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New Zealand competition analysis in relation to the proposed acquisition of an interest in PETstock by Woolworths Group

A report for Woolworths Group

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Contents

Introduction and summary	i
1. Similarity of products offered by PETstock NZ and Countdown	1
1.1 Methodology	1
1.2 Results	2
2. Comparison of prices and weights	4
2.1 Methodology	4
2.2 Results	4
3. Overlap in suppliers	6
3.1 Methodology	6
3.2 Results	6
A1. Description of data and analysis	8
A2. Additional results	11

Figures

Figure 1.1: Overlap in dog food products sold by PETstock NZ and Countdown	2
Figure 1.2: Overlap in cat food products sold by PETstock NZ and Countdown	3
Figure 2.1: Weighted average price per kilogram of the top 20 dog food products	4
Figure 2.2: Weighted average price per kilogram of the top 20 cat food products	5
Figure 2.3: Average weight of the top 20 dog food products	5
Figure 2.4: Average weight of the top 20 cat food products	5
Figure 3.1: PETstock NZ suppliers and overlap with Countdown	6
Figure 3.2: Incremental purchases by Woolworths Group from common suppliers in New Zealand (FY2021-22)	7
Figure 3.3: Incremental purchases by Woolworths Group from common suppliers in New Zealand, by supplier (FY2021-22)	7

Tables

Table A2.1: Overlap in dog food products sold by PETstock NZ and Countdown (FY2021-2022).....	11
Table A2.2: Overlap in cat food products sold by PETstock NZ and Countdown (FY2021-2022).....	11
Table A2.3: Close product matches for dry dog food between Countdown and PETstock NZ (FY2021-2022)	12
Table A2.4: Close product matches for wet cat food between Countdown and PETstock NZ (FY2021-2022)	12
Table A2.5: Close product matches for dry cat food between Countdown and PETstock NZ (FY2021-2022).....	13
Table A2.6: Exact product matches for dry cat food products between Countdown and PETstock NZ (FY2021-2022).....	13
Table A2.7: Exact product matches for wet cat food products between Countdown and PETstock NZ (FY2021-2022).....	14
Table A2.8: Comparison of top 20 dry dog food products.....	14
Table A2.9: Comparison of top 20 wet dog food products.....	15
Table A2.10: Comparison of top 20 dry cat food products	15
Table A2.11: Comparison of top 20 wet cat food products	15

Table A2.12: Top 20 dry dog food products at PETstock NZ.....	16
Table A2.13: Top 20 dry dog food products at Countdown.....	17
Table A2.14: Top 17 wet dog food products at PETstock NZ.....	18
Table A2.15: Top 20 wet dog food products at Countdown.....	19
Table A2.16: Top 20 dry cat food products at PETstock NZ.....	20
Table A2.17: Top 20 dry cat food products at Countdown.....	21
Table A2.18: Top 20 wet cat food products at PETstock NZ.....	22
Table A2.19: Top 20 wet cat food products at Countdown.....	23
Table A2.20: PETstock NZ suppliers and overlap with Countdown (FY2021-22).....	24
Table A2.21: Purchases from common suppliers by PETstock NZ and Countdown (FY2021-22)	24
Table A2.22: Purchases from common suppliers by PETstock NZ and Countdown, by supplier (FY2021-22)	24

