



# Inquiry into IT pricing

Submission by the Australian Communications Consumer Action Network to the House Standing Committee on Infrastructure and Communications



July 2012



## **About ACCAN**

The Australian Communications Consumer Action Network (ACCAN) is the peak body that represents all consumers on communications issues including telecommunications, broadband and emerging new services. ACCAN provides a strong unified voice to industry and government as consumers work towards availability, accessibility and affordability of communications services for all Australians.

ACCAN aims to empower consumers so that they are well informed and can make good choices about products and services. As a peak body, ACCAN activates its broad and diverse membership base to campaign to get a better deal for all communications consumers.

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# Executive Summary

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ACCAN thanks the Committee for the opportunity to provide comments to the Inquiry into IT Pricing. IT is an important component of our growing digital economy. Hardware and software provide the tools for consumers to access government services, to apply for jobs, to stay in touch with family - all tasks that are increasingly moving online.

There is a clear difference between the price of some IT products sold in Australia and identical products sold in other markets. ACCAN recognises that the price Australians pay for hardware and software is influenced by a range of complex factors. Some factors, such as higher wages or rental costs, place additional costs on businesses when supplying goods to the Australian market.

ACCAN is concerned about situations where companies with significant market power choose to charge higher prices in Australia. This practice is known as international price discrimination. It is legal but it is not fair and it does not serve the interests of Australian consumers.

This submission focuses on instances of international price discrimination that affect all consumers, including small businesses and people with disability.

International price discrimination is an international problem implemented by international companies. This makes it difficult to find a solution at a domestic level. ACCAN believes the Committee should explore solutions which will increase the ability of consumers to access a choice of products, which will encourage genuine competition and place downward pressure on prices.

The government can take steps to ameliorate the negative outcomes of international price discrimination by encouraging the development of warranties that apply beyond national borders and informing consumers of the limits of their rights under Australian Consumer Law.

Steps should be taken to protect vulnerable consumers who are most impacted by these high prices. Priority action should be taken to address the costs of IT for people with disability – a group that faces higher costs yet are significantly more likely to be living below the poverty line compared to the general population. ACCAN has found evidence that equipment for people with disability is sometimes significantly more expensive in Australia compared to other markets. This is detrimental to a group of people who rely on these products for everyday activities. The government can take immediate action to lessen the impact of high IT prices on people with disability by adopting a whole-of-government accessible IT procurement policy.

# Response to Inquiry into IT Pricing

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## 1. General consumer issues

It is clear that Australian consumers pay more for some IT products compared to similar overseas markets. For example, the 16GB Apple iPhone 4S sells for AU \$799 from the Australian Apple online store<sup>1</sup> but the same product sells for CAD \$649 from the Canadian Apple online store<sup>2</sup>, equivalent to AU \$622.88.<sup>3</sup> A number these differences have been well documented by consumers who have already made submissions to this inquiry.

Many factors make up the price we pay for hardware and software. The Productivity Commission inquiry, *Economic Structure and Performance of the Australia Retail Industry*, provides some explanation for price differences. These include wage and labour on-costs, occupancy costs and rent, Australian wholesaler or distributor prices, government taxes and some sector-specific regulatory costs.<sup>4</sup> These factors contribute to the increased cost of doing business in Australia and factors vary for each business and sometimes each product.

ACCAN is concerned about situations where companies with market power practice international price discrimination. These situations are detrimental to all consumers but particularly to vulnerable consumers such as low-income consumers, students and people using the services of not-for-profits.

### 1.1 International price discrimination and consumer detriment

A key factor contributing to price differences is regional pricing strategies resulting in international price discrimination by dominant market players. International price discrimination occurs when a company chooses to sell a product for a different price in different parts of the world. A commonly quoted example is the different amounts charged for a song purchased via iTunes.<sup>5</sup>

The Productivity Commission has found that “It is clear that international price discrimination is being practised ... to the detriment of Australian consumers.”<sup>6</sup> International price discrimination is particularly noticeable for digital download products where other factors leading to increased prices, like local wages or rental costs, do not apply. The Microsoft Office 2012 Home and Student package of software is sold as a digital download product, the consumer receives no physical packaging unless they choose to pay extra for a back-up CD. Even though the product is purchased using the same online method and contains

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<sup>1</sup> Australian Apple online store, accessed 11th July:

[http://store.apple.com/au/browse/home/shop\\_iphone/family/iphone](http://store.apple.com/au/browse/home/shop_iphone/family/iphone)

<sup>2</sup> Canadian Apple online store, accessed 11th July:

[http://store.apple.com/ca/browse/home/shop\\_iphone/family/iphone?mco=MTE2NTQ](http://store.apple.com/ca/browse/home/shop_iphone/family/iphone?mco=MTE2NTQ)

<sup>3</sup> Currency conversion accurate as of 11th July.

