

**Commerce Act 1986: Share Acquisition
Section 66: Notice Seeking Clearance**

Date: 21 December 2006

The Registrar
Business Acquisitions and Authorisations
Commerce Commission
PO Box 2351
WELLINGTON

Pursuant to section 66(1) of the Commerce Act 1986 notice is hereby given seeking clearance of a proposed share acquisition.

Executive summary

Foodstuffs seeks clearance to acquire up to 100% of The Warehouse.

The relevant markets are geographic retail grocery markets.

Compared to a counterfactual of the status quo or acquisition of The Warehouse by Woolworths Australia, no substantial lessening of competition would or would be likely to result from the proposed acquisition.

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Part I: Transaction details

1 The acquisition for which clearance is sought

Acquisition

- 1.1 Clearance is sought for the three Foodstuffs co-operatives (being Foodstuffs (Auckland) Limited, Foodstuffs (Wellington) Co-operative Society Limited and Foodstuffs South Island Limited) (together **Foodstuffs**) or a company wholly owned by those parties to acquire up to 100% of the ordinary shares in The Warehouse Group Limited (**The Warehouse**).

Status of proposal

- 1.2 The Warehouse is a public issuer and is subject to the Takeovers Code. Accordingly, there is no contract or agreement relating to the proposed acquisition.

2 Person giving notice

- 2.1 This notice is given on behalf of Foodstuffs by:

Tony Carter
Managing Director
Foodstuffs N Z Limited
60 Roma Road
PO Box 27480
Mt Roskill

Ph: (09) 621 0611
Fax: (09) 621 0694

- 2.2 All correspondence and notices in respect of this notice should be directed in the first instance to:

DLA Phillips Fox
Level 22
DLA Phillips Fox Tower
209 Queen Street
PO Box 160
Auckland

Attn: Martin Wiseman/Mark Williamson
Ph: (09) 300 3825/ (09) 300 3857
Fax: (09) 303 2311

3 Confidentiality

Fact of acquisition

- 3.1 Confidentiality is not sought for the fact of the proposed acquisition.

Specific information

- 3.2 Confidentiality is sought for the information deleted from the public copy of this notice (**Confidential Information**) until Foodstuffs confirms in writing that particular information is no longer confidential. The information is indicated in the non-public version in square brackets.
- 3.3 A confidentiality order under section 100 of the Commerce Act 1986 (**Act**) is sought in respect of the Confidential Information and confidentiality is claimed under section 9(2)(b) of the Official Information Act 1982 on the grounds that the information is commercially sensitive and valuable information which is confidential to Foodstuffs and disclosure of it is likely to give an unfair advantage to competitors of Foodstuffs and unreasonably prejudice the commercial position of Foodstuffs.
- 3.4 Foodstuffs requests that it be notified of any request made to the Commission under the Official Information Act 1982 for release of the Confidential Information, and that the Commission seeks Foodstuffs' views as to whether the information remains confidential and commercially sensitive.

4 Details of the participants

Acquirer

- 4.1 The proposed acquirer is Foodstuffs.
- 4.2 Foodstuffs is made up of three co-operatives. The three co-operatives have no overlapping ownership or directorships. The three co-operatives have a close affinity and they jointly own Foodstuffs N Z Limited which acts as their federation body. Foodstuffs N Z Limited owns the intellectual property in Foodstuffs' brand names, but does not trade in its own right and is not a holding company. Foodstuffs N Z Limited provides a means of co-ordinating policy and national activities and representing the collective interests of Foodstuffs at industry level, to the Government and to the public.
- 4.3 In recent years, the three co-operatives have joined together in a number of ventures including:
- 4.3.1 Private label procurement. Foodstuffs is party to a private label purchase joint venture with Metcash of Australia.
 - 4.3.2 PAK'nSAVE Fuel and other fuel initiatives.
 - 4.3.3 The retail financial services joint venture with St George Bank of Australia, 'Superbank' (currently being unwound).
 - 4.3.4 Large format liquor stores trading as Duffy & Finn's.
- 4.4 Foodstuffs has 177 owner-operated stores. Its retail operations are structured to cover all of the major markets. It operates under the following banner groupings:
- 4.4.1 Full service supermarkets trade under the name New World.
 - 4.4.2 Foodbarns/retail food warehouses trade under the name PAK'nSAVE or Write Price.

