



From: perzon
Sent: Tuesday, 29 May 2012 1:39 AM
To: Committee, Reps (REPS)
Subject: public submission for tech pricing

To the House of Representatives Committee

DATE - 29th May 2012

I worked for the Industrial PC company, ICP Australia and Backplane Systems (BTS), trading as 2 separate companies but both a single entity. Our customer base consisted of schools, hospitals, farming, transport, government and private sector.

During my employment the value of the Australian dollar was never below 90 cents and was more often over the \$1.00 mark, though my quotes were all based on 80c to the US dollar, thus giving a 10-30% markup on the item. Then shipping costs were also added to the item. As these items were consolidated and shipped together, these costs also provided further profit then another 30% markup was then applied on top of the final figure as the company's profit margin. Then a 10% GST charge was applied to the final figure.

We held the exclusive purchase rights to a lot of the products supplied from our distributors and any inquiry directly to the overseas company

would be forwarded from them to us so the customer had no possible way to get any better price.

I feel this is the reason prices in Australia are so high for hardware, especially in exclusive products.

Kind Regards,

Jason Austin