<sup>4</sup> Productivity Commission (2011), *Economic Structure and Performance of the Australian Retail Industry*, Commonwealth of Australia, Canberra pp 144 - 151.

<sup>5</sup> Lentini, Rosemary (2011), “Apple’s iTunes ‘gouging’ Australians”, *news.com.au*, accessed 11 July:

<http://www.news.com.au/technology/apples-itunes-gouging-australians/story-e6ffro0-1226158569231>

<sup>6</sup> Productivity Commission (2011), *Economic Structure and Performance of the Australian Retail Industry*, p. 163.



largely the same features, the US product is priced at US \$149.99<sup>7</sup> but the Australian product costs AU \$209<sup>8</sup>.

Not all companies choose to put in place regional pricing strategies for online goods. Norton Antivirus software is an excellent example of a digital download product that is priced consistently between markets.

International price discrimination is legal but that does not mean it is fair. The internet has led to an increased awareness of the international price discrimination practiced by some companies. Consumers are now aware of price differences for products between different geographic regions but, individually, are able to do very little about it.

## 1.2 Can all Australians afford higher prices?

One argument used to justify the higher prices Australians pay for hardware and software is that we are able to pay more because of our higher standard of living and higher wages. But, evidence shows that many vulnerable Australians are struggling to pay for basics like rent and utility bills, suggesting that IT products may also be unaffordable for many people.

Hardware and software has become essential to participation in a modern society. A computer and additional software is often needed to search for a job and self-administration for government income support payments is being moved online. Australians who cannot afford high prices for IT products will be restricted in the way they participate in our increasingly digital economy.

The Australian Council of Social Services (ACOSS) has demonstrated that people receiving Commonwealth income support payments like the Newstart Allowance or the Parenting Payment “face a much higher risk of missing out on goods and services regarded as essential by the majority of people” and that these groups “face an average risk of multiple deprivation that is two to four times greater than that among Australian households generally.”<sup>9</sup> 50% of people receiving the Newstart Allowance have less than \$500 in emergency savings and 40% report being unable to pay utility bills.<sup>10</sup> Given that prices for hardware and software range from hundreds to thousands of dollars for basic products, it is likely that these products remain out of reach of many people receiving income support.

For tertiary students, hardware and software is essential to complete the requirements of their course. Most students will need access to a computer and word processing software and some will require subject specific software like Adobe or MYOB. Students who are financially independent struggle to afford necessities. The National Union of Students found that when it surveyed its members, 43% of respondents had been unable to afford internet and/or telephone access from their regular income in the last year.<sup>11</sup> A significant percentage of tertiary students struggled to pay for basics like rent, groceries and transport and often went without.<sup>12</sup> Again, this data indicates that significant purchases like a laptop or word processing software package would be unaffordable for many students, even when student discounts are applied. If students on limited budgets chose to purchase IT products, it seems

<sup>7</sup> Microsoft USA website, accessed 11th July: <http://office.microsoft.com/en-us/buy/>

<sup>8</sup> Microsoft Australia website, accessed 11th July: [http://office.microsoft.com/en-au/buy?WT.mc\\_id=ODC\\_enAU\\_Office\\_Buy](http://office.microsoft.com/en-au/buy?WT.mc_id=ODC_enAU_Office_Buy)

<sup>9</sup> ACOSS, (2012), *Who is missing out? Material deprivation and income support payments*, ACOSS Paper 187, [http://acoss.org.au/images/uploads/Missing\\_Out\\_2012\\_ACOSS.pdf](http://acoss.org.au/images/uploads/Missing_Out_2012_ACOSS.pdf) p. 13.

<sup>10</sup> Ibid, p. 11.

<sup>11</sup> Monnox, Chris (2011), *Student Income and Welfare Report 2011*, National Union of Students, Canberra p. 4.

<sup>12</sup> Ibid p. 6.

likely they would do so by going without other necessities which they already struggle to afford.

Not-for-profit organisations offer essential services to the most vulnerable in our society and any savings on IT products could be redirected to service delivery. Despite a number of programs aimed at addressing the cost of IT, the cost of hardware and software is a major concern for not-for profits. 32% of respondents to the Connecting Up survey into not-for-profit IT use stated they had old software that did not meet their needs but they could not afford to upgrade.<sup>13</sup>

Higher prices for IT hardware and software are detrimental to all Australian consumers but particularly so for those experiencing disadvantage. ACCAN is currently conducting research examining affordability issues that may provide further evidence of the impact of high prices on vulnerable consumers.