Introduction and summary

1. We have been engaged by Woolworths Group Limited (Woolworths Group) to prepare this report setting out analysis we have undertaken in relation to the New Zealand aspects of Woolworths Group's proposed acquisition of 55 per cent of the shares in PETstock Pty Ltd (Petspiration, PG) (proposed acquisition).
2. In New Zealand:
 - a. Woolworths Group, via Woolworths New Zealand Limited (WWNZ) and subsidiaries of WWNZ, owns and operates the Countdown and Metro grocery stores, and is the franchisor of the SuperValue and FreshChoice grocery stores; and
 - b. Petspiration's operations are operated through PETstock NZ Limited (PETstock NZ) and include PETstock (which is a bricks-and-mortar and online specialty pet banner with 15 bricks-and-mortar retail stores in New Zealand), Pet.co.nz (which is an online-only specialty pet banner), and PetPost.co.nz (which is an online-only specialty pet banner).
3. In relation to New Zealand, we have been asked by Woolworths Group to:
 - a. identify the extent of overlap between the highest selling products that make up 80 per cent of PETstock NZ's revenue for dog and cat food, and all the dog and cat food products supplied by Countdown, respectively;
 - b. compare the prices and weights of the top selling pet food products sold by PETstock NZ and Countdown for FY2021-22;
 - c. compare the extent of the overlap between suppliers of PETstock NZ and Countdown;
 - d. estimate the incremental purchases by Woolworths Group from suppliers in common to PETstock NZ and Countdown, if the proposed acquisition proceeded; and
 - e. provide commentary on the results of the analyses described in (a)-(d) above that is relevant to the Commerce Commission's consideration of the proposed acquisition.
4. Our analysis of the similarity of products and comparison of prices and weights:
 - a. in relation to PG, excludes Pet.co.nz, PetPost.co.nz, and online sales by PETstock NZ (and excludes PG's operations in Australia); and
 - b. in relation to WWNZ, relates to WWNZ's Countdown business (and excludes sales by FreshChoice and SuperValue franchisees).
5. Our analysis of the overlap in suppliers:
 - a. in relation to PG, includes PETstock NZ stores, PetPost.co.nz and Pet.co.nz (and excludes PG's operations in Australia); and
 - b. in relation to WWNZ, relates to purchases by WWNZ's Countdown business (and while it is possible a small proportion of such purchases may have been on-supplied to FreshChoice and SuperValue franchisees, we are advised that such volumes are not likely to be material and so we refer to 'Countdown' in this report in relation to this analysis).
6. This report contains information that is confidential as between the parties. The confidential information in the report is designated as follows:

- a. information in this report that is commercially sensitive to Woolworths Group and should not be disclosed to PETstock Pty Ltd (or to the public) is highlighted in [];
- b. information in this report that is commercially sensitive to PETstock Pty Ltd or its shareholders and should not be disclosed to Woolworths Group (or to the public) is highlighted in [];
- c. information in this report that is commercially sensitive to both of the parties and should not be disclosed to either party (or to the public) is highlighted in []; and
- d. information in this report that should not be disclosed to the public is highlighted in [].

Similarity of products offered by PETstock NZ and Countdown

7. We examined the extent to which PETstock NZ and Countdown sold the same pet food products in FY2021-22.
8. Our analysis includes all the dog and cat food products supplied by Countdown because its data was already categorised into wet and dry pet food, as was required for our analysis. On the other hand, PETstock NZ's data was not categorised in the same way. We therefore included only the highest selling products that made up 80 per cent of PETstock NZ's revenue for dog and cat food (wet and dry food combined) in FY2021-22, ie, [] dog food products and [] cat food products.
9. We identified instances where the same product is sold at PETstock NZ and Countdown in the same packaging size (exact matches), and instances where the same product is sold at PETstock NZ and Countdown, but in different packaging sizes (close matches). In many instances, close matches were sold in very different packaging sizes at PETstock NZ and Countdown, and so exact matches reflect the most direct form of product overlap between PETstock NZ and Countdown.
10. [] of PETstock NZ's top selling [] dog food products are exact matches at Countdown.
11. Only [] of PETstock's NZ's top selling [] cat food products are exact matches at Countdown.
12. These exact matches correspond to only a small part of the revenue of each of PETstock NZ and Countdown, ie:
 - a. [] per cent of PETstock NZ's revenue for its top selling [] cat food products is from exact matches at Countdown; and
 - b. [] per cent of Countdown's revenue from cat food products is from exact matches in PETstock NZ's top selling [] cat food products.
13. We conclude that to a very large extent, PETstock NZ supplies different pet food products to those offered by Countdown.

Comparison of prices and weights

14. We compared the prices and weights of the top selling pet food products sold by PETstock NZ and Countdown for FY2021-22.
15. There are substantial differences in the weights and prices of the top 20 selling dog and cat food products we examined, ie:
 - a. the price per kilogram of pet food supplied by PETstock NZ is much higher than for Countdown; and
 - b. Countdown sells pet food in different sizes to PETstock NZ. Usually, Countdown has much smaller packaging sizes than PETstock NZ, but for wet cat food this is reversed.

16. This is consistent with there being differentiation between the products offered by PETstock NZ on the one hand, and Countdown on the other.

