



Australian
Competition &
Consumer
Commission

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

NEWS RELEASE

ACCC WILL NOT OPPOSE PATRICK'S PROPOSED JOINT VENTURE WITH ACFS

The Australian Competition and Consumer Commission has announced that it will not oppose Patrick Container Ports Pty Ltd's (Patrick) (a subsidiary of Asciano Limited (ASX: AIO)) proposed joint venture with Australian Container Freight Service Pty Ltd (ACFS) pursuant to section 50 of the Competition and Consumer Act.

"The ACCC considered that the provisions of the joint venture that relate to the acquisition of shares or assets were unlikely to lead to a substantial lessening of competition in any market," ACCC Commissioner Dr Jill Walker said.

Patrick and ACFS both supply container transport ('wharf cartage') as well as warehousing and distribution services in Sydney, Melbourne, and Brisbane. Both parties also have interests in empty container parks in Sydney. ACFS was also expected to commence operations in Fremantle and compete with Patrick in that market in the future.

"The ACCC conducted market inquiries with a range of interested parties. Our review focused on competition in the supply of wharf cartage services, particularly at Port Botany. We also considered the potential for any of Patrick's container terminals to be operated in a way which disadvantaged the joint venture's competitors," Dr Walker said.

The ACCC determined that the joint venture was unlikely to increase Patrick Terminals' incentive to favour the joint venture to the detriment of rival wharf cartage providers. Patrick Terminals was already vertically integrated prior to the joint venture and the joint venture was unlikely to substantially alter its incentives.

The joint venture would be one of the largest providers of each service in Sydney, Melbourne, Brisbane and Fremantle. However, the ACCC determined that, following the joint venture, Patrick and ACFS would continue to face strong competition from a number of alternative providers (including Qube, Toll Extra, Swift, Chalmers and others).

Asciano Limited (AIO) is listed on the Australian Stock Exchange. It is an Australian based freight and logistics company.

Further information is available at www.accc.gov.au

Media inquiries

ACCC Media 1300 138 917

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