. State whether any person purporting to represent Coles has ever communicated reasons for engaging in conduct such as the Offer to staff of Drake Supermarkets. If yes, provide details and any relevant documents.

No.

I wish to advise all information stated in this letter is provided as "commercial in confidence" and therefore we respect the information will not be forwarded to any other parties outside of the ACCC without our expressed permission. I look forward to receiving your prompt response on this matter.

Kind regards



Roger Drake
Managing Director
Drake Supermarkets

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



27th May 2010

Mr Graeme Samuel
Chairman
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2062

Re Coles Targeting small businesses, miss use of market power

Dear Mr Samuel

I wish to bring to your attention the predatory pricing that Coles have recently used to target my store in Caboolture Queensland.

2 weeks ago Drake Supermarkets opened a new store in Caboolture. This week Coles have targeted our shoppers by placing a 10% discount offer on the windscreens of vehicles parked in the carpark of our supermarket.

As can be seen on the enclosed copy of the leaflet which was distributed, the offer is for 4 weeks and is only available in the 3 Coles supermarkets surrounding our new store. This is clearly designed to target the customers of Drake Supermarkets.

I look forward to receiving your prompt response on this matter.

Yours sincerely

Roger Drake
Managing Director
Drake Supermarkets

Michelle White

*Local Bygone
Nick &
Brockershire MP*

From: Roger Drake
To: Roger Drake
Subject: ACCC Letters sent re Coles/WW Fuel Pricing
Attachments: 1307191207270018.zip

*Chris Kyle, MP
Fred Harrison
Graham Teggerson*

Please find attached a series of letters sent to the ACCC over the past few months voicing my concerns on behalf of the independent fuel & grocery retailers regarding the blatant advertising campaigns of both Coles & Woolworths with regards to their ongoing fuel pricing discount war.

I would be very grateful if you could assist me and all other independents in campaigning against this type of conduct; and look forward to hearing from you.

Kind regards

Roger Drake

Managing Director



We give you more

Address: Head Office SA
Upper Level, 159 Henley Beach Road
Torrensville SA 5031
Phone: (08) 8415 6100
Fax: (08) 8154 1400
Web: www.drakes.com.au

Drake Supermarkets is now on facebook, visit us at

Upper Level
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www.drakes.com.au



7th July 2010

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 313
CANBERRA ACT 2601

Re Coles Predatory Pricing - Flybuys Fuel Campaign

Dear Mr Sims

At what stage will the ACCC stop this type of behaviour?

Coles are now advertising to Flybuy Members Only (see attached) -

**SAVE 30c, 35c, & 40c per litre off fuel when they spend between
\$110 - \$130 dollars in one transaction at any Coles supermarkets
(offer valid between Thursday, 18th - 21st July).**

If this continues, it is only a matter of time before we have no independent service stations and the major independent food supermarket retailers will go into receivership. If this type of predatory pricing is to continue maybe I should look at selling my business as there is no way any independent retailer can cope with such conduct.

The inability of the ACCC to Act is just encouraging the duopoly to be more aggressive with this type of advertising; and I am sure I can speak on behalf of all independent businesses in asking you to act now before all independents have no other choice but to shut up shop.

Again, I look forward to receiving your prompt response on this matter.

Yours sincerely,

Roger Drake
Managing Director
Drakes Supermarkets

cc: Hon. Robert Brokenshire, MP
Independent Senator: Nick Xenophon
Christopher Pyne, MP
Graham Hodgson
Senator: Don Farrell

- 246 -



PO Box 134
50 Henley Beach Road
Murrenville SA 5031
Phone: 08 8415 8100 Fax: 08 8415 1400
www.drakes.com.au



15th July 2012

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Woolworths Predatory Pricing - Golden Grove

Dear Mr Sims

On a recent visit to my Golden Grove independent Drakes Supermarkets store I came across the attached advertisement in front of the opposition Woolworths store located in the same centre

***"SAVE 17 cents per litre off fuel when you spend \$100 or more at Woolworths
+ SAVE AN EXTRA 4 cents per litre off fuel when you spend \$5 or more
at any Woolworths Caltex Service Stations"***

This is an incredible 21 cents per litre off fuel - how can the independents compete?

