



Australian
Competition &
Consumer
Commission

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NEWS RELEASE

ACCC CALLS FOR COMMENT ON PROPOSED ACQUISITION OF SUPA IGA STORES IN WA BY COLES

The Australian Competition and Consumer Commission has released a Statement of Issues outlining potential competition concerns with the proposed acquisition of four Progressive Supa IGA stores by Coles Supermarkets Australia Limited from Progressive Trading Pty Ltd. Metcash Limited (ASX: MTS) is listed on the ASX and has a 45 per cent interest in Progressive Trading Pty Ltd.

The Statement of Issues seeks further information on a number of competition issues, which have arisen from the ACCC's review to date.

The stores are located in Busselton, Halls Head, Bunbury Forum and Dianella in Western Australia. The Busselton and Halls Head stores each have an attached liquor licence.

The ACCC's preliminary view is that the proposed acquisition may result in a substantial lessening of competition in one or more of the local markets for supermarket retailing.

There are no other Supa IGA stores in at least three of the four local markets.

"Market participants have expressed concern about losing the differentiated offering of their local Progressive Supa IGA stores," ACCC Commissioner Dr Jill Walker said.

"The ACCC considers that the differentiated offer of the Supa IGA stores reflects a competitive response to rival supermarkets and provides additional choice to consumers."

"The ACCC is also concerned that the proposed acquisition would remove access to Supa IGA promotions for shoppers in these areas," Dr Walker said.

Further submissions are invited from the market in response to the Statement of Issues by 24 July 2014 and can be sent to the ACCC at mergers@acc.gov.au. The final decision will be deferred until 14 August 2014.

The Statement of Issues is available at www.accc.gov.au/mergersregister

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