### 1.3 The impact of international price discrimination on small businesses

IT is a significant expense for small businesses and some products they rely on are priced at higher rates in Australia compared to other markets. This is detrimental when small businesses have little or no choice about which IT products they use as particular products are the only ones available or are part of an industry standard. This appears to be the case for Adobe products for many small businesses.

ACCAN consulted with our membership, which includes small businesses and organisations who represent them, finding that:

*“IT deployment costs vary according to business type. It can be expensive but is usually affordable... Technology importance varies once again by category. Farmers need GPS, motel owners don't. GPS is expensive ...Design software (Photoshop) and CAD products can be expensive. Adobe prices in general are high by comparison with other products”*

- Comment from Australian Regional Business Development Specialists, sourced through ACCAN consultation.

Adobe design products are “must-haves” for graphic designers, photographers and other creative professionals, many of whom work as independent contractors or as part of small businesses.

*“Adobe products are the industry standard in my profession (photography). In fact, from what I gather through working at a university, Adobe products are industry standard across a lot of disciplines (photography, graphic design, animation, television production to name a few). I have been using photoshop for over thirteen years and have tried other open source programs such as GIMP and Paint.net, but just can't handle the basic interface and lack of control over certain tools.”*

- Comment from Mr C, photographer and University lecturer, sourced through ACCAN consultation.

While alternatives to Adobe software are available they can be unsuitable for certain tasks. Adobe software is also taught as the only or the primary software for many professional

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<sup>13</sup> Connecting Up (2011), *Not For Profit – e-business report*, Connecting Up, Adelaide p. 13.

courses such as Billy Blue's design courses<sup>14</sup>, the Raffles graphic design course<sup>15</sup> and in universities.

*"Adobe is the industry leader in image editing and I guess digital creation. We supply students with 24hr access to computers that have the Adobe Master Collection on them. I'm sure some students try to use other programs to get through the digital imaging subjects, but it is highly recommended that they use what we're teaching, for obvious reasons."*

- Comment from Mr C, photographer and University lecturer, sourced through ACCAN consultation.

ACCAN examined the prices for Adobe small and medium business products from the US and Australian online stores in late June 2012. All products examined were available as digital downloads. Most products cost over 30% more in the Australian store.<sup>16</sup> The Adobe Acrobat X Suite, a standard product for many businesses, cost US \$1199 but AU \$1822.50, a \$623.50 difference assuming currency parity. Only one product, Adobe InCopy CS6, was priced at a similar level in the US and AU markets. Even low-cost packages, such as the Creative Cloud product which offers access to a range of products through a subscription model, had a 20% mark-up in the Australian store. A full break down of prices is available in appendix one.

Software has different economic properties to many other products. Due to compatibility issues, unless there are uniform standards allowing multiple software products to access and edit files from different programs, the value of software increases with the number of people using that product.<sup>17</sup> Market power then tends to reside in a few powerful organisations.

Adobe has significant market power due to its importance to creative industries. It also structures products in such a way that requires regular investment (through purchasing upgrades and linking products) that make the cost of switching to another piece of software more expensive. This market power would appear to allow Adobe to undertake international price discrimination to the detriment of Australian small businesses, many of whom have little choice about what product they are able to purchase.

## 1.4 Prioritising consumer protection

International price discrimination practiced by international companies is a difficult situation to deal with at a domestic level. Individual consumers and small businesses experience detriment when they cannot access alternative products. The Committee should explore solutions which will increase the ability of consumers to access a choice of products, which will encourage genuine competition and place downward pressure on prices.

ACCAN is aware of cases where Australians avoid high local costs for IT by purchasing from other markets.<sup>18</sup> This can lead to two concerning situations. Firstly, consumers can make a

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<sup>14</sup> Adobe software use is listed alongside Mac use as a basic computer skill for designers on the Billy Blue website: <http://www.billyblue.edu.au/courses/design-fundamentals/design-fundamentals/?searchterm=adobe>

<sup>15</sup> Adobe creative products are the common computer software used in graphic design, noted at: <http://www.raffles.edu.au/graphic-design-home/452-gaa>

<sup>16</sup> For the purpose of simplicity, analysis assumed parity between the Australian and US dollar. All prices examined were pre-GST in Australia, pre-state tax in the USA.

<sup>17</sup> Lehmann, Sonja and Peter Buxmann (2009), "Pricing strategies of software vendors", *Business and Information Systems Engineering*, 1(6) p. 453.

<sup>18</sup> For example, this consumer purchased US Adobe software in the USA for use in Australia: <http://ask.metafilter.com/187126/Getting-around-extortionate-software-pricing-in-Australia>



legal purchase in another country only to find that they are unable to activate the product or use all features of the product in Australia due to built-in geographic restrictions.

