

MEDIA RELEASE



Australian
Competition &
Consumer
Commission

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ACCC WON'T OPPOSE CABCHARGE BUYING YELLOW CABS IN QUEENSLAND

The Australian Competition and Consumer Commission will not oppose the proposed acquisition by Cabcharge Australia Limited (ASX:CAB) of Yellow Cabs (Queensland) Pty Ltd.

Yellow Cabs is one of the two large taxi networks in Brisbane, with a market share of approximately 50 per cent. While Cabcharge does not currently operate any taxi networks in Queensland; it does provide non-cash payment services and equipment.

"The ACCC found that it was unlikely the acquisition would result in Cabcharge foreclosing competition from alternative non-cash payment system providers, as there are a number of alternative systems available and it is drivers who choose which system to use. Further, the taxi business is being constrained by the popularity of ridesharing services such as Uber," ACCC Commissioner Roger Featherston said.

The ACCC also considered whether the use of Cabcharge payment and metering devices in taxis affiliated with competing taxi networks would weaken competition, by allowing Cabcharge to access sensitive pricing data and other information.

"While Cabcharge may gain access to competitor pricing and other information, we don't believe this will provide them with a significant competitive advantage. However, if it can be shown that Cabcharge has used such information in an anti-competitive manner, the ACCC may be able to take action under the other competition provisions," Mr Featherston said.

Further information is on the ACCC's public register.

Background

Yellow Cabs Queensland is one of the two large taxi networks in Brisbane, supplying network services and booking and dispatch services to its affiliate taxis.

Cabcharge is a financial services, taxi payments and passenger transport company. It fits all Queensland taxis with Cabcharge's non-cash payment terminals. Cabcharge also owns taxi networks, providing booking and dispatch services, and taxi network services, to its affiliates in NSW, Victoria and South Australia. Cabcharge does not currently operate a network in Queensland.

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