

Microsoft/Nuance – market inquiries email – 12 August 2021

Dear interested party,

As you may be aware, Microsoft proposes to acquire Nuance Communications, Inc. (**Nuance**). We are seeking your views on this proposal because it may affect you.

The Australian Competition and Consumer Commission (**ACCC**) is an independent statutory authority responsible for investigating whether mergers are likely to substantially lessen competition. We rely on information from market participants to make informed decisions.

The target

Nuance supplies software solutions for automatic speech recognition and transcription, and automated voice, mobile, web, and messaging solutions for customer contact centres. Microsoft supplies some products with technology capabilities that are similar to Nuance, and also supplies a variety of software products that integrate with Nuance's solutions.

We are interested in Nuance's supply of the following products:

1. transcription software for healthcare customers (Dragon Medical and Dragon Medical One) and non-healthcare customers (Dragon Professional and Dragon Home),
2. digital engagement (i.e. chatbots and intelligent messaging products),
3. voice engagement (i.e. conversational and interactive voice response products), and
4. voice biometrics (i.e. products used to identify and verify customers through voice recognition).

Information we are seeking

Amongst other things, we are seeking to understand:

- whether there are alternative suppliers for each of Nuance's products,
- how alternative suppliers differ to Nuance based on factors such as price, quality, support and functionality,
- what the most important features of Nuance's products are, and whether alternative suppliers are capable of providing those features,
- whether customers can easily switch from Nuance to alternative suppliers,
- how closely Microsoft's products compete with each of Nuance's products (based on factors such as price, quality and functionality), and
- for competitors of Nuance:
 - whether you rely on integration with any of Microsoft's products, such as Teams, Azure or Dynamics 365, and

- whether you could easily switch away from Microsoft products (such as Teams, Azure or Dynamics 365), to integrate with alternative suppliers.

We would be happy to receive your response by email, or have a discussion with you over the phone or via Microsoft Teams.

Please also provide a brief description of your business, and the reasons for your interest in the proposed acquisition, including any commercial relationship/s with either of Microsoft or Nuance. This will help us to better understand your views.

How you can engage

This matter is public and you can forward this email to anybody who may be interested. Updates regarding the ACCC's investigation will be available on the ACCC's [Public Mergers Register](#).

If you would like to comment in writing, please do so by **27 August 2021** by return email or email to mergers@acc.gov.au. Alternatively, email or call me on (02) 9102 4011, or call Adam Phillimore on (03) 6243 1048, if you prefer to set up a time to discuss or if you need more time to respond.

Confidentiality

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.

If you have any questions, please let me know.

Kind regards

Sidd Sharma