

From: Trevor Long
Sent: Friday, 26 August 2016 11:47 PM
To: Adjudication
Subject: Submission: A91546 & A91547

Ms Fei Wu
A/g Senior Analyst Adjudication
Australian Competition & Consumer Commission
Level 35, 360 Elizabeth Street
MELBOURNE VIC 3000
Via Email.

Dear Ms Wu,

I am writing in relation to **Bendigo and Adelaide Bank & Ors - Authorisation - A91546 & A91547** for which you have recently made an interim decision on, and I understand are now considering final submissions for a draft decision in October.

Unfortunately, I was unable to find record of the dates by which submissions should be made for inclusion in your consideration, as such, I am sending this now in the hope that It can be part of your deliberations, but I do appreciate I may have missed a formal date for submissions and accept it may not be considered.

I identify as a Technology commentator, reporting daily and weekly on technology innovations, hardware, software and all manner of things, and I write to you with that knowledge, as well as the exposure to a large number of "everyday" Australians via talkback radio and social media each week, and perhaps most importantly as a consumer and cardholder myself.

I have read with interest the many submissions published on the ACCC website in the leadup to the interim decision, and feel it is important that the ACCC hear from more consumers than the businesses currently making submissions, because after all, your role is to provide a competitive environment which should benefit me, the consumer.

With that, **I ask that you do not grant this application to the banks in question.** The concept of a whole bunch of banks, who must surely represent a vast majority of Australians acting together to boycott third-party wallets and collectively bargain goes against every aspect of competition and consumer benefit possible.

I'm pretty confident I sit fairly and squarely in the "early adopter" category, yet I have never used a mobile device for payment until the introduction of Apple Pay in Australia. The reason was simple - it seemed quite a high friction process, an app for my bank or banks, launching that app, entering a PIN and making the payment.

When I saw Apple Pay announced at first, the concept seemed far too simple. The hype was extreme, mainly due to the fact that the United States is in fact a long long way behind Australia in the adoption of Tap and go payments.

I was fortunate to hold an American Express issued AMEX card when AMEX Australia announced their launch of Apple Pay last year.

On the day of launch the process was nothing but simple. Point my phone at the card, enter my security verification, receive an SMS verification and within minutes be ready to make payments.

The process of making a payment was simple - but perhaps more importantly secure. I've been part of many Television Current Affair reports into the concerns people have over tap-and-go payment fraud. Tap and Go is convenient, but take my card and you've got my cash - \$100 at a time. Take my mobile phone and without my fingerprint its useless. Take my Watch and without my heartbeat detected you need my passcode to make it work.

Never before have we had such a simple and secure payment system.

When ANZ launched Apple Pay, I honored a commitment I made to my audience, I opened an ANZ account. I now have a true digital wallet - multiple cards, multiple banks (ANZ/AMEX), easy payment and complete security.

This in essence is where my motivation to write to you tonight comes from.

The "third party" mobile wallet is the most levelling product in the market.

Could we imagine a situation where you needed to have a different physical wallet in your pockets to hold cards from different banks? No chance. Yet a consumer who has cards from multiple banks is now required to use multiple apps.

If the banks adopted Android Pay and Apple Pay across the board, those wallets, and others, can be built to be used exactly as your physical wallet it. Containing multiple cards for any number of card issuers.

How is competition among banks increased by the banks working together to block us as consumers using two of the most prolific and easy to use mobile wallets on the market (Android Pay and Apple Pay).

Tonight, in a matter of moments, I added my ANZ cards to my Android Phone using Android Pay. The process was as simple as Apple Pay, seamless and non judgemental of my choice of bank. Except that if I tried to add my St George card it would not work. Because that bank is one of the many who are now applying to the ACCC to boycott this very app.

From my simple mans view, it appears to me these Banks are interested in maintaining their cut of the transactions, or forcing up the price of using Third Party wallets which would discourage the use of third party wallets in no time. This goes entirely against the very spirit of competition.

For the banks making this application, there may be some benefit to a positive outcome. The ability to attempt to negotiate better terms for them, in essence delaying potentially by years the launch of this technology.

But for consumers, there is no benefit. None whatsoever. Except for those willing to take the time to switch banks and credit providers to the ANZ or AMEX. Sadly, Australian's don't love to switch from their regular brands. The banks know this, and seek to exploit it.

I would strongly encourage the ACCC to consider the Consumers, the Customers, the shoppers in their deliberations of this application.

Thanks for your consideration.

Regards,

Trevor Long

Technology Commentator,

EFTM.com.au