

**Acquirer: Pacific Dunlop Ltd; Target: Atkins Carlyle Ltd**

**Initiation**  
Parties

**Merger type**  
Asset Sale

**Guidelines thresholds**  
Below

**Imports above 10%**  
Yes

**Competition analysis**

The relevant market is the wholesale segment of the Australian automotive parts aftermarket. The market appears to be characterised by a high degree of countervailing power in the hands of retailers, who have the ability to bypass the wholesale level and obtain products directly from manufacturers and importers. The parties also suggest that resellers and retailers of auto parts are developing increased countervailing power through the formation of buying and franchising groups. There are also a number of alternative wholesalers who will continue to service the market. Further, it seems that car owners can choose to have their cars serviced through motor vehicle dealers. They have recently become increasingly competitive both in terms of price and product range. It seems that customers view going to motor vehicle dealers for 'genuine' spare parts and servicing of their motor vehicles as a viable substitute to going to the non-genuine parts after-market. There seems to be a competitive fringe which operates effectively in this market to constrain the conduct of the merging parties. There are numerous smaller regional wholesalers, as well as the potential for bypass of the wholesale level altogether. On the basis of this information it would appear that this proposal would not be likely to substantially lessen competition in the market.

**Outcome**  
Not Opposed

**Date raised**  
16<sup>th</sup> August 1999

**Resolution**  
N/A

**Date closed**  
13<sup>th</sup> October 1999

**ANZSIC code**  
2811