Overlap in suppliers

17. Only a small proportion of the firms that supply PETstock NZ also supply pet products to Countdown, which we have defined as 'common suppliers'.
18. An acquisition of PETstock NZ by Woolworths Group would lead to an increase in overall purchases from the common suppliers by the total Woolworths Group in New Zealand (including Countdown and PETstock NZ) of [].
19. The largest suppliers of pet products to Countdown, Mars and Nestle, are also suppliers of PETstock NZ. PETstock NZ's purchases from Nestle and Mars represent around [] per cent of the corresponding purchases by Countdown.

1. Similarity of products offered by PETstock NZ and Countdown

20. In this section we examine the extent to which PETstock NZ and Countdown sold the same products in FY2021-22.
21. Our analysis includes all the dog and cat food products supplied by Countdown because its data was already categorised into wet and dry pet food, as was required for our analysis. On the other hand, PETstock NZ's data was not categorised in the same way. We therefore included only the highest selling products that made up 80 per cent of PETstock NZ's revenue for dog and cat food (wet and dry food combined) in FY2021-22, ie, [] dog food products and [] cat food products.
22. We identified instances where the same product is sold at PETstock NZ and Countdown in the same packaging size (exact matches), and instances where the same product is sold at PETstock NZ and Countdown, but in different packaging sizes (close matches). In many instances, close matches were sold in very different packaging sizes at each of PETstock NZ and Countdown, and so exact matches reflect the most direct form of product overlap between PETstock NZ and Countdown.
23. [] of PETstock NZ's top selling [] dog food products are exact matches at Countdown.
24. Only [] of PETstock NZ's top selling [] cat food products are exact matches at Countdown.
25. These exact matches correspond to only a small part of the revenue of each of PETstock NZ and Countdown, ie:
 - a. [] per cent of PETstock NZ's revenue for its top selling [] cat food products is from exact matches at Countdown; and
 - b. [] per cent of Countdown's revenue from cat food products is from exact matches in PETstock NZ's top selling [] cat food products.
26. We conclude that to a very large extent PETstock NZ supplies different pet food products to those offered by Countdown.

1.1 Methodology

27. We analysed sales information for PETstock NZ and Countdown for FY2021-22 to assess the degree to which they sold the same dog and cat food products.
28. Our analysis includes all the dog and cat food products supplied by Countdown because its data was already categorised into wet and dry pet food, as was required for our analysis. On the other hand, PETstock NZ's data was not categorised in the same way. We therefore included only the highest selling products that made up 80 per cent of PETstock NZ's revenue for dog and cat food (wet and dry food combined) in FY2021-22, ie, [] dog food products and [] cat food products.
29. Dog and cat food products are important for PETstock NZ because they make up approximately [] for FY2021-22.¹
30. We identified two types of product matches:

¹ Calculated as the sum of revenue from PETstock NZ's cat and dog food products ([] and [] respectively), divided by the sum of revenue for all its pet products ([]).

- a. exact matches, where the same product is sold at PETstock NZ and Countdown in the same packaging size; and
 - b. close matches, where the same product is sold at PETstock NZ and Countdown, but in different packaging sizes.
31. We took a conservative approach, and included products as matches in cases where the products appeared to be similar, but there was some uncertainty regarding whether they were the same product.
32. Our methodology is set out in more detail in appendix A1.2.

1.2 Results

33. The products that were close or exact matches between PETstock NZ and Countdown are listed in appendix A2.1.
34. Figure 1.1 shows that PETstock NZ and Countdown do not earn any of their dog food revenue from exact match products that the other also sells. [] of PETstock NZ's dog food revenue² (the left-hand column in figure 1.1) come from products that are an exact match with products sold by Countdown. Similarly, [] of Countdown's dog food revenue (the right-hand column in figure 1.1) come from products that are exact matches in the top [] dog food products sold by PETstock NZ.

Figure 1.1: Overlap in dog food products sold by PETstock NZ and Countdown

[]

Notes: PETstock NZ revenue above is PETstock NZ's revenue from its top selling [] dog food products that make up 80 per cent of its revenue from dog food products. Countdown revenue is all its revenue from dog food products.

Source: HoustonKemp analysis of data provided by Ashurst.