I have said it before, I am a believer in healthy competition across all industries, however I have no doubt that if Woolworths are continually allowed to advertise in this manner, this will have a devastating effect on not only my store at Golden Grove but all our supermarkets and in fact all independent supermarkets and service stations across the country

If the ACCC does not investigate this type of predatory pricing as a matter of priority we will soon see all independents out of business and ultimately leave the customer with no choice but to shop at Coles or Woolworths for their grocery items, fuel, liquor and hardware!

Again I look forward to receiving your prompt response on this matter

Yours sincerely

Roger Drake
Managing Director
Drakes Supermarkets

cc. Hon. Robert Brokenshire, MP
Independent Senator: Nick Xenophon
Christopher Pyne, MP
Bram Stammers
Senator: Don Farrell



CALTEX

Woolworths



SAVE

17¢

OFF PER GALLON

+

4¢

OFF PER GALLON

When you spend

\$100

or more at
Woolworths

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



8th July 2013

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Fuel Pricing by the Duopoly

Dear Mr Sims

I am writing to highlight the ongoing petrol pricing discounting by Coles and Woolworths.

I understand these offers to be clearly in breach of the Act, and I attach another example of this ongoing and sustained conduct.

On Friday, 5th July, Coles advertised in the Adelaide Advertiser paper "spend \$100 or more in one transaction and receive 16 cents per litre fuel discount" – this was advertised on Page 2 and also on Page 17 (see attached copies).

This type of discounting from the major players is clearly being subsidised by their other divisions and I believe this is a blatant abuse of market share. If we continue to let them get away with this, there will be no other independent fuel outlets competing in the market.

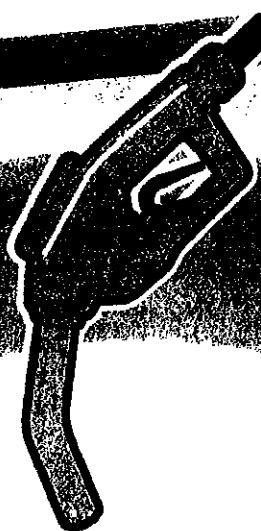
I know ACCC are currently reviewing this conduct but this could be months away. Clearly, Coles and Woolworths have no regard for the ACCC.

I look forward to receiving your response on this matter.

Yours sincerely

Roger Drake
Managing Director
Drakes Supermarkets

SAVE
16¢
per
litre



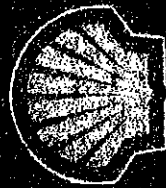
WAVE

WAVE DISCOUNT FUEL DISCOUNT

When you spend \$100 or more
in one transaction at Coles

offer ends 11th July 2013

Terms and conditions: Valid in Coles Supermarkets (excludes Coles Express and Liquorland), B.L.O. and coles.com.au. Qualifying amount must be spent in one transaction and excludes rates, toll, or service and delivery charges and purchases of Coles Express gift cards, tobacco and tobacco related purchases. Purchases from coles.com.au must be collected or delivered during the offer period. Fuel discount receipt valid at Coles Express for four weeks from date of issue. Limit of one fuel discount receipt per fuel purchase up to 150L per vehicle per customer. Not valid for Fleet Card. Shell card, Motorbikes or Motorcycle purchases or with other fuel offers or discounts. See colesexpress.com.au for full terms and store locations.



coles
express

coles

**FRUIT
& VEG**

**SUPER
Specials**

**SAVE
16¢**
per litre

MASSIVE FUEL DISCOUNT
Spend \$100 or more
in one transaction at Coles

\$2⁵⁰
kg

\$2⁵⁰
kg

\$2⁵⁰
kg

**2 for
\$6**



Australian Truss Tomatoes

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



21st June 2013

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Fuel Pricing by the Duopoly

Dear Mr Sims

I wish to bring to your attention another example of what Woolworths are doing with petrol pricing and have enclosed their latest fuel offer which was in today's Adelaide Advertiser, advertising 15 cents per litre off fuel at any Woolworths Caltex outlets when you spend more than \$100 in a single transaction. This comes just 1 day after Coles advertised their 10 cents per litre reduction.

Drakes Supermarkets currently runs 4 cents per litre discount fuel offer which is funded by an approx. 2 cent contribution from us and a 2 cent contribution from the independent fuel operators. The average monthly cost to our company is \$48k across all sites.

