



Australian  
Competition &  
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# NEWS RELEASE

## **ACCC WILL NOT OPPOSE PROPOSED ACQUISITION OF THE FUEL DIVISION OF THE SCOTTS GROUP BY CALTEX FOLLOWING DIVESTITURE REMEDY**

**22 May 2014**

The Australian Competition and Consumer Commission has announced that it will not oppose the proposed acquisition by Caltex Australia Limited of the fuel division of the Scotts Group after accepting an undertaking from Caltex to sell four retail fuel sites in South Australia and Victoria.

The Scotts Group's fuel division owns a number of retail fuel sites and fuel depots predominantly located in regional areas of South Australia, Victoria, New South Wales and the Northern Territory. Caltex is a large refiner wholesale of fuel, involved in the importation, production, wholesale distribution and retail supply of fuel in all states and territories of Australia.

In Mt Gambier (South Australia) and Nhill (Victoria), the ACCC considered the acquisition would result in competition concerns as it would result in Caltex controlling the majority of retail fuel sites in both towns.

To address these concerns Caltex has provided a court enforceable undertaking requiring it to sell three sites in Mt Gambier and one in Nhill to an ACCC approved purchaser, Agostino, which is an independent operator of BP branded retail fuel sites in South Australia.

"The divestiture of the retail sites by Caltex aims to ensure Caltex faces competition for retail customers in both Mt Gambier and Nhill," ACCC Commissioner Jill Walker said.

The ACCC concluded that in other local retail markets for the supply of fuel, Caltex would be competitively constrained by alternative fuel retailers.

The ACCC also considered whether the acquisition would result in competition concerns in the distribution of fuel to small commercial customers, such as agriculture businesses in regional areas of South Australia, south-western Victoria and southern NSW.

"After careful consideration of the issues and extensive consultation with market participants in regional areas including customers and operators of rival depots, the ACCC formed the view that small commercial customers would continue to have a number of actual or potential alternatives to obtaining deliveries of fuel from Caltex," Dr Walker said.

The undertaking will be available on the ACCC's public register.