



**Australian  
Competition &  
Consumer  
Commission**

Our Ref: 57520  
Contact Officer: Jaime Martin  
Contact Phone: (03) 9290 1477

GPO Box 3131  
Canberra ACT 2601

23 Marcus Clarke Street  
Canberra ACT 2601

tel: (02) 6243 1111  
fax: (02) 6243 1199

[www.accc.gov.au](http://www.accc.gov.au)

22 March 2016

***Sent via email***

Dear Sir / Madam

### **ihail Pty Ltd application for authorisation A91501 – final determination**

The Australian Competition and Consumer Commission (the ACCC) has issued a determination in respect of the application for authorisation lodged by ihail Pty Ltd (ihail) on 26 May 2015.

ihail sought authorisation for a joint venture between a number of Australian and international taxi networks and other participants in the taxi industry to launch and operate the ihail smartphone taxi booking app. It requested authorisation for five years.

Since lodging the application for authorisation, ihail has proposed significant changes to the way it intends to operate the app. These changes include:

- now allowing passengers to choose how they would like to pay for their fare – namely, in-app (using a registered credit card and exclusively processed by Cabcharge) or within the taxi
- passengers can now also select their preferred taxi network as part of the booking process and will be provided with information about each network's average waiting times and driver ratings to inform this decision. Previously, it was proposed that the closest available taxi, regardless of network, would always be dispatched. Under the changes, passengers will now be able to choose either option.
- drivers affiliated with any participating taxi network, will be required to individually opt-in to receive ihail bookings over the existing taxi network's dispatch system.

### **Determination**

A copy of the ACCC's determination and summary of its reasons is attached.

For the reasons set out in its determination, the ACCC grants conditional authorisation to ihail to make and give effect to the joint venture arrangements to launch and operate the proposed ihail app (as amended since the draft determination) for three years.

The ACCC's authorisation is conditional upon:

- ihail or the relevant shareholder taxi network will be required to explicitly inform drivers that they remain free to use competing booking apps. ihail and its shareholder networks will also be prohibited from preventing drivers using other booking apps or disadvantaging drivers who do so in preference to, or in addition to, the ihail app

- ihail must not set the default payment method option to 'in-app', unless the customer has explicitly chosen in-app payment as their default option and
- ihail ensuring that the relevant credit card service fee will be prominently disclosed within the ihail app whenever passengers are making payment method choices.

#### *Application for review*

Pursuant to section 101 of the Act, a person dissatisfied with this determination may apply to the Australian Competition Tribunal for its review. An application for review must be made within 21 days of the date of this determination; that is, on or before 12 April 2016. If no application to review is lodged by this date, the ACCC's determination will come into force on 13 April 2016.

An application for review of the ACCC's determination should be lodged directly with the Australian Competition Tribunal. The Australian Competition Tribunal is a separate body from the ACCC and is located within the Federal Court of Australia.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter please contact Jaime Martin on (03) 9290 1477 (or [jaime.martin@accc.gov.au](mailto:jaime.martin@accc.gov.au)) or Gavin Jones on (03) 9290 1475 (or [gavin.jones@accc.gov.au](mailto:gavin.jones@accc.gov.au)).

Yours sincerely

A handwritten signature in blue ink, appearing to read 'G Jones', is positioned above the printed name and title.

Gavin Jones  
Director  
Adjudication