35. In many instances, close matches were sold in very different packaging sizes at each of PETstock NZ and Countdown, and so exact matches reflect the most direct form of product overlap between PETstock NZ and Countdown. For example:³
- a. 'IAMS Cat Adult Chicken' was sold at Countdown in 1.59kg packages, whereas it was sold at PETstock NZ in 3.18kg or 7.26kg packages; and
 - b. 'IAMS Dog Puppy Chicken' was sold at Countdown in 3.18kg packages, whereas it was sold at PETstock NZ in 13.6kg packages.
36. Figure 1.2 shows that PETstock NZ and Countdown only earn a very small proportion of their cat food revenue from products that the other also sells. Nearly [] per cent of PETstock NZ's revenue from its top [] cat food products (the left-hand column in figure 1.2) comes from products that are not an exact match at Countdown. More than [] per cent of Countdown's cat food revenue (the right-hand column in figure 1.2) comes from products that are not exact matches in the top [] cat food products sold by PETstock NZ.

² Out of its top [] dog food products, ie, 80 per cent of total such sales.

³ See appendix A2.1.

Figure 1.2: Overlap in cat food products sold by PETstock NZ and Countdown

[]

Notes: PETstock NZ revenue above is PETstock NZ's revenue from its top selling [] cat food products that make up 80 per cent of its revenue from cat food products. Countdown revenue is all its revenue from cat food products. PETstock NZ and Countdown's revenue from exact cat food matches are not depicted because they make up [] per cent of each company's revenue from cat food products. Source: HoustonKemp analysis of data provided by Ashurst.

37. We provide tables in appendix A2.1 which set out the calculations on which figure 1.1 and figure 1.2 are based.

2. Comparison of prices and weights

38. In this section we compare the prices and weights of the top selling pet food products sold by PETstock NZ and Countdown in FY2021-22.
39. There are substantial differences in the weights and prices of the top 20 selling dog and cat food products we examined, ie:
 - a. the price per kilogram of pet food supplied by PETstock NZ is much higher than for Countdown; and
 - b. Countdown sells pet food in different sizes to PETstock NZ. Usually, Countdown has much smaller packaging sizes than PETstock NZ, but for wet cat food this is reversed.
40. This is consistent with there being differentiation between the products offered by PETstock NZ on the one hand, and Countdown on the other.

2.1 Methodology

41. We used sales data for FY2021-22 provided by Ashurst for the 20 top selling products from PETstock NZ and Countdown in the following categories:
 - a. dry dog food;
 - b. wet dog food;
 - c. dry cat food; and
 - d. wet cat food.
42. We calculated the average prices and weights of the top 20 selling items in each category. Our methodology is set out in more detail in appendix A1.3.
43. All analysis of prices is exclusive of GST.

2.2 Results

44. Figure 2.1 below shows that, for the top 20 selling products, PETstock NZ has a significantly higher weighted average price per kilogram than Countdown for both wet and dry dog food products. This is despite PETstock NZ having larger packaging sizes than Countdown (see figure 2.3), which might be expected to reduce the price for PETstock NZ's dog food products on a per kilogram basis.

Figure 2.1: Weighted average price per kilogram of the top 20 dog food products

[]

Source: HoustonKemp analysis of data provided by Ashurst

Notes: The average prices are weighted by the number of units of the products sold. There were only [] wet dog food products sold at PETstock NZ out of the dog food products that contributed the top 80 per cent of PETstock NZ's dog food revenue.

45. Figure 2.2 shows that the top 20 wet and dry cat food products sold by PETstock NZ have a much higher weighted average price per kilogram than those from Countdown. This is the case for dry cat

food products despite PETstock NZ having larger packaging sizes than Countdown (see figure 2.4), which might be expected to reduce the price for PETstock NZ's products on a per kilogram basis.

Figure 2.2: Weighted average price per kilogram of the top 20 cat food products

[]

Source: HoustonKemp analysis of data provided by Ashurst

Notes: The average prices are weighted by the number of units of the products sold

46. Figure 2.3 shows that PETstock NZ's top 20 dry dog food products are about three times as heavy as those from Countdown, and PETstock NZ's top 20 wet dog food products are about twice as heavy as those from Countdown.
-

Figure 2.3: Average weight of the top 20 dog food products

[]

Source: HoustonKemp analysis of data provided by Ashurst.

Note: There were only 17 wet dog food products sold at PETstock NZ out of the dog food products that contributed the top 80 per cent of PETstock NZ's dog food revenue.

47. Figure 2.4 below shows that PETstock NZ supplies dry cat food products in much larger packaging sizes than Countdown, but it supplies wet cat food products in much smaller packaging sizes than Countdown. [], [].
-

Figure 2.4: Average weight of the top 20 cat food products

[]

Source: HoustonKemp analysis of data provided by Ashurst

48. We provide tables in appendix A2.2 which set out the calculations on which figure 2.1 to figure 2.4 are based, ie, for the top selling 20 products by revenue for each product category, we set out:
- the average weight;
 - the average price;
 - the average price per kilogram; and
 - the weighted average price per kilogram, where the weighting is undertaken based on the number of each product sold.
49. We also list the top selling 20 products by revenue for each product category in appendix A2.2.