Secondly, consumers can purchase a product from an overseas market, use it in Australia but not be covered by Australian Consumer Law, risking problems if they need to seek a repair, refund or replacement.<sup>19</sup> Such a situation is incredibly frustrating for consumers who can clearly identify cheaper prices and are aware that in many cases the company they are purchasing the product from also operates in Australia. It is likely that many consumers will be unaware that their rights under Australian Consumer Law do not apply in these cases. Australian consumers are able to see and sometimes participate in the international market yet they are not protected when they do so.

The United Nations Guidelines for Consumer Protections makes clear that consumers must be able to obtain redress in a fair, inexpensive and accessible manner.<sup>20</sup> Currently Australian consumers who attempt to by-pass high prices for IT products in Australia are unable to obtain redress. Because of this, ACCAN recommends that:

- **The Australian Government encourages the development of international warranties, product repair and replacement rights through international trade agreements and discussions with international companies.**
- **The ACCC and consumer protection bodies undertake education campaigns to inform consumers about the limits of Australian Consumer Law for international purchases.**

## 2. IT for people with disability

There is a notable difference between prices in Australia and other markets for hardware and software designed for people with disability. For example, the Nokia LPS-5 Wireless Loopset, a mobile phone attachment for people with a hearing impairment, sells for US \$199<sup>21</sup> in the USA but AU \$299<sup>22</sup> in Australia. Another example is the Wireless DECT Telephone Headset Jabra PRO 9450 which allows people with Complex Communication Needs (CCN) to communicate using a mobile phone. This product sells for US \$279.95<sup>23</sup> in the USA but AU \$435<sup>24</sup> in Australia.

### 2.1 Evidence of Australians with disability paying higher prices

People with disability are acutely aware that they are paying more for some hardware and software products compared to people in the US, UK or other similar markets. ACCAN consulted with Blind Citizen's Australia (BCA) to get a sense of the problem from a users' perspective.

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<sup>19</sup> The Productivity Commission notes that "overseas online purchases are generally outside the scope of the Australian Consumer Law (ACL) provisions relating to warranties and refunds" and that in some cases consumers "may be unaware that they are not protected by consumer protection laws", Productivity Commission (2011), Economic Structure and Performance of the Australian Retail Industry, p.115.

<sup>20</sup> UN Department of Economic and Social Affairs (2003), *United Nations Guidelines for Consumer Protections*, United Nations, New York.

<sup>21</sup> Expansys, accessed 10<sup>th</sup> July: [http://www.expansys-usa.com/nokia-lps-5-wireless-loopset-hs-67wl-171353/?utm\\_source=google&utm\\_medium=shopping&utm\\_campaign=base](http://www.expansys-usa.com/nokia-lps-5-wireless-loopset-hs-67wl-171353/?utm_source=google&utm_medium=shopping&utm_campaign=base)

<sup>22</sup> Word of mouth technology, accessed 10<sup>th</sup> July <http://www.wom.com.au/category.php?id=45>

<sup>23</sup> (discounted from \$339.95) Headset Plus, accessed 10<sup>th</sup> July:

[http://headsetplus.com/product1356/product\\_info.html](http://headsetplus.com/product1356/product_info.html)

<sup>24</sup> Technical solutions Australia, accessed 10<sup>th</sup> July: <http://www.tecsol.com.au/PhoneHeadset-Multi.htm>

## **Selected comments from BCA members about the price of IT in Australia**

“Those of us who rely on computers with speech synthesisers and scanner/reading machines know that the prices charged in Australia are excessive, but feel that there is nothing we can do about it.”

“I buy my own technology myself and use my pension to pay for it and the cost as [another BCA member] said is just too prohibitive.”

“[The inquiry should emphasise] the costs of screen readers and the programming software. It is definitely a barrier to student, employees and volunteers. I have had one hell of a job getting access to different equipment such as software.”

ACCAN examined prices for disability equipment from Humanware, a company which sells accessible hardware and software in many countries including Australia, the USA, Canada, the UK and New Zealand. While recognising that product customisation and distribution for the Australian market can add additional costs to hardware, Humanware products are charged at an alarmingly high rate for Australian consumers compared to other markets. For example, the BrailleNote Apex BT 32 Braille Notetaker is a product that allows people with a visual impairment to take notes using the sensory language of Braille. Humanware USA sells the product for US \$6379, Humanware Canada sells it for CAD \$6995 and Humanware Australia sells the product for AU \$8750, \$2371 more than in the USA. ACCAN could not find another distributor that sold this product in Australia.

