



Dear Sir or Madam:

Please accept this submission to the "Inquiry into IT Pricing".

In summary I would like to object to the practices that IT companies where they sell items to the Australian public at inflated prices, often as much as twice the price. They also restrict the sale of items geographically such that you cannot buy the items over the internet at the cheaper US price.

For example on Apple iTunes this week I purchased some songs at \$2.19 each such a "Jar of Hearts". When I check on the US iTunes site I can see the same song on sale at \$0.99 USD. The other songs were priced at \$2.19 AUD and corresponding \$1.29. At today's exchange rate of \$1 AUD to \$0.97 USD, the track at \$0.99 USD should have only cost \$1.02 AUD and the track at \$1.29 USD should have only cost \$1.33.

When comparing other items I can see the main price differentials at Apple are with movies and music, most other things are just a little more expensive. There is even a discrepancy when looking at album prices and songs within an album. For example, "Never Let Me Go" from the album "Ceremonials" is 65% more expensive for the single track, yet the album that it is from is 49% more expensive.

When you look at the entire Apple lineup we can see that they do not have a uniform exchange rate across products. Why should an iMac be 13% more expensive, yet the iPad is only 5% more expensive?

When we look at Adobe Photoshop, it is a whopping 62% more expensive in Australia. When we compare this to Apples software prices which are more in line being about 2% more expensive.

Item	US Price	Equivalent AU Price	Actual AU Price	Mark Up
iTunes "Jar of Hearts"	0.99	1.02	2.19	115%
iTunes "Never Let Me Go" from Ceremonials Album	1.29	1.33	2.19	65%
iTunes "Ceremonial" Album	14.99	15.45	22.99	49%
App store "TriggerTrap"	9.99	10.30	10.49	2%
iMac	1199	1236.08	1399	13%

iPad	499	514.43	539	5%
iTunes TV shows	2.99	3.08	3.49	13%
iTunes movie rental	3.99	4.11	6.99	70%
Adobe Photoshop	699	720.62	1168	62%

Yours faithfully