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Dear Interested Party

**Request for submissions: Experian's proposed acquisition of illion**

The Australian Competition and Consumer Commission (**ACCC**) is seeking your views on the proposed acquisition of Credit Data Solutions Pty Limited (**illion**) by Experian Australia Credit Services Pty Limited (**Experian Bureau, or Experian**) (the **proposed acquisition**).

Experian and illion each provide consumer credit reporting services in Australia. Their respective customers are credit providers, for example, lenders, utilities and personal loan providers who both use data and provide data to the providers of reporting services. Further details are provided at **Attachment A**.

The ACCC's investigation is focused on the impact on competition. In particular, we are seeking your views on:

- how closely Experian and illion compete in the supply of credit reporting and related services in Australia
- the availability of alternative providers of credit reporting and related services in Australia
- the likelihood of new entry or expansion in the supply of credit reporting and related services
- the likely impact of the proposed acquisition on prices, quality and/or service levels in the supply of credit reporting and related services.

Further issues you may wish to address are set out in **Attachment B**.

This matter is public and you can forward this letter to anybody who may be interested.

The legal test which the ACCC applies in considering the proposed acquisition is in section 50 of the *Competition and Consumer Act 2010*. Section 50 prohibits acquisitions that are likely to have the effect of substantially lessening competition in a market.

Please provide your response by **4pm on 19 April 2024** via email with the title: *Submission re: Experian Bureau / illion*. If you require more time to respond, please let us know.

If you would like to arrange a time to discuss the matter with ACCC officers, or have any questions about this letter, please contact [mergers@acc.gov.au](mailto:mergers@acc.gov.au).

Updates regarding the ACCC's investigation will be available on the ACCC's Public Mergers Register at ([ACCC mergers register](#)).

***Confidentiality of submissions***

The ACCC treats sensitive information it receives during a merger review as confidential, and will not publish your submission. We will not disclose submissions to third parties (except our advisors/consultants) unless compelled by law (for example, under freedom of information legislation or during court proceedings) or in accordance with s155AAA of the Competition and Consumer Act 2010. Where the ACCC is required to disclose confidential information, we will notify you in advance where possible so that you have an opportunity to be heard. Therefore please clearly indicate if any information you provide is confidential.

Our [Informal Merger Review Process Guidelines](#) contain more information on confidentiality.

Yours sincerely



Bruce Mikkelsen  
Acting General Manager  
Merger Investigations

## Attachment A

### Proposed acquisition

On 4 April 2024, Experian announced its intention to purchase 100% of the shares in illion pursuant to the terms of a share sale agreement with the existing shareholders of illion.

### Experian

Experian Bureau is the Australian consumer credit reporting business of the Experian Group, an international data analytics and credit reporting company listed on the London Stock Exchange and headquartered in Dublin.

Experian Bureau is a joint venture, with Experian Australia Pty Ltd (**Experian Australia**) holding a majority share, and ANZ, CBA, NAB, Westpac, Latitude Financial Services Australia Pty Ltd and American Express Australia Limited, each holding minority interests (the **JV Shareholders**).

Experian does not offer commercial credit reporting services in Australia.

### illion

illion (previously known as Dun & Bradstreet) is a commercial and consumer credit bureau which specialises in credit risk assessment and decisioning software solutions. Credit risk assessment solutions include consumer and commercial credit reports. illion also supplies marketing, tender management and payment technology solutions.

illion is majority owned by funds that are managed and advised by Archer Capital.

### Area of overlap

Experian and illion (the **Parties**) overlap in the supply of:

- **Consumer credit reporting services** – this involves the collection of consumer credit risk information from a range of public and private sources, and on-selling this information, usually as credit reports to credit providers/lenders that are seeking to determine the creditworthiness of an individual.
- **Software for managing customer originations** – these are software tools that automate and/or support business decisions in relation to credit risk assessments during the originations (application) phase of credit providers' relationships with end-customers.
- **Marketing services** – these involve the supply of certain datasets and software tools to businesses to assist them in developing and executing their marketing strategies. Both Experian and illion supply consumer marketing services, however only illion provides commercial marketing services.
- **Categorisation solutions** – these involve the supply of software to businesses to assist them to categorise their customers' transaction data. For example, banks may utilise categorisation solutions to offer budgeting tools to their customers which categorise their income and expenses for easier tracking.
- **Identity verification services** – these are services that verify the identity of customers in real-time. illion offers a full suite of identity verification services through a partnership with GB Group. Experian withdrew its identity verification product from the Australian market in 2022 and does not currently offer these services to new customers.