3. Overlap in suppliers

50. In this section we examine the extent to which PETstock NZ and Countdown have the same suppliers, which we define as ‘common suppliers’.
51. Only a small proportion of the firms that supply PETstock NZ with pet food also supply Countdown.
52. An acquisition of PETstock NZ by Woolworths Group would lead to an increase in overall purchases from the common suppliers by the total Woolworths Group in New Zealand (including Countdown and PETstock NZ) of [].
53. The largest suppliers of pet products to Countdown, Mars and Nestle, are also suppliers of PETstock NZ. PETstock NZ’s purchases from Nestle and Mars represent around [] of the corresponding purchases by Countdown.

3.1 Methodology

54. We analysed purchase information for PETstock NZ and Countdown for FY2021-22 to assess the degree to which they purchase products from the same suppliers (manufacturers). In FY2021-22:
 - a. PETstock NZ purchased products from [] suppliers; and
 - b. Countdown purchased pet products from [] suppliers.
55. For each PETstock NZ supplier, we identified whether or not Countdown also purchased products from the same supplier.⁴ We calculated the combined purchase value of the common suppliers and the increase in total purchases by Woolworths Group in New Zealand from combining the common supplier volumes to PETstock NZ and Countdown.

3.2 Results

56. Only a small proportion of PETstock NZ’s suppliers also supply Countdown. Figure 3.1 shows that Countdown purchased products from [] of the [] PETstock NZ suppliers. In other words, [] of PETstock NZ’s suppliers do not currently supply pet products to Countdown.

Figure 3.1: PETstock NZ suppliers and overlap with Countdown

[]

Source: HoustonKemp analysis of data provided by Ashurst

57. Figure 3.2 shows that Countdown’s FY2021-22 purchases from the suppliers that Woolworths Group would share with PETstock NZ in New Zealand following the proposed acquisition (through Countdown and PETstock NZ) would increase by around [] when adding PETstock NZ’s purchases from the common suppliers.

⁴ We have not undertaken a forensic exercise to determine the overall corporate owners of each supplier and whether there is overlap at that level, but we have allocated the PETstock NZ suppliers ‘Royal Canin’ and ‘Black Hawk’ to Mars and Masterpet, respectively.

Figure 3.2: Incremental purchases by Woolworths Group from common suppliers in New Zealand (FY2021-22)

[]

Source: HoustonKemp analysis of data provided by Ashurst.

Note: The label in the chart represents the change in Countdown purchases from suppliers in common with PETstock NZ, when including PETstock NZ purchases from those suppliers.

58. Figure 3.3 below shows that Woolworths Group's purchases of products from the common suppliers in New Zealand after the proposed acquisition would increase by around [] for Nestle and [] for Mars, when adding PETstock NZ's purchases to Countdown's from the common suppliers.

Figure 3.3: Incremental purchases by Woolworths Group from common suppliers in New Zealand, by supplier (FY2021-22)

[]

Note: The label in the chart represents the change in Countdown purchases from including PETstock NZ purchases from that supplier. Labels have been omitted for suppliers representing less than \$1 million in purchases for Countdown in FY2021-22.



A1. Description of data and analysis

59. This appendix sets out our method for:
- a. determining the number of products which are sold at both PETstock NZ and Countdown; and
 - b. comparing the top 20 grossing pet food products at PETstock NZ and Countdown.