On 11th March, we trialled a 10 cents per litre fuel discount offer for a 4 week promotion to try and combat the ongoing exceptionally high petrol discounting war of Coles & Woolworths. This cost the company an additional \$284k over our regular redemption discount of 4 cent during the same redemption period which also cost the company \$50k

If Coles & Woolworths can continually offer these highly discounted fuel offers, clearly the Australian consumer is being ripped off somewhere.

Again; this is another case of the duopolies market dominance to eliminate competition, and I am not sure how long the independent fuel outlets and supermarkets can withstand this unconscionable conduct.

I look forward to receiving your response on this matter.

Yours sincerely

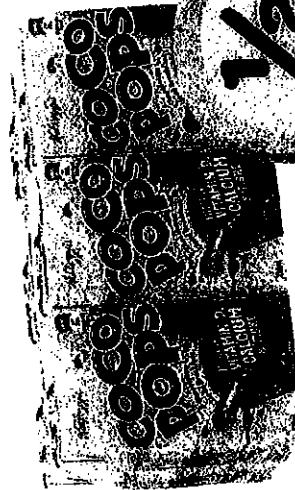
Roger Drake
Managing Director
Drakes Supermarkets

more every day

15c OFF FUEL

Woolworths

CALTEX



1/2 PRICE

SAVE 400

Kellogg's Coco Pops or Nutri-Grain Liquid Breakfast 6x250ml
\$3.99ea \$2.66 per Litre



our Dairy

DEVONDALE

soft

MADE WITH REAL BUTTER

29c

SAVE 121

Until Sunday
Devondale Extra Soft or Dairy Soft Spread 500g 60c per 100g



18.99

kg

SAVE 13

Until Sunday
Australian Beef
Market Value Scotch
Fillet Steak



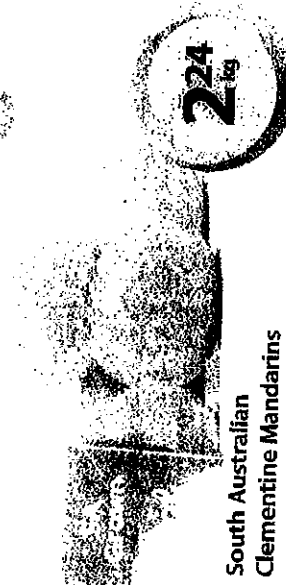
1/2 PRICE

Cadbury Medium Bars 30-60g
or Europe Bars 40-45g 79¢ ea



2.38 ea

South Australian Pink Lady
Apples 1kg Pack



2.24 ea

South Australian
Clementine Mandarins



1.68 ea

Australian Cauliflower



2 FOR \$4

Green Asparagus
- Product of Peru



Australian
Strawberries
250g Pack
\$13.92 per kg

3.48 ea



2.98 ea

Australian Cup Mushrooms
200g Pack \$14.90 per kg

Woolworths

Online In Store Mobile

ON SALE FROM FRIDAY 21ST JUNE, 2013 UNTIL TUESDAY 25TH JUNE, 2013 unless sold out earlier. Some stores closed Sunday. Savings based on our Adelaide metropolitan sell price. Advertised savings may vary in some stores, as some products may already be priced below the metropolitan sell price. Limits per customer may apply, trade not supplied. Specials may not be available at Woolworths online, Loxton and Walkerville and are not available at CALTEX WOOLWORTHS co-branded fuel outlets. To locate your nearest Woolworths Store call 1300 767 969 or SMS the suburb/postcode or state on 0459 767 969.
^ To save 15¢ per litre on fuel at CALTEX WOOLWORTHS co-branded outlets, simply spend \$100 or more in a single transaction (no transaction splitting is permitted at point of sale) at Woolworths Supermarkets from Friday, 21st June, 2013 until Sunday 30th June, 2013. Offer is not available at Woolworths Liquor/BWS or CALTEX WOOLWORTHS outlets. Purchases of Woolworths Gift Cards, Smoking/Tobacco product and accessories* and Woolworths Online delivery fee are excluded from the qualifying amount. Surrender your fuel saving device to present your Everyday Rewards card (not applicable in Tasmania) at any CALTEX WOOLWORTHS co-branded fuel outlet to receive your fuel discount. Fuel discount valid for 28 days after purchase. Discounts not available on purchases of LPG at designated CALTEX WOOLWORTHS co-branded outlets or on any Caltex StarCard purchases. Woolworths Limited reserves the right to at any time suspend or terminate this offer. Regular fuel discount booklet conditions apply.