## **Attachment B**

This attachment provides a list of questions the ACCC is interested in seeking views on. The more information we have, the better we can assess the impact of the proposed acquisition, but if you are unsure of any questions, or do not have specific knowledge about some of the questions, you can leave them blank. You can also include any other information you think is relevant.

Where possible, provide specific examples to support your views.

### **General**

1. Provide a brief description of your business or organisation.
2. Outline the reasons for your interest in the proposed acquisition, including any commercial relationship(s) with credit reporting bureaux (including Experian, illion or Equifax).
3. If you are a customer of Experian, illion or Equifax, please identify which services you purchase from each supplier and whether you purchase any services as a bundle. Please explain what factors you consider when deciding which credit reporting and / or related services to purchase, including why you chose to bundle or not bundle services from these providers (including for example cost, implementation, and any benefits for acquiring multiple services from the same provider).

### **Consumer credit reporting services**

#### *Supply of consumer credit reporting services*

4. Identify the key factors that customers consider to be the most important when choosing a credit report service provider (e.g., cost, data asset quality, range and quality of service and innovation).

#### *Competing providers*

5. Describe how closely Experian, illion and Equifax compete in the supply of consumer credit reporting services including, for example, in relation to price, type of products, quality of service and innovation. Describe any factors that mean Experian and illion are particularly close competitors for the supply of any services.
6. Identify whether there are any alternative sources of consumer credit reporting information that customers use (excluding Experian, illion and Equifax). If so, describe whether you consider these sources to be sufficient alternatives to the services offered by Experian, illion and/or Equifax and briefly explain why.
7. Comment on the ease or difficulty for customers to switch to alternative providers of consumer credit reporting services. Consider factors such as the process for implementing any changes, whether compatibility issues might arise and potential costs.
8. Comment on whether customers would switch to alternative providers of consumer credit reporting services if there were an increase in prices or reduction in service levels and quality after the proposed acquisition.

### *Entry or expansion*

9. Explain the main factors that must be overcome to commence supplying or to expand in the supply of consumer and/or commercial credit reporting services. In your response, you may wish to consider:
  - a. the time and costs involved with entry or expansion
  - b. the scale necessary to supply at competitive prices, including any network effects
  - c. the ease of securing customers and contracts for supply
  - d. any other barriers.

Provide recent examples of new entry or expansion where possible.

10. Identify any competitor(s) likely to commence offering or expand their offering of credit reporting services in Australia in the next 2 years. Explain whether customers would likely switch to these competitor(s) if there was an increase in prices or reduction in service levels and quality after the proposed acquisition.
11. Describe how important it is for a provider of credit reports to have access to a sufficient breadth and/or depth of credit information in order to offer a competitive service. Comment on whether the ability of existing providers and/or new providers of consumer credit reporting to access credit information is likely to change because of the proposed acquisition.

### **Software for managing customer originations**

12. Describe the relative significance of software for managing customer originations as part of a broader network of services of credit decisioning solutions.
13. Describe the extent to which the data acquired to produce consumer credit reports is an essential input for the supply of software for managing customer originations.
14. Explain the importance of automated software tools for credit risk assessments. Describe alternative options or other credit decisioning solutions available for customers to manage customer originations or credit risk assessments.
15. Discuss the extent to which Experian and illion compete with one another, and other companies in the supply of software for managing customer originations.

### **Competition in related services**

16. Discuss the extent to which Experian and illion compete with one another, and other companies in the supply of:
  - a. marketing services
  - b. categorisation solutions
  - c. identity verification services.
17. Describe the extent to which the supply of credit reporting services is an important input for the supply of any related services (or vice versa).

18. Comment on the ease or difficulty for a provider of consumer credit reporting services to switch to supplying commercial credit reporting (or vice versa), and/or related services including software for managing customer originations, marketing, categorisation and identity verification services.

**Other information and competition issues**

19. Describe any trends or changes you see as impacting the competitive landscape of the consumer credit reporting services industry. In your response, you may wish to comment on the following:
  - a. Access to large scale and high-quality data assets
  - b. Regulatory considerations (for example, under the Australian Government's Mandatory Comprehensive Credit Reporting regime)
  - c. Innovation and technological developments.
20. Identify if there are other services relevant to the supply of consumer credit reporting services that the ACCC should consider that are not identified in Attachment A.
21. Provide any additional information or comments that you consider relevant to the ACCC's consideration of the proposed acquisition.