- 4.4.3 Convenience order grocery stores trade under the name Four Square/Four Square Discount.
- 4.4.4 Small convenience stores trade under the name On the Spot (South Island only).
- 4.4.5 Large format liquor stores trading as Duffy & Finn's.
- 4.5 Each individual store is owner-operated by a co-operative member. Details of store locations (excluding Duffy & Finn's, Four Square and On the Spot stores) are set out in schedule 1 of this notice.
- 4.6 At wholesale, the Foodstuffs co-operatives distribute groceries throughout New Zealand and own and manage extensive warehousing and transport operations. Each co-operative operates comprehensive cash and carry operations to service the needs of dairies, service stations, catering and institutional customers. These cash and carry operations are operated under the following names:
- 4.6.1 James Gilmour & Co Limited (subsidiary of Foodstuffs (Auckland) Limited).
- 4.6.2 Toops Wholesale Limited (subsidiary of Foodstuffs (Wellington) Co-operative Society Limited).
- 4.6.3 Trents Wholesale Limited (subsidiary of Foodstuffs South Island Limited).
- 4.7 Foodstuffs' wholesale turnover for the year ending 28 February 2006 were:

Foodstuffs (Auckland) Limited	\$3.057 billion
Foodstuffs (Wellington) Co-operative Society Limited	\$1.832 billion
Foodstuffs South Island Limited	\$1.866 billion
Total	\$6.755 billion

Target

- 4.8 The Warehouse comprises approximately 85 Warehouse New Zealand stores and 43 Warehouse Stationery stores.
- 4.9 The Warehouse is the biggest general merchandise and apparel retailer in New Zealand and has sales of approximately \$1.7 billion per annum.
- 4.10 Details of The Warehouse store locations are set out in schedule 1 of this notice. Departments within stores include:
- 4.10.1 Entertainment.
- 4.10.2 Toys.
- 4.10.3 Kitchen, bedroom and bathroom.
- 4.10.4 Fashion and accessories.
- 4.10.5 Garden and garage.

4.10.6 Insurance & credit cards.

4.10.7 Dry goods, drinks and confectionery in a limited grocery offering.

4.11 The Warehouse has announced a programme of development of up to 15 supermarkets within its stores under the 'Warehouse Extra' brand over the next five years. Warehouse Extra format stores have been opened at Sylvia Park in Auckland and, most recently, in Whangarei.

Reasons for proposal and future intentions

4.12 Foodstuffs believes that the proposal would enable Foodstuffs to significantly enhance its general merchandise and apparel offering (**General Merchandise**). The combined buying power of Foodstuffs and The Warehouse would enable Foodstuffs to acquire General Merchandise and, to a lesser extent, grocery items at cheaper prices. This would render Foodstuffs more competitive with Australian Woolworths Limited (who currently hold a significant scale advantage in the purchase of both General Merchandise and grocery items) and be of benefit to both Foodstuffs' members and their customers.

4.13 For the reasons set out in this notice, Foodstuffs believes that The Warehouse's grocery strategy is unlikely to be successful (principally due to a lack of purchasing power). If the proposal proceeds, Foodstuffs would develop the supermarket business of The Warehouse and, develop new approaches to retailing together grocery and General Merchandise. []

4.14 []

Part II - Identification of markets affected

5 Horizontal aggregation

Market definitions

- 5.1 In Decision 448 (Progressive Enterprises Limited and Woolworths (NZ) Limited), the Commission defined the relevant markets for consideration in that application as:
- 5.1.1 the market for the retailing of grocery items in supermarkets incorporating regional markets not less than 5km in radius (**Grocery Markets**); and
 - 5.1.2 the national market for the wholesale supply of groceries (**Wholesale Market**)
- 5.2 As The Warehouse does not compete as a seller in the Wholesale Market, the Wholesale Market is not relevant.
- 5.3 It is possible that similar geographic markets exist for the sale of General Merchandise at retail (although, perhaps more likely, separate markets exist for individual general merchandise items). Foodstuffs has only limited participation in these markets which are highly competitive.¹ Accordingly, these markets are similarly irrelevant to the extent of establishing whether the acquisition will result in a substantial lessening of competition.