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



20th June 2013

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Fuel Pricing by the Duopoly

Dear Mr Sims

Again, I wish to bring to your attention the continued conduct of petrol pricing by the duopoly

Enclosed is just another example of what Coles are doing with petrol pricing. It is interesting to note that prior to the 19th June petrol pricing in Adelaide was around \$1.50 per litre, considerably higher than the previous week. Not surprisingly, on June, 20th, Coles came out with a 10 cents per litre reduction offer running until Sunday, 23rd June.

If this is not using their market dominance to eliminate competition, I don't know what is. Independent supermarkets and fuel operators cannot compete with this type of behaviour. If this continues, it is only a matter of time before we see independent supermarkets and fuel operators out of business.

It was only last month Coles approached me with an exceptionally high offer to purchase some of my stores. Maybe I should have accepted their offer, because if Coles & Woolworths continue with fuel promotion in this manner, I cannot see how I will be able to compete; and if we go out of business because of this unconceivable conduct of Coles and Woolworths, I can only blame the ACCC for their lack of action. This has been going on far too long and we need to protect our food industry. As I have said before, once Coles and Woolworths obliterate the independents, they will be able to charge the consumer whatever they like. Without competition the local farming & manufacturing industry will also cease to exist; and we will see more and more inferior products come in to this country from overseas.

As an employer of 6000 staff, I am one of the lucky people that enjoy what I do, and it is my dream to ensure my business is passed on from generation to generation, and consequently I spend a lot of time on the shop floor with our staff and customers. When will the ACCC realise the consumer has had enough of this type of market dominance, with Coles and Woolworths having over 80% of the market share in Australia – we need to preserve what little competition we have left!

I look forward to receiving your response on this matter.

Yours sincerely

Roger Drake
Managing Director
Drakes Supermarkets

cc. Rob Ghali, General Manager, Enforcement Operations – NSW
ACCC, Level 20, 175 Pitt Street, Sydney NSW 2000

SAVE
10¢ per
litre



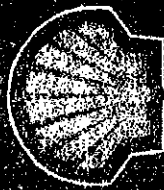
ELIGIBLE

DISCOUNT

When you receive a discount
in one transaction at Coles

HURRY! ENDS SUNDAY 23rd JUNE

Terms and conditions: Offer valid in Coles Supermarkets (excludes Coles Express and Liquorland), BHD and coles.com.au. Qualifying amount must be spent in one transaction and excludes coles.com.au service and delivery charges and purchases of Coles Group gift cards, tobacco and tobacco related purchases. Purchases from coles.com.au must be collected or delivered during the offer period. Fuel discount receipt valid at Coles Express for four weeks from date of issue. Limit of one fuel discount receipt per fuel purchase up to 150L per vehicle per customer. Not valid for Fleet Card, Shell Card, Motorpass or Motorpass purchases or with other fuel offers or discounts. See colesexpress.com.au for full terms and store locations.



coles
express

coles

100th Level
50 Merritt Street, 4000
Sydney NSW 2000
Tel: 02 9254 1111 Fax: 02 9254 1111
www.drakes.com.au



20th April 2006

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

File
on

Re Fuel Pricing by the Duopoly

Dear Mr Sims

Once again I wish to bring to your attention the continued conduct of petrol pricing by the duopoly.

Both Coles & Woolworths have extended their 5 cents per litre offer once again. At this stage they are advertising their offer until the 1st May; however I am sure they will continue this ongoing fuel discounting war and I can only see that it is making a mockery out of the ACCC investigations.

As I have said before, if this is not a form of predatory pricing to eliminate competition I don't know what is. It is paramount that we protect our independent fuel operators as if this is allowed to continue, I have no doubt they will cease to exist.


Please find attached a copy of the latest marketing material.

I look forward to receiving your response on this matter.

Yours sincerely,

Roger Drake
Managing Director
Drakes Supermarkets

cc: Ron Gha - General Manager Enforcement Operations - NSW
100th Level 20 Merritt Street Sydney NSW 2000



Picnic

609-503 5408 Wripa W Arnpu

WAS \$33
SALE \$33

515 5A7A

545

30

OF

Sorbent

1934

42c
PER
ROLL

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**Huggies Ultra Dry Jumbo
Nappies 60 pack - 108 pack**

Sorbent Toilet Tissue 2 1/4 Pack
\$0.23 per 100 sheets

On sale until Tues 9th April 2013.

