

Response from Crace Community Association – 31 May 2016

Good afternoon,

Thanks for your email. Your concern is certainly shared by residents of Crace.

The Crace Community Association (CCA) submitted a significant community response to the ACCC regarding the Coles buyout. There was a strong community outcry against the possibility of Supabarn being sold to Coles (or any large chain), and our members and community are happy with the outcome.

Since then, I came to the same conclusion as you - that the Koundouris Group was interested in selling the Crace store, and if it didn't go to Coles, the next most probable option was Woolworths.

I investigated forming a community co-operative to make an offer on the supermarket. Initial momentum showed that the community would be able to make a competitive offer, and researching possible models was also very successful.

Approximately three weeks ago I approached the Koundouris Group. I advised our intention to form a committee, engage a broker and legal representation, and to formally submit an offer on their supermarket, if it was still on the market.

On May 10th, Koundouris Group advised that "Crace Supabarn is no longer on the market". I have requested that if that changes, they let me know so we may make an offer.

If they are in discussion with Woolworths, they may not be interested in selling individual stores. I would hope that as a successful business they considered all interest and offers, if for no other reason than to maximise their sale price to a large chain.

The following extract from the ACCC's Competition Analysis regarding the Coles buyout is somewhat relevant. From this

link: <http://registers.accc.gov.au/content/index.phtml/itemId/1194481/fromItemId/751046>

The ACCC considered that following the proposed acquisition, **Coles would continue to face competition from the proposed Woolworths at Giralang** (if it proceeds), the supermarket that Supabarn is retaining at Crace, Woolworths and Aldi stores in the Belconnen and Gungahlin town centres, Woolworths at Dickson, and the Aldi at the Jamison group centre.

If ACCC factored Giralang shops in to the decision to allow the sale of the Kaleen store to Coles, one would hope that competition concerns would no longer be a valid reason to block Woolworths in Giralang.

Please keep me updated.

Regards,

Crace Community Association

<http://www.CraceCommunity.com.au>

<http://www.facebook.com/CraceACT>