Grocery Markets

- 5.4 Foodstuffs competes vigorously with Progressive Enterprises Limited (**Progressive**) in almost all the Grocery Markets.
- 5.5 On a national basis, Progressive holds approximately a 43% market share. Progressive operates the Foodtown, Woolworths and Countdown supermarket banner groups. Progressive is also the franchise co-ordinator for the FreshChoice and SuperValue banner groups. Progressive has 196 stores.
- 5.6 Progressive is a wholly owned subsidiary of ASX listed Woolworths Limited (**Woolworths**). Woolworths Limited is an Australian retail company with annual sales of over A\$38 billion. It operates approximately 3,000 stores, petrol sites and hotels in Australia and New Zealand. Woolworths' major brands include Woolworths, Safeway, Caltex/Woolworths Petrol, Dick Smith Electronics, PowerHouse, Tandy, BWS, Dan Murphy's, and BIG W. It employs around 175,000 people. Accordingly, Woolworths is also a participant in the markets for the sale of General Merchandise at retail.
- 5.7 As noted in paragraph 4.11, The Warehouse currently operates Warehouse Extra stores at Sylvia Park in Auckland and Whangarei. However, Foodstuffs' view is that The Warehouse is not a substantial competitive threat to Foodstuffs or Woolworths in

¹ The Warehouse describes itself as having a 45% share of the department store market and a 8.2% share of the total retail market.



these geographic markets and, in the markets it proposes to enter, does not satisfy the Commission's LETs test (Likely, sufficient in Extent and Timely). This is because:

- 5.7.1 Many Warehouse stores are not suitable for conversion into fully converted Warehouse Extra stores because of existing site constraints such as size and parking.
 - 5.7.2 Comparative lack of buying power. Foodstuffs regards The Warehouse's prediction of 15 Warehouse Extra stores as an optimistic scenario. It should also be noted that, even if all planned 15 sites were to be converted successfully to incorporate supermarkets and each makes \$400,000² of revenue per store per week (as per Foodstuffs' estimate of the present performance of the Sylvia Park store), this would amount to a national share of supermarket spend of only 2.78%.
 - 5.7.3 Lack of retail grocery expertise, particularly in the management of key categories such as fresh produce.
- 5.8 We intend to consider further the application of the LETs test to The Warehouse and may make further submissions in the New Year.

² Foodstuffs estimates that the turnover of Sylvia Park is in fact no more than \$300,000 per week. The figure of \$400,000 was chosen conservatively.

Part III - Constraints on market power by existing competition

6 Existing competitors

Constraints on use of unilateral market power

- 6.1 The appropriate counterfactual for consideration in relation to this proposal is either:
- 6.1.1 the status quo; or
 - 6.1.2 the complete acquisition of The Warehouse by Woolworths.³
- 6.2 Comparing either scenario with the acquisition of The Warehouse by Foodstuffs does not indicate a substantial increase in the ability of Foodstuffs to exercise unilateral market power.
- 6.3 This is because, if the proposal proceeds, Foodstuffs/The Warehouse will remain constrained by Progressive. As noted, Progressive with its Australian parent has greater grocery buying power than either Foodstuffs now or Foodstuffs/The Warehouse combined. In these circumstances, Foodstuffs will have no ability to exercise unilateral market power.
- 6.4 As indicated by schedule 1, there are very few geographic markets in which there are only Foodstuffs stores (i.e there is currently no local competition)⁴. Foodstuffs is not aware of the precise locations of the proposed Warehouse Extra stores, however, it is unlikely that stores are proposed in locations where there are only Foodstuffs stores.⁵
- 6.5 The proposal would be pro-competitive to the extent that it would give Foodstuffs an opportunity to compete with Progressive via Warehouse stores in areas where Foodstuffs does not currently have a market presence.
- 6.6 It would also allow Foodstuffs to compete effectively with Woolworths' General Merchandise offerings in New Zealand.

Co-ordinated market power

- 6.7 An acquisition may lead to a change in market circumstances so that co-ordination between the remaining businesses is made more likely. The Commission is of the view that where an acquisition materially enhances the prospects for any form of co-

³ Foodstuffs does not believe that in the foreseeable future The Warehouse is likely to be a takeover target from any third party new entrant such as Tesco or Aldi.

⁴ Schedule 1 is indicative only as at this stage, it has not been possible to identify supermarkets within the 5km market defined by the Commission.

⁵ Even if this was not the case, Foodstuffs believes it unlikely that any proposed Warehouse Extra stores would impose a meaningful competitive constraint on the existing Foodstuffs' store.

ordination between businesses in the market, the result is likely to be a substantial lessening of competition.

6.8 The principal market structure and conduct features that the Commission considers in assessing the likelihood of collusive behaviour are:

- 6.8.1 High seller concentration.
- 6.8.2 Undifferentiated product.
- 6.8.3 Static production technology.
- 6.8.4 Slow speed of new entry.
- 6.8.5 Lack of fringe competitors.
- 6.8.6 Acquisition of maverick business.
- 6.8.7 Price inelastic market demand.
- 6.8.8 History of anti-competitive behaviour.
- 6.8.9 Characteristics of buyers.