Advertised prices apply at South Australian stores. Advertised prices not available at Coles Express and Coles (country).

SAVE
8¢ per
pound

**EXTENDED
UNTIL 1st MAY**

DOUBLE FUEL DISCOUNT

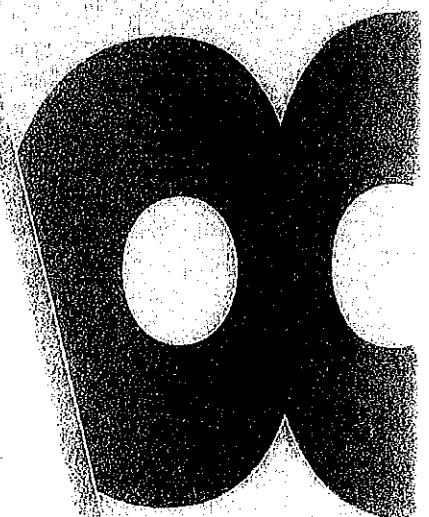
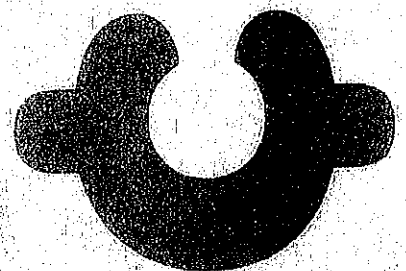
When you spend \$30
or more in one transaction
at Coles or Liquorland




coles
express

500

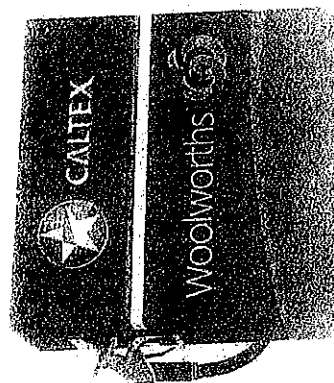
Terms and conditions: Offer valid in Coles Supermarkets (excludes Coles Express), B1 (L) and Coles.com.au and Liquorland (excluding Liquorland Express). Liquorland stores in the NT and NSW WA and online purchases of Liquorland Direct. Qualifying amount must be spent in one transaction and excludes coles.com.au service and delivery charges and purchases of Coles Group gift cards, tobacco and tobacco related purchases. Purchases from coles.com.au must be collected or delivered during the offer period. Fuel discount receipt valid at Coles Express for four weeks from date of issue. Limit of one fuel discount receipt per fuel purchase up to 150L per vehicle per customer. Not valid for Fleet* and Shell* card. Monopass: 24 Monopass purchases as with other fuel offers or discounts. See colesexpress.com.au for fuel terms and store locations.





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RE ACCC

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



21ST June 2013

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
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Re Fuel Pricing by the Duopoly

Dear Mr Sims

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If Coles & Woolworths can continually offer these highly discounted fuel offers, clearly the Australian consumer is being ripped off somewhere.

Again; this is another case of the duopolies market dominance to eliminate competition, and I am not sure how long the independent fuel outlets and supermarkets can withstand this unconscionable conduct.

I look forward to receiving your response on this matter.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Roger Drake".

Roger Drake
Managing Director
Drakes Supermarkets

more everyday

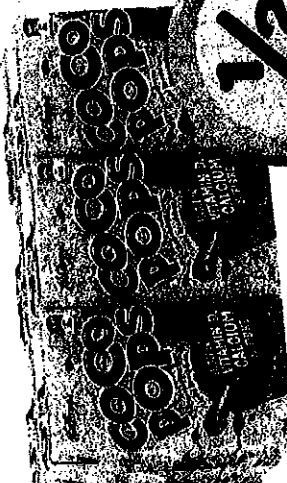
Helping Aussie families save



Woolworths

15c OFF FUEL

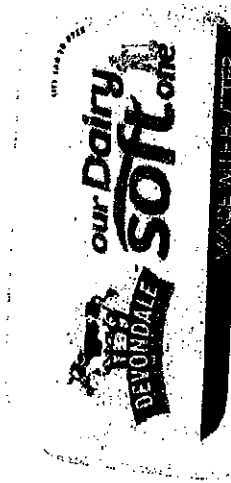
When you spend \$100 or more in a single transaction



