



28 March 2003

The General Manager
Adjudication Branch
Australian Competition & Consumer Commission
PO Box 1199
DICKSON ACT 2602

McDonald's Australia Limited
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Re: Application for Authorisation of EFTPOS Reforms

Dear Sir / Madam

I am writing this letter to express our concerns about the application for authorisation of EFTPOS reforms, February 2003.

McDonald's Australia Ltd and its franchisees operate 728 restaurants across Australia. Approximately 490 of these restaurants are individually owned and operated by franchisees.

In recent years McDonald's Australia Ltd and its franchisees have made a significant investment into the software, installation and maintenance of EFTPOS into our 728 restaurants.

Our investment has also extended the reach and penetration of EFTPOS into the Quick Service Restaurant industry providing millions of customers with a service that is convenient, reliable and secure.

If these reforms are introduced not only will our franchisees be disadvantaged, we feel that customers would be the ones who would ultimately wear the cost of the changes, as this move is more than likely to cause an increase in retail prices over time.

It's our belief that fewer companies would invest in the EFTPOS system and worst case scenario; businesses may even choose to remove the facility. This is not in the public interest and therefore does not seem appropriate for the EFTPOS system to move in this direction.

In light of these concerns McDonald's Australia Ltd believes the proposed EFTPOS reforms should not be implemented.

Yours Sincerely

Guy Russo
Managing Director/CEO