



MEDIA RELEASE

8 December 2022

Woolworths' proposed acquisition of SUPA IGA Karabar raises preliminary competition concerns

The ACCC has outlined preliminary competition concerns with Woolworths's (ASX:WOW) proposed acquisition of the independent supermarket operating as SUPA IGA in Karabar, and co-located liquor store operating as Liquor Boss, in a statement of issues published today.

Woolworths and SUPA IGA Karabar currently compete in supplying groceries in the broader Queanbeyan region (encompassing Karabar and Jerrabomberra). Woolworths already operates two supermarkets within a 5km radius of SUPA IGA Karabar, in Queanbeyan and Jerrabomberra.

"Competition between supermarkets is important in ensuring different product ranges, promotions, and service offerings. We are concerned that this proposed acquisition is likely to substantially lessen competition in the supply of groceries in the local area," ACCC Commissioner Liza Carver said.

"Within a 5km radius of SUPA IGA Karabar, it would reduce the number of operators of supermarkets with a significant size and range from four to three, leaving only Woolworths, Coles and ALDI."

"We are also considering whether the acquisition raises similar concerns in relation to liquor stores, by removing the Liquor Boss as an independent competitor to major liquor store operators."

The ACCC is also investigating the impact of the acquisition on the competitiveness of other independent supermarkets in the region. In particular, whether removing the Karabar store from the IGA network, and removing it as a wholesale customer of Metcash, impacts the efficiency and competitiveness of other stores that operate under the IGA banner, or receive supply from Metcash.

The ACCC invites submissions from interested parties in response to the statement of issues by **12 January 2022**.

The ACCC also invites customers of the SUPA IGA and Liquor Boss at Karabar to complete [a short survey](#) on their shopping habits.

The ACCC's final decision is scheduled for **23 March 2023**. More information, including the statement of issues, is available at: [Woolworths - SUPA IGA Karabar](#)

Background

The SUPA IGA Karabar is an independent supermarket which sells a range of groceries and liquor in an attached liquor store (trading as Liquor Boss), located in Karabar, NSW. Karabar is a small residential suburb approximately 2.5km from the town centre of Queanbeyan, NSW, which lies to the south-east of Canberra.

SUPA IGA Karabar and Liquor Boss are owned by Karabar Property Pty Ltd, controlled by John Krnc, who also owns the Karabar Shopping Mall in which they are located. Karabar

Shopping Mall is approximately 4,500 sqm and houses 15 tenancies. IGA Karabar is its sole grocery offering.

The ACCC previously opposed Woolworths' proposed acquisition of the Karabar Supermarket in 2008 (then under different ownership and trading under the "Supabarn" banner).

Further detail on the ACCC's 2008 merger review, including the Public Competition Assessment, is available on the [ACCC's Public Mergers Register](#).