Until Sunday
Kellogg's Coco Pops or Nutri-Grain Liquid Breakfast 6x250ml
\$3.99ea \$2.66 per Litre

1/2 PRICE

SAVE 400



Until Sunday
Devondale Extra Soft or Dairy Soft Spread 500g 60c per 100g

299

SAVE 121



Until Sunday
Australian Beef Market Value Scotch Fillet Steak

1899

SAVE 300

BOOST

Until Sunday
Cadbury Medium Bars 30-60g
or Europe Bars 40-45g 79c ea

1/2
SAVE
106

SAVE
UP TO
265



SA
Grown
South Australian Pink Lady
Apples 1kg Pack

238
ea

224
kg

SA
Grown
South Australian
Clementine Mandarins



168
ea

Australian Grown
Australian Cauliflower



Green Asparagus
- Product of Peru

2 FOR
\$4
SINGLE
SELL
250
ea

298
ea

Australian Cup Mushrooms
200g Pack \$14.90 per kg

250g Pack
348
ea

Australian
Strawberries
250g Pack
\$13.92 per kg

Woolworths

Online In Store Mobile

ON SALE FROM FRIDAY 21ST JUNE, 2013 UNTIL TUESDAY 25TH JUNE, 2013 unless sold out earlier. Some stores closed Sunday. Savings based on our Adelaide metropolitan sell price. Advertisements may vary in some stores, as some products may already be priced below the metropolitan sell price. Limits per customer may apply. Trade not supplied. Specials may not be available at Woolworths online, Loxton and Walkerville and are not available at CALTEX WOOLWORTHS co-branded fuel outlets. To locate your nearest Woolworths store call 1300 767 969 or SMS the suburb/postcode or state on 0439 767 969.
To save 15c per litre on fuel at CALTEX WOOLWORTHS co-branded outlets, simply spend \$100 or more in a single transaction (no transaction splitting is permitted at point of sale) at Woolworths Supermarkets from Friday, 21st June, 2013 until Sunday 30th June, 2013. Offer is not available at Woolworths Liquor/BWS or CALTEX WOOLWORTHS outlets. Purchases of Woolworths Gift Cards, Smoking/Tobacco product and accessories and Woolworths Online delivery fee are excluded from the qualifying amount. Surrender your fuel saving card to present your Everyday Rewards card (not applicable in Tasmania) at any CALTEX WOOLWORTHS co-branded fuel outlet to receive your fuel discount. Fuel discount valid for 28 days after purchase. Discounts not available on purchases of LPG at designated CALTEX WOOLWORTHS co-branded outlets or on any Caltex Starcard purchases. Woolworths Limited reserves the right to at any time suspend or terminate this offer. Regular fuel discount docket conditions apply.

Michelle White

From: Rowan Mansfield
Sent: Friday, 21 June 2013 1:47 PM
To: Roger Drake
Subject: Petrol Update - 10c

Roger,

Update on the 10c petrol offer:

Total vouchers over 8 week period (4 week promotion, 4 week redemption): 72765
Total cost to Drakes : \$284,611.55

Average cost to Drakes per week on 10c vouchers for a 4 week promotion is \$71,152.89

Over this period there were also 33064 regular 4c vouchers redeemed, with a cost of \$48,711.89

On an average week with just the regular 4c discount, we will pay out approx. \$12,000 per week across all sites.

Let me know if you need any more info

Thanks,

Kind regards,

Rowan Mansfield
Category Manager



We give you more

Address: Head Office SA
Upper Level, 159 Henley Beach Road
Torrensville SA 5031
Phone: (08) 8415 6100
Fax: (08) 8154 1400
Web: www.drakes.com.au



On

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



10th July 2012

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Coles Predatory Pricing – Port Lincoln

Dear Mr Sims

I have enclosed yet another copy of a flyer recently distributed by Coles in the town of Port Lincoln.

Coles have again used their market dominance and produced an advertisement offering "16 cents per litre off fuel until Tuesday, 17th July when you spend \$100 or more" only at Coles, Port Lincoln.

I have said it before, I am a believer in healthy competition across all industries, however I have no doubt that if Coles are continually allowed to advertise in this manner, and not be forced to have the same offer across all their stores within the State, this will have a devastating effect on all independent service stations and supermarkets, and ultimately our consumers!