6.9 In Decision 448, the Commission concluded that the acquisition from Foodland Associated Limited of Australia of Woolworths (NZ) Limited (then unrelated to Woolworths) by Progressive would materially enhance the potential for collusion. This is because, following that merger:

- 6.9.1 The market would be highly concentrated.
- 6.9.2 The firms would be relatively evenly matched in terms of market share.
- 6.9.3 There is only limited differentiation of the product.
- 6.9.4 New entry is likely to be slow or non-existent.
- 6.9.5 There is a lack of fringe competitors.
- 6.9.6 The firms are likely to face a price inelastic market demand curve.
- 6.9.7 Sales are small and frequent.
- 6.9.8 There is no vertical integration.
- 6.9.9 The market would appear to be mature.
- 6.9.10 Post merger, the firms will have similar costs.
- 6.9.11 Prices are transparent.



6.10 Most of these conditions still apply under current market conditions⁶. As set out in the table below, Foodstuffs believes that acquiring The Warehouse will not materially change these conditions. Accordingly, the proposal does not materially *enhance* the prospect for co-ordinated market power between Foodstuffs and Woolworths and there can be no substantial lessening of competition.

Condition	Effect of acquisition on condition (status quo counterfactual)	Effect of acquisition on condition (acquisition by Woolworths counterfactual)
High Concentration	Effect not substantial because of lack of substantial threat by The Warehouse	No effect
Evenly matched market share	No effect	No effect
Limited differentiation of product	No effect	No effect
New entry is slow	No effect	No effect
Lack of fringe competitors	No effect	No effect
Price inelastic market demand	No effect	No effect
Sales small and frequent	No effect	No effect
No vertical integration	No effect	No effect
Mature market	No effect	No effect
Similar costs	Not substantial as even following acquisition Woolworths will have more buying power	No effect
Transparent prices	No effect	No effect

6.11 Foodstuffs has considered whether the market behaviour of the Warehouse Extra format in its relatively new grocery offerings at Sylvia Park, Auckland and Whangarei can properly be characterised as that of a maverick which would be eliminated by the proposed acquisition. [].

⁶ Because of its lesser scale, it is likely that Foodstuffs faces a higher cost of supply than Progressive/Woolworths.

7 Other matters

Other constraints

- 7.1 Foodstuffs believes that the constraints imposed by the conduct of the existing competitor (Progressive/Woolworths) would be sufficient to ensure that competition would not be substantially lessened in the Grocery Markets as a result of the proposal.
- 7.2 Accordingly, no further analysis is provided at this stage.

Pro-competitive efficiencies

- 7.3 The Commission recognises that efficiency gains from an acquisition may have pro-competitive effects that are appropriately considered as part of a clearance application.
- 7.4 In this case, there are a number of efficiencies that will result from the proposal which can be expected to result in prices that are lower than would be offered in the absence of the acquisition and would enhance competition. These include:
- 7.4.1 [].
 - 7.4.2 The provision of stronger buying power to The Warehouse's supermarket operations and strengthening its competitive advantage vis a vis Woolworths.
 - 7.4.3 The provision of greater buying power to Foodstuffs thereby enabling more vigorous competition across the Grocery Market.
 - 7.4.4 Increased consumer benefits and competition in grocery by the application of Foodstuffs' expertise in category management to The Warehouse (for example, in fresh produce).
 - 7.4.5 Increased consumer benefits and competition in retail via application of The Warehouse's buying power to General Merchandise.
 - 7.4.6 [].
 - 7.4.7 Possible economies of scope.

Schedule 1

Supermarkets and The Warehouses in New Zealand

Northland

- Woolworths - Paihia (P)
- Countdown - Tikipunga (P)

Kaitaia

- PAK'nSAVE (F)
- The Warehouse (W)

Kerikeri

- New World (F)
- Woolworths (P)
- The Warehouse (W)

Kaikohe

- New World (F)
- Woolworths (P)
- The Warehouse (W)

Dargaville

- Woolworths (P)
- The Warehouse (W)

Whangarei

- PAK'nSAVE - City Central (F)
- Countdown - City Central (P)
- The Warehouse Extra - City Central (W)
- New World - Onerahi (F)
- New World - Regent (F)
- Woolworths - Kensington (P)

Auckland

Orewa/ Whangaparaoa

- New World - Warkworth (F)
- The Warehouse - Snells Beach (W)
- New World - Orewa (F)
- Countdown - Orewa (P)
- Foodtown - Whangaparaoa (P)
- The Warehouse - Whangaparaoa (W)

