

MEDIA RELEASE



13 March 2025

DP World Australia's proposed acquisition of Silk raises preliminary concerns

The ACCC has outlined preliminary competition concerns with DP World Australia's proposed acquisition of Silk Logistics (ASX:SLH) in a [Statement of Issues](#) published today.

DP World Australia operates container stevedores at the Ports of Botany (Sydney), Melbourne, Brisbane and Fremantle. DP World Australia on average, services approximately a third of the containers processed at these ports.

Silk is one of the only national door-to-door container logistic providers in Australia. It hauls import and export containers using trucks to and from the ports that DP World Australia is operational at.

The proposed acquisition would result in DP World Australia, a major container stevedore, owning a national container transport provider.

"We have heard concerns that DP World's ownership of a national container transport provider is likely to reduce competition in the supply of container transport services. This could lead to higher prices and reduced quality for Australian importers and exporters," ACCC Commissioner Dr Philip Williams said.

"Our review is focused on DP World Australia's ability and incentive to either increase terminal fees or worsen the quality of terminal services for container transport providers that compete with Silk, after the acquisition."

"We are also assessing whether DP World Australia, after acquiring Silk, is likely to offer below-cost transportation prices to importers and exporters if their containers are also picked up and dropped off at DP World Australia's stevedoring terminals," Dr Williams said.

"This is because a discounting strategy involving below-cost prices could reduce container transport competition allowing a combined DP World Australia and Silk to raise prices later."

In addition, the ACCC is concerned that DP World Australia could be able to access and use commercially sensitive data about Silk's rivals, in a way that damages competition.

The ACCC's container stevedoring monitoring role has helped to inform the ACCC's preliminary views. The ACCC's monitoring role indicates that there is currently very limited competition between stevedores on terminal charges to container transport providers.

The ACCC invites submissions from interested parties by 27 March 2025.

More information is available on the ACCC's public register here: [DP World Australia Limited – Silk Logistics Holdings Limited](#).

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Background

Container stevedores are responsible for lifting containers on and off container ships. They are a key part of international trade.

DP World Australia provides port and general logistics services. Its main business is the provision of container stevedoring services and operation of container terminals at each of the Ports of Melbourne, Botany (Sydney), Brisbane and Fremantle

In addition to its stevedoring services, DP World Australia:

- a. operates an empty container park in each of the areas surrounding the Ports of Brisbane, Melbourne and Botany,
- b. has a 50% interest in a vehicle booking system, that container transport providers use for the purpose of collecting/delivering containers at several Australian ports.
- c. operates a limited fleet of container transport trucks in Melbourne and Sydney.

DP World Australia is an indirect subsidiary of DP World Limited (DPW). DPW provides freight forwarding and contract logistics services in Australia.

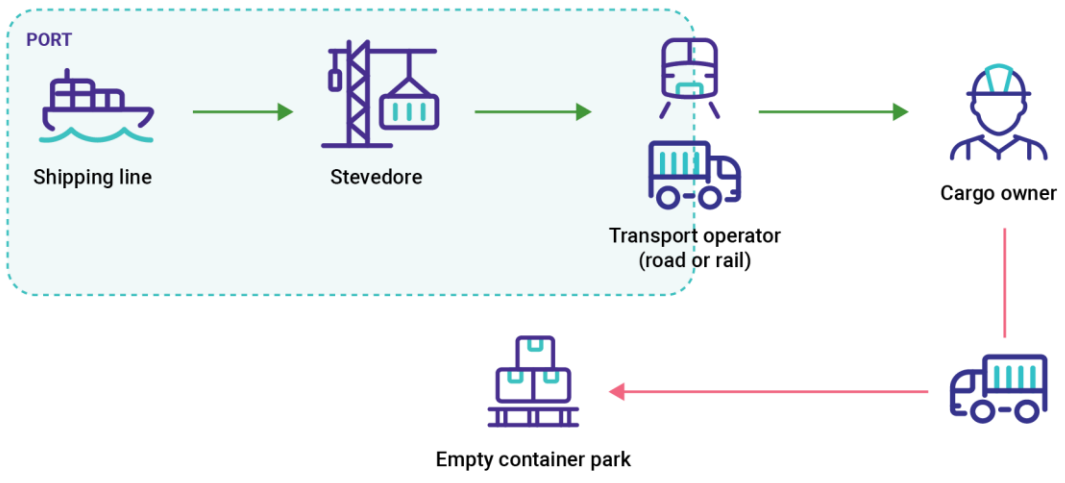
Silk is an ASX listed port-to-door services provider offering warehousing, distribution and port logistics services. It operates 46 facilities across New South Wales, Victoria, Queensland, South Australia and Western Australia.

Silk's operations are categorised into 2 divisions:

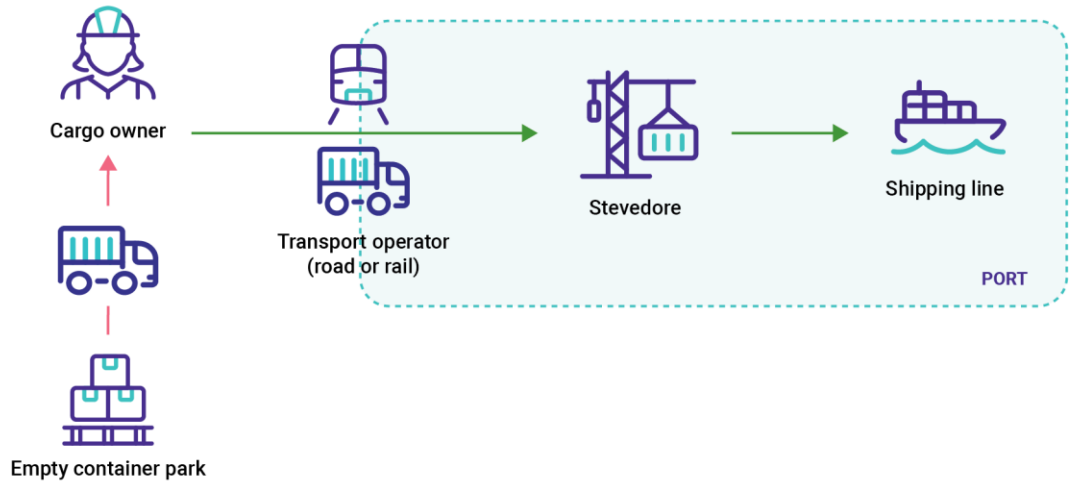
- a. port logistics: road transport of import and export containers to and from ports in Australia, in addition to ancillary services (such as fumigation, quarantine inspection, packing/unpacking services), and
- b. contract logistics: warehousing and distribution services. Warehousing services relate to receiving containerised freight, unpacking it, palletising it, storing it and then packing and dispatching it to the final destination. Distribution services refer to the transportation of goods from warehouses to delivery points, such as retail premises, factories or households.

Below is a diagram summarising the movement of containers along the supply chain and the typical commercial relationships between key parties. The blue boxes refer to parts of the supply chain at the port precinct

IMPORTS



EXPORTS



→ Movement of full container
← Movement of empty container

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