The Brailiant BI 32 (new generation) is another example of important technology sold at a higher rate in Australia. This product allows people with a visual impairment to have the information sighted-people view on a computer screen communicated to them in Braille or as a voice read-out. Humanware sells this product for US \$2595 in the USA, CAD \$2840 in Canada, £1885 in the United Kingdom and, again at the highest rate, for AU \$3450 in Australia - nearly \$1000 more than the USA price. A full outline of price differences for Humanware products is available in appendix two.

## **Further information**

People interested in learning about how Braille technology helps people with a visual impairment access computers and the internet should watch this video of Australian advocate Bruce Macguire demonstrating the technology:

<http://www.youtube.com/watch?v=G8HnmltcNkE>

## **2.2 The impact of higher prices on people with disability**

People with disabilities often face higher living costs because of special equipment required as a result of their disability yet they are less likely to be employed and more likely to depend on government income support.<sup>25</sup> As a result of low employment rates, people with disability are among the most disadvantaged in Australian society and significantly more likely to be living below the poverty line. Currently 793,000 people depend on the Disability Support

<sup>25</sup> National People with Disabilities and Carer Council, (2009), *Shut Out: The Experience of People with Disabilities and their Families in Australia*, Commonwealth of Australia, Canberra p. 34.



Pension (DSP) and receive up to \$695.40 a fortnight, adding up to just over \$18,000 a year.<sup>26</sup>

For a person receiving the maximum amount of the DSP, a BrailleNote Apex BT 32 Braille Notetaker would cost just under half of their total yearly income. The Brailliant BI 32 would cost about 20% of their total yearly income. Recent studies have shown that of the people receiving the DSP, 38% lack at least \$500 of emergency savings and 26% have recently been unable to pay utility bills.<sup>27</sup>

People with disability are significantly more likely to experience social isolation. Unlike other countries, there is no legislated right for people with disabilities to have access to technology they require for daily living that can assist them in participating in the community.<sup>28</sup>

The 2009 Shut Out report explained that in some cases employers were unwilling to employ a person with disability because of the perceived cost of making modifications or purchasing adaptive technology.<sup>29</sup> Unfortunately, the high cost of much disability related equipment means that potential employers, educational institutions and service providers may be able to claim 'unjustifiable hardship' under the Disability Discrimination Act 1992 and therefore attempt to legally refuse to hire, educate or provide services to people with disability.

One BCA member informed ACCAN of an example where, due to high costs, a student with disability went without new software and, as a result, fell behind in her studies:

*"Cost of the upgrade [for a piece of software] was phenomenal which a student is unable to afford. Had to get someone else to assist her to relay the information back to her. She has slipped 3 weeks behind the rest of the class."*

- Comment from Blind Citizen's Australia member.

It is not unreasonable to conclude that high prices for disability IT equipment has contributed to the high levels of unemployment experienced by people with disability and made social interaction and study more difficult. Any effort to align prices to the lower rates seen in other markets could play a role in increasing employment or social inclusion for this disadvantaged group.

### 2.3 How government public procurement policy can encourage fair pricing for disabled consumers

In most cases consumers lack any choice when shopping for disability specific hardware and software. As mentioned above, Humanware seems to be the only distributor of Braille note products in Australia. This is also the case for other disability specific pieces of hardware and software and is likely due to the fact that specialised equipment is aimed at a small section of the market in Australia, which is a small domestic market compared to the USA or UK.

One solution to reduce the cost of disability hardware and software is a government public procurement policy for IT products. Public procurement is the process used by governments to purchase products and services. An accessible IT procurement policy would require government to purchase IT equipment and services that everyone can use, including people with disability.

<sup>26</sup> Department of Human Services (2012), "Payment rates of Disability Support Pension", accessed 10<sup>th</sup> July <http://www.humanservices.gov.au/customer/enablers/centrelink/disability-support-pension/payment-rates-of-disability-support-pension> and ACOSS, (2012), *Who is missing out?* p. 7.

<sup>27</sup> ACOSS, (2012), *Who is missing out?*, p. 11.

<sup>28</sup> National People with Disabilities and Carer Council, (2009), *Shut Out*, p. 25.

<sup>29</sup> National People with Disabilities and Carer Council, (2009), *Shut Out*, p. 5.



If the government chose to put in place an accessible IT procurement policy it would be using its significant purchasing power to make it economical for suppliers to make more products available at more affordable prices to the wider Australian market. Similar procurement policies, such as the USA accessible IT procurement policy<sup>30</sup>, have also encouraged innovation, leading to the availability and lower pricing of more accessible IT products. In the long term, through reducing prices for accessible products in the Australian market, an accessible IT procurement policy would assist in removing barriers to employment, information and services for people with disability.

