



MEDIA RELEASE

18 October 2018

ACCC will not oppose Cabcharge's acquisition of MTI

The ACCC will not oppose the proposed \$6.6 million acquisition by Cabcharge Australia Limited (ASX:CAB) of Mobile Technologies International Pty Ltd (MTI).

MTI is the most widely used provider of taxi dispatch systems to taxi networks in Australia.

The ACCC found that it was unlikely that the acquisition would result in Cabcharge supplying inferior dispatch systems or withholding technology features from rival networks.

"Alternative dispatch system providers are available in Australia and the threat of network switching is likely to provide sufficient constraint on Cabcharge," ACCC Chair Rod Sims said.

The ACCC also investigated concerns that Cabcharge could put rivals at a competitive disadvantage by accessing the dispatch data of competing networks through the MTI system.

"Cabcharge is unlikely to be able to substantially lessen competition through any use of the data. Because of the threat of networks switching to alternative providers, we consider Cabcharge is unlikely to use the data to harm its competitors," Mr Sims said.

The ACCC also considered whether Cabcharge could harm rival providers of taxi dispatch systems and payment systems by bundling the supply of the MTI dispatch system with its payment terminal.

"It is unlikely that Cabcharge would engage in anti-competitive bundling, as this would risk degrading its payment processing business. Further, drivers generally have another payment terminal available in their vehicles," Mr Sims said.

Further information is on the ACCC's public register.

Background

Cabcharge is an ASX-listed company that provides services, including booking and dispatch services and taxi network services to its network-affiliated taxi operators and drivers.

Cabcharge does not have its own dispatch technology and uses MTI's taxi dispatch system and equipment to provide booking and dispatch services to taxis in its network.

MTI is a privately owned Australian company that provides technology for the processing, management and distribution of bookings to the taxi industry.

Media enquiries: 1300 138 917

Email: media@acc.gov.au

acc.gov.au/media