

Oz Regulator ACCC moves on retail duopolists Coles and Woolies

by Mitchell Neems via sam - The Australian *Monday, Feb 24 2014, 11:24pm*

international / prose / post

Wesfarmers Coles is being taken to court YET AGAIN by the Oz regulator the ACCC, for what Europeans and Americans call 'antitrust' violations which simply means squeezing out competition by sheer force of size and the competitive advantage that affords. But that is why we have regulators in Oz that always attempt to maintain a level playing field in the interests of the consuming public, national food producing industries and smaller independent retailers -- very large retailers are able to purchase globally and by consequence, destroy LOCAL food producing industries and jobs, as former MD of Coles, Ian 'bonus chasing at any cost' McLeod, has been [cited](#) for in the past.



Coles is currently making an amusing debacle of their defence in the Federal Court for deceptive practices relating to the misleading advertisement, "baked today, sold today," after it was discovered that many of Coles' breads were par-baked in Ireland, sometimes SIX months before sale in Oz -- after finishing in local ovens. Oz regulators know full well the stripe of the beast they are dealing with and the destructive, to the nation and local jobs, practices they employ!

Now to the latest story from the above Murdoch journo.

The story relates to petrol-docket discounts offered by both supermarket chains, which make it impossible for smaller, petrol only sellers, to survive, Coles and Woolworths make up losses on petrol from retail markups on their supermarket shelves. It's a classic case of anti-competitive practices. So it's goodbye to a traditional Australian business sector, smaller petrol-only sellers.

The regulator naturally intervened in this outrageous anti-competitive scam; but to avoid legal prosecution both supermarket chains pledged to comply with the regulators instructions and cease their anti-competitive practices.

However, corporatists being what they are, unscrupulous, deceitful, dishonest cheats, are you reading this Mr McLeod (?) failed to comply with the regulators instructions and so legal proceedings were instituted against both duopolist retailers.

Comments from Coles, according to a Murdoch outlet, are as follows:

"We welcome the opportunity to clarify conflicting interpretations of the voluntary undertaking on fuel discount dockets in court."

The operative phrase is 'conflicting interpretations;' now bear in mind we are dealing with a KNOWN "dishonest, deceptive and misleading" retailer -- here's what Coles' legal dunces had to say (including analysis) about, "baked today, sold today," in the Federal court last week:

"Counsel for Coles submitted to the court that the phrase, "baked today, sold today" was not to be taken literally or at face value, as every competent English speaker would; instead counsel submitted that it was a "juxtaposition" of categories and that 'baked today' referred to bread without preservatives baked on the premises and that 'sold today' referred to processed or pre-baked bread that contained preservatives -- give Oz a break!"

See:

<http://colescomplaints.zapto.org/news/story-42.html>

You may have to do a bit better than that, Coles. Welcome to Alice's Wonderland! If that is the best Coles can do then they deserve the harshest possible penalty and ONGOING SCRUTINY for their anti-competitive and dishonest practices. The nation and the people would be well served thereby -- go get 'em ACCC!

The personal affront to the NATION of directly and arrogantly breaching undertakings and agreements with the regulator is unforgivable.

Full story from The Australian follows:

ACCC moves on Coles, Woolworths

Coles says it welcomes the chance to clarify differing interpretations of an agreement to cap fuel discounts, as the competition watchdog takes it to court over alleged breaches.

The competition watchdog has instituted proceedings in the Federal Court against Wesfarmers Ltd-owned Coles and Woolworths Ltd for allegedly breaches of the court enforceable undertakings each had previously given to the watchdog regarding their fuel shopper dockets.

Australian Competition and Consumer Commission chairman Rod Sims said the watchdog takes alleged breaches of undertakings extremely seriously, as such agreements are generally accepted by the ACCC as an alternative to the watchdog taking court enforcement action.

In December, the ACCC accepted court enforceable undertakings from Coles and Woolworths to voluntarily limit fuel discounts that are linked to supermarket purchases to a maximum of four cents per litre.

The watchdog now alleges that Woolworths' current offer of a bundled discount of eight cents per litre is a breach of its undertaking because the discount is only available to a customer who has made a qualifying supermarket purchase.

In relation to Coles, the ACCC alleges it is offering and allowing a bundled discount of 14 cents per litre, as the discount is only available to a customer who has made a qualifying supermarket purchase.

But Coles suggested the ACCC may have a differing perception of the agreement than the retailers.

"Coles vigorously defends our ability to offer our customer great value on both groceries

and fuel," Coles said in a statement.

"We welcome the opportunity to clarify conflicting interpretations of the voluntary undertaking on fuel discount dockets in court."

Mr Sims said the watchdog's worries followed an extensive investigation.

"The ACCC had been concerned that fuel savings offers could have longer-term effects on the structure of the retail fuel markets and also short term effects of increasing general pump prices in those markets," Mr Sims said.

"We accepted the undertakings because they addressed the ACCC's principal competition concerns and allowed the matter to be resolved quickly and efficiently.

"It is pleasing that Coles and Woolworths advise that they are honouring their undertakings to fund all fuel discounts from their fuel operations, but we are concerned that the bundled discount offerings in excess of 4 cents per litre are contrary to the terms of the undertakings."

The watchdog said where there is a dispute between the ACCC and a party which has given a court enforceable undertaking and it considers that there is non-compliance with the undertaking, as is the case with Coles and Woolworths, the ACCC will take prompt court action to enforce the undertaking.

The ACCC is seeking declarations, costs and other orders.

In separate proceedings, Woolworths has sought a declaration in relation to a proposed future fuel discount offer, which the ACCC also considers would breach Woolworths' undertaking.

Directions hearings for the ACCC action against Coles and Woolworths are set for April 3 in the Federal Court Sydney.

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<http://tinyurl.com/pwxxwe5>

Jungle Drum Prose/Poetry. <http://jungledrum.lingama.net/news/story-1022.html>