



12 October 2015

ACCC draft determination - ihail

The ACCC, in a draft determination, has denied the authorisation of ihail Pty Ltd's proposal to launch and operate a new smartphone booking app.

ihail Pty Ltd is not a subsidiary of Cabcharge, it is a company in which Cabcharge holds a stake of approximately 10 per cent. Other organisations that have interests in the ihail business include Yellow Cabs, Silver Top Taxi Service, Black and White Cabs and Suburban Taxis. In addition, there are also interests from Huston and Minneapolis in the United States. Cabcharge was to be the payment provider for the ihail app, but confirms that the draft determination will not impact its own plans for its proprietary taxi apps.

The ihail app would allow users to hail the nearest accessible registered taxi which is signed up to its service. It would service customers nationally across Australia, as well as at international destinations, with plans for all trips to be paid for in the app.

Andrew Skelton, Managing Director and Chief Executive Officer explains: "Cabcharge has a small investment in ihail Pty Ltd and was pleased to win the opportunity to provide the payment gateway.

"The marketplace currently operates with a number of similar apps, including some big global players, which presents significant competition in the local market.

"The convenience of the ihail app for consumers is the ability to use the same app wherever they are, without needing to navigate different apps servicing various brands.

"Having mandatory in-app payment is nothing new, and Cabcharge providing the payment gateway for the ihail app is no different to this function being provided by a bank. A number of apps already operate in this way, offering a streamlined experience for the passenger.

"The decision regarding ihail Pty Ltd will not impact Cabcharge's own booking apps for its Australian taxi brands," Mr Skelton concluded.

Cabcharge is the largest operator of taxi brands in Australia including Silver Service and Taxis Combined in Sydney, Newcastle Taxis and 13CABS in Melbourne and Adelaide.

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