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Our ref: IM-72320

Contact officer: Sophie Matthiesson / Andrew Toor

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9 February 2024

Dear Interested Party

Request for submissions: Global Payments' proposed acquisition of School Bytes

The Australian Competition and Consumer Commission (**ACCC**) is seeking your views on the proposed acquisition of School Bytes Learning Pty Ltd (**School Bytes**) by Global Payments Australia 1 Pty Ltd (**Global Payments**) (the **Proposed Acquisition**).

Global Payments is a payments technology company and its subsidiary Sentral Pty Ltd (**Sentral**) supplies school administration software in Australia. School Bytes supplies school administration software in NSW. Further details are provided at **Attachment A**.

The ACCC's investigation is focused on the impact on competition for the supply of school administration software.

In particular, we are seeking your views on:

- the availability of alternative suppliers of school administration software in NSW;
- the likelihood of new entry and expansion for the supply of school administration software; and
- the likely impact of the Proposed Acquisition on prices and/or service quality for school administration software.

Further issues you may wish to address are set out in **Attachment B**. For schools that use school administration software, we encourage you to fill out our survey available on the [ACCC Consultation Hub](#) as an alternative to providing a written response to the questions 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 **23 February 2024** via email with the title: *Submission re: Global Payments/School Bytes – attention: Sophie Matthiesson / Andrew Toor*. 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 Sophie Matthiesson on (03) 9910 9456 or Andrew Toor on (02) 9230 9159.

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
General Manager (A/g)
Merger Investigations

Attachment A

The Proposed Acquisition

Global Payments proposes to acquire School Bytes. Global Payments, through its subsidiary Sentral, and School Bytes both supply school administration software.

The supply of school administration software to public schools in NSW

In November 2022, the NSW Department of Education (the **NSW DoE**) established the Administration Marketplace Panel for Schools (the **Panel**). If a supplier is selected by the NSW DoE to be on the Panel, it can supply school administration software to NSW public schools.

Suppliers are approved for different categories of software depending on their offerings. These software categories are:

- (i) Student Administration and School Management and Operations (together, School Information Software or **SIS**);
- (ii) Timetabling;
- (iii) Parent Communications and Consent; and
- (iv) Student Finance.

Global Payments

Global Payments is a subsidiary of Global Payments Inc., an American payments technology company.

Sentral, a subsidiary of Global Payments, supplies school administration software across Australia to public schools, and private and Catholic schools. Sentral supplies SIS, Parent Communications and Consent, and Student Finance products nationally. It is currently approved to supply SIS, Parent Communications and Consent and Student Finance on the Panel in NSW.

School Bytes

School Bytes is a supplier of school administration software based in NSW. It only supplies public schools. School Bytes offers, and is approved to supply on the Panel, SIS, Parent Communications and Consent and Student Finance products.

Attachment B

For **schools** that use school administration software, we encourage you to fill out our survey on the [ACCC Consultation Hub](#) as an alternative to providing a written response to the questions below.

1. Describe your business or organisation and explain your interest in the Proposed Acquisition, including any commercial relationship(s) with Global Payments, School Bytes or their subsidiaries.

Questions for customers

2. Please outline which supplier/s you currently use for all categories of school administration software.
3. Please identify alternative suppliers you could use for each category of school administration software, and identify any suppliers you consider particularly effective competitors (for example, through their prices, innovation, product offering, service).
4. Are you more likely to consider suppliers that offer multiple categories of school administration software? Please explain.
5. Describe your procurement process for school administration software.
 - a. Please comment on any differences in the requirements of:
 - i. primary schools and high schools
 - ii. public schools and independent schoolsfor school administration software
6. Please explain whether you would consider using a supplier who is not on the NSW DoE Panel. If you have used a non-Panel supplier, please identify the supplier and explain the categories of school administration software supplied.
7. Discuss how closely Sentral and School Bytes compete in the supply of school administration software in NSW.
8. Please outline the process of switching suppliers of school administration software. In particular,
 - a. How regularly do you switch suppliers?
 - b. What factors influence your decision to switch?
 - c. Does the Panel allow for customers to switch suppliers?
 - d. How long would it take to transition from one school administration software product to another?
9. Have there been any significant new entrants supplying school administration software?
10. What role does the NSW Department of Education Panel play in regulating pricing and service quality of school administration software?

Questions for competitors

11. Identify which categories of school administration software products you provide. Please confirm if you provide all of these categories in NSW.
12. Identify and describe your competitors for the supply of school administration software in NSW. Please also provide market shares where possible, and the basis for such shares.
13. Please explain the approval process to be placed on the Panel? Are there certain requirements that need to be satisfied?
14. From your perspective, what are some of the key requirements of customers looking for school administration software?
15. Discuss the likelihood of new entry or expansion in the supply of school administration software. Please provide any examples of new entry or expansion in NSW and Australia in the last 5 years and outline any hurdles for new entrants/providers looking to expand.

Additional information

16. Please explain how the Proposed Acquisition, may impact price, innovation, product offering, service quality, for the supply of each of the categories of school administration software.
17. Please provide any additional information or comments that you consider relevant to the ACCC's consideration of the Proposed Acquisition.