60. We describe the data first, followed by the methodologies for each of the analyses.

A1.1 The data

61. We were provided with pet food sales data for the 2021-22 retail year (these align with financial years) for the following:
- a. PETstock NZ; and
 - b. Countdown.
62. Our analysis of the similarity of products and comparison of prices and weights:
- a. in relation to PG, excludes Pet.co.nz, PetPost.co.nz, and online sales by PETstock NZ (and excludes PG's operations in Australia); and
 - b. in relation to WWNZ, relates to WWNZ's Countdown business (and excludes sales by FreshChoice and SuperValue franchisees).
63. Our analysis of the overlap in suppliers:
- a. in relation to PG, includes PETstock NZ stores, PetPost.co.nz and Pet.co.nz (and excludes PG's operations in Australia); and
 - b. in relation to WWNZ, relates to purchases by WWNZ's Countdown business (and while it is possible a small proportion of such purchases may have been on-supplied to FreshChoice and SuperValue franchisees, we are advised that such volumes are not likely to be material and so we refer to 'Countdown' in this report in relation to this analysis).
64. The PETstock NZ data was provided in Australian dollars. We converted this to New Zealand dollars at the exchange rate of \$1 AUD = \$1.09 NZD.
65. These data include the quantity sold and revenue generated for each pet food product, grouped into cat and dog food. Pet food products were categorised according to whether they were wet or dry food for Countdown.
66. We categorised each of the largest selling PETstock NZ pet food products that make up 80 per cent of revenue for dog and cat food into wet and dry food by searching for each product on PETstock NZ's website.
67. We excluded products that Countdown had categorised as a 'treat' from the dog food data. The PETstock NZ data provided to us does not separate treats into separate categories. We reviewed the relevant data (ie, the top selling [] dog food products and top selling [] cat food products) and did not identify treats in those items for PETstock NZ, although it is possible that a small number are present. We concluded that excluding treats from the Countdown data was a consistent approach.

A1.2 Similarity of products offered by PETstock NZ and Countdown

68. We calculated for each of the categories of pet food set out in paragraph 73:
 - a. how many products were sold at both PETstock NZ and Countdown;
 - b. the revenue for these 'matched' products; and
 - c. the proportion these matched products represent of each of PETstock NZ and Countdown's revenue for dog and cat food products.
69. We separately identified two type of product matches:
 - a. exact matches, where the same product is sold at each of PETstock NZ and Countdown in the same packaging size; and
 - b. close matches, where the same product is sold at each of PETstock NZ and Countdown, but in different packaging sizes.
70. We identified exact and close product matches by:
 - a. identifying all brands that are sold at both PETstock NZ and Countdown for each category. For PETstock NZ, only the brands of products that contributed to the top 80 per cent of revenue were included; and
 - b. for brands that were sold at both PETstock NZ and Countdown, we reviewed the product descriptions and websites of the relevant stores to determine if the products were an exact match, close match, or not a match.
71. We took a conservative approach, and included products as matches in cases where the products appeared to be similar, but there was some uncertainty regarding whether they were the same product.
72. The proportion of the revenue that product matches represented for dog and cat food products was calculated by:
 - a. summing the sales revenue from exact and close matches; and
 - b. dividing the sales revenue of matched products by total sales for dog and cat food, or for PETstock NZ, by 80 per cent of the sales revenue from dog and cat food.

A1.3 Comparison of prices and weights

73. We analysed the prices and weights of the 20 products at PETstock NZ and Countdown that had the highest revenue in four categories:
 - a. dry dog food;
 - b. wet dog food;
 - c. dry cat food; and
 - d. wet cat food.
74. For the 20 products with the highest grossing revenue for FY2021-22 in each of the categories, we:
 - a. calculated the average price of each product, which is the annual sales from that product divided by the volume sold of that product; and

- b. set out the weight of the product from the product description.
75. Based on this information, we calculated for each category (see Table A2.8, Table A2.9, Table A2.10, and Table A2.11):
- a. the average product weight, calculated as the sum of each product's weight, divided by 20;
 - b. the average price of the 20 products, calculated as the sum of each product's price, divided by 20;
 - c. the average price per kilogram, calculated as the sum of each product's price per kilogram, divided by 20; and
 - d. the weighted (by units sold) average price per kilogram, calculated as the sum of each product's average price per kilogram multiplied by its quantity sold, divided by the total quantity sold for the top 20 products.

A2. Additional results

76. This appendix sets out some additional results for:

- c. the analysis of the extent to which PETstock NZ and Countdown supply the same products;
- d. the comparison of the prices and weights of the top selling products for each of PETstock NZ and Countdown; and
- e. the analysis of the overlap in suppliers.

A2.1 Similarity of products offered by PETstock NZ and Countdown

77. We set out below the results of our analysis in which we calculate the proportion of revenue from each of PETstock NZ and Countdown that is derived from products that are also sold by the other.