Again, I look forward to receiving your prompt response on this matter.

Yours sincerely

A handwritten signature in dark ink, appearing to read "Roger Drake".

Roger Drake
Managing Director
Drakes Supermarkets

HUGE FUEL DISCOUNT



SAVE 16¢ per litre

UNTIL TUESDAY 17 JULY 2012

When you spend \$100 or more at Coles Port Lincoln

Fuel offer terms and conditions: This 16 cent per litre fuel discount offer includes the standard 1¢.10 discount (including any bar code). The purchase of \$100 or more (incl GST) must be made at one of the participating Coles Express stores between Wednesday 11 July to Tuesday 17 July 2012 at Coles Port Lincoln. Standard 6 cent per litre fuel discount is only available to customers who are not eligible for the 16 cent per litre discount. Limit of one 16 cent per litre discount per customer. Fuel purchase up to 150 litres per vehicle per customer. Not valid for Fleet Card, Shell Card, Mastercard or Klarna pre-purchase. For further details, visit coles.com.au. Fuel discount is not available for purchases of fuel-related products and services. Fuel discount does not contribute to qualifying spend. Offer not to be used in conjunction with any other offer or receipt. Valid only on pump purchase. Additional 2 cent per litre discount for those who spend at Coles Express. Coles Express Fuel Discount and have access to this offer. Conditions also apply, see in store at coles.com.au for Coles Express store terms and conditions. Fuel discount is not valid for purchases from other outlets.

coles
express



Quality food costs less | **coles**

Upper Level
159 Henley Beach Road
Torrensville SA 5031
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www.drakes.com.au



19th August 2013

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Woolworths Bait Advertising

Dear Mr Sims

I am writing to you in regards to what I believe is bait advertising by one of the duopoly; namely Woolworths.

On Wednesday the 14th of August, Woolworths advertised two major lines, being bacon & Finish dishwashing tablets. (Woolworths catalogue attached) refer to the Finish dishwashing tablets - our best price sell in the last 12 months is \$19.99 however Woolworths advertised the same product at \$10.00. On hearing from our consumers that they failed to have the stock on show and on investigation, we found many of their stores didn't have the stock:

Aberfoyle Park SA	Ashmore QLD	Blackwood SA	Blakes Crossing SA
Elizabeth SA	Findon SA	Fire SA	Gawler SA
Harbour Town SA	Hallett Cove SA	Marden SA	Moonta SA
Newton SA	Para Hills SA	Rosedale QLD	Spring Field QLD
Virginia SA	West Lakes SA	Hackham SA	Morphett Vale SA
North Gate SA	Old Reynella SA	Woodcroft SA	

*Photos of the above mentioned stores attached

It is easy for Woolworths to say that they underestimated the amount of stock sold, but clearly when you take a full back page advertisement on Wednesday the 14th of August in the daily press you would expect huge volume increases (Scan copy of Adelaide Advertiser attached). I believe this is no more than bait advertising and surely some action should be taken as this is false and misleading to the consumer.

I believe there is a law against this type of advertising and if it is the case this is clearly in breach. I am sure Woolworths answer would be that they didn't envisage the high amount of sales, but clearly when you have such a reduced sell price, a group like Woolworths should be in a better position than most to correctly estimate this type of volume.

I look forward to receiving your prompt response on this matter.
Yours sincerely

Roger Drake
Managing Director
Drakes Supermarkets

cc. Independent Senator; Nick Xenophon

Wednesday, 14th August 2013



Online



In Store



Mob

more
every day

BIG
family
SPECIAL

QUANTUM AMAZING SHINE & CLEAN
POWER GEL

finish
POWERBALL

BIG family SPECIAL

\$10^{*} ea

Finish Dishwasher Tabs Max In 1 Pk 48, All In 1 Pk 56 or Quantum Pk 40

SAVE 179

*Unit & per customer

Save big on
family essentials



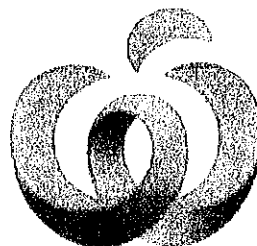
BIG family SPECIAL

\$9 kg

Shortcut Bacon Rashers - From the Deli Dept

SAVE 698 kg

Woolworths
Australia's fresh food people





Australian
Competition &
Consumer
Commission

Our ref: 1829993
Your ref: 608/16342/80146527
Contact officer: Mark McCarthy
Contact phone: (08) 8213 3446

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

15 October 2013

Mr Roger Drake
Managing Director
Drake Supermarkets
Upper Level, 159 Henley Beach Road
TORRENSVILLE SA 5031

Dear Mr Drake

Woolworths Ltd advertising and stock levels of Finish dishwashing tablets

I refer to your letter dated 19 August 2013 to Rod Sims regarding Woolworths Ltd's (Woolworths) advertising of Finish dishwashing tablets.

