



VICTORIAN OFF-COURSE AGENTS ASSOCIATION

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Submission to the Australian Competition Tribunal from John Haberman, President of the Victorian Off-Course Agents Association (VOCAA) re Tabcorp Tatts merger

This submission is made by the Victorian Off-Course Agents Association (**VOCAA**) to the Australian Competition Tribunal in relation to the application by Tabcorp for authorisation to acquire Tatts.

I am the current President of VOCAA, a position I have held since 2003. VOCAA represents the interests of approximately 70 agent members that operate the 93 stand-alone TAB retail venues on behalf of Tabcorp across Victoria. The VOCAA membership does not include licensed venues (ClubTabs or PubTabs). I also personally operate the Mill Park Tab agency and have been operating TAB agencies since 1974.

VOCAA considers the proposed merger of Tabcorp as a positive development that can only be beneficial for the businesses of Victorian TAB agents and their customers – as well as our agency colleagues in other states and territories. The changes in the wagering market over the last four decades has seen a large reduction in the number of TAB retail agencies in Victoria, with the number reducing from about 300 agencies when I started as an agent in 1974 to the 93 agencies that operate today.

The most recent challenge impacting the business of TAB agencies has been the entrance of low-cost model corporate bookmakers and the movement towards online wagering. Corporate bookmakers have had a very significant impact on the retail TAB agencies as they offer customers a range of product offerings that draw customers, particularly younger customers, to their online platforms and they drive a huge volume of advertising.

VOCAA is confident that the combination of Tabcorp and UBET operations will better position TAB agents to compete with the challenges posed by corporate bookmakers. The proposed merger also opens the door to a stronger national, totalisator pool (which supports more stable payouts and scope for more exotic tote products) which may draw larger customers back to totalisator wagering in-venue with the TAB.

As the President of VOCAA, I attend a national TAB conference every year which is attended by TAB agent representatives from all states and territories. From my discussions with UBET agents from Tatts states and territories, I see that they are excited about sharing in some of the better products and commitment to

investment in the agency channel that we currently enjoy. As an example, Tabcorp has spent over \$100,000 in the last month refurbishing the Mill Park agency that I operate including installing new screens displaying racing and sporting events as well as electronic information screens that offer punters a fantastic facility and wagering experience. Tabcorp's dedication to the agency channel has assisted and promoted the comradeship that comes from mates getting together and putting on a bet at a venue, as existing retail customers are more likely to continue to come into well maintained TAB venues rather than placing a bet online or at home.

While UBET agents in Tatts states will likely see the most immediate benefits from joining the strong TAB retail brand, VOCAA considers that the merger is a positive development for TAB agents across the country including in Victoria. We hope that it will give Tabcorp the national scale it needs to continue to develop its tote and other products and to provide the resources to invest in the agency channel (both in Victoria and elsewhere), in order to more effectively compete with corporate bookmakers –that, in our opinion, do not provide the same level of investment in local venues, employment or the racing industry.

Yours Sincerely,

John Haberman

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