North Shore

- PAK'nSAVE - Albany (F)
- The Warehouse - Albany (W)
- New World - Browns Bay (F)
- Foodtown - Browns Bay (P)
- Woolworths - Browns Bay (P)
- Foodtown - Mairangi Bay (P)
- New World - Devonport (F)
- New World - Milford (F)
- Woolworths - Milford (P)
- The Warehouse - Milford (W)
- New World - Takapuna (F)
- Foodtown - Takapuna (P)
- Foodtown - Sunnynook (P)
- Foodtown - Glenfield (P)
- Countdown - Glenfield (P)
- The Warehouse - Glenfield (W)
- New World - Birkenhead (F)
- Countdown - Birkenhead (P)
- The Warehouse - Birkenhead (W)



- Woolworths - Northcote (P)

Auckland Central

- New World - Victoria Park (F)
- Foodtown - City Central (P)
- The Warehouse - City Central (W)
- New World - Eastridge (F)
- Foodtown - Grey Lynn (P)
- Woolworths - Grey Lynn (P)
- The Warehouse - Balmoral (W)

St Lukes/Mt Eden/Newmarket/Greenlane

- Foodtown - St Lukes (P)
- PAK'nSAVE - Royal Oak (F)
- Foodtown - Onehunga (P)
- Foodtown - Newmarket (P)
- The Warehouse - Newmarket (W)
- Foodtown - Greenlane (P)
- Foodtown - Mt Eden (P)

Remuera/Meadowbank

- New World - Remuera (F)
- Foodtown - Meadowbank (P)
- Woolworths - Meadowbank (P)

Mt Albert/Three Kings

- PAK'nSAVE - Mt Albert (F)
- Foodtown - Three Kings (P)

West Auckland

- Woolworths - Helensville (P)
- Woolworths - Massey (P)
- Woolworths - Te Atatu (P)



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- Foodtown - Te Atatu South (P)
- PAK'nSAVE - Henderson (F)
- Countdown - Henderson (P)
- The Warehouse - Henderson (W)
- Countdown - Pt Chevalier (P)
- Foodtown - New Lynn (P)
- The Warehouse - New Lynn (W)
- Countdown - Lynfield (P)
- PAK'nSAVE - Lincoln (F)
- The Warehouse - Lincoln (W)
- New World - Green Bay (F)
- Foodtown - Glen Eden (P)
- Foodtown - Blockhouse Bay (P)
- Countdown - Westgate (P)
- The Warehouse - Westgate (W)
- The Warehouse – Westcity (W)

Waiheke

- Woolworths - Waiheke (P)

East Auckland

- PAK'nSAVE - Glen Innes (F)
- PAK'nSAVE - Botany (F)
- New World - Botany (F)
- Countdown - Botany (P)
- The Warehouse - Botany (W)
- PAK'nSAVE - Sylvia Park (F)
- Foodtown - Sylvia Park (P)
- The Warehouse Extra - Sylvia Park (W)
- Countdown - Mt Wellington (P)

- New World - Panmure (F)
- Foodtown - Pakuranga (P)
- The Warehouse - Pakuranga (W)
- Foodtown - Howick (P)
- Countdown - Highland Park (P)
- Foodtown - Highland Park (P)

South Auckland

- New World – Papakura (F)
- New World - Papatoetoe (F)
- Foodtown - Papatoetoe (P)
- SuperValue - Flat Bush (P)
- Countdown - Otahuhu (P)
- New World - Southmall (F)
- New World - Clendon (F)
- The Warehouse - Clendon (W)
- Countdown - Mangere (P)
- Foodtown - Mangere (P)
- SuperValue - Mangere Bridge (P)
- PAK'nSAVE - Manukau (F)
- Foodtown - Manukau (P)
- The Warehouse - Manukau (W)
- Foodtown - Airport (P)
- The Warehouse - Airport (W)
- Foodtown - Takanini (P)
- New World - Waiuku (F)
- SuperValue - Waiuku (P)
- Woolworths - Manurewa (P)
- Countdown - Papakura (P)



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- Woolworths - Papakura (P)
- The Warehouse - Papakura (W)
- PAK'nSAVE - Pukekohe (F)
- Foodtown - Pukekohe (P)
- The Warehouse - Pukekohe (W)

Coromandel

- New World - Waihi (F)
- New World - Whangamata (F)
- New World - Whitianga (F)
- Woolworths – Waihi (P)

Thames

- PAK'nSAVE (F)
- The Warehouse (W)