Specifically, you raised concerns about the level of stock held by Woolworths' stores for the advertised products in circumstances where a number of Woolworths' stores may have sold out of their stock early into the advertised period (14 August 2013 to 20 August 2013).

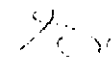
The issues you referred to have been raised with Woolworths and its response has now been considered. As you can appreciate, I am not at liberty to disclose to you the full details of Woolworths' response, however, I am able to confirm that Woolworths did experience availability of supply difficulties during this promotion particularly in a number of South Australian stores.

While not completely addressing the concerns raised, it was also noted that Woolworths offered consumers rainchecks in circumstances where the advertised promotion was current but the store had no stock available. In the context of our engagement, Woolworths has advised of steps taken to avoid a recurrence of this situation. The ACCC has also raised its expectations that practices and procedures be reviewed to prevent recurrence.

While I do not intend to pursue the matter further at this stage, if similar such issues arise in Woolworths' promotions, the matter may be reassessed pursuant to the ACCC's Enforcement and Compliance Policy.

Thank you for raising this matter with the ACCC. If you have any queries in relation to this letter, please contact Mr Mark McCarthy on (08) 8213 3446.

Yours sincerely


Scott Gregson
Group General Manager
Enforcement Group

File ACCC

Upper Level
159 Henley Beach Road
Torrensville SA 5031
p: (08) 8415 6100 f: (08) 8154 1400
www.drakes.com.au



26th June 2012

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
PO Box 3131
CANBERRA ACT 2601

Re Coles Predatory Pricing – Port Lincoln

Dear Mr Sims

I have enclosed a copy of a flyer recently distributed by Coles in the town of Port Lincoln.

Coles have once again used their market dominance and produced an advertisement offering "20 cents per litre off fuel until Tuesday, 3rd July when you spend \$100 or more" only at Coles, Port Lincoln.

If this type of behavior continues, no independent fuel retailer will be able to survive in this country town. Clearly, this must be viewed as them using their domination in both areas of fuel and food so as to eliminate all independent competition in this region. I am certain that if Drakes Supermarkets had not opened a store in Port Lincoln, both Coles & Woolworths would not have these types of offers on fuel and grocery price reduction, and surely if they are able to do this in one store, they should be forced to have this offer across all of their South Australian stores.

I am a believer in healthy competition, however if independent competition is eliminated, I have no doubt that the duopoly will not be offering any value to the consumer.

Again, I look forward to receiving your prompt response on this matter.

Yours sincerely


Roger Drake
Managing Director
Drakes Supermarkets

HUGE FUEL DISCOUNT



SAVE 20¢ per litre

UNTIL TUESDAY 3 JULY 2012

When you spend \$100 or more at Coles Port Lincoln

Fuel offer terms and conditions: This 20 cent per litre fuel discount offer includes the standard fuel discount (including any bonus offer) for purchases of \$50 or more. Customers must spend \$100 or more in one transaction between Wednesday 27 June to Tuesday 3 July 2012 at Coles Port Lincoln. Standard 4 cent per litre fuel discount receipts remain redeemable at Coles Express for 4 cent per litre discount. Limit of one fuel discount receipt per fuel purchase up to 150 litres per vehicle per customer. Not valid for Fleet Card, Shell Card, Motorcharge or Motorpass purchases. Purchases of gift cards, tobacco and tobacco related products and coles.com.au delivery service fees do not contribute to qualifying spend. Offer not to be used in conjunction with any other offer or receipt. Valid in conjunction with additional 2 cents per litre discount for in-store spend at Coles Express, Coles Express Fuel Discount and Save 6 cents 2012. And Conditions also apply, see in-store or colesexpress.com.au. For Coles Express store locations, also see web. Fuel discount voucher valid for four weeks from date of issue.

coles
express



Quality food costs less | **coles**