Table A2.1: Overlap in dog food products sold by PETstock NZ and Countdown (FY2021-2022)

	Proportion of revenue from PETstock NZ's top selling [] dog food products that comes from products also sold by Countdown	Proportion of revenue from Countdown's sales of dog food that comes from products that are in top [] dog food product sold by PETstock NZ
Exact match (dry)	[]	[]
Exact match (wet)	[]	[]
Close match (dry)	[]	[]
Close match (wet)	[]	[]
No match	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst

Table A2.2: Overlap in cat food products sold by PETstock NZ and Countdown (FY2021-2022)

	Proportion of revenue from PETstock NZ's top selling [] cat food products that comes from products also sold by Countdown	Proportion of revenue from Countdown's sales of dog food that comes from products that are in top [] cat food product sold by PETstock NZ
Exact match (dry)	[]	[]
Exact match (wet)	[]	[]
Close match (dry)	[]	[]
Close match (wet)	[]	[]
No match	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst

78. We set out below the details of the exact and close product matches. We do not include tables where there were no matches for a particular type of product.

Table A2.3: Close product matches for dry dog food between Countdown and PETstock NZ (FY2021-2022)

PETstock NZ					Countdown				
Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in this category)	Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in this category)
Iams PH LB Dog Food Chicken 13.6kg	[]	[]	[]	[]	IAMS Dog Puppy Chicken 3.18kg	[]	[]	[]	[]
Animals Like Us Blend Chicken & Salmon 3.6kg	[]	[]	[]	[]	Animals Like Us Raw Blend Chicken 1kg	[]	[]	[]	[]
Animals Like Us Blend Chicken & Salmon 1.8kg	[]	[]	[]	[]					

Source: HoustonKemp analysis of data provided by Ashurst.

Note: The total number of products in this category was [] for PETstock NZ (measured out of the top [] dog food products) and [] for Countdown.

Table A2.4: Close product matches for wet cat food between Countdown and PETstock NZ (FY2021-2022)

PETstock NZ					Countdown				
Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in wet cat food)	Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in wet cat food)
Temptations Chicken 180g	[]	[]	[]	[]	Temptations Mega Pk Tasty Chicken 350g	[]	[]	[]	[]
Temptations Chicken Catnip & Cheddar 454g	[]	[]	[]	[]	Temptations Mix Chk Catnip & Cheddar 180g	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst.

Note: The total number of products in this category was [] for PETstock NZ (measured out of the top [] cat food products) and [] for Countdown.

Table A2.5: Close product matches for dry cat food between Countdown and PETstock NZ (FY2021-2022)

PETstock NZ					Countdown				
Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in dry cat food)	Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in dry cat food)
IAMS PH Adult Cat Chicken 7.26kg	[]	[]	[]	[]	IAMS Cat Adult Chicken 1.59kg	[]	[]	[]	[]
IAMS PH Adult Cat Chicken 3.18kg	[]	[]	[]	[]					
IAMS PH Adult Cat Salmon & Tuna 7.26kg	[]	[]	[]	[]	IAMS Cat Adult Salmon & Tuna 1.59kg	[]	[]	[]	[]
IAMS PH Adult Cat Salmon & Tuna 3.18kg	[]	[]	[]	[]					
IAMS PH Senior Cat Chicken 3.18kg	[]	[]	[]	[]	IAMS Cat Senior Chicken 1.59kg	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst.

Note: The total number of products in this category was [] for PETstock NZ (measured out of the top [] cat food products) and [] for Countdown.

Table A2.6: Exact product matches for dry cat food products between Countdown and PETstock NZ (FY2021-2022)

PETstock NZ					Countdown				
Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in dry cat food)	Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in dry cat food)
IAMS PH Adult Cat Chicken 1.59kg	[]	[]	[]	[]	IAMS Cat Adult Chicken 1.59kg	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst.

Note: The total number of products in this category was [] for PETstock NZ (measured out of the top [] cat food products) and [] for Countdown.

Table A2.7: Exact product matches for wet cat food products between Countdown and PETstock NZ (FY2021-2022)