The Australian Government does not currently have a comprehensive public procurement policy for accessible ICT. This undermines Australia's commitment to its obligations under the United Nations *Convention on the Rights of Persons with Disabilities*; the Government's commitment to its own National Disability Strategy<sup>31</sup> and its commitment to its whole-of-government Social Inclusion Agenda.<sup>32</sup>

Based on the benefits of a public procurement policy for people with disability, ACCAN recommends that

- **the Committee encourages the Australian Government to adopt a whole-of-government e-Access and e-Inclusion IT procurement policy.**

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<sup>30</sup> United States Federal Communications Commission Access Board (FCC), (2008), S. 508, *Rehabilitation Act of 1974*, accessed 14<sup>th</sup> February 2011: <http://www.section508.gov/>

<sup>31</sup> Coalition of Australian Governments (2011), *2010-2020 National Disability Strategy*, Commonwealth of Australia, Canberra.

<sup>32</sup> Information about Australian Government Social Inclusion Agenda is available from <http://www.socialinclusion.gov.au/>



# Appendices

## 1. Adobe: Australia and USA price comparison.

These prices were recorded for digital download products from the Adobe Australia and USA stores in June 2012. All prices are in local currency. Price difference between Australian and US products assumes parity between the Australian and US dollar. Percentage is calculated as the difference between product mark-up (difference column) and Australian price.

### Adobe business pricing (small and medium business products)

Product	AU price	US price	Difference	Percentage
Acrobat X Pro	\$644.55	\$449.00	\$195.55	30.34%
Acrobat X Pro Upgrade	\$287.00	\$199.00	\$88.00	30.66%
Acrobat X Suite	\$1,822.50	\$1,199.00	\$623.50	34.21%
Acrobat X Suite Upgrade	\$1,215.00	\$799.00	\$416.00	34.24%
After Effects C S6	\$1,518.75	\$999.00	\$519.75	34.22%
After Effects C S6 Upgrade	\$267.30	\$175.00	\$92.30	34.53%
Audition C S6	\$531.90	\$349.00	\$182.90	34.39%
Audition C S6 Upgrade	\$114.75	\$75.00	\$39.75	34.64%
Authorware 7	\$4,554.90	\$2,969.00	\$1,585.90	34.82%
Authorware 7 Upgrade	\$606.15	\$399.00	\$207.15	34.17%
Captivate 5.5	\$1,215.00	\$799.00	\$416.00	34.24%
Captivate Upgrade	\$228.15	\$149.00	\$79.15	34.69%
Coldfusion 10 Enterprise Edition	\$12,766.61	\$8,499.00	\$4,267.61	33.43%
Coldfusion 10 Enterprise Upgrade	\$7,660.23	\$7,059.00	\$601.23	7.85%
Coldfusion Builder 2	\$405.00	\$299.00	\$106.00	26.17%
Coldfusion Builder 2 Upgrade	\$148.50	\$109.00	\$39.50	26.60%
Contribute CS5	\$303.75	\$199.00	\$104.75	34.49%
Contribute CS5 Upgrade	\$152.55	\$99.00	\$53.55	35.10%
Contribute Publishing Server 1.1	\$139.05	\$91.00	\$48.05	34.56%
Creative Cloud	\$62.99	\$49.99	\$13.00	20.64%
Creative Cloud yearly total	\$755.88	\$599.88	\$156.00	20.64%
Creative Suite 6 Design and Web Premium	\$2,886.30	\$1,899.00	\$987.30	34.21%
Creative Suite 6 Design and Web Premium Upgrade	\$571.05	\$375.00	\$196.05	34.33%
Creative Suite Design Standard	\$1,975.05	\$1,299.00	\$676.05	34.23%
Creative Suite Design Standard Upgrade	\$418.50	\$275.00	\$143.50	34.29%
Creative Suite Master Standard	\$3,948.75	\$2,599.00	\$1,349.75	34.18%
Creative Suite Master Standard Upgrade	\$797.85	\$525.00	\$272.85	34.20%
Creative Suite Production Premium	\$2,886.30	\$1,899.00	\$987.30	34.21%
Creative Suite Production Premium Upgrade	\$571.05	\$375.00	\$196.05	34.33%
Director 11.5	\$1,517.40	\$999.00	\$518.40	34.16%
Director 11.5 Upgrade	\$453.60	\$299.00	\$154.60	34.08%
Distiller Server 8	\$7,593.75	\$4,800.00	\$2,793.75	36.79%
Distiller Server 8 Upgrade	\$3,037.50	\$2,000.00	\$1,037.50	34.16%
Dreamweaver C S6	\$607.50	\$399.00	\$208.50	34.32%
Dreamweaver C S6 Upgrade	\$190.35	\$125.00	\$65.35	34.33%