Waikato

- Foodtown - Chartwell (P)
- New World - Ngaruawahia (F)
- New World - Taumarunui (F)
- New World - Turangi (F)
- New World - Te Rapa (F)
- Countdown - Huntly (P)
- Woolworths - Otorohanga (P)
- Woolworths - Paeroa (P)
- SuperValue - Pauanui (P)
- Woolworths - Putararu (P)
- Woolworths - Te Aroha (P)

Hamilton

- PAK'nSAVE - Central (F)
- Foodtown - Chartwell (P)



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- Foodtown - Central (P)
- PAK'nSAVE - Mill St (F)
- New World - Glenview (F)
- New World - Heaphy Terrace (F)
- New World - Hillcrest (F)
- The Warehouse - Hillcrest (W)
- New World - Rototuna (F)
- Woolworths- Rototuna (P)
- Countdown - Bridge Street (P)
- Woolworths - Dinsdale (P)
- Countdown - Cnr Anglesea & Liverpool Streets (P)
- The Warehouse - Cnr Ward & Anglesea (W)
- Countdown - Nawton (P)
- The Warehouse - The Base (W)

Matamata

- New World (F)
- Countdown (P)
- The Warehouse (W)

Cambridge

- New World (F)
- Countdown (P)
- The Warehouse (W)

Morrinsville

- New World (F)
- Countdown (P)
- The Warehouse (W)

Te Kuiti

- New World (F)



- The Warehouse (W)

Tokoroa

- New World (F)
- Countdown (P)
- The Warehouse (W)

Te Awamutu

- Woolworths (P)
- The Warehouse (W)
- FreshChoice (P)

Bay of Plenty

- New World - Kawerau (F)
- New World - Opotiki (F)
- Woolworths - KatiKati (P)
- SuperValue - Paetiki (P)
- SuperValue - Edgecumbe (P)

Te Puke

- Woolworths (P)
- New World (F)

Papamoa

- Woolworths - Papamoa (P)
- The Warehouse - Papamoa (W)

Rotorua

- New World (F)
- PAK'nSAVE (F)
- Countdown (P)
- Woolworths (P)
- The Warehouse (W)

Taupo



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- PAK'nSAVE (F)
- Woolworths (P)
- The Warehouse (W)

Whakatane

- PAK'nSAVE (F)
- New World (F)
- Countdown (P)
- The Warehouse (W)

Tauranga

- PAK'nSAVE - Cameron Road (F)
- New World - Cameron Road (F)
- Countdown - Cameron Road (P)
- Foodtown - Cameron Road (P)
- The Warehouse - Cameron Road (W)
- Countdown - Bethlehem (P)
- Countdown - Greerton (P)
- The Warehouse - Fraser Grove (W)
- New World - Brookfield (F)

Mt Manganui

- New World (F)
- Countdown - Bayfair (P)
- Woolworths - Bayfair (P)

Hawkes Bay

- New World - Waipawa (F)
- New World - Wairoa (F)
- Write Price - Wairoa (F)

Waipukurau

- New World (F)



- Woolworths (P)

Gisborne

- PAK'nSAVE (F)
- Woolworths (P)
- SuperValue - Kaiti (P)
- The Warehouse (W)

Napier Urban Area

- PAK'nSAVE - Munroe Street (F)
- Countdown - Cnr Munroe & Dickens Streets (P)
- PAK'nSAVE - Tamatea (F)
- New World - Onekawa (F)
- Woolworths - Carlyle St (P)
- New World - Taradale (F)
- The Warehouse - Hastings Street (W)

Hastings

- PAK'nSAVE - cnr Westend and Heretaunga Streets (F)
- New World - Flaxmere (F)
- New World - Hastings City (F)
- New World - Havelock North (F)
- Countdown - Cnr Queen Street West & King Street North (P)
- The Warehouse - West Hastings (W)

Wanganui & Taranaki

- New World - Ohakune (F)
- New World - Stratford (F)
- New World - Taihape (F)
- New World - Waitara (F)

Wanganui

- PAK'nSAVE (F)



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- New World (F)
- Countdown (P)
- Woolworths (P)
- The Warehouse (W)
- SuperValue - Gonville (P)

New Plymouth

- PAK'nSAVE - City Central (F)
- Woolworths - City Central (P)
- New World - Merrilands (F)
- New World - Courtney Street (F)
- The Warehouse - Courtney Street (W)
- Countdown - Pukekura Park (P)
- Woolworths - Westtown (P)
- Supervalu - Bell Block (P)
- The Warehouse - Bells Block (W)