PETstock NZ					Countdown				
Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in wet cat food)	Product	Sales \$ (NZD)	Quantity sold	Average price per unit	Rank (in wet cat food)
ZZ Omega Plus King Slimn Bite Pet Treat 100g	[]	[]	[]	[]	Omega Plus Cat Treat King Salmon Btes100g	[]	[]	[]	[]
F/F Chopped Grill Feast 85g	[]	[]	[]	[]	Fancy Feast Catfood Chopped Grill 85g	[]	[]	[]	[]
Temptations Chicken Tub 454g	[]	[]	[]	[]	Temptations Tasty Chicken Tub 454g	[]	[]	[]	[]
F/F BROTHS Cl Tuna Shrimp Whitefish 40g	[]	[]	[]	[]	Fancy Feast Broths Tuna Shrmp&Wtsh 40g	[]	[]	[]	[]
F/F Tender Liver & Chicken 85g	[]	[]	[]	[]	Fancy Feast Catfood Tndr Liver Chick 85g	[]	[]	[]	[]
F/F Tender Beef 85g	[]	[]	[]	[]	Fancy Feast Catfood Tender Beef 85g	[]	[]	[]	[]
F/F Kitten Ocean W/fish Tuna 85g	[]	[]	[]	[]	Fancy Feast Tndr OcnWhfish Kttn 85g	[]	[]	[]	[]
F/F Tender Beef & Liver 85g	[]	[]	[]	[]	Fancy Feast Catfood Beef & Liver 85g	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst.

Note: The total number of products in this category was [] for PETstock NZ (measured out of the top [] cat food products) and [] for Countdown.

A2.2 Comparison of prices and weights

79. We set out below our results for the prices and weights of the top 20 selling products in each of the four product categories.

Table A2.8: Comparison of top 20 dry dog food products

	Average weight (kg)	Average price (NZD)	Average price per kg (NZD)	Weighted average price per kg (by units)
PETstock NZ	[]	[]	[]	[]
Countdown	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst

Table A2.9: Comparison of top 20 wet dog food products

	Average weight (kg)	Average price (NZD)	Average price per kg (NZD)	Weighted average price per kg (by units)
PETstock NZ	[]	[]	[]	[]
Countdown	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst.
 Note: Only 17 wet dog food products were identified at PETstock NZ.

Table A2.10: Comparison of top 20 dry cat food products

	Average weight (kg)	Average price (NZD)	Average price per kg (NZD)	Weighted average price per kg (by units)
PETstock NZ	[]	[]	[]	[]
Countdown	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst

Table A2.11: Comparison of top 20 wet cat food products

	Average weight (kg)	Average price (NZD)	Average price per kg (NZD)	Weighted average price per kg (by units)
PETstock NZ	[]	[]	[]	[]
Countdown	[]	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst

80. We set out below details of the prices and weights of the top 20 selling products (by revenue) in each of the four product categories for PETstock NZ and Countdown.

Table A2.12: Top 20 dry dog food products at PETstock NZ

	Weight (kg)	Units sold	Average price (AUD)	Average price per kg (AUD)	Revenue
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
Average	[]	[]	[]	[]	
Weighted average (by units)				[]	
Sum revenue					[]

Source: HoustonKemp analysis of data provided by Ashurst



Table A2.13: Top 20 dry dog food products at Countdown

	Weight (kg)	Units sold	Average price (NZD)	Average price per kg (NZD)	Revenue
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
Average	[]	[]	[]	[]	
Weighted average (by units)				[]	
Sum revenue					[]

Source: HoustonKemp analysis of data provided by Ashurst



Table A2.17: Top 20 dry cat food products at Countdown

	Weight (kg)	Units sold	Average price (NZD)	Average price per kg (NZD)	Revenue
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
[]	[]	[]	[]	[]	[]
Average	[]	[]	[]	[]	
Weighted average (by units)				[]	
Sum revenue					[]

Source: HoustonKemp analysis of data provided by Ashurst



Table A2.20: PETstock NZ suppliers and overlap with Countdown (FY2021-22)

Item	Countdown
PETstock NZ suppliers	[]
PETstock NZ suppliers without overlap	[]
PETstock NZ suppliers with overlap	[]

Source: HoustonKemp analysis of data provided by Ashurst

Table A2.21: Purchases from common suppliers by PETstock NZ and Countdown (FY2021-22)

Item	Countdown
Purchases from common suppliers	[]
PETstock NZ purchases from common suppliers	[]
PETstock NZ common purchases as proportion of Countdown common purchases	[]

Source: HoustonKemp analysis of data provided by Ashurst.

Table A2.22: Purchases from common suppliers by PETstock NZ and Countdown, by supplier (FY2021-22)

Supplier	Countdown	PETstock NZ	PETstock NZ purchases as proportion of Countdown purchases
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
[]	[]	[]	[]
Total (common suppliers only)	[]	[]	[]

Source: HoustonKemp analysis of data provided by Ashurst.



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