Product	AU price	US price	Difference	Percentage
eLearning Suite 2.5 License	\$2,733.75	\$1,799.00	\$934.75	34.19%
eLearning Suite 2.5 License Upgrade	\$607.50	\$399.00	\$208.50	34.32%
Fireworks CS6	\$456.30	\$299.00	\$157.30	34.47%
Fireworks CS6	\$228.15	\$149.00	\$79.15	34.69%
Flash Builder 4.5 PHP Premium	\$1,147.50	\$799.00	\$348.50	30.37%
Flash Builder 4.5 PHP Premium Upgrade	\$430.65	\$299.00	\$131.65	30.57%
Flash Builder 4.5 PHP Standard	\$573.75	\$399.00	\$174.75	30.46%
Flash Builder 4.5 PHP Standard Upgrade	\$430.65	\$299.00	\$131.65	30.57%
Flash Builder 4.5 Premium Ed.	\$1,004.40	\$699.00	\$305.40	30.41%
Flash Builder 4.5 Premium Ed. Upgrade	\$70.88	\$49.00	\$21.88	30.87%
Flash Builder 4.5 Standard Ed.	\$357.75	\$249.00	\$108.75	30.40%
Flash Builder 4.5 Standard Ed. Upgrade	\$70.88	\$49.00	\$21.88	30.87%
Flash Media Interactive Service 4.5	\$6,697.35	\$4,500.00	\$2,197.35	32.81%
Flash Media Interactive Service 4.5 Upgrade	\$531.90	\$349.00	\$182.90	34.39%
Flash Media Streaming Server 4.5	\$1,512.00	\$995.00	\$517.00	34.19%
Flash Media Streaming Server 4.5 Upgrade	\$379.35	\$245.00	\$134.35	35.42%
Flash Professional CS6	\$1,063.80	\$699.00	\$364.80	34.29%
Flash Professional CS6 Upgrade	\$152.55	\$99.00	\$53.55	35.10%
Font Folio 1.1	\$683.10	\$450.00	\$233.10	34.12%
Font Folio 1.1 Upgrade	\$48.94	\$32.00	\$16.94	34.61%
FrameMaker 10	\$1,518.75	\$999.00	\$519.75	34.22%
FrameMaker 10 Upgrade	\$607.50	\$399.00	\$208.50	34.32%
FrameMaker Server 10	\$22,781.25	\$14,850.00	\$7,931.25	34.81%
FrameMaker Server 10	\$11,391.30	\$7,425.00	\$3,966.30	34.82%
FrameMaker Shared 8	\$3,021.30	\$1,989.00	\$1,032.30	34.17%
FrameMaker Shared 8 Upgrade	\$864.00	\$569.00	\$295.00	34.14%
Freehand MX	\$606.15	\$399.00	\$207.15	34.17%
Freehand MX Upgrade	\$149.85	\$99.00	\$50.85	33.93%
Illustrator C S6	\$911.25	\$599.00	\$312.25	34.27%
Illustrator C S6 Upgrade	\$379.35	\$249.00	\$130.35	34.36%
InCopy CS6	\$249.00	\$249.00	\$0.00	0.00%
InCopy CS6 Upgrade	\$69.19	\$45.00	\$24.19	34.96%
InDesign C S6	\$1,063.80	\$699.00	\$364.80	34.29%
InDesign C S6 Upgrade	\$190.35	\$125.00	\$65.35	34.33%
J Run 4	\$1,364.85	\$899.00	\$465.85	34.13%
J Run 4 Upgrade	\$757.35	\$499.00	\$258.35	34.11%
PageMaker 7.0	\$803.25	\$499.00	\$304.25	37.88%
Photoshop C S6	\$1,063.80	\$699.00	\$364.80	34.29%
Photoshop C S6 Extended	\$1,518.75	\$999.00	\$519.75	34.22%
Photoshop C S6 Extended Upgrade	\$607.50	\$399.00	\$208.50	34.32%
Photoshop C S6 Upgrade	\$303.75	\$199.00	\$104.75	34.49%