Hawera

- PAK'nSAVE (F)
- New World (F)
- Countdown (P)
- The Warehouse (W)

Marion

- New World (F)
- Woolworths (P)

Manawatu

- New World - Foxton (F)

Dannevirke

- New World (F)
- The Warehouse (W)



Palmerston North

- PAK'nSAVE - Ferguson Street (F)
- Countdown - Cnr Ferguson & Ashley Street (P)
- Woolworths - Cnr Featherston & Rangitiki Streets (P)
- New World - Pioneer (F)
- New World - Broadway (F)
- Woolworths - Broadway (P)
- The Warehouse - Church Street (W)

Fielding

- New World (F)
- Woolworths (P)
- The Warehouse (W)
- Write Price (F)

Levin

- New World (F)
- Countdown (P)
- The Warehouse (W)
- Write Price (F)

Wairarapa

- New World - Carterton (F)
- New World - Pahiatua (F)

Masterton

- PAK'nSAVE - Kuripuni (F)
- New World - (P)
- Shoprite - Church Street (F)
- Woolworths - Cnr Worksop & Queen Street (P)
- The Warehouse - Cnr Chappel & Russell Streets (W)

Wellington



Upper Hutt

- PAK'nSAVE (F)
- Countdown (P)
- Woolworths (P)
- The Warehouse (W)

Lower Hutt

- PAK'nSAVE (F)
- New World (F)
- Countdown (P)
- Woolworths (P)
- The Warehouse (W)

Wellington/Johnsonville

- PAK'nSAVE - Paraparaumu (F)
- Woolworths - Paraparaumu (P)
- The Warehouse - Paraparaumu (W)
- PAK'nSAVE - Kilbirnie (F)
- Woolworths - Kilbirnie (P)
- PAK'nSAVE - Petone (F)
- The Warehouse - Petone (W)
- New World – Rail Station central
- New World - Island Bay (F)
- New World - Karori Road (F)
- New World - Khandallah (F)
- New World - Miramar (F)
- New World - NaeNae (F)
- New World - Newton (F)
- New World - Paremata (F)
- New World - Silverstream (F)



DLA PHILLIPS FOX

- New World - Stokes Valley (F)
- New World - Thorndon (F)
- New World - Waikanae (F)
- Woolworths - Waikanae (P)
- New World - Wainuiomata (F)
- Countdown - Wainuiomata (P)
- The Warehouse - Wainuiomata (W)
- New World - City (F)
- New World - Whitby (F)
- New World - Willis Street (F)
- Woolworths - Crofton Downs (P)
- Countdown - Johnsonville (P)
- Woolworths - Johnsonville (P)
- The Warehouse - Johnsonville (W)
- Woolworths - Karori (P)
- The Warehouse - Lyall Bay (W)
- The Warehouse - Cnr Tory & Cable Streets (W)

Otaki

- New World (F)
- Woolworths (P)

Porirua/Tawa

- PAK'nSAVE - Porirua (F)
- New World - Porirua (F)
- Countdown - Porirua (P)
- The Warehouse - Porirua (W)
- Woolworths - Tawa (P)

Nelson & Bays



DLA PHILLIPS FOX

Richmond

- PAK'nSAVE - Richmond (F)
- FreshChoice - Richmond (P)

Stoke

- New World - Stoke (F)
- Countdown - Stoke (P)

Moteuka/Takaka

- FreshChoice - Takaka (P)
- New World - Motueka (F)
- FreshChoice - Motueka (P)
- The Warehouse - Motueka (W)

Nelson

- New World (F)
- FreshChoice (P)
- Countdown (P)
- Woolworths (P)
- The Warehouse (W)

Blenheim and districts

- New World - Kaikoura (F)
- SuperValue - Picton (P)
- FreshChoice - Renwick (P)
- New World (F)
- Countdown (P)
- SuperValue - Redwood (P)
- FreshChoice - Springlands (P)
- The Warehouse (W)

Canterbury

- New World - Rolleston (F)



DLA PHILLIPS FOX

- SuperValue - Geraldine (P)
- SuperValue - Leeston (P)
- SuperValue - Addington (P)
- SuperValue - Lyttleton (P)
- SuperValue - Oxford (P)
- SuperValue - Methven (P)
- New World - Temuka (F)
- New World - Waimate (F)

Kaiapoi

- New World (F)
- Countdown (P)

Rangiora

- New World (F)
- Woolworths (P)
- The Warehouse (W)