<b>Product</b>	<b>AU price</b>	<b>US price</b>	<b>Difference</b>	<b>Percentage</b>
Photoshop Elements 10	\$135.00	\$100.00	\$35.00	25.93%
Photoshop Elements 10 & Premier Elements 10	\$202.50	\$150.00	\$52.50	25.93%
Photoshop Elements 10 & Premier Elements 10 Upgrade	\$162.00	\$120.00	\$42.00	25.93%
Photoshop Elements 10 Upgrade	\$108.00	\$80.00	\$28.00	25.93%
Photoshop Lightroom 4	\$187.00	\$149.00	\$38.00	20.32%
Photoshop Lightroom 4 Upgrade	\$98.75	\$79.00	\$19.75	20.00%
Premier Elements 10	\$135.00	\$100.00	\$35.00	25.93%
Premier Elements 10 Upgrade	\$108.00	\$80.00	\$28.00	25.93%
Premier Pro C S6	\$1,215.00	\$799.00	\$416.00	34.24%
Premier Pro C S6 Upgrade	\$228.15	\$149.00	\$79.15	34.69%
Presenter 7	\$976.05	\$500.00	\$476.05	48.77%
RoboHelp 9	\$1,518.75	\$999.00	\$519.75	34.22%
RoboHelp 9 Upgrade	\$607.50	\$399.00	\$208.50	34.32%
RoboHelp Server 9	\$3,037.50	\$1,999.00	\$1,038.50	34.19%
RoboHelp Server 9 Upgrade	\$1,518.75	\$999.00	\$519.75	34.22%
Technical Communication Suite 3.5	\$2,374.00	\$1,899.00	\$475.00	20.01%
Technical Communication Suite 3.5 Upgrade	\$124.00	\$99.00	\$25.00	20.16%
Visual Communicator 3	\$606.15	\$399.00	\$207.15	34.17%
Visual Communicator 3 Upgrade	\$226.80	\$149.00	\$77.80	34.30%
<b>TOTALS</b>	<b>\$145,827.80</b>	<b>\$98,425.87</b>	<b>\$47,401.93</b>	<b>32.51%</b>



## 2. Prices for Humanware products in Australia compared to other markets

Prices sourced from Humanware USA, CA and UK sites July 2012. Australian prices sourced from Humanware AU site or Australian customer support (where prices were unavailable online). All prices are in local currency.

Price difference between Australian and US products assumes parity between the Australian and US dollar. Percentage is calculated as the difference between product mark-up (difference column) and Australian price.

Product	OZ price	US price	Difference	Percentage	Canada	UK
BrailleNote Apex BT 18 Braille Notetaker	\$5,850.00	\$4,529.00	\$1,321.00	22.58%	\$4,980.00	
BrailleNote Apex BT 32 Braille Notetaker	\$8,750.00	\$6,379.00	\$2,371.00	27.10%	\$6,995.00	
BrailleNote Apex QT 18 Braille Notetaker	\$5,850.00	\$4,529.00	\$1,321.00	22.58%	\$4,980.00	
BrailleNote Apex QT 32 Braille Notetaker	\$8,750.00	\$6,379.00	\$2,371.00	27.10%	\$6,995.00	
Brailliant BI 32 (NEW generation)	\$3,450.00	\$2,595.00	\$855.00	24.78%	\$2,840.00	£1,885.00
Brailliant BI 40 (NEW generation)	\$3,983.00	\$2,995.00	\$988.00	24.81%	\$3,240.00	£2,250.00
DeafBlind Communicator 18 cell	\$6,750.00	\$6,379.00	\$371.00	5.50%		
DeafBlind Communicator 32	\$9,150.00	\$8,239.00	\$911.00	9.96%		
myReader2 video magnifier	\$5,144.00	\$4,595.00	\$549.00	10.67%	\$4,995.00	£3,295.00
SmartView 360 video magnifier	\$2,290.00	\$2,195.00	\$95.00	4.15%	\$2,395.00	£1,675.00
SmartView Graduate video magnifier	\$2,788.00	\$1,989.00	\$799.00	28.66%	\$2,525.00	
SmartView Synergy PI 20" video magnifier with standard control	\$3,750.00	\$2,695.00	\$1,055.00	28.13%	\$2,965.00	£1,295.00
SmartView Synergy PI 23" video magnifier with standard control	\$3,990.00	\$2,995.00	\$995.00	24.94%	\$3,295.00	£1,595.00
SmartView Synergy SI desktop magnifier with advanced control	\$4,475.00	\$3,395.00	\$1,080.00	24.13%	\$3,595.00	
SmartView Versa + handheld electronic magnifier	\$947.50	\$925.00	\$22.50	2.37%	\$995.00	£440.00
SmartView Versa handheld electronic magnifier	\$707.50	\$595.00	\$112.50	15.90%	\$655.00	£375.00
Victor Reader Stratus12 M Daisy MP3 player	\$475.00	\$455.00	\$20.00	4.21%	\$475.00	£275.00
Victor Reader Stream SoftPak	\$65.00	\$49.00	\$16.00	24.62%	\$49.00	£40.00
VoiceNote Apex BT	\$2,850.00	\$2,049.00	\$801.00	28.11%	\$2,255.00	
VoiceNote Apex QT	\$2,850.00	\$2,049.00	\$801.00	28.11%	\$2,255.00	