Christchurch

- PAK'nSAVE - Hornby (F)
- FreshChoice - Merival (P)
- The Warehouse - Hornby (W)
- PAK'nSAVE - Moorhouse (F)
- Countdown - Moorhouse (P) (closed for refurbishment currently)
- PAK'nSAVE - Northlands (F)
- Countdown - Northlands (P)
- The Warehouse - Northlands (W)
- Woolworths - Northwood (P)
- The Warehouse - Northwood (W)
- PAK'nSAVE - Riccarton (F)
- Countdown - Church Corner (P)



- The Warehouse- Blenheim Road (W)
- PAK'nSAVE - Wainoni (F)
- New World - Belfast (F)
- The Warehouse - Belfast (W)
- New World - Bishopdale (F)
- Woolworths - Bishopdale (P) (closing January 2007)
- New World - Fendalton (F)
- New World - Halswell (F)
- New World - Redcliffs (F)
- New World - South City (F)
- New World - St Martins (F)
- New World - Stanmore (F)
- FreshChoice - Barrington (P)
- The Warehouse - Barrington (W)
- Woolworths - Bush Inn (P)
- Countdown - Beckenham (P)
- Countdown - Eastgate (P)
- SuperValue - Edgeware (P)
- SuperValue - Fendalton Village (P)
- Woolworths - Ferrymead (P)
- Woolworths - New Brighton (P)
- SuperValue - Stanmore (P)
- Woolworths - The Palms (P)
- SuperValue - Wairakei (P)
- FreshChoice - Avonhead (P)
- FreshChoice - Parklands (P)
- SuperValue - Sumner (P)
- SuperValue - Woolston (P)



DLA PHILLIPS FOX

- The Warehouse - Linwood (W)
- The Warehouse - South City (W)

Rangiora

- New World (F)
- Woolworths (P)
- The Warehouse (W)

Timaru

- PAK'nSAVE (F)
- New World (F)
- Countdown (P)
- Woolworths (P)
- The Warehouse (W)

Ashburton

- New World (F)
- Countdown (P)
- SuperValue - Tinwald (P)
- The Warehouse (W)

Westland (West Coast)

- New World - Hokitika (F)
- SuperValue - Reefton (P)

Westport

- New World (F)
- FreshChoice (P)

Greymouth

- New World (F)
- FreshChoice (P)
- The Warehouse (W)

Otago



DLA PHILLIPS FOX

- New World - Cromwell (F)
- New World - Port Chalmers (F)
- New World - Wanaka (F)
- SuperValue - Roxburgh (P)

Alexandra

- New World (F)
- The Warehouse (W)

Balclutha

- New World (F)
- The Warehouse (W)

Mosgiel

- New World (F)
- Countdown (P)

Oamaru

- New World - Northside (F)
- Countdown (P)
- The Warehouse (W)
- New World - Main South Road (F)

Southland

- New World - Winton (F)
- SuperValue - Otautau (P)
- SuperValue - Te Anau (P)

Gore

- New World (F)
- Woolworths (P)
- The Warehouse (W)



DLA PHILLIPS FOX

Dunedin

- PAK'nSAVE (F)
- New World - City (F)
- New World - Gardens (F)
- New World - Roslyn (F)
- FreshChoice - Roslyn (P)
- Woolworths - Andersons Bay (P)
- Countdown - Cumberland Street (P)
- Countdown - Mailer Street (P)
- SuperValue - Moyles (P)
- The Warehouse - South Dunedin (W)
- The Warehouse - MacLaggan St (W)

Queenstown

- New World - Wakatipu (F)
- FreshChoice (P)
- The Warehouse (W)

Invercargill

- PAK'nSAVE (F)
- Countdown (P)
- The Warehouse (W)
- New World - Elles Road (F)
- New World - Windsor (F)
- SuperValue - Invercargill Plaza (P)
- Woolworths - Waikiwi (P)



THIS NOTICE is given by Tony Carter, Managing Director of Foodstuffs N Z Limited, on behalf of Foodstuffs (Auckland) Limited, Foodstuffs (Wellington) Co-operative Society Limited and Foodstuffs South Island Limited

I hereby confirm that:

- All information specified by the Commission has been supplied.
- All information known to the applicant/s which is relevant to the consideration of this application/notice has been supplied.
- All information supplied is correct as at the date of this application/notice.

I undertake to advise the Commission immediately of any material change in circumstances relating to the application/notice.

Dated this 21st day of DECEMBER, 2006.

Signed by

A handwritten signature in cursive script, appearing to read 'Tony Carter', written over a horizontal line.

Tony Carter
Managing Director
Foodstuffs NZ Limited

I am an officer of the company and am duly authorised to make this application/notice.